The Crosswoods Reporter / November 2024

Crosswoods Homeowners Association Newsletter

Table of Contents

President's Column 1-2
HOA Dues Increase 2
Treasurer Talk 2-3
Central Path Landscape Conversion Project 3
The Big Oaks 3
Volunteer Landscape Projects 4
Comcast Implementation 4
Maintenance Updates 4-5
ARC Guidelines 5
Amending CC&R's 6
Board Highlights 7
Meeting Calendar 7
Reminders 7
Flyer/Email Alerts 8
Insurance Letter 9-10

The President's Column

– G. Rudy Di Massa

As 2024 draws to a close, it is a good time to reflect on what your HOA has accomplished this year and the challenges we now face. The Board of Directors continues its significant effort to refurbish our community. Below is a summary of the contracts the board approved, and as President, I signed:

In March, a contract with Cal Pro Construction & Painting Inc. to completely replace almost 1000 feet of fencing along the south side of the development, primarily behind the homes on San Altos, Monte Verde, and Navarro Court.

In May, a contract with Summit Roofing to rehabilitate 37 flat roofs on Castillo, Montez, San Altos and San Jacinto.

In June, a contract with Cal Pro Construction & Painting Inc. to replace and repair siding and paint 50 homes on Monte Verde, Toluca, San Dimas, Crosswoods Circle and La Posa. The ongoing effort to rehabilitate our homes is our proudest accomplishment. This effort began in earnest approximately four years ago, and this year, we rehabilitated more homes than we ever have since the effort began.

In September, a contract with Cal Pro Construction & Painting Inc. to repair and replace 13 decks. Work to start in late November. Combined with our in-house efforts, 39 decks will have been rehabilitated or replaced this year.

All these improvements were paid for out of the Reserve Fund. This work was accomplished under the watchful eye and direct construction efforts of our dedicated in-house contractor, David Blackstone, supported by our Community Manager, Josh Peters. Special thanks to both.

In September, after months of negotiations and surveying the membership, a contract with Comcast to provide high-speed Internet and Cable TV to all HOA members for $65 per month (or a $28 per month increase in dues). If members obtained these services directly from Comcast, they would pay around $215 per month or $150 per month more for the same services. This new contract will go into effect on January 1, 2025.

We have also improved our landscaping by completing the hill rehabilitation on Crosswoods Circle between the two Monteverde's and the nearly completed new turf conversion landscaping along the Central Path. Staff also just finished reseeding most of the turf in the development.

Newsletter Publishers/Editors:
Sara Lombardo
G. Rudy Di Massa

Board of Directors:
G. Rudy Di Massa • President
Dafina McCree • Vice-President
Sam Miller • Treasurer
Sara Lombardo • Secretary
Norm Hill • Director
Dale Smith • Director
Beth Messina • Director

https://www.crosswoodshoa.com

Management:
Josh Peters, Community Manager
Josh.peters@fsresidential.com

Office Contact Information:
6510-B Crosswoods Circle
Citrus Heights, CA 95621
(916) 735-5946 (Office)
24/7 Customer Care: 800 428-5588

Office Hours:

Monday thru Friday
9:00 AM-4:00 PM

Homeowner portal for account information & work orders:
https://crosswoods.connectresident.com

Online dues payment:
https://www.clickpay.com/custom/fsr/login.html

E-statements:
https://estatements.welcomelink.com/index.cfm?b=fscalifornia

To be sure, our landscaping has suffered recently. One of the leading causes this year was the record-breaking, brutally hot summer. This adversely impacted our turf, plants, and trees and limited the staff's ability to do their jobs effectively. When temperatures exceed 100 degrees, staff cannot be exposed to this level

(continued pg 2)

of heat for extended periods and work schedules were reduced accordingly. There were more days over 100 degrees this summer than ever before in the Sacramento Valley. The HOA tried to mitigate these challenges by significantly increasing the watering schedule and adding an additional position to landscape staff.

