LBC
Lloyd Bedford Cox, Inc.
Insurance Since 1921

Purchasing Condominium and Cooperative Insurance

Purchasing Condominium and Cooperative insurance is not complicated. Focus should be placed on three basic elements: 1. Additions & Alterations (A&A), 2. Personal Property (PP) and, 3. Liability.

When purchasing a condo or coop, your mortgagee will require evidence that the building has insurance. A simple binder from the association will often suffice. This, however, does not mean that you are personally protected for your unit, your possessions and your personal liability. The number of NYC apartment owners that go unknowingly without insurance or with inadequate limits is staggering. Let's focus on the three elements:

1. Additions & Alterations (A&A) - A&A refers to the improvements and betterments within the unit shell, e.g. kitchen and bathroom fixtures, hardwood floors, woodworking, lighting, plastering, wallpapering, tile and painting, etc. The insurance clause within a cooperative proprietary lease or condominium bylaws will dictate the building's responsibility for your A&A, if any. The unit holder should assume 100% of the A&A responsibility until proven otherwise. Work with your agent or broker to establish a reasonable starting point, then try to select an insurer who will further evaluate that for you, ideally via an appraisal of your unit.

2. Personal Property (PP) – PP is simply your personal belongings – the movable property that you bring to your apartment. Examples include furniture, clothing, audiovisual systems, electrical components and other accessories. Please note that special categories like jewelry, silverware and furs should be handled separately under a valuable articles policy. Lastly, be sure that the carrier's contract contains a cash settlement option for your PP. This ensures that you will be paid in cash for your lost or damaged PP regardless of whether you replace the items. This gives you significant flexibility and can expedite the claim process.

3. Personal Liability – Liability protects the apartment owner for their legal costs and obligations due to negligence. Examples include bodily injury, certain property damage to adjacent units and personal injury liability, such as libel, slander and defamation of character. This is often the least costly part of the policy, so you should consider buying the maximum limit available.

LBC, is an independent insurance agency founded in 1921 with offices in New York City and Bedford Hills, NY. The firm specializes in providing comprehensive insurance coverages and personal, customer service for affluent individuals and families. We employ our unique Coverage Assessment Process and Renewal Solutions Review to identify and eliminate potentials risks, exposures and gaps in coverage. LBC works closely with your other trusted advisors like financial planners, accountants and attorneys to ensure that your financial assets and personal property are properly protected.

AIG CHUBB® pure INSURANCE

Main Office
2 Depot Plaza, Suite 301
PO Box 476
Bedford Hills, NY 10507

Manhattan Office
415 Madison Avenue
Suite 1515
New York, NY 10017

LBC
Lloyd Bedford Cox, Inc.

(914) 666-5121

www.lbcinc.com