



April 27, 2015

Hudson Troy Towers Apartment Corp.
C/o First Service Residential
380 Mountain Road
Union City, NJ 07087

Hudson Troy Towers Apartment Corp. Shareholder:

We appreciate that the Apartment Corp. has selected HUB International Northeast Limited to provide the Master Insurance. Effective February 15, 2015, we have arranged for a broad program to address the Apartment Corp.'s insurance requirements and have highlighted certain details of this program to assist you in understanding this coverage and evaluating your own insurance requirements.

Insurance provided by the Association

The Apartment Corp.'s insurance policy provides property insurance on a Blanket Replacement basis including builder installed improvements included in the original plans. This is insured under a Special Causes of Loss form, providing protection on an All Risk of physical loss type basis subject to policy limitations and exclusions. This policy is subject to a \$10,000 deductible (other than Flood and Earthquake). Flood is subject to a \$50,000 deductible and Earthquake is subject to a \$100,000 deductible.

The scope of coverage includes property and fixtures in the apartments that were initially installed by the builder in accordance with the Apartment Corp.'s original plans and specifications. The apartments are covered for the standard items installed by the builder, including builder-installed upgrades or additions and would be replaced with like kind and quality. Items that were not installed by the builder are excluded from the Association's policy.

The Apartment Corp.'s insurance policy provides liability coverage for the Apartment Corp.'s common areas. This does not include coverage for the individual Shareholder's liability.

Certificates of Insurance

If you receive a letter or phone call from your mortgage company or other lender asking for information about the insurance coverage on your apartment, complete and send the attached Request for Evidence to: njcertificates@hubinternational.com or Fax to: 917-934-9070. We will provide them with the documentation they need.

Insurance to be obtained by Shareholders

As individual shareholders, you should understand the extent of the above coverages as well as consider and arrange for insurance for the following items. The deductible for any policies that you obtain may not exceed \$1500 as per the Corporation's rules.



Personal Property – An evaluation of the value and adequate coverage should be arranged for all of your personal belongings. You should purchase what is typically referred to as a Condominium Unit Owners Policy (we recognize that this is a cooperative) also known as an HO-6 policy. This policy can be written to cover your personal belongings; furniture, clothing, fine arts, jewelry, etc. Any items of value should be appraised and scheduled onto your policy.

This coverage should be based on an all risk “replacement cost basis”. This would replace your contents, if totally or partially destroyed by a covered loss, with new items, of like kind and quality, without depreciation. Sewer back up coverage should be requested for your personal contents and belongings. The Association provides this coverage for damage to the buildings, but not the contents of the shareholders.

Additions and Alterations – For real property items not covered by the master policy. Any upgrades installed by the builder which were included with the original building plans are covered by the master policy. If you or a previous shareholder upgraded items in the apartment such as carpeting, flooring, wall coverings, fixtures, cabinetry, after the original construction, you need to insure these on your own policy. You don’t need to insure the entire value of the interior of your apartment or unnecessarily high limits on this coverage, only those items as described which are not covered by the master policy.

Loss Assessment—Individual shareholders may be subject to an assessment by the Corporation should it suffer a loss which is not fully covered by insurance. Additional coverage may be available for such an assessment if levied onto the shareholders by the Corporation.

Personal Articles— This would cover items such as jewelry, fur, cameras, etc. which are only provided on a limited basis in your basic homeowners policy.

Extra Living Expense – Covers the cost of substitute housing should you have to relocate due to a covered loss, e.g. fire, including extra expense and loss of use, if your apartment becomes uninhabitable by a, your additional cost to relocate temporarily can be covered under this policy.

Personal Liability – For third party claims due to negligence, this is needed whether you occupy your apartment or rent it out. Also included in the HO-6 policy is personal liability of the shareholders. This covers the individual’s personal liability arising out of the apartment.

Personal Umbrella liability – in order to protect your assets from suits and judgments, you may wish to consider purchasing higher liability limits of liability insurance.

Tenants Insurance - Shareholders that sublease out their apartments (rent) should maintain a policy to cover their apartment’s upgrades, any contents furnished in the apartment, along with scheduling the personal liability arising out of the apartment onto your primary homeowner’s policy. Additional coverages to be considered are loss of rents, if the apartment becomes uninhabitable due to a covered event and Loss Assessment insurance. The shareholder should require that the tenant’s purchase a Tenants Policy to provide coverage on their personal contents and personal liability.



180 River Road, 2nd FL
Summit, NJ 07901
Office: 908-790-6876
Fax: 917-934-9550

www.hubinternational.com

The basic coverages outlined above should be helpful to you in designing your personal insurance program. If you need assistance arranging for Insurance for your Apartment or would like a competitive quotation please contact Caesar Mistretta at HUB International Northeast, Phone: 908-790-6918, Fax: 917-934-5385, Email: Caesar.mistretta@hubinternational.com

This brief description does not contain, extend, modify or explain all the clauses, conditions, exclusions, or amounts of coverage under the policies. It is intended to reflect the basic coverage in force at the time of printing. Please refer to the individual policies on file with the Association for specific coverage.

Sincerely,

Matthew Ferreras

Matthew Ferreras
Account Executive
Commercial Lines
908-790-6920
matthew.ferreras@hubinternational.com

This summary is for your convenience and not a legal contract. It is provided to facilitate your understanding of the insurance provided. Please refer to the actual policy and specific terms, conditions, limitations and exclusions that will apply in event of a loss.



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HUB International Northeast

www.hubinternational.com

Certificate of Insurance Request

Email: njcertificates@hubinternational.com

Fax: 917-934-9070

Requested by:
Date:
Condo Association:

PRIORITY	<input type="checkbox"/>	Normal	<input type="checkbox"/>	High	Needed by:	<i>Date</i>	
						<i>Time</i>	

Certificate Holder Company(Lender) Name	
Attention:	
Address	
E-Mail address or Fax#	
Shareholder	
Apartment#	
Loan#	

***If no e-mail or fax # is available for the certificate holder, the certificate will be returned to the requestor.**