

SOCHER

INSURANCE AGENCY INC

"Service Is Our Product."

March 21, 2007

Murieta Homeowners' Association
c/o Board of Directors
39821 Cedar Boulevard
Newark, CA 94560

Re: Coverage for the interior of the units
Lender information

Dear Community Member,

Socher Insurance Agency has renewed coverage for the Association's Property and General Liability as of March 24, 2007. This letter is to advise you on the building coverage provided through the current Property insurance for the Association and what type of personal insurance coverage you should purchase as a Unit Owner. Also included is a current Certificate of Insurance that should be presented to your Lending Institution for Proof of Insurance upon request for this information.

FACTS YOU SHOULD KNOW ABOUT THE ASSOCIATION'S BLANKETED PROPERTY COVERAGE:

1. The Association currently has blanket property coverage for the common area and buildings provided by Philadelphia Insurance Company.
2. The Association has a \$5,000 Property deductible per occurrence.
3. Philadelphia will provide coverage for the structure (building) to the interior unfinished floors, walls, ceilings, windows, doors, and fireplace (if any). They will also provide coverage for "builder's grade" fixtures (countertops, cabinetry, baths, etc.)
4. **You as the individual Unit Owner need to provide coverage for texture, painting, windows, doors, betterments, improvements, and upgrades to your unit.**

Below are some coverage's that the Board of Directors recommends each homeowners and tenant have already included on your personal insurance policy, if these coverage's are not included on your current policy, it is necessary to add them.

Unit Owners ("HO 4")/Unit Owner's Policy Rented to Others ("HO 6") Insurance Policy:

An HO4 or HO6 insurance policy may be purchased through your personal Insurance Agent/Broker. Some coverage that you should have automatically included, if not asked for:

650.312.9300 | 408.294.9400 | 925.831.4880 | 877.317.9300 toll-free | 650.312.9306 fax
1065 E. Hillsdale Blvd., Suite 425 | Foster City, CA 94404-1613 | www.hoinsurance.net

CA Broker License No. 0C97535

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- Building/Property Coverage (Building/structural coverage that the Association will not provide).
- Personal Content Coverage (Coverage for any personal items that are yours and not the Association, as the Association will not cover these items at the time of loss).
- Deductible reimbursement. (If the loss comes from the interior of the unit and the Association charges you the deductible for the claim, this coverage should "reimburse" you for the Association's deductible once you pay your personal insurance policy deductible).
- Personal Liability (Protects yourself from liability losses that occur from within your unit and beyond).
- Loss of Use (If there is a loss at your Unit and you have to stay off premises during the rebuilding process, this coverage would take care of this extra expense).
- Loss Assessment for Property/Liability and/or Earthquake (If a covered loss exceeds the limits of insurance coverage provided by the Association, the Association would have a special assessment, this coverage will protect you in these cases).
- **Earthquake insurance coverage. This is a separate policy that includes minor interior structural coverage, personal contents coverage, loss of use, and Earthquake Loss Assessment.**

Earthquake Insurance Coverage:

There are currently two personal Earthquake insurance policies available to the best of our knowledge. The first is provided by the California Earthquake Authority (www.earthquakeauthority.com) which can be purchased through 16 different insurance carriers that offer personal lines insurance coverage. Please contact your personal lines Insurance Agent/Broker; the other is a comprehensive provided through Insurance Brokers. The policy is provided through GeoVera Insurance Company (www.geovera.com). This offers broader coverage however the deductible is higher than the California Earthquake Authority policy at the time of loss. *Please feel free to contact our office on any questions in regards to either policy.*

Again, enclosed is a Certificate of Property and General Liability insurance that should be presented to your Lending Institution when they asked for Proof of Insurance.

Thank you for the opportunity to service the Association's insurance needs. Please feel free to contact our office with any questions.

Glad to be of service,



Crystal Gates