



Konen Insurance, Inc.

West Aurora Plaza ♦ 2111 Plum Street ♦ Aurora, IL 60506
(630) 897-4239 ♦ Fax (630) 897-2385
www.konen.com

Westchester Place Homeowner's Association Insurance Overview

Thank you for allowing the Konen Insurance Agency to handle the insurance program for Westchester Place Homeowner's Association. Since 1963, the Konen Agency has been helping families and businesses protect and plan for their future. If you would like more information about our Agency feel free to visit us at www.konen.com.

Unfortunately I was unable to attend this year's annual meeting so I wanted to provide an overview of the Association's current insurance program. With any Homeowner's Association there is often confusion over which insurance policy is responsible for damage that occurs. Each situation is unique, but I will provide an outline of what the Association is responsible to cover and what the unit owner is responsible to cover.

The Association is NOT a condo association, so it is not governed by the Illinois Condominium Act. That being the case, the determining factor on how any insurance policy will respond will be the Association's Declaration of Covenants, Conditions and Restrictions (Declaration).

As many are likely aware, the Declaration makes the Association responsible for insuring the "townhomes (other than the contents thereof) constructed on the lots within the Properties... including, without limitation, all alterations and additions thereto, against damage or destruction by the perils of fire, lightening and those casualties contained in an all risk form..." The Declaration goes on to state that each owner shall maintain coverage for 1) personal liability for acts and occurrences upon his lot and within his townhouse and 2) physical damage losses for personal property and the contents of his/her townhouse.

The Declaration indicates that if a unit owner is required to maintain flood insurance by a mortgagee that the cost of the flood coverage will be the responsibility of the unit owner. Each unit owner is also responsible for the maintenance and repair of the structural elements of their unit, including alterations and improvements to the townhomes and is also responsible for the maintenance and repair of the townhomes for losses not covered under the Association's policy.

I would recommend that the unit owners purchase the HO-6 condominium policy because it provides additional coverages that the HO-4 tenant's policy would not. The Association recommends that each unit owner maintain liability limits of at least \$250,000 per occurrence. As with any type of insurance purchase, I would strongly advise you to review this information with your insurance agent to determine what's best for you. This is especially significant if that review has not taken place within the last 3 years.

On a side note, any mortgage company looking for proof of insurance coverage to cover a current loan will be looking for the Association's insurance policy, not the individual unit owners. Please direct those inquiries to our office at 630 897-4239 or info@konen.com. We will be able to provide them the appropriate documents.

If you have any questions regarding the insurance program or if we can help in any way please feel free to contact me at 630 897-4239 or by e-mail at brian@konen.com.

Thank You!


Brian V. Konen, CIC, CWCA



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