

O'BRIEN



INSURANCE AGENCY

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ASPETUCK CONDOMINIUM ASSOCIATION, INC. MASTER INSURANCE SUMMARY

The following has been compiled by O'Brien Insurance Agency, LLC, the insurance agent for Aspetuck Condominium master insurance policy, as a guide to you, the individual unit owners, as to what the Association's Master Insurance Policy covers and what the agency suggests that you purchase for your own protection.

PROPERTY INSURANCE

A Condominium Package Policy issued to the Association is written on a "Guaranteed Replacement Cost" "Special Form". There is a \$5,000 deductible per occurrence. Ice Damming is included on a per building basis.

The Master Policy provides coverage on the Buildings and Common Property. This includes the finished sheetrock and flooring within your units as well as any permanent attachments (e.g. furnaces, stoves, kitchen cabinets, etc.). Essentially, the policy will restore the units back to their original construction and specifications including any improvements made to the unit using readily available materials of like kind and quality.

The master policy does not provide coverage for losses caused by lack of care or maintenance or those caused to happen over a period of time. This includes such causes of loss as frozen pipes due to failure to maintain heat and water seepage from wood rot or deteriorated foundations. During the winter months, be sure that your heat is maintained at all times.

Additional Exposures Not Covered - Because of the exclusions in the Condominium Package Policy, unit owners should obtain individual insurance to cover some or all of the following possible exposures (and any others which may be necessary to meet their individual requirements):

- Loss of or damage to household goods and other personal property of the unit owner, including jewelry, furs, etc.
- Costs associated with obtaining temporary housing should the unit become uninhabitable due to a covered loss (also called "Loss of Use" coverage)
- Personal liability of the unit owner.
- Loss-related assessments levied by the association against a unit owner. For example, the

Association may seek to recover the master policy deductible from an owner relating to a loss that occurred within a given unit. This is called “Loss Assessment” coverage and is offered under a condo unit-owners policy.

- Loss of rental value (in case of units used for rentals). It is suggested that unit owners purchase a Condominium Owners Policy (Form HO-6) in order to provide coverage on your personal property.

GENERAL LIABILITY

The following coverages apply to the property of the Association and also protect individual unit owners to the extent of the coverage provided.

Bodily Injury and Property Damage Liability

- \$1,000,000 Combined Single Limit per Occurrence
- \$1,000,000 Products and Completed Operations and
- \$1,000,000 Personal Injury and Advertising Injury

General Liability coverage is for injuries that are sustained on Common Property. However, if an individual should become injured inside a Unit, then the unit owner would be responsible. A Condominium Homeowners Policy (HO-6) provides coverage for personal liability exposures.

EXAMPLES OF COVERED LOSSES

The following are examples of the types of losses that are covered under the master policy as well as the extent of coverage provided:

Loss	Extent of Coverage
Fire destroys several units and common area hallways.	The common areas and units, including appliances, permanent fixtures, and any improvements or betterments would be rebuilt/replaced by the master policy subject to the association deductibles. Personal property of the unit owners would not be covered.
Pipes freeze in winter causing water damage to several units.	Same as above UNLESS heat was not maintained in the unit, in which case any damage to the unit in which heat was shut off is not covered. Coverage would exist for damage to adjacent units.
Someone slips and falls in the parking lot or other common	The master policy will provide coverage for the injured party as

area.	well as defense costs on behalf of the association. Note that injuries occurring INSIDE a unit are NOT covered under the master policy and are the responsibility of the owner of the unit in which the injury occurred.
Mold is discovered above a ceiling or inside a wall of a unit due to an ongoing leak that was never discovered.	No coverage is provided for damage due to lack of maintenance or as a result of an ongoing problem. In general, coverage is afforded for losses that are sudden and accidental, not for those that occur over a long period of time.

HOMEOWNERS INSURANCE

All Owners should carry an HO-6 (Condo-owners) policy for a number of potential exposures that are not covered by the master policy. Among the more common perils insured against are as follows:

Personal effects: Contents such as furniture, electronics and clothing are also not covered by the master policy and should be insured personally by the unit owner.

Dwelling/Loss Assessment: In certain situations, the unit owners may be assessed, or charged back, the deductible of the association’s master policy. Unit owners should maintain at least enough dwelling coverage as well as “Loss Assessment” coverage in an amount that at least covers the deductible of the master policy.

Loss of Use: Should a loss occur that renders a unit uninhabitable, expenses associated with obtaining alternative housing are **NOT** covered by the master policy. Such expenses are covered by each unit owner’s HO-6 policy under the “Loss of Use” coverage part. If you question whether or not you have sufficient coverage to address these potential exposures, call 860-350-5505 and **any of our licensed staff** will answer any of your questions concerning coverage.

NOTE: If you have a tenant, make sure that your tenant carries a renter’s policy to protect their personal items. Tenants HO-6 policy should name unit owner as “additional insured”. Also, keep in mind that loss of use and rental income coverage is not provided under the master policy.