

Who Pays for What in a Florida Condominium Damage Event

PART 1: CAMERA-READY FLOWCHART

START - Damage occurs in a unit

STEP 1 — Identify the Source

Is the Cause a *Common Element* failure?



Association Pays For:

- Repairing the common element
- Common pipe/structural/ drywall

Owner (or HO-6) Pays For:

- Interior finishes (flooring, cabinets, paint)
- Personal property



Proceed to Step 2

STEP 2 — Determine Fault

Was the *Owner Negligent*?



Owner is Financially Responsible For:

- Their own interior finishes
- Damage to other units
- Association property damage
- Association deductible (up to \$2,500)
- Any additional negligence-related costs

Insurance Interaction:

- HO-6 liability *may* cover other units and association claims
- If no insurance, owner pays personally



Proceed to Step 3

STEP 3 — Identify What Was Damaged

What type of property is damaged?

A. Association Property

- Drywall
- Structural components
- Common elements

Association Pays

Owner pays nothing unless negligent.

B. Owner Property

- Flooring
- Cabinets
- Paint
- Fixtures
- Personal belongings

Owner Pays

- HO-6 covers if insured
- Out-of-pocket if uninsured

STEP 4 — Multi-Unit Damage Scenario

Did the damage spread to other units?



Was negligence involved?



- Negligent owner pays for:
 - All affected units' interior damage
 - Association property damage
 - Association deductible
 - Any additional resulting costs



- Each owner repairs their own interior (HO-6 if insured)
- Association repairs building components in all affected units



End of Process

END OF PROCESS

PART 2: COLOR-CODED DECISION TREE (WORKSHOP EDITION)

Negligence - is where most "Village Wars" begin. If an owner has no insurance and is found negligent, they are personally on the hook for every dollar of damage in the building.

● THE "NO FAULT" PATH (Association Pipe Break)

- **Condition:** Common pipe burst (The Main Stack).
- **Association Outcome:** Repairs the pipe and replaces "gray" drywall.
- **Owner Outcome:** Uses HO-6 insurance to replace ruined wood floors and wet cabinetry.
- **Result:** Everyone pays for their respective "boundary" items.

● THE "UNIT ACCIDENT" PATH (Sudden Appliance Failure)

- **Condition:** A 2-year-old dishwasher hose bursts (Not negligence).
- **Association Outcome:** Repairs any drywall damage in your unit and neighbors' units.
- **Owner Outcome:** Repairs their dishwasher and their own flooring/cabinets.
- **Result:** The Association covers "building" components; you cover "living" components.

● THE "NEGLIGENCE" PATH (The 20-Year-Old Heater)

- **Condition:** Owner ignored a leaking, rusted water heater that finally gave out.
- **Association Outcome:** At-fault owner repairs building common elements damage.
- **Owner Outcome:** Responsible for their unit, adjacent units, and the Association's master deductible if Assn decides to repair and bill owner (up to \$2,500).
- **Result:** The Negligent Owner (or their liability insurance) pays for everything.