With all these accomplishments under our belt, we were approaching the end of the fiscal year with a real sense of accomplishment and in a very sound financial position despite the major expenditures for all the work described above… and then the reality of the insurance industry crisis in California, and in the Nation, reared its ugly head. In July, the HOA was notified that its very desirable 2024 insurance policy would not be renewed for 2025. Immediately, our broker began an extensive search in the standard market for HOA insurance, reaching out to twelve (12) different carriers. Despite our broker's best efforts, all insurers declined to insure our HOA for various reasons. Once the standard insurance market declined all coverage, Socher began shopping for insurance in the surplus market, a much more expensive but unavoidable alternative with less coverage. We only received the one offer we accepted in mid-September. This one-year policy provided by an insurer in the surplus insurance market costs $745,000, almost 200% more than last year's policy of $271,000.

Thanks to a herculean effort by the F&I Committee to find savings in our Operating and Reserve Budgets to offset some of the massive increase in our insurance premium, the Board adopted the 2025 FY annual budget that includes a $106 increase in our monthly dues from $531 to $637 beginning on January 1, 2025. This increase includes the $28 increase from our new Comcast contract. Most importantly, adopting this budget will allow us to continue to do siding rehabilitation and painting, as well as deck maintenance, repair and replacement on schedule so that future needs will be met.

So, there you have it. It's been a very rewarding and challenging year. In 2025, we will begin a concerted effort to find ways to reduce annual insurance costs as a top priority. We will also continue to focus on repairing our homes and aging infrastructure and reinvigorating our ailing landscaping.

I wish you a joyous holiday season, good health, and happiness in the new year.

HOA Dues are Increasing Jan 1 Update Your Online Payment

- Sara Lombardo

January 1, 2025, HOA dues are increasing to $637 per month.

If you pay your dues through ClickPay be sure to log in to their online system (https://www.clickpay.com/custom/fsr/login.html) to determine if you must update your payment selections. If you have selected "Full Amount" or "Pay Recurring Charges and Scheduled Assessments Only" your payment will be automatically increased to $637 on January 1. No updates are required.

If you have "Fixed Amount" selected, please update the amount to $637. Make these changes after your December dues payment has been processed.

For help with your account or setting up payments online, visit ClickPay's support center at www.ClickPay.com/GetHelp for access to FAQ's, step-by-step walkthroughs, live chat, and email support or call 1.888.354.0135 (option 1).

If you pay online through your bank, you must check your bank's online banking system for updating options.

Treasurer Talk

– Sam Miller

Monthly Financial

September 25, 2024. A day to remember. On this day, our insurance rates increased from $271,000 per year to $745,000 per year. We were prepared to have rates rise to $300,000 per year. Had the Association not built up cash in its Operating fund, this overnight demand on cash would have compelled an immediate special assessment. Still, it is likely that we will begin the year with a cash balance sufficient to meet our early 2025 payment obligations.

Budget - The Board approved a budget for 2025 that will fund most cycle-committed repairs while significantly reducing nearly all costs except insurance and cable services. The 2025 dues total will be $637.00/month. The dues subcomponents are: Regular Dues $431.50, Cable Service $67.50, Insurance $138.00. For 2024, those numbers were: Regular dues $439, Cable Services $39, Insurance $53. As you can see, our regular dues will go down for this coming year ($439 to $431.50). However, lower revenue for operating and reserve budgets will mean a very tight control of expenses.

Insurance - We have fully insured our community through September 25, 2025! Our total building coverage increased from $155 million to $197 million.

The basic coverages are

1. The standard deductible for most perils is $50,000.
2. The standard deductible for a liability claim is $25,000.
3. The standard deductible for water damage (for example, broken pipes) is $100,000.

4. The HOA-owned buildings will have all recalled electric panels replaced. Until then, they are subject to a $250,000 deductible.
5. The insurer will inspect our site on October 30 for recalled panels that need replacing. Buildings (not just individual homes) with a recall panel may then be subject to a $250,000 deductible until all panels in the building are replaced. The Board will let all members know the outcome of the insurer's inspection.
6. The coverage is "bare walls". This coverage existed until September 2023-2024 when the coverage was expanded to walls-in, including upgrades. "Bare wall" means wallboard and all behind the wallboard will be replaced, but everything else (paint, flooring, cabinets, all) is subject to your HO-6 policy.

