

## 2023 Kansas Statutes

**58-3712. Insurance coverage; proceeds; blanket coverage.** The declaration shall require each townhouse owner to maintain fire and extended coverage insurance against loss or damage by fire or other casualty to the full replacement value of the townhouse unit, excluding land, foundation and excavations. The declaration shall require that such insurance shall provide for payment for losses thereunder by the insurer to the association, or its nominee, as insurance trustee for the benefit of each owner, the holder of each first mortgage of record thereon, and the association as their interests appear and as set forth in the declaration. The declaration shall provide that the proceeds from insurance received by the insurance trustee shall be used to repair, reconstruct or rebuild the townhouse units damaged or destroyed by said fire or other casualty, unless all townhouse unit owners and their first mortgagees agree in writing to not repair, reconstruct or rebuild. The declaration may require the board of directors of the association to obtain and maintain such insurance under one blanket fire and extended coverage policy providing such insurance for all owners and first mortgagees of townhouse units, as their interests may appear pursuant to the declaration. In such event, the declaration may provide that the insurance premiums are common expenses to be paid as set forth in the declaration. In such event, each townhouse unit owner shall be furnished a memorandum of insurance coverage approved by the commissioner of insurance setting forth the essential coverages of the blanket policy. Provision for such blanket insurance shall be without prejudice to the right of each townhouse unit owner to insure his or her own townhouse unit under a separate policy if benefits thereunder are payable to the association or its nominee as insurance trustee for the benefit of the association and all owners and their first mortgagees, as their interests may appear.

**History:** L. 1975, ch. 291, § 12; July 1.