



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

Quails Nest Condominium Owners Association

Suggested H06 Unit Owners Homeowners Personal Insurance Coverage

Your Board of Directors and Property Manager asked that we provide this coverage suggestion letter. Network Insurance Services manages your HOA's Master Insurance Policy. This letter is designed to put Homeowners 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 deductible assessment personally, as well as some of the other coverages available on an HO6 policy (or equivalent based on your coverage needs) that we recommend you discuss with your personal insurance advisor.

Due to the large catastrophic losses in the last 8 years, insurance companies across the country are only offering renewals on multi-family property exposures with large deductibles. Your association's coverage contains a deductible of \$135,810. This could be significant to each owner because if the Association incurs a loss, each homeowner may be assessed a proportionate share of the deductible. Therefore, adequate 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 \$135,810 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 obtain insurance for 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, 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 requirements outlined in the Association's governing documents.

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 Association's governing documents with a qualified insurance professional. **NOT ALL INSURANCE CARRIERS OFFER LOSS ASSESSMENT COVERAGE WHICH WILL COVER AN ASSESSMENT FOR AN ASSOCIATION'S DEDUCTIBLE.** Make sure the policy you purchase does have the needed language.

Our team is honored to be the chosen insurance partner 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

How to Request a Certificate of Insurance

Proof of insurance for your association is available for convenient and immediate download at www.icerts.com for lenders working on new/refinanced loans. iCerts provides 24/7 access to certificates of insurance (COI's) with no wait time.

If you are a unit owner and received a letter from your lender/mortgage company requesting a renewal certificate of insurance on an existing mortgage/loan, please forward a copy of the letter you received from your lender to cs@icerts.com.

The below information will be required in order to request a certificate of insurance, so please make sure to have it ready:

- ☐ Name of the Association ☐ Unit Owner's Name(s) ☐ Owners Address & Unit number (if applicable)
- ☐ Loan Number ☐ Mortgagee Clause that Includes the Name and Address of Bank

Should you have any questions or issues obtaining a certificate of insurance, please contact our team at info@insureHOA.com for assistance.