See pages 9-10 for full details from our insurance broker.

An initial survey of homes in October indicates that at least 50% of our homes (and likely buildings) may need electric panels replaced. This number will rise after a more detailed evaluation is completed. The Manager will keep members updated as information is provided to the Association. Many members have expressed a desire to move quickly with their panel replacements. Sam Miller has offered to coordinate such an effort. He can be contacted at sammiller1947@att.net.

Be sure to vote in the annual board of directors election. Submit your ballot to the HOA office by 5:00 pm on November 13. Attend the Annual Meeting of the Membership via Zoom at 6:00 PM that same day. Zoom details to follow via email blast.

Central Path Landscape Conversion

– Beth Messina

Our long-term goal for landscaping in this community is to convert lawn areas into more natural and less water-consuming habitats. Last fall, we replaced lawn and weeds on the

steep slope along Crosswoods Circle. We have been enjoying the color and texture all summer! This month, the large, weedy, forty-year-old lawn area on the Central Path south of the office has been transformed. We now have a distinctive dry creek bed with new shrubs and oak trees. In the next few weeks, the bare ground will be covered with a thick layer of bark from our own downed trees. The plants are being watered with drip irrigation, which will immensely reduce water consumption. Much thanks to those who helped with this project, especially Bob Acrea, who drew the initial design.

The Big Oaks

– Norm Hill

You may have noticed a tree crew with a cherry picker working on the two big oaks on Crosswoods Circle. One is on the corner of Rancho Mirage and Crosswoods Circle, and the bigger one is on the other side of Crosswoods Circle across from the entrance to Rancho Mirage.

These two heritage oaks are major landmarks in Crosswoods. We have had consulting arborists examine the trees and give us recommendations for safety and extending the lives of the trees.

During the summer the arborist examined the trunk density with a computer analysis of sound waves going through the wood. He reported that the trunk was in good shape but recommended trimming back some long branches in what is called weight reduction. The trimming was designed to improve the stability of the entire tree and reduce the chances of branches breaking off and creating danger below.

In October, Monarch Tree Service arrived to do the trimming job. They needed the cherry picker basket on a boom to get their workers high enough in the tree to reach the branches. When they were done, it was hard to see from a distance where they had done their cutting.

We hope this work will give the two scenic oaks more years to grace Crosswoods.

Volunteer Landscape Projects

– Norm Hill

Over the past several months Crosswoods volunteers have donated their time and efforts to carry out special landscape projects.

One project involved trimming dead branches from the trees along the Central Path south of the office. The group used their own tools on a Saturday morning to cut away the dead branches they could reach from the ground using saws on the end of pruning poles. They cut the branches into short lengths and piled them for the landscape crew to pick up during the following week.

Another volunteer project removed dead branches at the north end of the Central Path in the area between San Felipe and Monticello. Again, the downed branches were cut into sections and piled for the landscape crew to pick up during the next week.

A third volunteer project worked to create defensible space for fire safety between the northeast corner of Vera Cruz and the creek. Working again on a Saturday morning, the 7-member crew cleared away the jungle-like growth to eliminate the "ladder fuels" that can enable a ground fire to reach into the tree tops. Eliminating the ladder fuels greatly improves fire safety.

Despite the morning's efforts, the volunteers were unable to finish the job. They agreed to return the next Saturday morning to complete the work. The volunteers included Scott Allison, Rich Benavidez, Norm Hill, Kevin Jackson, Art Morrill, Josh Moser, and Alexandra Olijnyk.

Each project started with a description of the work to be done, a safety briefing, and signing liability releases.

Other landscape projects have involved a mix of volunteers working along with our landscape crew and in one case with contractors. Bob Acrea, the chair of our landscape committee, designed the layout for the turf conversion project along the Central Path and also for the island in Crosswoods Parkway coming off Auburn Boulevard. He also staked the locations for the plantings along the Central Path. Beth Messina and Sam Miller monitored and guided the contractor that installed the plants and the cobble drainage. Our crew put in the irrigation system.

