

A modern multi-story apartment building with a facade of light wood and dark blue accents. The building features balconies with dark blue railings and planters. The sky is clear blue.

Residential Strata Insurance

Appetite Guide

May 2026

vero  Specialty
Lines

Why Choose Vero Specialty Lines?

Product / Service Proposition

Vero is a trusted Australian insurer with local underwriting expertise and decision makers who understand strata risk. We work collaboratively with Brokers, supporting their engagement with Strata Managers and Owners Corporations, with the aim of assessing the risk specific to the property rather than applying broad, standardised criteria.

By recognising proactive risk management and clearly articulating required controls, Vero partners with Owners Corporations to deliver practical, risk-based insurance solutions with greater flexibility and service excellence.

Here's why we stand out:

- **Deep Underwriting expertise:** delivered by a dedicated team of experienced Strata underwriters with strong technical knowledge, local market insight and expertise across residential and mixed-use Strata, enabling consistent decision-making and responsive, collaborative engagement with brokers on unique or atypical risks requiring bespoke solutions.
- **Specialist Strata claims service:** in-house Strata claims specialists, helping to provide fast, transparent and fair outcomes supported by robust catastrophe and major-event surge capability through a national claims response network. This is underpinned by Vero's award-winning claims excellence across our Insurance portfolio, recognised by six consecutive Gold Mansfield Awards, and a strong focus on proactive communication to minimise disruption and support Owners Corporations at every step of the claims journey.
- **Significant capacity and flexible placement options:** Building Sum Insured capacity up to \$50 million, with the ability to support larger risks through co-insurance and facultative reinsurance.
- **Underpinned by purpose-built Technology to simplify the broker experience:** our Strata technology proposition offers a streamlined, digital-first approach that enhances visibility, efficiency and service outcomes, with a broker portal and expanded connectivity rolling out over the coming months.
- **Comprehensive PDS with market-leading features:** our Product Disclosure Statement includes a range of market-leading features designed to provide broad, relevant cover, giving brokers confidence in the coverage while supporting Owners Corporations facing the complexity and evolving risks of modern Strata living.
- **Industry-leading risk engineering** Broad industry knowledge and risk management capabilities including reporting, training and support A collaborative approach that helps Owners Corporations reduce long-term risk and claims exposure

Our proposition is supported by a nil-commission model designed to enable better customer affordability while delivering greater transparency for brokers and their clients.

Target Appetite Criteria

Designed for well-managed residential strata properties across a broad risk profile, Vero's target market is underpinned by a risk-based underwriting philosophy, recognising that not all strata risks present the same exposure, even where surface characteristics appear similar. All risks are assessed on a case-by-case basis, in accordance with Vero's underwriting guidelines and risk acceptability criteria.

Vero's appetite is deliberately broad and inclusive, extending to strata risks that may be considered complex or challenging, with a willingness to understand the underlying risk and engage constructively on risk management.

Key Appetite Characteristics

This product is targeted at residential strata risks that exhibit one or more of the following characteristics:

- Residential* strata buildings, including low, medium and high-rise developments, used for permanent residential occupancy, where commercial floor space does not exceed 20% of the total floor area
- Minimum Building Sum Insured of \$1.5M, with up to \$50M Building Sum Insured capacity.
- Minimum excess of \$2,000
- Properties located across CBD, metropolitan, and regional areas, including Far North Queensland
- Flood cover is automatically included for low-exposure locations, with underwriting referral required for medium or higher-rated flood exposures
- Buildings with known or historical defects, may also be insured where risks are understood, disclosed, appropriately managed and meet our underwriting criteria
- Owners Corporations that demonstrate pro-active risk management, a willingness to remediate issues and who engage with professional strata management

Geographical rollout

The product will be introduced through a phased geographic rollout, beginning in Far North Queensland and Darwin, before expanding to additional regions and ultimately launching nationally across Australia.

Brokers will be able to access the product for risks located within the regions that are open at each stage. An up-to-date postcode list can be provided upon request.

The product rollout is designed to prioritise under-served markets, ensuring areas with limited access to similar cover are addressed first. This approach allows us to deliver meaningful support where it is most needed before expanding into more established markets.

We'll continue to keep you informed as the rollout extends to new locations.

**Residential occupancy does not include short-stay accommodation (e.g. holiday letting, serviced apartments) or other forms of commercial-type tenancies.*

Target Appetite Criteria

Risks Outside of Appetite

Whilst we have a broad underwriting appetite, there are certain key exposures we consider outside of appetite and therefore unacceptable, including but not limited to:

- Certain commercial tenancies such as tobacconists, bottle shops, industrial/warehousing, government housing, pubs/bars and vacant premises.
- Off-shore island risks or external territories
- High flood exposure locations, where flood cover is required (cover excluding flood may be offered)
- High bushfire exposure locations
- Risk constructed with more than 10% of Expanded Polystyrene (EPS), Asbestos or Aluminum Composite Paneling (ACP)
- Poorly risk-managed exposures where material maintenance, defects or safety issues remain unaddressed with no reasonable plan for remediation

Vero's Residential Strata Insurance policy

A comprehensive Residential Strata Insurance product featuring core strata covers designed with the aim of meeting practical needs across Australia offered under the following seven Policy Sections:

- Policy Section 1 – Insured Property
- Policy Section 2 – Property Owner's Legal Liability
- Policy Section 3 – Voluntary Workers
- Policy Section 4 – Fidelity Guarantee
- Policy Section 5 – Office Bearers' Liability
- Policy Section 6 – Government Audit Costs, Health & Safety Appeal Expenses, and Legal Defence Expenses
- Policy Section 7 – Machinery Breakdown

Key market leading features include:

1. Floating Floors Extension of Cover (including Unit Owners' lots)
2. Flood cover automatically included for low exposure locations
3. Catastrophe Cost Escalation Extension of Cover included
4. Inflation Protection Extension of Cover
5. Debris Removal Costs Extension of Cover – up to \$250,000* per Event additional cover once the Building Sum Insured is exhausted
6. No separate Earthquake excess
7. Emergency Protection Costs Extension of Cover – up to \$7,500*per Event
8. Sustainability covers:
 - a. Green Building Equipment Extension of Cover up to \$50,000* per Event
 - b. Resilience Improvements Extension of Cover up to \$10,000* per Event
9. Office Records Restoration Extension of Cover up to \$100,000* per Event
10. Nest & Pest Removal Additional Benefit up to \$2,500* per Period of Insurance

**Separate limit (does not reduce the Building Sum Insured)*

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Insurance with insight



The purpose of the Vero Residential Strata Insurance Appetite Guide is for Brokers only and not to be distributed to customers. The content of this document is intended to be used as a general guide only and all accounts are written on a case by case basis. We do not accept any loss incurred as a result of reliance upon it, please make your own enquiries. The information contained herein is not exhaustive and is not intended to impose or imply all applicable rules or requirements. For account specific appetite information, decisions and formal terms, please contact your Vero Underwriter. Insurance issued by AAI Limited ABN 48 005 297 807 trading as Vero Insurance (Vero) (unless stated otherwise). Read the Product Disclosure Statement before buying insurance. Go to www.vero.com.au for a copy. The Target Market Determination is also available. Limits, conditions, exclusions apply. This advice has been prepared without taking into account your particular objectives, financial situations or needs, so you should consider whether it is appropriate for you before acting on it.