

EMORY CHASE CONDOMINIUM ASSOCIATION, INC.
IMPORTANT NOTICE ABOUT INSURANCE

December 2021

Dear Homeowners:

In condominiums, the association's policy is looked at first when a property damage loss incurs. Therefore, even though an individual homeowner may have coverage for the loss, the coverage is not used unless no coverage is available in the association's policy. With this in mind, the best way to reduce the number and amounts of association claims is to transfer some of the insurance obligation to the individual homeowners. We are specifically referring to losses relating to water damage. Water related damages are the most common losses in condominiums. Typical water related claims come from rusted out water heaters, broken washing machine hoses, broken ice maker water lines, deteriorated toilet seals, etc.

Therefore, as of December 1, 2021, the Board of Directors raised the association's insurance deductible to \$25,000 on losses related to water damage. By increasing the association's water related deductible to \$25,000 the individual's policy will become primary up to that \$25,000 amount. Many homeowners will find that this change will not alter their personal condominium policy at all and that they will be already covered. However, others will find that they need to increase their "Building Coverage" to the \$25,000 limit. If this is the case, we understand that the increase in premium should be minimal. A loss from exterior ground water flooding is not included in this policy.

Homeowners are urged to contact their insurance agents immediately and make any necessary adjustments to their policies.

Hopefully, the measures mentioned above will keep the association's claims at a minimum and the association's insurance premiums at the lowest levels possible.

Sincerely,

Board of Directors
Emory Chase Condominium Association, Inc.