

From:

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

To: RCCTHA – **Unit Owners**

Subject: RCCTA Board Recommendation Master Ins Policy – affecting **all Unit Owners**

10/7/2026

Dear RCCTA Unit Owner,

As a result of the RCCTA's recent loss history of (2 significant losses in the past 3 years), our insurance premium increased 29%. In order to mitigate that increase, effective 10/10/26, the RCCTA Board selected higher deductibles – Wind/Hail **deductible of 5%** - with a minimum of **\$50,000** per incident for all perils.

The **Insurance Information Letter** from the Charlson/State Farm agency - posted on the RCCTA website - recommends that every Unit Owner consult with their personal lines agent and consider adopting the two following recommendations to their HO-6 Unit Owners Policy:

1. Carry at least **\$50,000** of **Loss Assessment**, typically Coverage D on your HO-6 (Unit Owners) policy. Usually, this is a very modest increase in your annual premium.
2. As alluded to in the **Insurance Information Letter**, the RCCTA Master Policy is a “bare walls” agreement – meaning residents are responsible for the **interior** repair or replacement of their unit. As such, each unit owner should carry a minimum of **\$175K-\$200K** of Coverage A – (Dwelling Coverage). Again, please discuss this with the agent who handles your HO-6 policy.

Respectfully,

Chad Crow

Chad Crow, President

On behalf of the RCCTA Board