



NETWORK
INSURANCE SERVICES, LLC
www.insureHOA.com

Colorado's Choice for HOA Insurance

8301 E Prentice Ave, Ste 410
Greenwood Village CO 80111
303-805-5000

Kipling Klub Townhouses Association

Suggested H06 Unit Owners Homeowners Personal Insurance Coverage

Your Board of Directors and Property manager asked that I send this Unit Owners policy (H06) coverage suggestion letter to all the homeowners. Network Insurance Services, LLC. manages your HOA's Master Insurance Policy. This letter is designed to put each Homeowner in your association on notice as to how **important** it is to have the correct coverage on their/your home in order to potentially avoid having to pay an HOA covered loss deductible assessment personally.

Due to the large catastrophic losses in the last 8 years, insurance companies across the country are offering renewals on multi-family property exposures with large deductibles. Your association's coverage contains a deductible of 1,353,724 . This is significant to each owner because if the Association incurs a loss, each homeowner may be assessed a proportionate share of the deductible. Therefore, additional loss assessment coverage from an insurance company that offers the appropriate coverage is recommended on each owner's personal policy (HO6) to adequately cover your unit's exposure correctly. It is your responsibility as a unit owner to consult with your insurance advisor to determine the appropriate loss assessment limit and coverage that meets your needs.

LOSS ASSESSMENT – Can provide coverage for “many types of assessments” that could be made to a unit owner by the association. Your Homeowner's Association, master policy contains a 1,353,724 deductible. In the event of a loss, the association may be forced to assess all unit owners for their share of the deductible. As unit owners, you may be able to insure against this type of association-wide assessment. Some insurance carrier's policies may cover assessments toward the recovery of the association's insurance deductible from a covered claim. The suggested minimum coverage limit is at least the amount of the association's master insurance policy potential deductible divided by the number of units in your association. Typically, you can buy a \$50,000 loss assessment endorsement to your policy for under \$60 a year in premium.

PERSONAL PROPERTY – Provides coverage for personal belongings (i.e. Clothing, Electronics, and Furniture etc.) Suggested coverage limit is the amount that would be required to replace items at today's prices. Some items like jewelry, guns etc. require special article floater coverage.

PERSONAL LIABILITY – Typically provides coverage for liability suits that could potentially be brought against an owner by another party; either on or off residence premises (excluding your vehicle) for bodily injury or property damage. Suggested coverage limit is enough coverage to protect current & future assets – \$1M minimum coverage is suggested – higher limits may be available by purchasing an umbrella policy.

GUEST MEDICAL – Provides coverage for injury to others that occurs at your residence premises – This coverage is a “no fault” coverage and is provided to cover injuries that could occur at your residence regardless of fault. Suggested coverage limit is a minimum of \$5,000.



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BUILDING PROPERTY– Provides coverage for the replacement of the portion of your building/unit that you may be responsible for that is damaged as the result of a covered loss. Please consult your personal insurance representative for the appropriate amount of coverage needed based on your unit size, features and the HOA Declarations and Covenants.

The above suggested coverages are merely suggestions & may not represent all the coverages required or needed by an owner to adequately protect his/her individual risk exposure. To obtain the proper coverage, you should always review your needs and the HOA Declarations with a qualified insurance professional. NOT ALL INSURANCE CARRIERS OFFER LOSS ASSESSMENT COVERAGE WHICH WILL COVER AN ASSESSMENT FOR AN ASSOCIATIONS DEDUCTIBLE. Make sure the policy you purchase does have the needed language.

Our office is honored to be the chosen broker for your Homeowners Association and takes your insurance needs very seriously. Please don't hesitate to reach out to us if we can be of help.

Sincerely,

Euan Killpatrick