

# **Perspectives on Homeowner Association (HOA) Insurance**

**Task Force on Homeowners  
and Commercial Property Insurance  
December 3, 2025**

**Lynn Boergerhoff, President  
HOA Leadership Network**

---

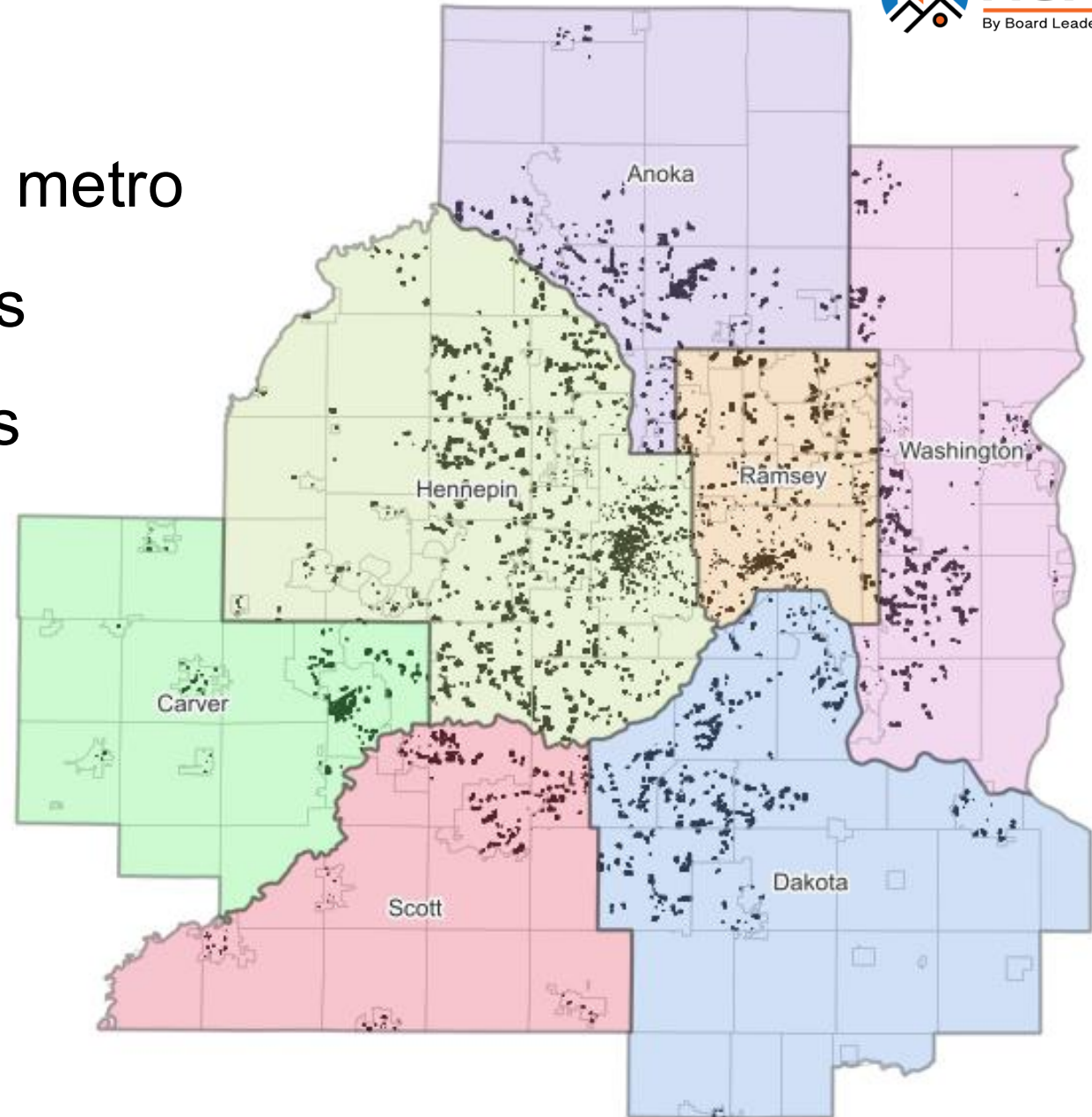
# Topics

- 1. Metro Area CLCs and HOAs**
- 2. The HOA Board and Homeowners**
- 3. HOA Master Insurance and HOA Homeowner HO6 Insurance**
- 4. Managing HOA Insurance**

