

Re: INSURING YOUR CONDOMINIUM UNIT

Dear Unit Owner,

Your Board of Directors has completed the renewal of the condominium association's insurance program. This program is designed to protect the association's common elements and common areas per Florida Condominium Statute 718.111(11) and the Declaration of Condominium. These documents determine "who insures what".

Enclosed is a brochure INSURING THE CONDOMINIUM. There is an explanation on the statute 718 guidelines. It spells out what the Unit Owner is required to insure. This is accomplished best by purchasing a Condominium Homeowners Policy (HO-6).

Insuring the association exposures is a shared responsibility. With adequate insurance provided by both sides (the association and unit owner) complete protection is in place.

The association has adequate insurance limits, but there is a high hurricane deductible. Assuming an averaged cost for 422 units, it works out to a potential assessment of \$5,033 each. Loss Assessment coverage in the HO-6 has a \$2,000 minimum limit available to offset this cost.

If you have an HO-6 policy in place, check with your agent to make sure you have adequate limits. If you do not have a policy in place, contact your agent to get insured. Remember, the association **is not** responsible for certain building elements in your unit.

If a hurricane gets too close to Florida, we will not be able to bind any coverages. This occurs when a Hurricane Warning or Hurricane Watch (anywhere in Florida) is posted by the National Weather Service. After the storm passes, we must wait 72 hours to bind.

Hurricane season starts June 1, 2014. Don't be unprepared. Some insurance is better than none. It isn't a matter of **if** the hurricane will strike us; it is a matter of **when!**

Also, if you are going to leave your unit 2 weeks or more, make sure you take steps to avoid any water damage/mold or fungus claims. This type of disaster is avoidable.

First of all shut off the unit water supply. Second, keep the unit air conditioning **ON** to dehumidify the unit. Third, make sure someone is watching your unit. Finally, make sure your water heater is in good shape. If it is 10+ years old, it may need to be replaced.

Sincerely,



William Stitt, CPCU AAI CIRMS
Vice President
Community Association Division