

# INSURANCE MESSAGE

**AUGUST 13, 2020**

**Attached is a summary of the SBHOA Insurance coverage that will become effective on August 13, 2020. We urge you to send this message and the attached summary to your personal insurer and ask them for advice and options available to you so that you will have the combined coverage appropriate for your individual needs and circumstances.**

The Stoney Brook Board has approved our new insurance package, effective August 13, 2020. Again, this was not an easy process as insurance premiums in Colorado are continuing to escalate. Whether it results from hailstorms, forest fires, corona virus, hurricane flooding or just economic inflation; our insured Stoney Brook insurance costs are being affected in our insurance marketplace that is available to our Association. However, we were fortunate to have available to us the same insurance carriers from the last insured period. As a result, we were able to negotiate a reasonable increase of 14.4% for the eight insurance policy renewals maintained for Stoney Brook's risks. This total dollar premium increase results in an insurance cost increase of \$77.62/month per property owner, a \$9.95/month increase over last year's premiums. We appreciate the significant effort of Moody Insurance in negotiating our insurance coverage for the policy year ending August 12, 2021.

Please be aware that the wind/hail coverage remains in place with a deductible at \$7.5 million per loss event. This significantly reduces the insurers' exposure to any loss due to wind and/or hail. However, it does allow you to access your personal loss assessment coverage through your personal property insurance carrier. Consequently, it is important for you to review this coverage limitation with your personal insurer.

Please also note that water damage and sewer backup coverage has remained in effect as a covered loss only after a deductible of \$25,000 has been met. You should also coordinate this coverage limitation with your insurance agent/carrier.

Sharing this insurance message and attached summary with your personal insurer will allow you to optimize your overall personal property coverage with that of Stoney Brook's to provide you with the optimum protection for any loss you may incur.

Upon receipt of the final version of our insurance policies, they will be available for review on the Stoney Brook website ([www.sbhoa.org](http://www.sbhoa.org)) or at the Stoney Brook office during normal business hours.

Sincerely,

The Stoney Brook Board of Directors

## STONEY BROOK HOMEOWNERS ASSOCIATION INSURANCE SUMMARY

REVISED AUGUST 13, 2020

1. Stoney Brook's primary property commercial insurer remains with The Underwriters at Republic Vanguard, a subsidiary of Lloyds. The deductible for Wind/Hail remains at \$7.5 million per event. Water Damage/Sewer Backup coverage remains in this year's policy with a deductible of \$25,000.
2. Commercial Property Insurance Carried by the Stoney Brook Homeowners Association:
  - Covers your unit (building only) for loss, damage, or destruction by fire or other covered casualty.
  - Does not cover furniture, furnishings, fixtures, equipment, and personal property, supplied, or installed by current or previous Owners.
  - Does not cover changes, additions, new carpeting, flooring, countertops, cabinets, equipment, etc. that was not part of the original construction by the original builder.
  - Stoney Brook insurance provides for replacement cost insurance without deduction for depreciation. The aggregate loss limit for a loss event is approximately \$76,070,273.  
(If the Association is unable to provide such replacement cost insurance coverage in the future, the Board shall provide each Owner with written notice.)
  - **The current coverage and deductibles for property losses per loss event have changed. See table below.** If more than one unit is damaged in a "loss event" the deductible amount will be allocated among the units damaged in accordance with the SBHOA Governing Documents. A "loss event" would be a single storm, tornado, fire, etc.

### DEDUCTIBLE COVERAGE

<u>Coverage Type</u>	<u>Deductible</u>
<b>Wind/Hail</b>	<b>\$7,500,000</b>
Buildings	\$ 5,000
Personal Property	\$ 5,000
Ordinance or Law	\$ 5,000
Water Damage/Sewer Backup	\$25,000

3. What You Are Responsible For:
  - Loss, damage or destruction by fire or other casualty for **any changes** to your unit subsequent to the original construction by the original builder, furniture, furnishings, fixtures, equipment, and personal property installed by you or any previous Owners.
  - All deductibles for coverage on your property under either the Association's or your insurance.
  - Liability coverage for your personal actions.
  - Loss Assessment coverage and Loss Assessment Deductible coverage if available from your insurer. **It is your responsibility to determine if your insurer provides this important coverage.**
  - Additional coverage and limits at your discretion.
  - Flood, earthquake, nuclear disaster, terrorism, virus, organic pathogen, exterior insulation finish systems, mold, fungus, bacteria, asbestos, lead, and any other coverage if you deem it necessary.
4. General:
  - All claims against the Association's Policy shall be made to the insurer by the General Manager of the Association.
  - This summary does not discuss other insurance coverage by the Association such as Fidelity Insurance, Worker's Compensation, etc. and does not discuss all details of coverage for Hazard, Casualty and Liability Insurance. Any conflicts between this Summary, the Association's Governing Documents and the actual policies will be in favor of the Association Governing Documents and actual policies.
  - Copies of the Association's policies and the Association's Governing Documents are available for inspection and review on the Stoney Brook web site at [www.sbhoa.org](http://www.sbhoa.org), or at the Clubhouse during normal business hours.
  - This insurance summary is for review purposes only. All coverage terms, limits and conditions should be obtained directly from the policies.