

CRAWFORD RIDGE AT BRETTON WOODS



UNIT OWNER'S SUPPLEMENT 2010



SEVIGNEY | LYONS
INSURANCE AGENCY



Applicable Master Policy Coverages

✚	Blanket Property Limit	\$8,213,920
	○ Duplex Townhouse valued at \$746,720 (\$144.00 Per Square Foot)	
✚	Deductible	\$5,000
✚	General Liability Limit	\$2,000,000/\$4,000,000
✚	Umbrella	\$15,000,000

Crucial Unit Owner Coverages

- ✚ Each unit owner should have a minimum of \$5,000 in Coverage A (Dwelling Coverage) to cover the master policy deductible in the event of a claim. **(we usually recommend no less than \$5,000 even with lower master policy deductibles of \$1,000 or \$2,500)** If in any circumstance, the association chooses to increase the master policy deductible, unit owners should raise their Coverage A accordingly.
 - ISO form HO 17 34 10 00 also known as Unit Owner Other Insurance Provision Modification should also be added as it allows the unit owner to access coverage A to cover the master policy deductible
 - The HO 1732 (Special Personal Property) endorsement should be added.
 - The master policy covers the original construction of the building at the time of the inception of the condo docs. If a unit owner does significant upgrades after this time to their unit, the reconstruction cost of those upgrades should be included in the unit owner's policy under Coverage A.
- ✚ Unit owners should carry a minimum of \$50,000 in loss assessment coverage. They should realize that only \$1,000 of this limit can be used for master policy deductible assessments.
- ✚ If a unit is rented, the insurance for the unit should be done on either a dwelling fire form or a commercial form as there are exclusions in the HO6 (condominium policy) that exclude coverage for business exposures (which rentals would be considered business). It is critical that the policy be written on the correct form for claim purposes.
 - Attached to this you will find 2 sample quotes. One is for a unit who does not rent while the other is for a unit that does. If you do rent, and you have a regular condominium policy (HO6), if a renter gets hurt on your premises and sues you, your policy would deny coverage based upon the business exclusion. Property damage done by a renter would also be excluded.
 - There is a "Unit Rented To Others" endorsement that can be added to an owners HO6 for a premium charge. The charge varies by company. This does not offer as broad coverage as a commercial policy would however.
- ✚ Owners who have an umbrella policy through their primary homes insurance company should make sure they call their agent to add the Crawford Ridge Condo.

Crawford Ridge at Bretton Woods

Below you will find limits and sample quotes for individual units at Crawford Ridge based upon what your current use of the unit is (rental or personal use). Please understand that due to the wide spectrum of unit conditions & renovations, we recommend that each unit owner determine contents values as well as improvement values. The quote below is what we would consider “boilerplate” and offers many coverages. The ones listed below are the “vital” coverages that need to be examined regularly.

Base Coverages

Coverage A (Dwelling) = \$20,000

Coverage C (Contents) = \$100,000 Unit owners should take an inventory and make sure that this number is adequate.

Coverage E (Personal Liability) = \$500,000

Coverage F (Medical Payments) = \$5,000

Vital Endorsements

HO 04 35 (Loss Assessment Coverage) = \$50,000

HO 04 90 (Replacement Cost on Personal Property)

HO 17 31 (Special Coverage C) broadens covered perils

HO 17 32 (Special Coverage A) broadens covered perils

HO 17 34 (Unit Owners Modified Other Insurance Service Agreement Condition) Allows for the use of your coverage A towards a claim under the master policies deductible.

Premium for above: \$192.00

If You Rent

If you rent out your unit more than 5 weeks a year, you basically have two options due to the rental liability exclusion in the standard HO6 form.

- ★ You can add the **HO 17 33** endorsement to your current HO6 policy which deletes the rental liability exclusion in the policy. This is the least expensive way to do this, but also offers the least amount of coverage. Average cost of this endorsement is approximately \$15 and it usually is only used if there is only occasional or incidental rental of a unit. **Most companies will not offer this unless it is an exceptional circumstance.**
- ★ You can write the policy on a commercial form or BOP (business owner’s policy). This is a more expensive option, but also offers you the broadest coverage. With this option, you would have more liability coverage (\$1,000,000 vs. \$500,000), loss of rents coverage and coverage for property damaged by a renter. The loss of rents is a big one as sometimes this can amount to 50-60K in the event of a loss.

Premium for above: \$400.00



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