



IMPORTANT: PLEASE READ & RETAIN FOR YOUR RECORDS

June 4, 2020

To All Villas at Kehalani AOOU Owners

HO6- Insurance Policy

The Board of Directors' is requesting a copy of your homeowner's insurance policy. The form is called an HO6, which is designed to protect the owners of condominiums. Because the structure is covered under a master policy, the HO6 allows each owner to cover their own personal contents, their upgrades made to their unit and their personal liability. **This is an annual requirement and Insurance Associates will follow up with you for compliance.**

Without an HO6 to accompany the master policy, a unit owner who has a fire, water damage or any other insured peril may find that they will get their unit rebuilt "as original" without any improvements or upgrades (the by-laws require "as originally built"). The owner will have to pay out-of-pocket for not only their contents and household goods, but also all improvements they may have made, such as a \$10,000 wood floor. The HO6 also provides coverage for the cost to live elsewhere while your unit is being rebuilt. After all, maintenance fees and mortgages are still due whether you can live in your unit or not. In other words, this HO6 has a host of coverages that put the owner's back to square one after an insured peril destroys their unit.

The **minimum recommended** limit each owner should have is (you may elect to have higher coverage):

- Dwelling – \$10,000 (association deductible) plus improvements by owners above the as built

See below **recommended coverage: Please speak with your agent to see what you need.**

- Contents - optional (would cover the worth of the contents in your dwelling)
- Loss Assessment - \$10,000
- Liability - \$300,000

Every owner should discuss their personal needs with their own insurance agent. **Please mention to your agent that the Association is to be listed as an interested party and if they could forward a copy to management on an annual basis.** If you already have sent management a current copy of your insurance, please disregard this notice.

The Board requires that proof of insurance be submitted to the management company, JS Property Management Inc., via email to info@jsmaui.com, fax at (808) 249-0894, or mail to our office at 1962B Wells Street, Wailuku, HI 96793. Thank you for your cooperation.