Notice of Insurance Requirement: Loss Assessment Coverage

Date: 10-13-2026

To: All Homeowners / Unit Owners

Subject: Loss Assessment Coverage (HO-6 Policy)

Dear Homeowners,

The Board of Directors is writing to inform you of an important insurance requirement for all property owners in Star Canyon Condominium Association.

To protect both individual owners and the association against large master policy deductibles or uncovered property/liability claims (such as major wind or hail damage), the Board **STRONLY URGES** every owner to carry a **Loss Assessment endorsement** on their personal HO-6 insurance policy for a **minimum of $25,000**.

Why This Matters

The association carries a master insurance policy that covers the common elements and exterior structures. However, in the event of a major claim—such as severe weather, hail damage, or a high-deductible loss—the master policy deductible or a claim amount exceeding policy limits may be passed down to individual owners as a special assessment.

Without personal Loss Assessment coverage on your individual policy, you will have to pay your share of these large expenses out of pocket.

What You Need to Do

- **Contact Your Insurance Agent:** Forward this letter or talk directly to your HO-6 insurance agent or carrier.
- **Add or Verify Coverage:** Request a **Loss Assessment endorsement** on your policy with a limit of **at least $25,000**. *(Note: Increasing this coverage typically costs only a few dollars per year).*

Thank you for your prompt attention to this matter and for helping keep our community financially protected.

Sincerely,

Star Canyon Condominium Association Board of Directors