# Metro HOAs

7 county Mpls. – St. Paul metro

- 4,200 CICs and HOAs
- 202,000 housing units



*Metro Regional Parcel Dataset 2025*  
*HOA Leadership Network*

---

# The HOA Board

- Need and want to be successful
- Volunteers elected by fellow homeowners
- Source of authority and fiduciary duties
  - Minnesota Common Interest Ownership Act (515B)
  - HOA Governing Documents
- HOA purpose to protect and maintain HOA property values

---

## HOA Master Insurance

- Property insurance on common elements at full replacement cost
- Commercial general liability insurance
- Cost shared by all homeowners
- May not include items inside housing units

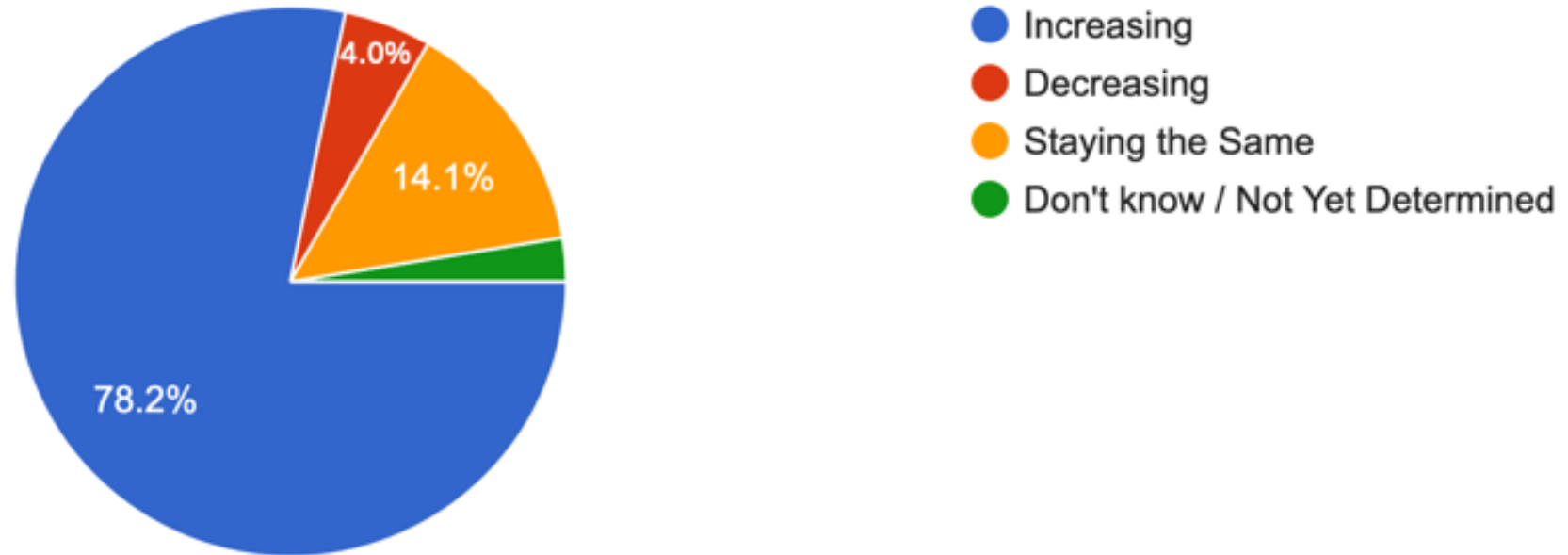
## HOA Homeowner HO6 Insurance

- Covers HOA Master insurance loss assessment
- Covers fixtures inside housing units
  - Flooring, cabinetry, furnishings, improvements
- Personal property
  - Electronics, clothing, furniture, artwork
- Cost paid by homeowner

# HOA Monthly Dues Increasing

In 2026, are your HOA's monthly dues increasing, decreasing, or staying the same?

