



General Insurance Information for the Homeowners of Cypress HOA

Our agency is pleased to have been retained as the insurance service provider for the Cypress HOA effective 07/12/2023. In coordination with the Association, our agency would like to provide all homeowners with information of what the master insurance policy covers *within the residential units*. To ensure that all homeowners are maintaining proper limits of insurance, please review the information below and on the reverse.

Items Covered by the Master Policy: Consistent with the CC&R's, the Association's insurance covers all Association structures, including the residential units. The interior coverage extends to all studs, drywall, rough electrical and plumbing. The Association carries a \$10,000 deductible.

Individual Unit Owner Insurance Needs: Whether you personally occupy your unit or have a tenant, please inform your personal insurance agent that you need an **HO-6 insurance** policy. Owners need to insure all interior items beyond the drywall that are a part of the building or structure. Examples would be: plumbing and electrical fixtures; cabinetry, countertops, appliances, floor coverings, ceiling coverings, wall coverings, etc. It is also important to cover your personal contents, liability, loss of use, loss assessment, and earthquake insurance coverage for your interior. Please refer to the insurance responsibility checklist on the reverse side of this document for more information, including recommended limits.

Individual Assessments and the Association's Deductible

All homeowners should consider insurance to cover assessments levied by the Association to a homeowner, as well as coverage which helps the individual homeowner pay for the Association's \$10,000 deductible, if needed.

***Example:** A water pipe bursts inside a unit, which causes damage. The individual homeowner may be solely responsible for the Association's insurance deductible.*

Through an effective individual unit owner policy (HO-6) coverage for your Association deductible can be easily obtained. Please talk to your individual insurance agent.

How to Obtain a Certificate of Insurance

Certificates of Insurance (available to financial institutions for loan purposes) may be obtained by visiting www.EOIDirect.com or contacting their help desk at (877) 456-3643.

How to File a Claim

If you have a claim, notify your Association's management company and your own homeowner's insurance carrier.

The above information is provided to assist in understanding the basic coverage on the Association's and Unit Owner's policies. For final coverage determination, both policies should be reviewed



Insurance Responsibility Checklist

Insurable Property	Insured by HOA	Insured by Homeowner
Exterior Building Structure	X	
Building Utility Installations	X	
Drywall of Unit as Originally Constructed	X	
Rough Plumbing and Electrical	X	
Flooring and Wall Coverings		X
Countertops		X
Cabinetry		X
Appliances		X
Plumbing and Electrical Fixtures		X
Fixtures within Residential Unit		X
Windows	X	
Entry Door	X	
Personal Property: Furniture, Electronics, Clothing, etc.		X
Loss Assessment		X

The Unit Owner's HO-6 Policy will cover items such as: Personal Property, Building Improvements, Interior Structures, Liability, Loss of Use, and Loss Assessment. Talk to an Agent about this important policy as these items are not covered by the association's insurance policy.

Non-Owner occupied units need similar coverage, but with the addition of Loss of Rents.

Earthquake Coverage for Unit Owners should be considered. There are several options for Unit Owners to purchase Earthquake Coverage. The following highlights a popular option, which is the California Earthquake Authority (CEA).

CEA Earthquake:

Real Property (Building Interiors & Alterations): Coverage up to \$100,000 is available.

Personal Property: Coverage up to \$200,000 is available.

Loss of Use: Coverage up to \$100,000 is available for additional living expenses.

Earthquake Loss Assessment Coverage: This coverage will pay for your share of earthquake damage to the association property when you are assessed because the association either had no coverage or they need to meet their deductible. Cypress HOA has Earthquake Coverage with a Deductible of 20%. The recommended minimum limit for this coverage is \$50,000.

More information can be obtained at www.earthquakeauthority.com