

LOMMEN ABDO

MN / WI / NY

January 31, 2018

Red Cedar Canyon Townhouse Association, Inc.
Attention: Association Board
c/o Larry Williamson
181 West Canyon Drive
Hudson, WI 54016

Re: Red Cedar Canyon Townhouse Association, Inc. ("Association")
Insurance Coverage
Our File No. 41769

Dear Sir/Madam:

In accordance with your inquiry regarding adequacy of insurance coverage, I reviewed the Association's Declaration of Covenants and amendments, together with the old and current insurance policies and declarations.

At a minimum, the Association is required to insure all of the areas that it owns, maintains and controls. This includes the common areas (and all improvements, furnishings, equipment, conduits, pipes and wires located in the common areas), the Lots (i.e., the land), lawns, driveways, walkways, parking areas, easements, and the exterior of all Living Units, including exterior windows and doors.

The owners are responsible for insuring the Living Units. This means everything from the sheetrock inward and would include floor and wall coverings. The Association may elect to insure the interior of the Living Units and assess as a common expense, but is not required to do so. The "bare walls" policy appears to be adequate.

Please let me know if you have any questions. Thank you.

Very truly yours,

LOMMEN ABDO, P.A.

Brent R. Johnson
BRJ:dfh

cc: Melanie Reiter, Cities Management

