

Swan Point at Lake Elkhorn Condominiums

Agent:

Schoenfeld Insurance Associates, Inc.

Carrier:

Millers Insurance Company

Effective:

January 1, 2009 through January 1, 2010

Association's Master Policy includes:

- Property insurance on the common elements and units, exclusive of improvements and betterments installed by the unit owners. Upgrades and/or Additions are not covered! Upgrades and/or Additions would include such items as: Windows, Decks, Patios, Sheds, Fence, Cabinets, Fixtures, etc. unless provided by the Association, not the Unit Owner.
- Deductible: \$2,500 per Occurrence
- Commercial General Liability insurance, including medical payments arising out of or in connection with the use, ownership or maintenance of the common elements.
- The policy is rated on "Special Form" coverage, which includes coverage for any damage to "Covered Property" as a result to a covered loss, ie: frozen pipes, fire, lightening, windstorm, hail, explosion, riot, aircraft and vehicle damage (resulting from covered loss), smoke, vandalism, falling objects, weight of ice, snow or sleet, collapse, accidental/sudden rapid water escape or overflow from plumbing or appliances.
- The policy excludes coverage for "maintenance" items such as wear and tear, deterioration, damage by insects or animals, settling or cracking of foundation, walls, basements or roofs, leaking or seepage from appliances or plumbing. Only covered losses would be from accidental/sudden occurrences (covered losses), not Preventive Maintenance issues.
- Please refer to policy on file with the Management Company for full details on coverages, limits conditions and exclusions.

Unit Owners Insurance Needs:

- A Condominium Owner's Policy, HO-6 to provide coverage for your personal property. Personal Property should include your contents, furniture, improvements and betterments and upgrades you have made to your unit. Included is an amount for additional living expenses should your unit become uninhabitable due to a covered claim.
- Personal Liability for your unit.
- Loss Assessment Coverage – it can be worthwhile to request this coverage in order to recover the deductible that you may be obligated to pay to the association in the event of a claim. Discuss this with your personal insurance agent, as not all Companies provide this coverage.

- A few coverages you might want to discuss with your personal insurance agent are replacement cost coverage, boiler and machinery and water back-up of sewers and drains.

The suggestion of the above listed coverages in which Unit Owners should obtain, is on the basis to protect and replace any Improvements and Betterments, Personal Contents and Liability on the behalf and ownership of the Unit Owners. The Master Policy would only provide the coverage for the Structure of the Building and would not provide any compensation for the loss of Personal Items and would also exclude the upgrade of Betterments and Improvements. **Please refer to your Association By-Laws, as this will state the Owner Responsibility and the Association Responsibility.**

Claims:

Please notify your Management Company in the event of any loss, as they will report to the Agency for Claim Notification. Any delay in reporting claims can affect settlement. Also, please notify your Homeowners Insurance carrier for claims to the inside of your unit, as some damages may not be covered under the Master Policy (ie: Contents, Betterments & Improvements) and you would need the coverage through your Personal HO6 Carrier.

Certificates of Insurance:

Unit Owners may receive Letters/Notices from their Mortgage Companies &/or Banks, stating that they require to maintain the Hazard Insurance information on file at all times. Also, when Refinancing or obtaining a New Loan, most banks will require the Proof of Insurance. They may refer to this as a Certificate of Insurance or Declaration of Master Policy. You may direct these requests directly to our office. (No charges are incurred for these requests)

Please forward any requests to the following:

Valerie Boston

Condominium Department

Phone: (410) 602-2000 Fax: (410) 602-1160

Email: vboston@schoenfeldins.com

6225 Smith Avenue

Baltimore, MD 21209

We thank you for the opportunity to be of service to you! If you have any further questions, please do not hesitate to contact us at 410-602-2000.

Disclaimer: The above information is only an outline of coverage issues and are not intended to express any legal opinion as to the nature of coverage. They are only visuals to a basic understanding of coverage. Please read your policy for specific details of coverage.