



Brentwood Pointe Section III Umbrella Association, Inc.

November 26th, 2021

This past year, the master insurance policy for Brentwood Point III changed from IHG/QBE Insurance Company to CondoLogic/Allianz Insurance. This change reflected improvements in coverage and premium for the Association. Your Board of Directors and Property manager felt it important to provide this letter to notify you all of the change and also to serve as a general guide to help coordinate your own insurance policy, referred to as an HO6, with the Association's master policy. Please note these coverage recommendations may not be fully encompassing to your own personal situation, and Bouvier Insurance encourages you to discuss coverages and any available endorsements, with your own agent to be sure you are fully and properly insured.

First, if a new certificate of insurance is required by your mortgage company or financial institution, you may request a copy on our website, [binsurance.com](https://www.binsurance.com) and click on the link **"REQUEST CERTIFICATE"** in the upper right hand corner of the home page. If you'd prefer to speak with someone you may also call our office at 877-817-1747, and one of our team members will gladly assist you.



Regarding the unit-owner's HO6 policy, the first listed coverage is called "Coverage A: Dwelling". The master policy with CondoLogic/Allianz, is written using an insuring agreement called "Single Entity" otherwise known as "Original Specifications" and as such, this coverage agreement insures the building and units to their original specifications including all permanently attached appliances, fixtures, cabinets, countertops, etc. within the units, as they were upon the first date of conveyance from the developer. Any improvements or betterments made to the units since the first date of conveyance, need to be insured for under the Coverage A Limit on your HO6 policy.

Where Coverage A on the HO6 policy will also come into play, will be regarding coverage for the master policy deductible, which can be assessed to the unit-owners for coverage at the time of loss. The master policy deductible is \$10,000 per occurrence, with separate deductibles for water losses applying on a \$10,000 per unit basis. Generally, most HO6 policy carriers will cover the master policy deductible assessments under the Coverage A limit. However, some carriers cover the master policy deductible elsewhere within the policy or by a special endorsement. We recommend discussing this with your personal agent about coverage for this exposure.

The next coverage on your HO6 policy is called "Coverage C – Contents". This coverage is for all your personal belongings. It's important to take an inventory of your belongings and insure them to value. There are online calculators that can help determine appropriate limits and again a conversation with your current agent is always warranted.

"Coverage D – Loss of Use" is the next coverage on your HO6 policy. In the event of a large claim at the community where your unit is uninhabitable, this coverage will pay for additional living expenses and temporary residences



while your unit is being restored. Depending on the severity of the loss, some restorations can take up to a year or more to rebuild. Again, discuss the coverage in depth with your own agent to be sure you are properly covered.

“Coverage E – Personal Liability” is for incidents that happen within your unit. The association covers the common area of the community; however, unit-owners need to insure for bodily injury claims which happen inside the unit. Our agency recommends having a \$500,000 limit on your HO6 Coverage E and also would highly recommend discussing a personal Umbrella with your agent as well.

“Coverage F – Medical Payments” should be automatically included on the standard HO6 policy. This is a “good-faith coverage” to cover medical expenses for injured parties within your unit. No negligence needs to be found for this coverage to apply. Again this should automatically be included, but double check with your agent about what limits your carrier will allow you to purchase.

There are also several coverages that need to be addressed by endorsement, “Loss Assessment” and “Water/Sewer Back-up” to name two. “Loss Assessment” coverage can be triggered after a community wide event, if the master policy limits become exhausted due to claim/s and the Association needs to assess the excess cost to all unit-owners. Our recommendation on loss assessment coverage is to buy as much as you can comfortably afford or your policy carrier will allow, as this can vary carrier to carrier. Water and Sewer back-up coverage needs to be added as well. These claims can be more costly than anticipated and we highly recommend having this endorsement included on your policy as well to protect your unit for claims under the master policy deductible and for your own contents if they become damaged.

Also of note, we highly encourage every unit-owner to take digital photographs of their units and store it in a cloud-based server for documentation purposes. In the event of a large claim, these photographs will be very helpful to repair and restore your unit correctly. And we can’t stress enough to speak with your agent about these coverages mentioned here and also to find out about any other coverages or endorsements that are offered by your agent and carrier to protect you better.

Bouvier Insurance is proud to provide the insurance for Brentwood Pointe III.

Best regards,

A handwritten signature in black ink, appearing to read "Kurt Lillie", written over a light blue horizontal line.

Kurt Lillie, CIC, CIRMS, MLIS, CLCS, EBP
Vice President of Sales, Southeast Region
Bouvier Insurance