Volunteers did much of the planting for the slope project along Crosswoods Circle between the two ends of Monteverde Lane. A contractor prepared the design and

installed the low block wall. Our landscape crew prepared the area, installed the irrigation system, and spread the bark.

We look forward to more projects where volunteer residents can donate their time and effort to make Crosswoods a better place.

Comcast TV/Internet Service Implementation

– Sara Lombardo

In late September, the board approved a bulk service agreement with Comcast to provide TV and high-speed internet to each home in our community. The contract for this new service will begin January 1, 2025. The cost will be $65 per month per homeowner unit, which will be included in our monthly dues assessment.

Our community manager and Comcast representatives are working on the implementation plan for installing the high-speed internet/cable equipment. Once the plan is finalized, Comcast and the HOA will inform HOA homeowners how they can pick up the necessary WI-FI Modem (XB8) at a local COMCAST retail store and install it at their leisure OR schedule an appointment with COMCAST for a Representative to visit and install the equipment at their property. Comcast will provide how-to instruction materials as well as Comcast contact information. Additionally, Comcast will conduct "Town Hall Meetings" - virtual and in-person - to explain the implementation process, how to obtain the equipment, and answer questions. The HOA will inform homeowners via email blast and/or mail as new information is received during implementation. The HOA is working to ensure homeowners transition smoothly to the new Comcast service.

What's Happening on our Homes and Common Area Maintenance

– Sam Miller & Sara Lombardo

This article is a regular newsletter feature to update members on maintenance work performed throughout the community. Here is what has been happening since the April 2024 newsletter.

Siding and Paint. If you spend time walking our community, you will notice that the focus of repairs has been on dry rot repair for decks and home siding. Our goal for 2024 was to repair and paint 50 homes, primarily on Monteverde and Toluca. This work is roughly 67% complete, with homes on the south side of Toluca Lane still waiting for

work to begin. Significant repairs to three other homes have also been accomplished. One additional home has had the second-story terrace repaired.

Decks. The in-house deck team has accomplished their share of deck repair efforts on Amado and Madrea Courts and is about four homes away from completion of Rio Cuarto. By year-end, the HOA will have repaired/replaced a total of 39 decks for the year and 198 total decks since 2021. For the period extending back to 2018, a total of 260 decks have been repaired or replaced. By the end of 2029, the HOA will have repaired or replaced all decks within the community.

In September, the Board authorized a contract worth $229,606 with Cal Pro Construction to rebuild or replace 13 decks across the community. The contractor is currently securing permits and anticipates starting work by the end of this month. Our lead carpenter, David Blackstone, recently obtained his contractor's license, so he and his team are now equipped to fully reconstruct decks that require a complete rebuild.

Flat Roofs. The full repair of the 37 homes contracted for 2024 has been accomplished. Those homes were on Castillo, Montez, Navarro, San Altos and San Jacinto. The flat roof repair effort began in 2022 and has accomplished 80 homes to date. Homes with flat roofs on La Cima, Monticello, and Toluca Lane are budgeted for 2025.

The HOA also replaced almost 1,000 feet of wood fencing along the development's south side, primarily behind the San Altos, Monte Verde, and Navarro Court homes. The contractor used galvanized powder-coated fence posts, pressure-treated railings, redwood fence pickets, and exterior-coated screws to ensure a well-constructed fence.

You may review the siding, painting, and decking maintenance schedules on our community website https://www.crosswoodshoa.com to see what streets are planned for next year's maintenance. Updates will also be included in future newsletters.

Updating the Architectural Alteration Request Guidelines

– Norm Hill

The Crosswoods HOA Board of Directors proposes to amend the Architectural Alteration Request Guidelines.

The Guidelines provide information that homeowners need when requesting permission to make changes to the exterior of their homes. The document describes the application process and tells where to obtain the forms to use in requesting changes. It identifies common projects that need approval from the Board of Directors and lists projects that the Manager may approve.

The Guidelines were last amended in 2016. That version allowed the Architecture Committee to approve or disapprove projects, but the CC&Rs limit committees to making recommendations to the board for action. The committee requested that their name be changed from the "Architectural Control Committee" to the "Architectural Review Committee" to have the name reflect the actual function. The board agreed to propose the change and to consider other changes at the same time. Changing the Guidelines requires notice to the community and a review period of at least 28 days.

