

REVIEW OF INDIVIDUAL UNIT OWNER INSURANCE COVERAGE

The ongoing devastation that is reported on daily in western states, resulting in damage to property and loss of life, is a reminder to all of us that each unit owner should review their individual unit policy coverages with their own insurance agent.

Each unit owner should have their own policy (HO6 Condo Unit Owner policy for “owner occupied” units or, a Dwelling Fire Landlord Condo policy for “rental” units) insuring their unit for, among other items, property insurance that includes Dwelling coverage for “improvements and betterments” made to your unit. Examples of these items may include granite or similar materials for countertops, new cabinets, flooring, fixtures, new appliances, etc. The current Association Master policy in place does not cover “improvements and betterments” because our HOA CC&Rs state that the Association policy should not cover “improvements and betterments” (see the first sentence of Article 8, Scope of Coverage, section [A] on page 25 of the CC&Rs). The CC&Rs dictate what the HOA policy should cover. The extent of “improvements and betterments” (whether made by you or previous owners) should be carefully reviewed with your agent to determine the cost and extent of coverage for such items to add to your coverage.

Flood Insurance and Earthquake Insurance coverage is not covered under the HOA policy.

Examples of other coverages that should be reviewed and considered for your individual unit owners policy include the following:

- Amount of Personal Liability coverage for claims of personal injury or damage to property
- Coverage for loss of personal property
- Loss Assessment coverage
- Water backup of sewers or drains coverage
- Medical Payments coverage
- Additional Living Expense
- Loss of Business Income/Rents
- Building Ordinance or Law Change coverage
- Other coverages you and your agent may choose or deem necessary, such as Flood Insurance or Earthquake coverage

Please remember, the insurance coverage that the Association has in place in its Master policy generally does not extend coverage to you and the activities and improvements in your unit, so it is important to have your own insurance. When reviewing “your” insurance coverage on your unit with “your” insurance agent, the current Master policy with The Hartford, that covers the Association, which is available on www.mirageheights.com, should be reviewed, as well as the CC&Rs, regarding insurance. Both of these items should be shared with your agent when reviewing your needs is being conducted by your agent to consider coverages and amounts. Each “four unit building” and each “two unit building” has a specific limit of “Building Coverage” along with a \$25,000 deductible per building.

We want all of the owners to be aware of this important topic. This notification will appear on the website, emailed to each unit owner, and mailed to those owners who do not have internet or email. Also, please talk to your neighbors and friends in Mirage Heights to encourage everyone to undertake a review of their insurance coverages.

Thank you, Metro Property Services.