



SOCHER

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

877.317.9300 Toll Free
877.317.9305 Toll Free Fax

hoainsurance.net
CA Broker License No. 0C97535

November 4, 2019

Fieldstone Owners Association
c/o Board of Directors
P.O. Box 997
Orangevale, CA 95662

Re: Insurance Renewal Proposal

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. The Association's current policy coverage is effective November 2, 2019 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 consider purchasing yourself, in consultation with your own personal lines insurance agent. We are also including information you might need should your lending institution contact you about insurance coverage.

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

1. The Association currently has property (building) insurance coverage provided by American Alternative Insurance Corporation.
2. The Association's policy includes a property deductible of \$5,000 per occurrence.
3. The carrier is currently providing a pro-active "All In" form which will cover the interior unit components up to original construction (i.e. cabinets, counter top's, fixtures and flooring.)
4. The Association's policy does not include coverage for betterments and improvements (upgrades such as hardwood floors and granite countertops.) This is a homeowner's responsibility to insure separately.
5. The Association's insurance policy is not intended to cover any personal property situated within an individual unit. Therefore, each Unit Owner is responsible for determining and obtaining coverage to replace any and all personal property located within their Unit.

Shown below is a list of some of the coverage that the Board of Directors recommends Unit Owners consider including in their personal insurance policies. If any or all of these are not included in your policy, we suggest you speak with your personal lines agent to add them. To do so, or if you have any other 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 not provide, such as for the Betterments and Improvements to a unit done after the original construction (e.g. granite counter tops or hardwood flooring if the unit was not originally built with those items.)
- *Personal Content Coverage:* coverage for any personal items that belong to you and not the association.
- *Personal Liability:* protects you, the unit owner, from liability losses, such as (slip-and-falls) that occur within your unit and beyond



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- *Deductible (please refer to Article 14.2.4.8 in your ByLaws):* (a) the Owner is responsible for paying the deductible if the damage is to their own Unit; (b) the Association is responsible for paying the deductible if the damage is to the Common Area.
- *Loss of Use:* if there is a loss at your unit and you have to stay off premises during the rebuilding process (i.e. hotel), this coverage will take care of that extra expense.
- *Loss Assessment for Property/Liability and/or Earthquake:* 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.
- *Earthquake Coverage:* this is a separate policy that includes coverage for minor structural damage to the inside of the unit, for personal property and for loss of use as a result of an earthquake, and for any earthquake loss special assessment.

Earthquake Insurance Coverage:

Currently, there are not too many options for personal earthquake coverage. Our office is aware of two such policies. One is through the California Earthquake Authority ("CEA") (www.earthquakeauthority.com) and the other is through Geovera Insurance Company (www.geovera.com). The CEA policy can be purchased through sixteen different insurance carriers that offer personal lines insurance coverage. Geovera sells its products through insurance brokers. Please contact your personal lines insurance agent/broker for further information about the aforementioned personal earthquake policies, as well as any other personal earthquake insurance products that may be available.

We are enclosing a copy of the Association's Certificate of Property and General Liability Insurance, as well as step-by-step information about how to go on-line to request a current Evidence of Insurance should your lender need one.

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

Glad to be of service,

Maria Fajardo
Account Executive
Mfajardo@hoinsurance.net