

From:

Red Cedar Canyon Townhome Association (RCCTHA) – Board of Directors

To: RCCTHA – Unit Owners

Subject: Changes in the RCCTHA Master Policy – affecting all Unit Owners

10/1/2025

Dear RCCTHA Unit Owner,

As a result of insurance marketplace changes (major losses industry wide), and the recent loss history of RCCTHA (2 significant losses in the past 3 years), the RCCTHA Board has elected to use an industry standard – Wind/Hail deductible of 5% - with a minimum of \$25,000 per incident.

As described in the accompanying **Insurance Information Letter** from the Charlson/State Farm agency, it is highly recommended that every Unit Owner consult with their personal agent and consider adopting the two following recommendations:

1. If you haven't already done so – increase/carry at least **\$25,000** of **Loss Assessment** typically, Coverage D on your HO-6 (Unit Owners) policy. Usually, very inexpensive.
2. As alluded to in the **Insurance Information Letter**, the RCCTHA Master Policy is a “bare walls” agreement. As such, you should carry at least \$150K-\$200K of Coverage A – (Dwelling Coverage), in the event you need to completely repair/replace the “interior” of your unit due to a loss. Again, you should discuss this with the agent who handles your HO-6 policy.

Respectfully,

Chad Crow

Chad Crow, President

On behalf of the RCCTHA Board