



## Learn more about the Real Estate Branch (REB) of the Department of Commerce and Consumer Affairs

Check out the REB website [www.hawaii.gov/hirec](http://www.hawaii.gov/hirec) for more information and some frequently asked questions.

- What services does the REB provide to the condominium community?
- Where can I get help with association disputes?
- What laws apply to my condominium association?
- How do I get a copy of my association documents?
- How do I obtain a real estate license?
- What are the laws and rules for real estate licensees?

## Real Estate Branch

### About Us

The Real Estate Branch, as part of the Professional and Vocational Licensing Division, assists the Real Estate Commission in carrying out its responsibility for the education, licensure and discipline of real estate licensees; registration of condominium projects, condominium associations, condominium managing agents, and condominium hotel operators; and intervening in court cases involving the real estate recovery fund.

### Subscribe

Receive emails on relevant condominium educational materials. Sign up now at <http://cca.hawaii.gov/reb/subscribe/>

### Contact Us

Condominium Hotline: 1-844-808-DCCA (3222), Ext #1 then #8  
Hours: 9:00 AM – 3:00 PM  
Email: [hirec@cca.hawaii.gov](mailto:hirec@cca.hawaii.gov)  
Web: [www.hawaii.gov/hirec](http://www.hawaii.gov/hirec)

*This brochure is for informational purposes only and not intended for the purpose of providing legal advice. Information provided is subject to change.*



**CONDOMINIUM:  
TYPES OF CONDO  
INSURANCE POLICIES**  
Real Estate Branch  
335 Merchant Street #333  
Honolulu, HI 96813

## CONDOMINIUM: TYPES OF CONDO INSURANCE POLICIES

*Real Estate Branch  
Department of Commerce and  
Consumer Affairs*

*May 2020*



Condos generally have four types of basic condo policies depending on who purchases the policy. Other policies are also available including but not limited to rental owner, flood, hurricane, earthquake, and additional liability.

Policies require that insureds take steps to mitigate damages following a loss and promptly notify carriers of a loss that may be covered by insurance. Failure to mitigate damages or timely notify insurers of a loss may affect coverage and result in denials of claims.

## **Condo Association Policy**

This policy is commonly referred to as the master policy. It covers the building structure, common areas, and the original "as built" individual unit construction. Examples of "as built" include the original flooring or carpet or particle board cupboards. It covers building property damage due to physical loss or specific perils to the structure, common areas, and usually the unit construction. This policy is ordinarily deemed the primary policy.

This policy also covers business property owned by the association and liability coverage for property damage and bodily

injury for which the association may be responsible due to negligent acts arising from operations or occurring on its property.

Most associations have large deductibles that may be assessed against owners based on the governing documents or board policy.

Unless the declaration or bylaws state otherwise, by law, associations must purchase property insurance, commercial general liability insurance, a fidelity bond, and directors and officers liability insurance.

## **Condo Home Owner Policy**

This policy is commonly referred to as an HO6 and covers property damage due to direct physical loss or specific perils of the individual unit. It covers building damage to original "as built" unit construction and improvements. Most policies deem this building coverage as excess coverage to the primary/master policy.

Depending on the policy purchased, this policy can cover association deductible assessments against a unit, additional living expenses due to displacement caused by a loss, personal property, and

liability coverage for the insured for property damage and bodily injury. Liability claims do not need to arise from the unit use or occupancy to be covered.

While this policy is not required by law, it may be required by a mortgage or financing company or the condo association for losses that are not covered under the association policy.

## **Condo Renters Policy**

This policy is often referred to as an HO4 and covers personal property owned by the insured, additional living expenses due to displacement caused by loss, and liability coverage for property damage and bodily injury. Liability claims do not need to arise from the unit use or occupancy to be covered.

## **Condo Rental Unit Owner Policy**

This policy has coverage for building property damage, business personal property, loss of use/income, and liability due to the operations of the rental unit business or arising on the rental premises itself.

Check with insurance professionals regarding insurance or the DCCA Insurance Division at (808) 586-2790.