The main changes among the proposals include:

1. Change the name of the Architectural Control Committee to the Architectural Review Committee because the Crosswoods Conditions, Covenants, and Restrictions (CC&Rs) do not allow committees to grant approvals but limit committees to making recommendations for approval by the Board of Directors.
2. List information that needs to be included in the Architectural Alteration Application form.
3. List more projects that may be approved by the Community Manager.
4. Explain that the HOA will no longer allow deck extensions or new ramada (pergola) construction due to the cost of maintenance.
5. Allow hot tubs in courtyards but not on decks.

On October 28, the HOA sent out an email blast to the community announcing the proposed amendments and attaching an electronic copy of the Guidelines showing the proposed additions and deletions. The notice was also sent by regular mail to people who have not agreed to use email for notices. If you would like a paper copy of the proposed revisions, you may request one in the office. An electronic copy is available on the Crosswoods website, and a paper copy will be posted on the community bulletin board.

The comment period will be open until Monday, December 2, 2024 at 4 pm. Comments on paper may be dropped in the office mail slot or mailed to the office at 6510B Crosswoods Circle, Citrus Heights, CA 95621. Email comments may be submitted to josh.peters@fsresidential.com. Comments are most helpful if they provide wording for suggested changes.

The Board of Directors will consider all comments received before taking action on the proposed amendments.

The package of the amendments and the comments may appear on the Board's agenda in December 2024 or January 2025.

Amending our CC&R's

– Norm Hill

The Crosswoods HOA has started a project to amend the Covenants, Conditions, and Restrictions (CC&Rs), one of our basic governing documents. The project will involve discussions with the community and several opportunities for review and comment.

The main reason for amending the CC&Rs is to give the HOA clear responsibility for dry rot repairs to siding and trim. Currently the CC&Rs say that dry rot repair is one of the homeowner's responsibilities. However, for many years the HOA has taken on the job at its own cost of repairing damage to siding and trim from dry rot. About half of the homes have been repaired by the HOA, and we plan to continue this work for the remaining homes. We want the CC&Rs to reflect what we are doing.

While the HOA has been paying for the repairs to siding and trim, homeowners have been responsible for damage to the structure of the walls. The amendments are expected to continue this sharing of responsibility.

The Board decided that while making this change to the CC&Rs, we should think about making other desirable changes at the same time. So far, we have put together the following list of subjects for amendments:

- Dry rot repair. Give HOA responsibility for dry rot repair in the portions of the buildings that the HOA maintains. Add to Art. 8.1 (b).
- Normal wear & tear. - Add definition.
- Balcony – add definition
- Second-story terrace – add definition.
- Garages. Clarify that the garage is part of the residence. Art 1.33. Delete the prohibition on converting garages to living space as required by section 4751 of the Civil Code and section 65852.2 of the Government Code.
- Signs. Allow small noncommercial signs on homes as required by section 4710 of the Civil Code. Art. 4.9.
- Guest Parking Spaces. Re-examine the restrictions on using the guest parking spaces to come closer to currently accepted practice.
- Owner Responsibilities. Except for dry rot to siding and trim, continue owner's responsibility to repair damage caused by organisms such as termites.
- Crossing Lines of Repair Responsibilities. Where work maintaining, repairing, and or replacing items in homes involves both HOA and owner responsibility, the HOA may include in its project the work for which the owner would otherwise be responsible and charge the owner for the share of the work for which the owner is responsible.
- Fix outdated cross references to old code section numbers in the Davis-Stirling Act including alternative dispute resolution (article 10.8) and annual assessments (art. 6.5 (d)).

On October 28, 2024, the Board sent this list out to the community asking for comments and suggestions for additional subjects.

Responses should be sent to Josh Peters in the office by mail at 6510-B, Crosswoods Circle, Citrus Heights, CA 95621-4301, or by email to josh.peters@fsresidential.com.

The deadline for receipt of comments will be 4 pm on Friday, December 13, 2024.

