

Mill Ridge Condominium Owners Association  
P.O. Box 97427  
Raleigh, NC 27624

April 26, 2023

Dear Mill Ridge Homeowner:

**RE: BLANKET INSURANCE COVERAGE CHANGE-DEDUCTIBLE INCREASE  
FROM \$10K TO \$20K**

This letter is intended to inform you of an important change in the Association's insurance coverage that will **be effective May 1, 2023**. The HOA solicited bids from multiple insurance carriers and the coverage will be provided by State Farm **effective May 1, 2023**. It is imperative that each homeowner make certain that you have the proper coverage. The change to the insurance was made to control our losses and to hold down the cost of our insurance. The Board reviewed the options with our new carrier State Farm and determined that it was in the best interest of the Association and each homeowner to increase the master policy deductible from \$10,000 to \$20,000.

What does this mean to you?

- If you are the owner of an owner occupied unit, you should have personal insurance on your condominium, your contents, and personal liability provided by an HO-6 Condominium Unit Owners Policy. This HO-6 policy should currently provide a minimum of \$10,000 Additions and Alterations coverage i.e. coverage on the structure. **This coverage should be increased effective May 1, 2023, from \$10,000 to \$20,000** to cover the shortfall that the Association's master policy no longer covers. Simply stated, the first \$20,000 of a loss due to a covered hazard is the responsibility of you the homeowner. You can cover this loss personally or you can purchase an HO6 with the recommended coverage to protect yourself against a \$20,000 loss.
- If you are the owner of a tenant occupied condominium unit, you should have personal insurance to cover the additions and alterations of your unit and loss of rental income provided by a business owner's policy. You should have at least \$20,000 coverage to protect the condominium additions and alterations i.e. coverage on the structure. Simply stated, the first \$20,000 of a loss due to a covered hazard is the responsibility of you the homeowner. You can cover this loss personally or you can purchase the appropriate insurance with the recommended coverage to protect yourself against a \$20,000 loss.

You now need to contact your Insurance Agent and request that the additions and alterations portion of your HO-6 Condominium Unit Owners Policy or business owner's policy be increased to \$20,000. You will see a slight increase in your premium. After increasing the Master policy deductible to \$20,000, the HO-6 or business owner's policy would pay the first \$20,000 and the master policy would pay the balance.

Please call your agent today as the change to the Association's master policy will be effective May 1, 2023 and you should have this additional coverage in place immediately if you have not already done so. Complete the information at the bottom of this sheet, make a copy for your own records and return the original to the Association at the address shown above or to

[info@millridgenc.org](mailto:info@millridgenc.org) as soon as possible. If you have any questions or need any additional information, call me at 919-870-0337.

Thank you for your prompt attention to this matter.

For the Board of Directors,

Victor Jones  
Property Manager

Address of Unit Owned (e.g. 3601 Mill Run)

---

Homeowner's Printed Name(s)

---

Homeowner's Signature(s)

---

Date Signed & Returned

---