

Karen Weldin Stewart, CIR-ML  
Commissioner



Delaware Department of Insurance

### **AGENT BULLETIN NO. 17**

To: All Insurers and Licensees  
RE: Delaware Uniform Common Interest Ownership Act  
Dated: October 29, 2009

Title 25 §81-313 of Delaware Code requires homeowners and condominium associations carry property insurance on common elements and, in planned communities, property that must become common elements. The minimum coverage must be 80% of the actual cash value of the insured property at the time coverage is placed and at each renewal date. Liability coverage, including medical payments insurance, is also required.

There is also a requirement that any portion of the common interest, for which insurance is required, that is damaged or destroyed must be repaired or replaced promptly by the association. That requirement mandates that any insurance proceeds received by an association as a result of a claim for damage to common elements be used for the repair of those elements. I have become aware of complaints where claims are made and payments received by associations, but repairs to those damaged common elements are not made.

I ask all insurers and licensed producers to familiarize themselves with the requirements of this law and then inform their insured of what is required of them.

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