

## Annual Insurance Reminder

It is time to review your personal home owners property coverage insurance (HO6) again. In the case of damage in your unit, you and your insurance company will have to first cover the HOA master policy deductible amount before the HOA insurance is applicable. The following information was provided by Justin Metcalfe, our HOA insurance agent. It includes information from Utah State Law regarding insurance for condominiums.

**Please note that the Board of Directors, with advice from multiple insurance companies, decided that to keep insurance costs down and to avoid the risk of potential insurance cancellation from claims above the master policy deductible, the HOA will increase its insurance deductible amount from \$10,000.00 to \$25,000.00 effective 1 April 2025. This should not have a large impact on unit owner HO6 costs, based on inquiries to several insurance companies, but HO6 policies should be updated to reflect the new HOA deductible by 1 April 2025.**

### **Two policies work together to ensure complete protection for Condominium owners.**

1. The HOA master policy
  2. The home owner condominium policy (H06)
- The master policy covers the entire structure plus betterments and improvements, that is, any fixture, improvement, or betterment installed at any time to a unit or to a limited common area associated with a unit, whether installed in the original construction or in any remodel or later alteration, including a floor covering, cabinet, light fixture, electrical fixture, heating or plumbing fixture, paint, wall covering, window, and any other item permanently part of or affixed to a unit or to a limited common element associated with a unit.
  - **The unit owner policy needs to cover everything else.** Please contact your agent and discuss your needs. Below are the coverages Justin recommends so you have no gaps in insurance:
    - The unit owner is responsible to pay the deductible of the master policy if you have a large claim. The deductible of the Knollwood Condominium master policy is now **\$25,000.00** so make sure you have property coverage up to at least **\$25,000.00**.
    - All personal property you want to cover.
    - Personal liability.
    - Any other endorsements you feel you need. Justin recommends:
      - Sewer Backup for \$10,000.00
      - Loss Assessment for \$25,000.00
  - If you are an investor and/or lease your unit to a renter, you need to obtain a Business Owners Policy with at least \$25,000.00 on the structure for the deductible on the master policy, and should obtain sewer backup and loss assessment endorsements.
    - Your renter should acquire a renter's policy to cover their personal property and liability.

If you have any additional questions or would like a quote on your H06 policy please feel free to contact Justin at 801-444-0227. For a certificate of insurance please ask whoever responds at his office. The responder will send over that evidence of insurance for you.

As a reminder, unit owners should notify the Board of Directors of any damages that occur that might be insurable. Contact a restoration company for emergencies.

#### **Details:**

- **Property Deductible:** The Association has a property deductible of \$25,000.00 for each occurrence. Payment for the first \$25,000.00 in damage becomes your responsibility when a covered cause of loss affecting your unit occurs. Payment of the deductible can and should be insured by your personal insurance policy. Consult your personal insurance advisor regarding your coverage.
- **Unit Owner Policy (HO6) – Personal Insurance:** Homeowners should maintain personal insurance coverage. We recommend you do a comprehensive review with your insurance agent.
- **Requesting Certificates of Insurance:** Certificates of insurance may be requested by calling (801)-444-0227 or you can email Luran Lancaster (Randi) directly at llancas2@amfam.com.
- **Claim Procedures & Protocol:** Claims for a covered cause of loss, within the following amounts, should be handled as followed:
  - \$0-\$25,000.00 is the unit owner's sole responsibility. The cost of cleanup and repair would be paid out of pocket or from personal insurance coverage. Claims under \$25,000.00 will not be filed against the Association policy unless circumstances dictate otherwise.
  - Claims over \$25,000.00 should be submitted to the Association's policy. When a loss occurs:
    - Take action to prevent further damage to your home.
    - Contact your own insurance company and report the damage to your home.
    - Contact a Board Member regarding the damage.
    - If the individual above is not available, please contact a representative of the Metcalfe & Associates Agency at 801-444-0227. Please note, they will only submit claims to the insurance company after approval from the Board has been received.
    - A loss that involves your personal belongings, extra living expenses, personal liability, loss assessment etc., should be submitted to your personal insurance for these items. Likewise, damage to your home that is not covered by the association's insurance is your responsibility.
    - Payment for claims made on the Association's Insurance policy will be payable to the Association, not to the individual homeowner.