



August 2<sup>nd</sup>, 2020

Dear Owners,

We are relieved to inform you that as of August 1<sup>st</sup>, 2020, we have finally been able to secure Strata insurance for Cypress Point, albeit at an extremely high premium of \$350,417. Unfortunately, we had no choice in the matter as it is required by the Strata Property Act that we have insurance coverage. For 2019/20, our insurance premium was \$73,537 and we were warned that there would be an increase so budgeted for \$92,563 for 2020/21. To avoid a special levy and enable us to manage our cash flow, we have secured low cost financing for this year. Owners will ratify the loan at our Annual General Meeting at the end of 2020.

We were forced to drop earthquake coverage and up our deductibles to \$250,000 in order to get insurance coverage at all and to keep our premium at a manageable amount. We have attached a copy of the insurance policy and suggest that you take it to your insurance company to update your policy. And for your information, to date, NW2050 has never had a claim for water damage, sewer backup, or floods over \$100,000 except for the fire in 2018.

If you do not have personal insurance, we **strongly** suggest that you get some. We have had several incidents, lately, where residents have had appliances malfunction resulting in water leaking into suites below causing extensive damage. For example, a simple washing machine leak which happened recently is expected to cost \$15,000. If this happens and you have no insurance, you pay if you are the source of water. If you have no money to pay, you go to court. Strata can force sale of your condo to pay for repairs.

If you have any questions, please let us know.

Sincerely,  
Carole Borthwick,  
Treasurer, NW2050