

PROTECTING OUR CHURCHES

How do city, local and state property ordinances affect your church insurance?

When your church is covered through United Christian Insurance Group, the building coverage extends to include building ordinance coverage. This coverage responds when a covered loss has occurred and the local municipalities require properties to be brought up to code. This can range from adding a sprinkler system, double paned windows or complying with ADA regulations.

A standard property form will provide coverage to repair or replace in like, kind and quality. For example: If the city code requires all new buildings to have a sprinkler system and your building did not have a sprinkler system prior to the loss, without the building ordinance coverage, a church would have to pay for the upgrade themselves. In United Christian Insurance Group program, the insurance would pay for the new building as well as the upgrade to include sprinklers.

There are three important parts of this coverage. We will highlight below:

INCREASE COST OF CONSTRUCTION:

This coverage applies to all the upgrades mandated by city codes, i.e.; sprinklers, ADA regulation

REPAIR OR REPLACE UNDAMAGED PORTION OF BUILDING:

A standard property policy does not provide coverage to property that has not been damaged by the covered peril. UCIG program offers building ordinance coverage which, would replace or repair the undamaged portion of a building, as required by ordinance or law, if the building sustained damage from a covered peril.

DEMOLITION OF UNDAMAGE PORTION OF BUILDING

If an ordinance requires demolition of the undamaged portion of a building prior to rebuilding the property, UCIG's policy would pay for the demolition.

Limit of insurance:

Full Replacement Cost: If there is an ordinance or law in force at the time of loss or damage that regulates zoning, land use, or construction of property and/or if loss or damage by a covered peril causes a demolition order and clearing of the undamaged portion of the property, the insurance policy would replace property to be in compliance.