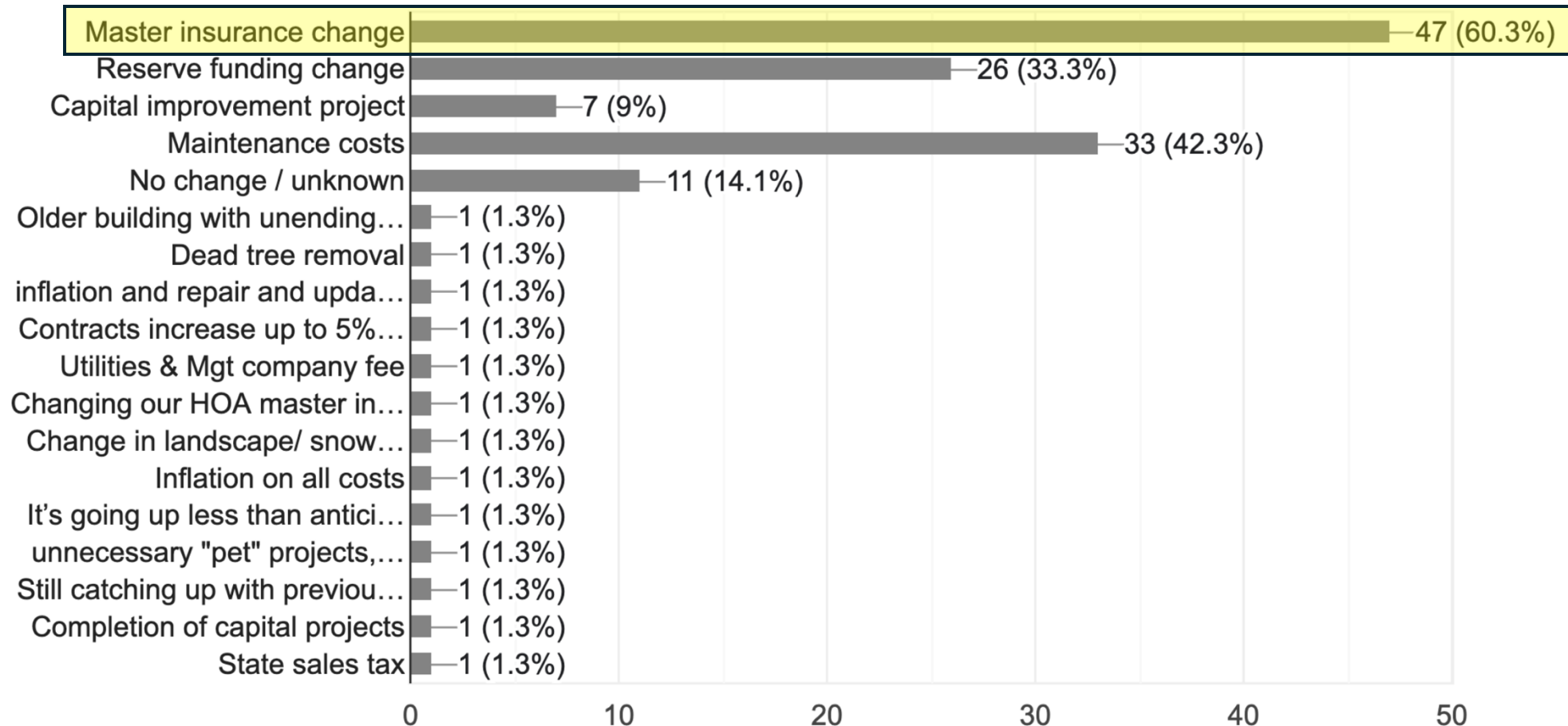
78 responses



# HOA Master Insurance Premiums Increasing

What are the main reason(s) for the increase or decrease in your monthly dues? (Choose all that apply)

78 responses



---

# Managing HOA Insurance

## HOAs Can't Control

1. Number of housing units
2. Age of housing units
3. Building replacement cost
4. Natural events
5. Available carriers
6. Coverages offered
7. Cancel & non-renewal
8. Industry oversight

## HOAs Can Control

1. Risk management
2. Homeowner assessments
3. Type of Coverage
4. Deductible & loss assessment
5. Separation of Insurance
6. Insurance company
7. MN FAIR Plan
8. Homeowner HO6 insurance\*
9. Improve understanding



---

# HOAs Can Control

## 1. Risk Management

- Inspections and preventive maintenance
- Reserve studies
- Reserve funding

## 2. Homeowner Assessments

- Increase annual assessments (monthly dues)
- Special assessments

---

# HOAs Can Control

## 3. Change Master Insurance Type

- All-in coverage ➡ Bare walls
- Reduce insurable value ➡ more bids

## 4. Deductibles and Loss Assessment

- 5 – 10% of building replacement cost for wind/hail damage
- Loss assessment maximum amount per building

---

# HOAs Can Control

## **5. Separate insurance from operating budget**

- Fund insurance premiums as special assessment
- Better control HOA operating budget

## **6. Change insurance company**

- Insurance broker or association manager

## **7. Minnesota FAIR Plan**

- Reduced coverage at higher premium

---

# HOAs Can Control

## 8. Homeowner HO6 insurance

- Educate and promote
- Loss assessment coverage = Master insurance loss

## 9. HOA insurance awareness and understanding

- Understand HOA insurance best practices
- Advocate for HOA insurance oversight

# Thank you.

Lynn Boergerhoff, President  
HOA Leadership Network

[lboergerhoff@hoalnet.com](mailto:lboergerhoff@hoalnet.com)

**651.308.1461**