

Scottsdale Shadows Unit Owner Coverage Letter

The Association maintains a master insurance policy. This policy includes General Liability, Directors & Officers Liability, and Fidelity/Crime coverage. The Association also carries property coverage to insure the buildings and finished interiors (including fixtures, all built-in or set-in appliances, cabinets, countertops and initial basic floor coverings as originally installed per the original plans and specifications, EXCLUDING upgrades, betterments & Improvements) after the damages exceed the associations \$50,000 deductible.

Some examples of the perils you are insured for are wind, hail, lightening, fire, vandalism, malicious mischief, explosion, and sudden and accidental water damage. There are certain exclusions to the master policy such as your personal property, standard maintenance, items damaged by normal wear and tear or pest (vermin) damage and subsidence.

The Associations Property Damage Deductible is \$50,000 for Water Damage Per Unit, and a \$50,000 Deductible per Occurrence for All Other Claims. If you have a claim occur in your home, please contact your personal insurance agent right away. The Associations policy will not respond unless the claim is over \$50,000. Any claim occurrences that happen in your home that are under \$50,000 should be sent to your personal insurance agent.

What Insurance Coverage do you need as a Homeowners?

- **Personal Property** coverage WITH replacement cost covering your personal belongings as the master association policy does not cover Unit Owner's personal property.
- **Please be sure to notify your personal insurance agent that this association carries a \$50,000 Deductible for Water Damage Per Unit, and a \$50,000 Deductible per Occurrence for All Other Claims, so that you are covered in the event you are responsible for that Deductible or loss sustained within your Unit that is less than the Deductible.**
- **Building upgrades, betterments and improvements** can be covered on your personal insurance. **Betterments, Improvements or Upgrades to your Unit need to be covered by you as an owner to cover any gaps in coverage in the event of loss.** The association insurance coverage will be limited to "industry standard materials" of like, kind and quality for the replacement of finished flooring, wall coverings, fixtures and cabinets.
- **Loss of Use** will pay the unit owners living expense while the unit is not inhabitable due to an insured loss. If your condo is rented out, this coverage will be replaced with Loss of Rents coverage.
- **Loss Assessment** will pay the owners share of a special assessment levied to all homeowners in the association due to an insured loss exceeding the associations master policy limits.
- **Personal Liability** pays for bodily injuries to other people or damage to their property if you are liable resulting from unintentional acts committed by qualified family members including sporting activities and acts of your pets.