

**STATE FARM**  
**PROVIDING INSURANCE & FINANCIAL SERVICES ®**  
**CARY W CHARLSON INSURANCE AGENCY INC.**  
License # 733458

6993 35<sup>th</sup> ST N  
OAKDALE, MN 55128  
O:651-770-1849  
F:651-770-0930  
TOLL FREE:1-888-771-7557

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**DATE: 10/10/2023**  
**TO: RED CEDAR CANYON TOWNHOME ASSOCIATION INC.**  
**RE: INSURANCE INFORMATION FOR UNIT OWNERS.**

Dear Condominium/Townhome Unit Owner,

State Farm Fire and Casualty Company have been selected to insure your Association. We have enclosed a copy of your Certificate of Insurance.

The Cary W Charlson Agency specializes in insuring condominium/townhome associations. With this in mind, please feel free to contact us anytime via phone, email, fax or mail to ask us any question that may come to mind.

Did you know that your ownership interest in a condominium/townhome association needs to be insured in a very unique way? Your association policy does cover the building in which you live, paid for by association dues. However, each association policy is written differently and there may be 'gaps' in this coverage. You can fill these gaps and rest assured that you have seamless coverage by putting into place an appropriate **HO-6** (condominium/townhome unit owner's) policy.

You will be able to identify these gaps and then select the appropriate coverage on your HO-6 if you are aware of the association deductible and what building property will not be covered.

**The Associations master policy deductible is \$20,000**

**Any damage to the building below \$20,000 WILL NOT be covered on the association policy.**

**This policy also WILL NOT cover the following internal building property:**

- 1) Any damage below the association deductible.
- 2) Wall coverings, floor coverings, and window treatments.
- 3) Cabinetry, countertops, etc.
- 4) Finished millwork, trim, molding, etc.
- 5) Electrical, mechanical, or plumbing fixtures serving a single unit.
- 6) Appliances
- 7) Built-ins, or other betterments or improvements.

Knowing this, you will simply need to make sure that the Coverage A (also known as building property, dwelling property, real property, etc.) limit is at least equal to the cost to repair or replace all of your internal building property. This can be up to 1/3, or even 1/2, of your total property value.

The association master policy does not cover your personal property, damage below the association deductible or building property excluded by the association. It will also not cover personal liability, loss of use, medical payments to others, and loss assessments.

Seamless coverage is your goal. Being aware of the association deductible, together with the exclusions in your association policy is where it all starts. Contact our office for recommendations or if you have questions or concerns.

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CARY, SUE, SALLY, SHELLEY, CHAUCNEY, SARA,  
AYRIN, JERYL-LYN, GRACIE, JAMES & CINDY  
199 YEARS OF EXPERIENCE  
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WHAT TO DO IF YOU HAVE A LOSS:

Only your management company or an association board member can make a claim on your association policy. If a loss occurs to your unit, please alert your management company or association board immediately. If your loss involves the interior of your unit, be sure to alert your HO-6 carrier.

FOR THOSE WHO RENT YOUR UNIT TO OTHERS:

If you rent your unit to others, you should purchase a specialized rental condominium/townhome unit owner's policy to cover building property, liability, and loss assessments at the amounts recommended on page 1. As the unit owner, you are still responsible for covering any 'gaps' in your coverage. You can contact our office for more information on this type of policy.

**IMPORTANT – IMPORTANT – IMPORTANT**

AS STATED PREVIOUSLY, WE HAVE ENCLOSED A CERTIFICATE OF INSURANCE.

IF ON YOUR CERTIFICATE OF INSURANCE, THE MORTGAGE INFORMATION IS INCORRECT, OR MISSING, PLEASE CONTACT SARA ANDERSON SO THAT WE CAN CORRECT OR ADD YOUR MORTGAGE COMPANY.

YOU CAN CALL 651-770-1849 OR FAX THE INFORMATION TO US AT 651-770-0930.

WE NEED:

MORTGAGE COMPANY NAME  
MORTGAGE COMPANY ADDRESS  
CITY STATE ZIP  
LOAN NUMBER

THIS ADDRESS MAY BE DIFFERENT THAN WHERE YOU MAIL YOUR PAYMENTS;  
THIS IS SOMETIMES REFERRED TO AS YOUR LOSS PAYEE, LOSS PAYABLE CLAUSE,  
OR INSURANCE CORRESPONDENCE ADDRESS.

REMEMBER TO INCLUDE YOUR NAME, AND ADDRESS.

\*\*YOUR MORTGAGE COMPANY HAS THE RIGHT TO 'FORCE PLACE' INSURANCE  
COVERAGE; UPDATING THIS INFORMATION WILL PREVENT THIS FROM OCCURRING.

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