

Condominium Home Owners' Association

Serving BC's Strata Property Owners since 1976

Bulletin: 300-197

Condo Smarts

Headline: Insurance best course for golf-ball problem

Topic: Insurance and bare-land strata corporations

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Dear Condo Smarts: Your last column on pools and liability was very timely for our strata, but we have a bit of a twist.

What happens when the damage or liability is caused to a homeowner?

We live in a bare-land strata that operates a golf course threaded through our community. Needless to say our residents, visitors, the cars, homes and personal property have been damaged by errant golf balls.

In one year alone we replaced our living room window five times. Do the owners have any protection? Do we get any recourse on the golf course?

-- Keith Jordan

Dear Keith: There are no special exemptions from liability for strata owners.

Everyone in the strata, including the corporation, could potentially be liable, especially considering the golf course is owned by your strata.

In a bare-land strata, the strata corporation has no insurable interest in buildings not shown on the strata plan. The result is, the strata does not insure your home. You do.

There are two basic types of insurance coverage in strata corporations.

First, there is the policy of the strata corporation, which covers the strata corporation liability against property damage and bodily injury, directors' and officers' liability, and all perils (such as flood and fire) that protect the common property and the common assets.

Second, there is the homeowner/tenant/landlord insurance policy. This covers the liability against property damage and bodily injury, and covers the personal assets and betterments made by strata-lot owners.

Homeowner policies are critical to protect your individual exposure to claims with high deductibles made against the strata corporation, such as injury lawsuits, earthquake claims and damage caused by your residents or tenants.

Your homeowner insurance can be written to cover underinsured amounts and the costs of deductible amounts, reducing your personal risks.

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