



Casualty Damage

What Now? What Could We Have Done?

Richard Bouvier, CIC
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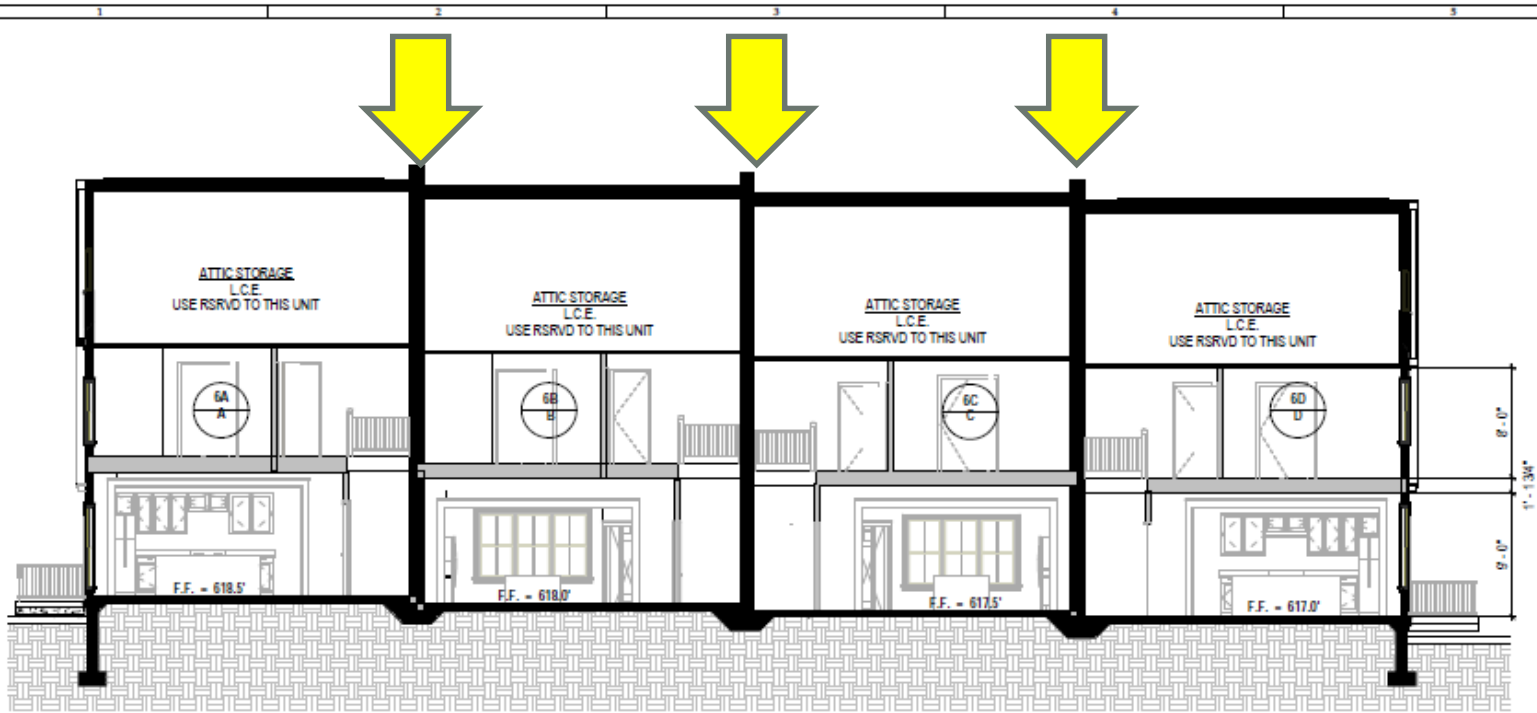
October 23, 2014



Required Insurance Coverage

- Property Insurance – CIOA Sec. 47-255
 - Property Covered
 - Common Elements
 - Units (unit owner improvements and betterments)





BUILDING SECTION N15

Units separated by vertical boundaries

SQUARE FOOTAGE
 TOTAL UNIT A = 2,606 S.F.
 TOTAL UNIT B = 2,294 S.F.
 TOTAL UNIT C = 2,294 S.F.
 TOTAL UNIT D = 2,606 S.F.

