

Insuring Owner's Contents Vs. Body Corporate Contents

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Most insurance policies that are tailored for community living needs provide a limited amount of cover for the owned loose assets of the body corporate or Homeowners Association (HOA). It is not unusual for the body corporate or HOA to have an office, gate, guardhouse, clubhouse, common area library, laundry or entrance lobby either manned by employees or not.

These areas can be furnished and may even have office equipment and leisure equipment items, e.g. books, stationery, games and gym equipment. These loose assets enjoy cover for insured events or perils, up to the amount specified in the policy (usually around R100 000).

Theft cover for these common property content items is usually more limited in amount to around R15 000, depending on the policy benefits provided. It is widely accepted that any items with individual value in excess of theft limits should be more specifically covered on an 'all risk specified' basis to include theft risk, should wider cover be required. It is important that the asset inventory falls within these cover limits to avoid any shortfalls in cover in the event of any claims.

An individual owner's private contents and loose assets (including motor vehicles, cycles, trailers and leisure craft) are NOT insured by the body corporate policy. All privately owned loose assets (furniture, loose rugs, linen, curtains, electronic equipment items, crockery, cutlery, groceries, jewellery, clothing and personal effects, etc.) should be insured by the unit owner or their tenant by way of private policy in own personal name.

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