

Condo Insurance & Repairs

Insurance Requirements

The Baxter Corporation is required by the Condominium Act and our Corporate Declaration to maintain insurance for damage to common elements and units caused by major perils (fire, smoke, water, vandalism, etc.). The extent of repair to owners' units is limited to that described as a "standard unit" in our by-laws (By-law 7). The "standard unit" excludes any upgrades made to the unit by the builder or subsequent owners, such as flooring, cabinets, wall coverings and lighting. The Baxter is currently insured through Atrons-Counsel by Novex Insurance for \$56,913,000.00 with a \$25,000 deductible for standard, sewer backup, water, flood damage.

Owners are required to maintain their own insurance to cover unit upgrades, contents and personal liability. In addition, if the suite is rented the renters should obtain insurance for contents and hotel accommodation if needed during the unit restoration. The amount of coverage and the level of deductibility is at the owners' discretion but owners should ensure that their policy covers the corporation's \$25,000 deductible as they can be liable for it if their unit was determined to be the cause of the peril.

In the Event of an Emergency

In the event of a major incident (fire, water exposure, etc.) the immediate action is to deal with the emergency. This might include calling the Fire Department or turning off the water and then notifying the Security Desk of the nature of the incident. Once the immediate threat has been dealt with, a number of activities kick in;

1. Property Management will determine the extent of the damage and identify which units have been impacted.
2. Impacted owners will be notified and advised to contact their insurance company. Always look to your insurance company for advice on how you should proceed.
3. Property Management will call in a restoration company to deal with the immediate clean up. This most often involves opening up areas in order to dry water damaged components before mold can set in. This must be completed before repairs can be considered.
4. Working with the Baxter's insurance company, Property Management will assess the extent of the damage, contact contractors for quotes to restore the common areas, obtain approvals and commence the restoration.
5. The restoration of individual units depends largely on the extent of the damage. If it is only a matter of restoring back to a "standard unit", then the Property Manager will oversee that. In many cases, though, there are upgrades involved. In that case the unit owner's insurance will assign an adjuster to assess the damaged upgrades and work with the homeowner (schedule the professional trades/suppliers) until repairs are completed.
6. The insurance companies will work out amongst themselves who is paying for what. If properly insured, your maximum liability will likely be your deductible. If your unit was the cause of the incident (e.g. your washing machine overflowed), the Baxter will look to you/your insurance to recover the \$25,000 deductible (should be covered under your Liability Insurance).

The time it takes to complete the above is difficult to predict because of the number of parties involved and the need to get quotes and approvals. What the Baxter will endeavour to do is to keep affected unit owners apprised of the timeline and status of the repairs.