**Solving the Condo Insurance Problem**

October 1, 2025

**Problem**:

In cases of a Loss that originates in a Unit, the Unit Owner is responsible ONLY for the Condo Association’s deductible to a maximum of (currently) $10,000.[[1]](#footnote-1) This means that the remainder of the loss will be paid for by the Association’s Property Insurance carrier, from the Association’s operating funds, or by special assessment of all Unit Owners.[[2]](#footnote-2)

**Example**:

An Association in Baltimore County had three water leaks from an upper floor Unit over a two-year span. Each leak resulted in damage costing between $100,000 and $200,000 to repair. In each case, the Unit Owner (or his HO6 insurer) paid the $10,000 maximum deductible allowed by law, and the Association’s insurance paid the balance of the cost.

This Association’s insurance cost increased from $24,000 to $49,000 the first year, then to $125,000 the next year. (The Association was ultimately able to find a different carrier that would insure it for ONLY $95,000, but with a $20,000 deductible – four times higher than its previous deductible and two times greater than the amount they that the Association could recover from a responsible Unit owner or his/her HO6 insurer.) As a result, the Association raised its monthly condo fee by $100 per Unit, which means that EACH Unit Owner was now paying an additional $1,200 per year!

We would like to introduce legislation to the Maryland General Assembly to essentially reverse the order of payment for loss or damage. Rather than have the Association’s insurance be the primary payer, we would like the responsible Unit Owner and/or his insurance to be the primary payer up to specified limits. This would require all residential Condo unit owners to obtain insurance with coverage sufficient to allow the Unit Owner to cover (a) the first $500,000 of damage to the property of others and (b) the first $25,000 of damage to his/her own unit. Consequently, the Association’s insurance would rarely have to pay out much, and the insurance rates for those owners who are responsible for damage would increase rather than costs in the form of monthly condo fees for all Unit owners.

**We need your help to solve this**:

We need to be able to show the legislature, along with industry partners, that this is a real problem that is only going to get worse for residential Condo Owners. To do that, we would like to enlist your help in identifying Condo Associations that have suffered significant insurance cost increases resulting in increased condo fees.

We request that the attached survey be completed and retuned to us. We suggest that management companies provide the survey to its property managers who can provide the info for individual properties. (Feel free to provide codes instead of property names, if you wish, for privacy.) To see if we can make progress in the 2026 legislative session, please provide the info before Thanksgiving.

Scan this QR code [or click here](https://www.2700-2800.org/app/download/16725959/2025%2BCondo%2BInsurance%2BQuestionnaire.docx) for more copies of survey info & forms:



Thank you for your help.

Steve Leven

President, Board of Directors, 2700/2800 Stonecliff Condominium Association, Inc.

2700 Stone Cliff Drive # 313

Baltimore, MD 21209

410-241-4019 (cell)

410-609-4677 (fax)

**Condo** **Insurance Loss/Rate Questionnaire**

This survey is to collect data on **Condominium** insurance loss and insurance rate increases primarily due to loss or damage originating in a Unit Owner’s Unit, which therefore is the responsibility of the Unit Owner. This effort is for the purposes of:

1. Identifying the scope of the problem (Condo losses that are Unit Owners’ responsibility for which the Association’s insurance pays the bulk of the repair cost and the Unit Owner and/or his insurance pays essentially only the Association’s deductible, currently limited to $10,000).
2. Finding Condo Board members or residents who are willing to contact their state legislators and/or testify in writing, by video, and/or in person regarding possible legislation to alleviate the problem.

Management companies are requested to complete this information ONLY for Condo Associations and ONLY for losses greater than $100,000. You may code the Association name so as to keep the information private. You may complete and return this survey for all Associations or one at a time, however you see fit.

Please return this survey to

Steve Leven email: sleven@comcast.net

2700 Stone Cliff Drive, Unit 313 fax: 410-609-4677

Baltimore, MD 21209

**Management Company Info (Only needs to be completed/sent ONCE, not for each Assn):**

Company Name: Click or tap here to enter text.

Company Address: Click or tap here to enter text.

Contact Name: Click or tap here to enter text.

Contact Email: Click or tap here to enter text.

Contact Phone: Click or tap here to enter text.

Approximate percentage of your CONDO properties that have experienced major insurance rate increases due to such losses: Click or tap here to enter text. %

Any Additional Management Company Info you would like to add:

Click or tap here to enter text.

**Condo Association Info: Management Company:** Click or tap here to enter text.

Association Name (or code): Click or tap here to enter text.

Number of Units: Click or tap here to enter text.

Association Address (if identified): Click or tap here to enter text.

 Address continued: Click or tap here to enter text.

Association or Board Contact (name, email, phone): Click or tap here to enter text.

MD County: Click or tap here to enter text. MD Legislative District: Click or tap here to enter text.

 Click here to find district: <https://mgaleg.maryland.gov/mgawebsite/Members/District>

Would you be able to testify in person, via video and/or in writing at hearings before the Maryland House and Senate committees that would be voting on this issue? Choose an item.

(Note, this is NOT a commitment to write/appear at this time.)

**Insurance and Loss History:**

|  |  |  |
| --- | --- | --- |
|  | **2026** | **2025** |
| Insurance Premium |  |  |
| Insurance Deductible |  |  |
| Loss History >$100K |  |  |
| $ Amt of monthly Assessment (Condo Fee) for Insurance |  |  |

|  |  |  |
| --- | --- | --- |
|  | **2024** | **2023** |
| Insurance Premium |  |  |
| Insurance Deductible |  |  |
| Loss History >$100K |  |  |
| $ Amt of monthly Assessment for Insurance |  |  |

**Assn Name/Code:** Click or tap here to enter text. **Mgt Company Name:** Click or tap here to enter text.

|  |  |  |
| --- | --- | --- |
|  | **2022** | **2021** |
| Insurance Premium |  |  |
| Insurance Deductible |  |  |
| Loss History >$100K |  |  |
| $ Amt of monthly Assessment for Insurance |  |  |

**Comments (enter any comments you feel would be helpful regarding this Association):**

Click or tap here to enter text.

1. See Annotated Code of Maryland, Real Property, Title 11, Section 11-114, (g) (2) (iii) (1). The entire Section 11-114 deals with the details of Insurance for Condos [↑](#footnote-ref-1)
2. There are many nuances in the law about certain details and carveouts. In addition, any Unit Owner is responsible, through his own insurance if applicable, for his belongings, improvements and betterments made to his Unit by anyone other than the Builder. [↑](#footnote-ref-2)