After the subject list is expanded or reduced, we will develop the text of the amendments to address those subjects. The proposed amendments will be presented to the Board of Directors for approval to circulate to the membership for another review and comment period.

We want an open process with communication back and forth. Ultimately, the homeowners will be asked to vote on the amendments. To be adopted, the amendments will need a "yes" vote from a majority of the 451 home ownerships. This means at least 226 yes votes. To achieve this vote, we want to reach a general consensus that the amendments are good ideas.

For the safety of all members, please remember to observe the HOA pathway rules:
No Skateboards, Scooters, Bicycles, Inline Skates, Roller Skates, or Two, Three, or Four-wheel vehicles are allowed on our pathways (except service vehicles).

Board Action Highlights April 2024 – October 2024

– Sara Lombardo

Detailed board meeting minutes are available on our website: https://www.crosswoodshoa.com

May 2024

- Approved an updated Website Committee Charter to reflect the Committee's current responsibilities
- Approved the Architectural Review Committee's (ARC) request to update the ARC Guidelines.
- Approved building a small retaining wall at the Crosswoods Circle Turf Conversion project.

June 2024

- Approved the Lot Maintenance, Insurance, and Damage Repair Policy and Clarification to ensure homeowners understand the CC&R provisions for homeowner responsibility to repair home damage that occurs for anything other than normal wear and tear.

July 2024

- Approved the process to amend the CC&R's.
- Approved Volunteer Project to remove low tree branches from trees on Central Path before landscape conversion project.
- Approved email blast announcements from the Landscape Committee to notify homeowners of upcoming projects.

August 2024

- Approved the Comcast Bulk Rate Service agreement to provide TV & Internet to homeowners at $65/month or a $28/month increase to dues.
- Appointed a Steering Committee to oversee revisions to the CC&Rs.

September 2024

- Approved a volunteer project whereby a homeowner can be approved to do specified volunteer landscape work in a defined area of Crosswoods for 2 months, subject to renewal by the Community Manager.
- Appointed a sub-committee comprised of the Board President, Treasurer, and two members of the F&I Committee to interview insurance brokerage firms and recommend one for Board approval.
- Approved the Central Path Turf Conversion project.

October 2024

- Approved the 2024-2025 Budget with a dues increase of 20% due to new Comcast TV & High-Speed internet service for all homeowners and increased HOA Insurance premium.
- Approved ARC revised guidelines be sent to all homeowners for 30-day review and comment.
- Approved distribution of draft CC&R revisions to homeowners for 30-day review and comment.

Monthly Meeting Calendar:

Board of Directors Meetings
Meets 4th Wednesday each month, 6:00 PM via Zoom.

Architectural Committee
Architectural Committee
Meets the 2nd Tuesday at 6:30 PM
Sherron Scripa, Chair

Finance & Insurance Committee
Meets the 3rd Wednesday, 6:00 PM

Landscape Committee
Meets the 2nd Tuesday, 10:30 AM

Pool Committee
Meets the 3rd Monday at 4:00 PM (during pool season)
Pam Ashby, Chair

Website Committee
Meets 2nd Tuesday every other month at 3:30 PM
Sara Lombardo, Chair
webmaster@crosswoodshoa.com

REMINDERS

- If you decide to rent your unit, contact the HOA Manager to obtain approval [CC&R's 4.18(a)].
- Please don't feed wildlife including the turkeys. This is stipulated in our HOA Rules.

Wow, the good old days!

We found a marketing flyer for Crosswoods homes from the early 1980s.

Check out the interest rate – 10 ¾%!

The Landscape Committee has developed a clever email notification system to inform the community about upcoming landscape projects and volunteer opportunities. The last notice (below) announced that volunteer Captains are needed to watch for landscape problems on their block, such as broken sprinklers, fallen branches, etc., and notify the HOA office. You can find all past alerts on the community website, https://www.crosswoodshoa.com.

Crosswoods HOA

E-MAIL ALERT

October 11| 2024

News About Crosswoods Landscaping

MAIN TRAIL LANDSCAPING BEGINS

Look for a beautiful new landscaped trail as work began on turf replacement along the main walking trail. Work should be completed about November 1. For a detailed map, visit the HOA office.

