

June 15, 2010

Unit Owners  
Cedar Hollow Association, Inc.  
Rocky Hill, CT 06067

Re: Condominium Master Insurance Policy  
Coverage Suggestions to All Unit Owners

Dear Unit Owners:

The Board of Directors of Cedar Hollow has asked my agency to provide an interpretation of the insurance coverage provided to Unit Owners under its Governing Documents and the Condominium Master Insurance Policy provided by Philadelphia Insurance Company.

Upon review of the Cedar Hollow Condominium Declarations insurance section (pages 26 through 29) and the Condominium Master Insurance Policy provided by Philadelphia Insurance Company, each Condominium unit – in the event of disaster – will be rebuilt to the original specifications as declared to the Town of Rocky Hill by the original developer. These original unit specifications would include original quality flooring, original quality kitchen and bathroom cabinets, countertops and fixtures.

This master property coverage excludes unit owner-purchased and installed improvements and betterments.

For example, if a unit has upgraded flooring, cabinetry, countertops, kitchen fixtures, bathroom fixtures or added interior walls, a finished basement, or had upgraded windows/sliders installed, etc., the increased cost of reconstructing the unit with these items incorporated is the responsibility of each unit owner. Therefore, each unit owner should have sufficient insurance on his or her condominium unit to cover the cost of these upgrades.

When the exact value of these upgrades is unknown, our agency normally recommends that each unit owner purchase at least \$25,000 coverage for “Building Coverage”, “Coverage A” or “Improvements or Betterments.” These are all different names for this coverage provided by the unit owner policy.

If a unit owner is unsure or confused regarding this coverage responsibility, our agency would be happy to assist in providing a proper quote for this coverage.

Should you have any questions, please feel free to call. I can be reached at 860-232-4491 X-110.

Sincerely,

Richard J. Bouvier, CIC  
Bouvier Beckwith & Lennox, Inc.