

HIGH-RISE HELP



SHOW CONDO OWNERS THAT THEIR COVERAGE IS JUST AS VALUABLE AS THE VIEW.

Long after they've closed the deal and unpacked the last box, condo owners still have work to do. A real estate agent may have found the best neighbourhood or a stellar view, but owners need an insurance broker's ongoing support as they confront coverage questions, myths and misconceptions about condo insurance. New research from RSA Canada shows just where brokers can lend a hand—no heavy lifting required.

GIVE ME SHELTER

The good news? Condo owners are covered:

82% of condo owners have purchased standalone condo coverage

WHY?

81% want peace of mind

51% say it's mandatory

51% can't afford to replace lost or damaged items on their own

How to help

A condo represents the biggest investment for the 12% of Canadians who own one. Watch for specific coverage needs for millennials, who represent 19.8% of condo owners—they might store expensive bicycles or other items in underground storage units. Seniors make up 26.1% of condo owners—they may have jewelry or costly upgrades to consider.

About the survey

RSA Canada conducted the study in partnership with Rogers Media Inc. between November 7 and 11, 2016. The online survey collected information from 105 condo owners (between the ages of 18 and 49) with condo insurance.

NOT A SURE THING

Most have high expectations:

65% agree* that their condo insurance "covers all conceivable problems," while 13% "aren't sure" that it does.

Any confusion can be costly, especially if a serious incident damages or destroys their property:

57%† believe their condo corporation will cover them in case of a fire or flood, while 16% aren't sure.

How to help

Water damage is the leading cause of property loss in 2016‡, and owners might be on the hook for damages or even the condo's deductible, if their appliances cause flooding. RSA's water damage tip sheet shows owners how they can prevent burst pipes or other water losses in their own units and others.

www.rsabroker.ca/water

EASE COVERAGE CONFUSION

Though some have a good idea of what's covered—the majority point to theft, replacement costs and liability—

14% aren't sure exactly what their condo policy protects. And, many are still confused about the coverage scope and what sets it apart from tenant's insurance:

22% agree "strongly" that they understand their coverage

29% either disagree or "aren't sure" that they understand it

37% agree§ that "condo and tenant insurance basically cover the same thing"

How to help

Clarify coverage for owners—remind them that thefts from lockers are also covered under most policies.

PARTY ROOM PROBLEMS

Condo owners are divided on who's responsible for a slip and fall or driving under the influence (DUI) charge if they host a party:

13% say the insurance company is liable

25% aren't sure

43% say they're responsible, if the insurance is in their name

How to help

Remind condo owners of the importance of loss assessment coverage to ensure that they are protected in claims involving the building or its common areas.

PRICING PEACE OF MIND

Owners know what their property is worth. But what about their coverage?

25% "definitely" see the value of condo insurance
55% "hopefully" see it
13% aren't sure of the value
7% are "skeptical" of it

How to help

Sales of high-end condos—worth \$1 million and up—are rising in cities like Toronto, Vancouver and Montreal.¶ Show owners the potential costs associated with a damage or a liability claim versus the annual cost of a policy.

1-800-BROKER

Many condo owners chose a broker because:

36% wanted to reach out for advice
33% wanted to work with a person, not a computer
30% got the best rate through a broker
24% their parents recommended they use one

How to help

Keep condo policy customers up-to-date on coverage issues and offer them different ways—by phone, online or in person—to reach you with questions or concerns.

* Either "strongly agree" or "somewhat agree"

† Either "strongly agree" or "somewhat agree"

‡ The Insurance Bureau of Canada (2016) Fact Book 2016

§ Either "strongly agree" or "somewhat agree"

¶ Re/max (2015) Spotlight on Luxury