TURF AERATION

Turf Aeration and Seeding began October 7 at

- San Altos Circle Island ***Completed***
- Turf area(s) along Crosswoods Circle (within 25 – 30 feet from the sidewalk)
- All front yard lawn area(s)

Please do not walk on or allow your pets on these turf areas. During the germination process, mowing will cease to allow new seedlings to thrive.

THE GREEN TEAM

GREEN TEAM VOLUNTEERS NEEDED

Neighborhood Green Team Captains are needed to keep an eye out for landscaping issues in their block and inform issues to the HOA office. Green Team will report problems like broken sprinklers, dead limbs, etc. for resolution. **To volunteer, contact Josh Peters, HOA Office 916.735.5946**

SOCHER

The Leader in HOA Insurance Since 1987

10/17/2024

Crosswoods Homeowner Association
FirstService Residential
15241 Laguna Canyon Rd
Irvine , Irvine 92618

RE: 2024 Coverage for the Interior of Units

Dear Community Members:

Socher Insurance Agency is the agency your Board of Directors has chosen to service the Association's Property and General Liability insurance coverage. Socher Insurance Agency specializes in Community Associations; it's all we insure. Socher was founded in 1987 and currently services just over 1500 Community Associations.

The Association's current policy coverage is effective September 25, 2024, and runs for one year. This letter is intended to give you information regarding what Property coverage is provided by the Association's policy and what personal insurance coverage you, as a Unit Owner, should purchase yourself.

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

- The Association currently has Property (building) insurance coverage provided by Great American Risk Solutions Surplus Lines Insurance and the General Liability insurance coverage is provided by Everspan Indemnity Insurance Company.
- The Association's policies now have a Property per occurrence deductible of **$50,000** for all perils except **$100,000** deductible and the General Liability now has **$25,000** per occurrence. The association has an old electrical panels **$250,000** deductible for in the common area buildings at this time.
- The Association's insurance form chose for Property coverage is:
  Following Form to the governing documents where the association board has determined Bare Walls coverage. This means that the association's coverage stops after the drywall where all wall texture, fixtures, cabinetry, flooring, doors, ect. is covered by the unit owners insurance for the interior.
- The Association's Bylaws. Article 8.2.15 (a) states "The Association shall maintain, insurance coverage for all of the Improvements within the Development including, without limitation, the Residences and all other Improvements located on the Common Area and on the Lots. The board shall have the sole and complete discretion to select a

deductible amount and to provide for the exclusion from coverage (i) interior improvements; (ii) appliances."

- Article 8.2.15 (j) and (k) "Each Member is strongly advised to consult with his or her insurance advisor to ensure that such Member has purchased and is maintaining adequate and appropriate insurance coverage."

Shown below is a list of some of the coverage that is suggested to have included in your personal insurance policies. If you have any questions about what type of personal insurance you have, you should contact your personal lines insurance agent/broker for details.

Unit Owners ("HO6")/Unit Rented to Others ("HO4") Insurance Policies:

- ***Dwelling/Property Coverage*:** building/structural coverage that the Association will provide for the "Bare Walls" as described above with all interior coverage insured by the unit owner.
- ***Personal Content Coverage*:** coverage for any personal items that belong to you and not the association.
- ***Deductible*:** Bylaw Article 8.2.15 (j) states that the individual unit owner is responsible for the Association's $50,000 deductible or $100,000 water deductible.
- ***Personal Liability*:** protects the unit owner from liability losses, such as (slip-and-falls) that occur within your unit and beyond.
- ***Loss of Use*:** if there is a loss at your unit and you must stay off premises during the rebuilding process, this coverage will take care of that extra expense.
- ***Loss Assessment for Property/Liability*:** if a covered loss exceeds the limits of the Association's insurance policy, the Association will have to specially assess the unit owners to make up the difference. This coverage will provide funds to pay such a special assessment.

Socher Insurance Agency thanks you for allowing us to service the Association's insurance needs.

Happy to be of service,

Erica

Erica Shaw, ARM, AAI, AIS, CPIW