ALL S.F. TAKEN TO INSIDE FACE OF STUD.
 ALL DIMENSIONS TAKEN TO INSIDE FACE OF STUD

L.C.E. = LIMITED COMMON ELEMENT
 C.L. = CENTERLINE

LEGEND

- EXTERIOR WALL UNIT BOUNDARY
- INTERIOR WALL
- BORDER OF LIMITED COMMON ELEMENT
- EXTERIOR FACE OF FOUNDATION WALL
- UNIT NUMBER
- UNIT TYPE



I hereby certify that these plans contain all of the information required of plans under Section 47-22B of the Connecticut Common Interest Ownership Act

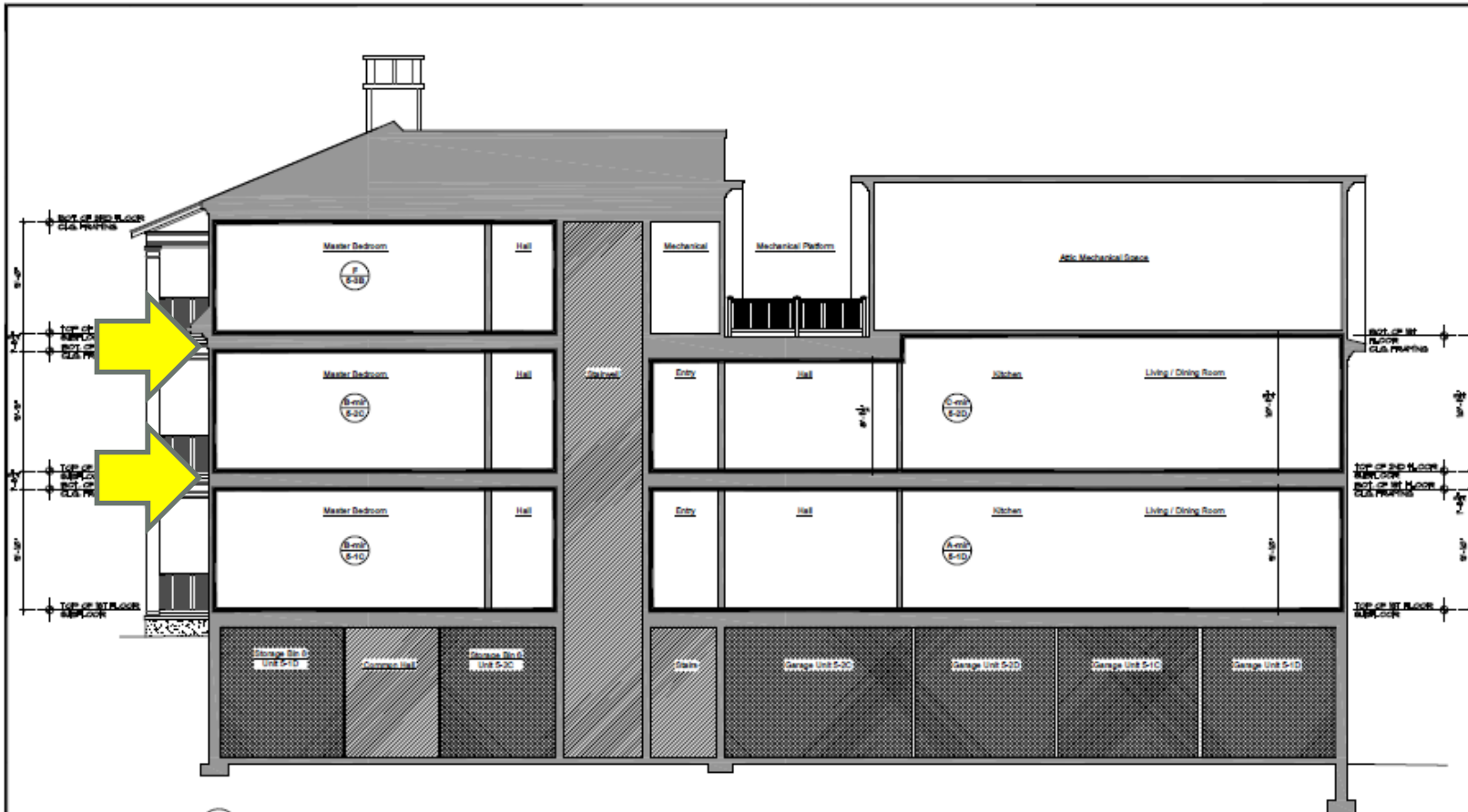
Douglas P. Kalfetz, AIA License # 3000X

The word "certify" is understood to be an expression of professional opinion which is based on the best knowledge, information, and belief of the professional, as such it is neither a guaranty or warranty.



