



SOCHER

Socher Insurance Agency
1065 E. Hillsdale Blvd., Suite 425
Foster City, CA 94404-1613

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hoainsurance.net
CA Broker License No. 0C97535

September 11, 2009

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

Re: Coverage for the interior of the units
Lender information

Dear Community Members,

Socher Insurance Agency has renewed coverage for the Association's Property and General Liability as of September 24, 2009. 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 are Certificates of Insurance that should be presented to your Lending Institution for Proof of Insurance.

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 changed their Property deductible to **\$25,000** per occurrence.
3. Philadelphia Insurance Company will honor what is stated in the Associations Governing Documents (CC&R's) when dealing with building and interior coverage. The Associations Insurance Section Article IX (Insurance) – Section 9.1 (a): **Fire and Casualty Insurance** states the following: "The **Association** shall obtain and maintain a master or blanket policy of fire and casualty insurance for all insurable Common Area Improvements, including but not limited to the walls, floors, ceilings, doors, windows and fireplaces of each Unit to their interior unfinished surfaces,
4. **You as the individual Unit Owner need to provide coverage for texture, painting, betterments, improvements, and upgrades to your unit. (per the governing documents "following form")**

Below are some coverages that the Board of Directors recommends each owner have already included on their personal insurance policy, if these coverage's are not included on your current policy, it is necessary to add them. Please contract individual personal lines brokers for details.

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

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

- 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's, 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).



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- 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 are the Certificate of Property and General Liability insurance along with updated 1365(e) Disclosure Summary form.

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,

Lorena Gomez

Encl: Certificates (Property & Liability)
1365(e) Disclosure Summary