

May 23, 2011

Dear Darlington Ridge Condominium Association Resident:

We are pleased that your Board of Directors has selected BHB Insurance Services to provide your Association's master insurance policy.

We have, in conjunction with your property manager, customized an insurance program to meet your association's needs. This program includes Property Coverage, Association Liability, Directors and Officers Liability, Fidelity Bond Coverage and Workers Compensation.

To assist you in purchasing your own homeowners policy through the agent of your choice, we are highlighting your association's property portion of the customized program.

Your association's buildings are insured on an Extended Replacement Cost form, against "all risk" of physical loss (subject to policy limitations and standard exclusions). A deductible of \$5,000 applies to each loss. The scope of coverage includes documented property and fixtures in the units which were initially installed by the builder in accordance with the Association's original plans and specifications, and would be replaced with like kind and quality.

As individual homeowners, you should seriously consider the above coverage as well as the following items:

1. Personal Property - An assessment should be made for all of your personal belongings.
2. Additions and Alterations - Covers real property items not covered by the master policy. Any upgrades for which you have documentation showing that they were installed by the builder, which were included with the original building plans are covered by the master policy. If you or a previous owner upgraded items in the unit (such as carpeting, flooring, wall coverings, fixtures, cabinetry, etc) after the original construction, you need to insure these on your own policy.

Please note that we see many unit owners' insurance policies with unnecessarily high limits on this coverage - you don't need to insure the entire value of the interior of your unit - only those items, as described above, which are not covered by the master policy.

3. Personal Liability - Needed whether you occupy your unit or rent it out.
4. Extra Living Expense - Covers the cost of substitute housing (up to a stated limit) should you have to relocate due to a covered loss, e.g fire.
5. Loss assessment coverage - As co-owners of condominium property, individual unit owners may be subject to an assessment by the condominium association should it suffer a loss

which is not fully covered by insurance. Coverage's can be provided, within limits, for such an assessment.

6. Personal Articles Floater - This would cover items such as jewelry, fur, cameras, etc. which are only provided on a limited basis in your basis homeowners policy.
7. 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.
8. Other modifications to insurance policies as needed.

As a service to your association, the basic coverages outlined above should be helpful to you in designing your personal insurance program. We will be glad to answer any questions you may have. Please contact us at (800) 596-5252.

In addition, if you receive a letter or phone call from your mortgage company asking for information about the insurance coverage on your unit, complete and fax the attached Request for Evidence to 732-349-0186. We will provide them with the documentation they need.

Very truly yours,

Traci Emmett
Account Manager
Extension 247
temmett@bhbins.com

The insurance policies, not this explanation, will form the contract between the insured and the insurance company. The policies contain limits and exclusions which are not listed here.

If you get a request from your mortgage company for an Evidence of Insurance, the easiest way to get the form to them is to go to the BHB Insurance Services website, www.bhbins.com, and click on "Evidence of Property Insurance Request Form". When you complete the information on that screen we will promptly send the Evidence to wherever you specify.

If you are unable to access our website, complete the following and fax it back to:
BHB INSURANCE SERVICES
FAX # 732-349-0186 (PHONE # 732-349-2100)
Or email it to evidence@BHBIns.com

DATE: _____ CLOSING DATE: _____

REQUESTED BY: _____ PHONE _____

ASSOCIATION NAME: _____

UNIT OWNER NAME - for re-finance OR PURCHASER NAME - for new sale:

ADDRESS OF UNIT: _____

MORTGAGE CO./LENDER NAME & ADDRESS (MORTGAGEE CLAUSE):

LOAN# _____

Circle one please MAIL FAX FAX & MAIL

TO: _____
FAX#, Attention Name

***Remember – the best way to request the evidence is to go to the
BHB Insurance Services website www.bhbins.com***

Only use this form if you cannot access the website.