TITLE T.B.D.
 STORERS, CT

JOB #	1025
DATE	06/26/2014
SCALE	As Indicated
<p>BUILDING SECTIONS</p>	
SHEET NO. OF TOTAL SHEETS	5



1
A114
Diagrammatic Section
Sheet 1 of 14

Units separated by horizontal boundaries

LEGEND

- UNIT TYPE
TIERED PLAN INDICATED
WITH "X" AND "E-13B"
- UNIT LABEL
- LIMITED COMMON ELEMENT
USE RESERVED FOR
UNITS IN BUILDING
- LIMITED COMMON ELEMENT
USE RESERVED TO UNIT SERVED

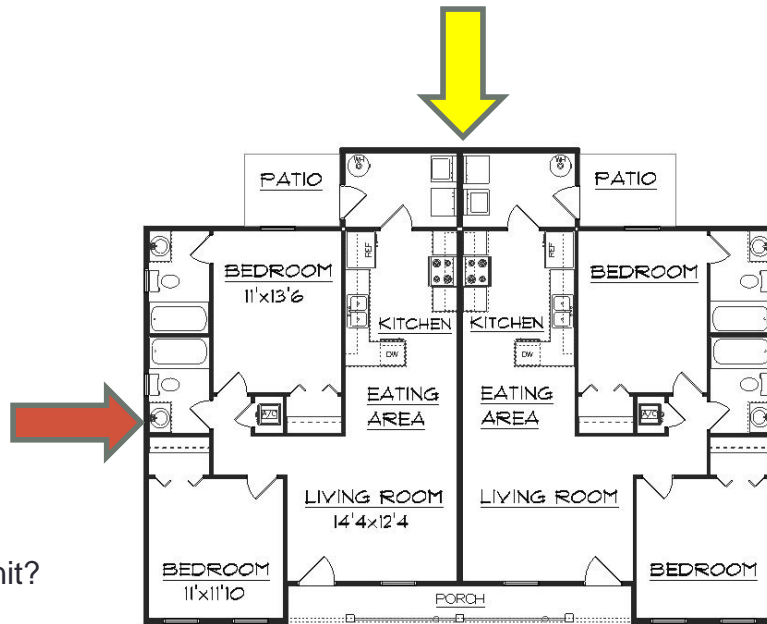


THE UNDERSIGNED DESIGNER HEREBY CERTIFY THAT THESE PLANS CONTAIN ALL OF THE INFORMATION REQUIRED OF PLANS BY SECTION 47-228 OF THE CONNECTICUT COMMON INTEREST OWNERSHIP ACT.

TACHIAS J. DEGRAW R.A. 15-425

THE WORD "CERTIFY" IS UNDERSTOOD TO BE AN EXPRESSION OF PROFESSIONAL OPINION WHICH IS BASED ON HIS BEST KNOWLEDGE, INFORMATION AND BELIEF, AS SUCH IT CONSTITUTES NEITHER A GUARANTEE OR WARRANTY.

<p>DECLARATION PLANS DATE: OCT. 03, 2014 PROJECT: THE LEYLAND MID-RISE FLATS STORMS, CT 06268</p>	<p>NOT FOR CONSTRUCTION</p>
<p>Owner: _____ Date: _____ Drawn: _____ Checked: _____ Title: _____</p>	<p>Owner: _____ Date: _____ Drawn: _____ Checked: _____ Title: _____</p>
<p>Mid-Rise Flats at Storms Center</p> <p>Owner: The Leyland Diagrammatic Section</p> <p>Storrs Center/Storms Storrs, CT 06268</p>	
<p>DEGRAW DEHAAN ARCHITECTS</p> <p>1000 WEST STREET STORRS, CT 06268 TEL: 860.251.1111 WWW.DGDDA.COM</p>	
<p>Project: The Leyland Mid-Rise Flats Storrs, CT 06268</p>	
<p>Diagrammatic Section</p>	
<p>Sheet: _____</p>	<p>Date: 10/03/14 Drawn By: TJD Checked By: CDB Drawing No: A114 1 of 14</p>



Are walls common element or part of unit?

