

Insurance

The Orchard Villa Homeowners Association shall obtain and maintain in force policies of insurance as provided in the Bylaws and CC&Rs of the Association. The Association shall have no obligation to obtain or maintain any insurance covering the personal property and personal liability of any Owner(s) or tenants, and each Owner or tenant (as applicable) shall be responsible for obtaining and maintaining such personal property and personal liability insurance. Tenants/renters must have their own insurance policy.

The [Master Policy](#) for the HOA is not an HO-6. The HO-6 (otherwise known as a condo policy) is what the unit owners or tenants would need to get to supplement what the Master Policy does not cover. The Master Policy is actually a “commercial business owners (BOP) policy”. The current OV Master Policy has the following coverage consistent with what the ByLaws and CC&R's state:

- The Master Policy is "All in" or "Walls In & Out", and includes "betterments and improvements" which pertain to items like the countertops, flooring, cabinets, etc.
- The Master Policy does include "Special Perils" (excluding earthquake coverage).
- The Master Policy does include "Replacement Cost" and the coverage was originally based on the results of a replacement calculation.
- The Master Policy does include a form of inflation guard where the dwelling coverage automatically increases every year.
- The Master Policy does include coverage amounts for "Building Ordinance or Law" and "Equipment breakdown".

Each unit owner should carry their own HO-6 (Condo Policy) to provide coverages and protect gaps that the Master Policy does not insure. Below is a breakdown of some of the coverages the condo policy should provide:

- At least \$10,000 in dwelling/building coverage - This is coverage equal to the Master Policy's deductible. This is also to help cover any claims that would be less than the Master Policy's deductible since it would not make sense to put in a claim on anything less than \$10,000 on the Master Policy.
- Personal Property Coverage - The Master Policy will not cover the unit owner's personal property such as furniture, clothing, electronics, etc. Homeowners or tenants will want to make sure this coverage is added onto their HO-6 (condo) policy for the amount they feel is adequate.
- Personal Liability - The Master Policy does not cover the unit owner's personal liability. The personal liability is vital in protecting the unit owner for specific incidents they are liable for such as a slip and fall in the home. This would automatically be included in their HO-6 (condo policy) but Owners or Tenants will have to decide how much coverage they want (at least \$300,000 is recommended).
- Additional coverages - The HO-6 policy should also have options to add additional coverages or increased limits that the Master Policy does not provide. Some examples are Loss of Use coverage for housing should the home become uninhabitable from a claim while the home is being repaired, Water/Sewage back up coverage (while the Master Policy does have coverage for this, unit owners or tenants are encouraged to add this endorsement to their condo policy. Many of these types of claims fall under the Master Policy deductible amount and the condo policy is the best way to get coverage for these).
- Proof of coverage: You will need to provide Orchard Villa Homeowners Association with a copy of your homeowners insurance policy and keep it up to date once you purchase your townhome policy. A copy must be provided with each annual renewal. The policy copies should be mailed to the Orchard Villa postal address. Orchard Villa Homeowners must carry hazard and liability to cover the interior of the unit, upgrades, and personal belongings.

- An [Insurance Summary Explanation Letter](#) from our insurance agent is available.

Damage to your home: Please immediately contact the HOA president or the HOA property manager if you discover any damage to your townhome or Orchard Villa Common Areas. Frozen water pipes are a concern and have been a problem in Orchard Villa. With winter or freezing temperatures our absentee homeowners should take measures to minimize this problem. If you are absent from Moab during the winter, please contact one of your Orchard Villa neighbors, Property Manager or Board member to let us know if there is a way we can gain access to your unit to check on the status of pipes there. Your assistance is appreciated and may well eliminate an unwelcome surprise for you when you return to Orchard Villa.