



December 22<sup>nd</sup>, 2021

RE: MAPLEWOOD CONDO ASSN  
Condo Master Policy: Providence Mutual Insurance  
Policy Number: BOP0139070  
Effective Date: 12/10/2021

Dear Unit Owner,

As the insurance agent to the Trust, the Board of Trustees has asked Kovalev Insurance Agency to highlight some of the more important aspects of the master insurance policy covering the association.

We want to assist all unit owners with some information that will prove useful when looking at your own unit owner's coverage.

To help you understand what coverage the master policy affords for improvements and betterments we have included the chart below, so you know what homeowner/Condo Unit Owner (HO-6) insurance to purchase on your unit. Insurance companies have their own unique way of insuring improvements and betterment on a master policy. The choice falls into five major categories: "**all-in**", "**all-in per condo documents**", "**per condo documents**" "**original specifications**" "**All-out**". See definitions below:

All-in	This means the master policy will insure any improvements to the building made by unit-owners. Even though the unit-owner might have spent large sums of money to modernize the kitchen and bath, the improvements would be covered on the master policy. The unit owner doesn't need to insure the improvements on a homeowner's policy. The insurance companies that offer "all-in" coverage usually do so with an endorsement. See the sample policy forms on our website.
All-in per Condo Docs	The insurance policy refers to the insurance section of the condominium documents to interpret what is covered on the master policy. <b>If you see "all-in per condo documents" it means we have interpreted the master policy condominium document and feel it will adequately cover all improvements made by unit-owners.</b>
Per Condo Docs	The insurance policy refers to the insurance section of the condominium documents to interpret what is covered on the master policy. <b>If you see "per condo documents" it means we have not interpreted the master policy condominium document. Please see your condo by-laws or send to us for further clarification.</b>
Original Spec's	Coverage only includes property in "units" and private storage areas which were initially installed in accordance with your condominium's original plans and specifications. If you have original specification coverage it means: All-in with exception that improvements or betterments are not covered on your master policy.

All-out	<b>Policy only covers the exterior of the building and will not cover any interior finishes</b> such as flooring, cabinets, plumbing fixtures, etc.
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The master policy currently covers the building and the association's liability exposures. This is subject to:

**Building Coverage: All-In**

**All perils deductible: \$25,000**

Any damage under this amount will **not** be covered by the association's master policy and would need to be covered by the unit owner or their personal unit-owners coverage.

\*\*\*The association's policy will **not** cover personal liability for unit owners, damages to unit owner's personal property, any assessment charges assessed by the association, or loss of use associated with a claim. In addition, some betterments and improvements that may seem permanent may not be covered (for example - lighting fixtures/chandeliers, draperies, non-permanent floor coverings, etc.) \*\*\*

Please note that you should notify us of any improvements/betterments you make to your unit in excess of \$25,000 so that we may properly reevaluate the building coverage.

If you do not have 'all-in' coverage, then the association's policy will also **not** cover the structural damages on the interior of units.

**Therefore, unit owners need to carry unit owner's coverage, otherwise known as a **HO-6 policy**. (Those who are renting their unit to others must have the "unit rented to others" endorsement on the policy).**

This will allow you to cover your personal liability, personal property, non-covered betterments, and any potential loss assessments. The unit owner's policy should also respond toward a portion of the master policy deductible if this is determined to be the responsibility of the unit owners.

**Some recommended coverages:**

1. Dwelling – at least 20% of unit's appraised value unless condo docs indicate 'all-in' coverage. If condo docs indicate all in coverage, then at least the association All-Perils Deductible amount + \$10K. This will be sufficient to cover the master policy deductible and some potentially uncovered betterments/improvements.
  - Please make sure the dwelling limit has the special coverage endorsement which expands the range of perils insured against.
  - If Condo docs indicate Original Specs, then at least \$10K + the value of betterments/improvements.
2. Personal property – This is up to your discretion but should cover everything you have moved into you unit. Imagine turning your unit upside down and shaking it, everything that falls out is your personal property. Minimum coverages can range from \$10k - \$25k depending on the insurance carrier.

- Some items such as jewelry, fine arts, firearms, furs, and musical instruments may not be covered by the personal property limit and need to be scheduled for an additional premium.
  - Please make sure the personal property limit has the special coverage endorsement which expands the range of perils insured against.
  - This coverage is typically world-wide and covers your belongings if they are stolen/damaged from your car or on vacation, not just in your home.
3. Loss of use – This is offered automatically as a percentage of your personal property coverage. In the event of a claim this coverage will pay to house you while your building/unit is being repaired. If the unit is a rental it may pay for lost rental income.
  4. Liability coverage – We recommend at least \$500k, but \$1 Million is even better. This is one of the more important coverages and costs relatively little.
  5. Other coverages to think about:
    - Loss assessment including Earthquake Loss Assessment – this coverage will help pay for any assessments by the condo association that are associated with an insurable loss. (Maintenance is not covered)
    - Water/Sewer Backup coverage – This will cover any damage resulting from a backup of sewers or drains that may damage your unit or personal belongings.

We would love to answer any questions that you might have. We will even speak to your current carrier on your behalf to identify any recommendations. Have them call us!

We do offer unit owner's coverage as well. Our policies have all the bells and whistles and you can typically bundle the unit owner's policy with your auto insurance for significant discounts on both.

Clients who find out about their coverage only after a claim are often disappointed, frustrated, and at a loss. Please plan appropriately.

Thank you for your trust in us!

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## Unit Owners Needing a Certificate of Insurance

Evidence of Insurance or certificates may be needed when refinancing or for other financial transactions. The association's insurance agency is happy to provide an insurance certificate to a unit owner or lender according to the procedure outlined below.

- Unit owners, banks, lenders, and real estate agents have three options for obtaining certificates:

a) Utilize the Kovalev Insurance website to make a request - [kovalevinsurance.com](http://kovalevinsurance.com)

b) Email the request to [cl@kovalevinsurance.com](mailto:cl@kovalevinsurance.com)

c) Fax a request to **617-562-0990**

Whenever possible, unit owners should include the certificate request from their lender to ensure accuracy in processing.

All requests must include:

- Name and address of the condo association
- Legal name and unit # of the owner(s)
- Loan number and certificate holder name (lender), address, city, state, zip code and fax or email address for delivery

Unit owners should discuss their personal insurance needs with their personal insurance agent. Kovalev Insurance has a staff of knowledgeable personal lines agents who would be happy to assist unit owners in the procurement of condominium unit owner coverage.

Please contact us anytime at:

617-562-6060

[cl@kovalevinsurance.com](mailto:cl@kovalevinsurance.com)