



September 28, 2023

Dear Unit Owner:

Greetings from HUB International Insurance Services! We are pleased to continue as the Insurance Agency representing the Master Insurance Policy for Nagog Woods Community Corporation.

In an effort to assist you, as a unit owner at the Association, we have put together a brief summary of what is covered under the Master Insurance Policy. We hope you will use this letter as a guide when purchasing your own unit owner's insurance policy.

What is covered?

The Master Insurance policy is written on a "Special Form", which includes coverage for: fire, lightning, windstorm, hail, explosion, riot, aircraft and vehicle damage, smoke, theft, vandalism, falling objects, weight of ice, snow or sleet, collapse, sudden rapid water escape or overflow from plumbing or appliances, frozen pipes, convector units, and mechanical breakdown of commonly owned equipment etc.

What is not covered?

The Master Insurance policy will not cover wear and tear, deterioration, mold, damage by insects or animals, settling or cracking of foundations, walls, basements, roofs etc. There is no coverage for damage caused by repeated leaking or seeping from appliances or plumbing including from around shower, bathtub, toilet, and sink. These events are properly classified as maintenance items.

What items are insured under the policy?

The insurance will cover the real estate constituting both the Common Elements and the Units, together with furnaces, water heaters, dishwashers, disposals, air conditioners and such other portions and elements of the Units and the Common Elements as are for insurance purposed normally deemed to constitute part of the building.

What happens if I make upgrades to my unit?

Each Unit Owner is solely responsible to obtain their own insurance to cover the master policy deductible as well as unit improvements. There is no coverage afforded under the Master Policy for improvements and betterments to your unit.

What is the Master Policy's deductible?

The goal is to prevent small losses from being filed as insurance claims. The Master Insurance Company has provided the following deductible to serve as a "risk management" tool to help reduce the cost of insurance for the Association.

\$25,000 per occurrence deductible
\$25,000 per unit All Perils deductible
\$50,000 Earthquake deductible

This will spread the risk for losses to you and your Homeowners Insurance Company as well as the Association's Master Policy. For example, a kitchen fire causing damage to your unit, your HO-6 policy could be required to pay for the damage up to the \$25,000 deductible on the Master Policy.

Your Insurance:

Each Unit Owner is responsible to obtain their own insurance to cover the Master Policy Deductible, their personal property and any unit improvements. Investor owners should have in addition, loss of rent and liability coverage. They should also obtain verification that their tenants have insurance coverage for their own personal property. If you are a **non-resident owner**, you should look carefully at a Dwelling Policy in order to obtain the insurance you need to avoid gaps in coverage with the master policy.

Your individual policy should be endorsed to include special coverage for your unit (this endorsement is commonly referred to as an HO 17 32 Special Coverage A endorsement). You should confirm that your Coverage A limit on your HO-6 Unit Owner policy is equal to at least: **\$25,000 to cover the master policy's deductible. Some insurers may include this coverage under loss assessment, so it is recommended to increase this limit as well. **Because the master policy includes the peril of earthquake, your policy should also cover this exposure.****

If you are a **non-resident owner**, you should look carefully at a Dwelling Policy in order to obtain the insurance you need to avoid gaps in coverage with the master policy.

We recommend that you share this letter with your personal insurance agent to confirm that your unit owner (HO6) policy contains the appropriate coverage.

What if my Agent cannot provide me with the correct HO-6 coverage?

Give HUB a call! We are happy to help you get the coverage you need for your unit. We work with a large number of insurance carriers who specialize in unit owner's HO-6 policies and we will make sure your personal coverage dovetails the Master Policy so there will be no gaps in coverage. You can call us at 844-632-2199 or email neecondoins@hubinternational.com.

Whom do I call if I have a claim?

If your unit is involved in a claim, you should first call the Association's Property Manager. The Property Manager will then, if necessary, open up a claim under the Master Insurance Policy.

How do I request a Certificate of Insurance for my Mortgage Company?

There are now two ways to request a Certificate of Insurance:

Fax: 866-475-7959
E-mail: condocerts@hubinternational.com

Please make sure you provide your name, the address to your unit including unit number, your lenders name and address, a loan number, and a return fax number or e-mail address. Please be aware there is a 24 to 48 hour turnaround time for all certificate requests.

HUB International thanks you for your business and we are committed to providing you and your community with prompt, personal and professional service.

Sincerely,

HUB International Specialty Real Estate Team