INSERT AGENCY HEADER

Date

Customer name

Address 1

Address 2

City, Zip, State

RE: Condo policy #..... – [address if different]

Dear [name of customer]

Due to a recent change in the Maryland Condominium law\*, you may need to make some changes to your insurance coverage. This is necessary if your unit is *detached* from other buildings, in other words not physically connected horizontally, such as by a common wall, or vertically, such as by a common roof. This only applies if you own the unit under a ***condominium*** ***form of ownership***.

Why the change? In recent years, some real estate developers have established condominium regimes and built, under these regimes, **single-family homes that are not physically attached to other units**. This has led the Maryland legislature to make the following changes regarding insurance obligations, effective Oct. 1, 2023:

* When the unit is ***attached***, condo associations will generally continue to be responsible to insure the common elements and the units, except improvements to the unit made by unit owners over the years.
* When the unit is fully ***detached***, the unit owner will need to insure his or her unit with a full homeowner’s insurance policy (sometimes called an HO-3) rather than through a traditional condo unit owner policy (often referred to as an HO-6). This change has significant implications in terms of coverage. Common elements will continue to be the responsibility of the condo association to insure.

**If you are in a *detached* unit under a condominium form of ownership, we ask that you contact our agency without delay at [insert phone # or email] so that we may review the coverage with you and consider best options.**

If your condo unit is a townhouse with at least one common wall with your neighbor, this change does not apply to you. If your condo unit is an apartment with other adjoining apartments on the same floor or multiple floors, this change does not apply to you. However, feel free to contact us if you have questions about coverage.

We appreciate your business and thank you for the trust you place in our agency and our staff.

Sincerely,

[signature]

[insert Agent name]

\* See section 11-114 of the Real Property Article

Common elements vary by association but can include green spaces, walkways, club houses, swimming pools, etc.