

Mark Gray CLU[®] CPCU[®], Agent

66 Eastbrook Bend
Peachtree City, GA 30269-1530
Bus 770 487 8561
mark.gray.gz37@statefarm.com

April 9, 2018

MASTER vs. HO6

The Master policy for **Midway Village Townhome Association, Inc** will provide very broad coverage on all of the townhome buildings and other auxiliary structures. It is replacement cost coverage and covers the buildings both inside and out. Examples of things covered on the inside would be drywall, floor coverings such as hardwood, tile, and carpet, cabinets, plumbing and fixtures, countertops, HVAC, built in appliances and upgraded molding. The Master policy has a **deductible of \$20,000 which applies to all covered losses.**

The Master policy insures against losses considered to be "Sudden and Accidental" in nature subject to any exclusions in the policy. These covered losses include fire, lightning, windstorm, hail, tornado, damage from pipes that burst inside the unit, damage from frozen pipes that burst inside the unit, backup of water through the plumbing system inside the unit, washing machine hoses that malfunction, etc. The Master policy is not intended to cover maintenance issues such as general wear and tear or poor upkeep. Additionally, rising water that comes in from the ground is not a covered loss.

The Master policy also covers General Liability for the Association with a limit of \$1,000,000.

To assist in eliminating gaps in insurance, additional coverage should be carried on a personal basis.

Each unit owner should carry a **Condo unit owner's policy also known as an HO6** which provides coverage for contents within the unit, liability coverage for personal exposure, and building coverage equal to at least the deductible amount of the Master policy (\$20,000). The HO6 policy should also carry Loss Assessments coverage in case they are assessed by the Association for an uninsured or underinsured loss.

If we can be of further assistance in answering any questions on how these two policies work please call us at 770-487-8561. If you would like a Condo Unit Owner's quote or a review of your personal insurance, please contact Angie Baker.

Sincerely,



Mark Gray, Agent