Required Insurance Coverage

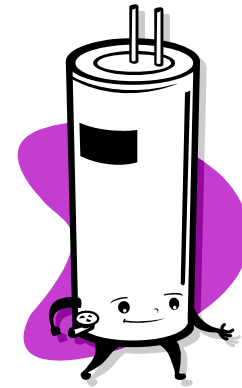
- Property Insurance – CIOA Sec. 47-255
 - Property Covered
 - Common Elements
 - Units (unit owner improvements and betterments)
 - Risks Covered
 - “direct risks of physical loss commonly insured against”
 - Amount of Coverage
 - 80% of actual cash value at inception and renewal
 - “Reasonable Deductible”



Other Required Insurance

- Commercial General Liability
- Fidelity Coverage
- Flood Insurance

The Casualty Occurs



The Casualty Occurs

- Association is obligated to repair and replace
- Collecting the insurance
 - Master policy is primary – not exclusive
 - HO-6 unit owner policy
- Claims process overview



Collecting Deductibles and Other Shortfalls

- Association cost of repair and replacement is common expense.
- Must allocate common expense to all unit owners (subject to exceptions under 47-255(c)(2) if so provided in declaration).
- Cannot simply charge deductible to non-negligent unit owner.
- If maintenance standard is adopted then can charge at-fault unit owner the deductible and shortfall.
- No master policy subrogation.
- Common law negligence liability -
 - To association – but contrary view under 47-255(e)
 - To other unit owner HO-6

Typical HO-6 Unit Owner Provision

COVERAGE A - DWELLING

1. We cover:

- a. The alterations, appliances, fixtures and improvements which are part of the building contained within the "residence premises";
- b. Items of real property which pertain exclusively to the "residence premises";
- c. Property which is your insurance responsibility under a corporation or association of property owners agreement; or
- d. Structures owned solely by you, other than the "residence premises," at the location of the "residence premises."

Typical HO-6 Unit Owner Provision

8. Loss Assessment.

- a. We will pay up to \$1,000 for your share of loss assessment charged during the policy period against you, as owner or tenant of the "residence premises", by a corporation or association of property owners. The assessment must be made as a result of direct loss to property, owned by all members collectively, of the type that would be covered by this policy if owned by you, caused by a Peril Insured Against under Coverage A, other than:
 - (1) Earthquake; or
 - (2) Land shock waves or tremors before, during or after a volcanic eruption.

Damage only to Common Elements

Repair Cost	\$ 200,000.00	
Deductible	\$ 10,000.00	
Available Proceeds	\$ 190,000.00	
		Common Elements
Repair Cost	\$ 200,000.00	\$ 200,000.00
Percentages		100%
Shortfall	\$ 10,000.00	\$ 10,000.00
Funded by		Unit Owners Loss Assessment or Reserves

Damage only to Unit

Repair Cost	\$ 75,000.00	
Deductible	\$ 10,000.00	
Available Proceeds	\$ 65,000.00	
		Unit D
Repair Cost	\$ 75,000.00	\$ 75,000.00
Percentages		100%
Shortfall	\$ 10,000.00	\$ 10,000.00
Funded by		Unit D HO-6 Coverage A

Damage to Common Elements and Units

Repair Cost	\$ 200,000.00				
Deductible	\$ 10,000.00				
Available Proceeds	\$ 190,000.00				
		Common Elements	Unit A	Unit B	Unit C
Repair Cost	\$ 200,000.00	\$ 200,000.00	\$ 75,000.00	\$ 75,000.00	\$ 50,000.00
Percentages		100%	38%	38%	25%
Shortfall	\$ 10,000.00	\$ 10,000.00	\$ 3,750.00	\$ 3,750.00	\$ 2,500.00
Funded by		Unit Owners Loss Assessment or Reserves	Unit A HO-6 Coverage A	Unit B HO-6 Coverage A	Unit C HO-6 Coverage A

Questions?

 EDWARD S. HILL, ESQ.
cappalli&hill, llc

 **BOUVIER**
INSURANCE