

## Summary — Village 2 Community Association Master Insurance Coverage

Philadelphia Insurance Company — Updated 2024

**This document is intended to help you understand the insurance provided by the Village 2 Community Association as it applies to individual unit owners.**

The Master Policy insures the “building” and includes the common elements and any property owned by the Association. As per the Village 2 Declaration, the Master Policy insures the dwelling, including any permanently installed fixtures, equipment, and other property that was “originally provided by the developer” at the time the unit was built. The policy is not going to provide coverage for the unit owner’s personal contents or any improvements, betterments or additions that have been made to the unit. The unit owner will need to secure their own HO6 policy to insure their personal property and to include coverage for any and all improvements, betterments or additions made to the unit. Improvements which you or a previous unit owner have made to the unit may include things such as upgraded kitchen cabinets, upgraded appliances (washer/dryer, refrigerators, stoves), upgraded flooring or wall coverings, any permanently installed fixtures, finished basements, and upgraded bathrooms. All of these items need to be insured under the unit owner’s HO6 policy and not the Master Policy.

The Master Policy provides Special Perils Coverage and includes a Guaranteed Replacement Cost endorsement. The Master Policy, like all insurance policies, is subject to the Master Policy limitations, exclusions and property deductible. **The deductible under the Master Policy is \$25,000 for all claims, effective January 1, 2024. Coverage for this deductible should be included on your personal HO6 policy.**

The policy is not intended to insure damage which is the result of any wear or tear, deterioration, damage by animals, or settling or cracking of the foundation, walls, basements or roofs. There is no coverage for water damage which has resulted from continuous or repeated leakage or seepage from appliances, plumbing, or roofing / siding. (This includes hot water heaters beyond their life span). Damage that results from such an event would be considered a maintenance item and is not covered by insurance.

An HO6 policy, which is available to individuals, will provide coverage for your personal property, including furniture, and should include improvements, betterments and additions coverage. The HO6 personal policy should also provide personal liability insurance. By adding a limit for “real property” or “building” coverage under your HO6 policy, your HO6 personal policy will offset the Master Policy deductible for an insurable Loss in the event of a claim. A unit owner needs to add a limit for Loss Assessment coverage under their HO6 policy.

Any Claim that would fall under the Master Policy should be reported directly to the Village 2 office, in writing, with date and description of the loss and damage resulting from it. Any claim that is under the individual unit owner’s HO6 coverage should be reported directly to the agent or the insurance company providing the HO6 policy.

**Disclaimer:** This brief summary is intended to be a quick reference guide with respects to the Master policy which insures the Village 2 Community Association. The actual policy Declaration, its coverage forms, limits, exclusions and policy conditions would apply to all cases.