

Rancho San Joaquin

August 14, 2021

Dear Rancho San Joaquin HOA homeowners,

Through a program offered by our management company FirstService Residential, our HOA is offering homeowners a new earthquake insurance option from MOTUS, which specializes in providing earthquake insurance for homeowners in condominium communities like ours.

Our HOA does not currently carry a master earthquake insurance policy because it is cost-prohibitive in which a master policy costs anywhere from \$56,000 to \$79,000 per year. (The Board will look at possibly affording an earthquake master policy in the future.)

Without a master earthquake policy, should an earthquake occur and damage our HOA community, each homeowner would be responsible for their share of rebuilding the association. Our total insured value of our association – i.e., buildings, common area facilities, and other association assets – is \$107,000,000. If 50% of our association were to be damaged after an earthquake, each homeowner's share to rebuild is estimated at \$172,000. Note that this cost does *not* include interior damages (i.e., kitchens, bathrooms, custom upgrades, etc.) in which each homeowner would be responsible to pay for repairs to their unit's interiors.

Unless you have earthquake coverage as part of your HO-6 condominium insurance, your HO-6 insurance does not cover repair or rebuilding costs due to an earthquake. Even with earthquake loss assessment coverage, an HO-6 insurance policy will cap covering a special assessment at \$100,000. (*We strongly recommend that you verify your HO-6 policy with your insurance carrier to ensure you have adequate coverage overall.*)

A homeowner earthquake insurance policy from MOTUS features:

- **Full Coverage:** MOTUS offers up to \$350,000 (or more, upon request) of combined loss assessment and unit interior coverage.
- **Lower Cost:** MOTUS is lower cost than other options on a premium per dollar of coverage basis.
- **Coverage of Common Areas:** MOTUS covers your share of damages to association common areas, which an HO-6 earthquake insurance policy usually excludes.

Participation in the MOTUS earthquake insurance program is optional. Each homeowner can choose to purchase an earthquake insurance policy from MOTUS, or not.

However, given that our association does not currently carry a master earthquake insurance policy and that HO-6 insurance policies have limited coverage and restrictions on covering earthquake damages, the Board recommends that homeowners review this option from MOTUS.

Homeowners will have multiple opportunities to learn more about the MOTUS earthquake policy including an onsite townhall meeting on **September 9th at 6:00 pm** and an online webinar on **September 14th at 6:30 pm**. Details will be provided soon. In the meantime, we hope that you will review the attached materials from MOTUS.

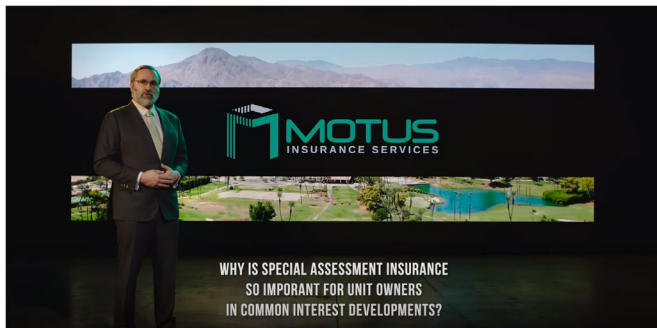
Sincerely,

The Rancho San Joaquin Board of Directors

Motus Opt-In Earthquake Insurance Program for **RANCHO SAN JOAQUIN**

Program Effective Date: October 5, 2021

Video: Why is Special Assessment Coverage Important for Unit Owners?



Video: Why Should I Buy Insurance if my Neighbor Does Not?



These and other videos are available at: <https://motusins.com/faqs/>

Contents

	Page
Motus Program Offering	2
How to Learn More / Webinar Schedule	3
Enrollment Form	4

Your HOA board has enrolled in the

MOTUS EARTHQUAKE INSURANCE PROGRAM

This gives you the opportunity to OPT-IN to superior coverage for your unit.

	MOTUS	CEA CALIFORNIA EARTHQUAKE AUTHORITY™ POLICY
Coverage:	\$350,000 (Estimated unit exposure; Higher limits available)	\$100,000 (Maximum Offered)
Annual Cost:	\$527	\$245*
Deductible	10%	10%
Building Coverage (EQ Special Assessment), incl:	✓	Limited
• Residential Buildings	✓	✓
• Common Area Amenities (e.g. pools, spas, etc.)	✓	X
• Parking Garages / Structures	✓	X
• Foundations	✓	X
• Utilities / Underground Plumbing	✓	X
Unit Interiors, including improvements	✓	(Optional; Addl. \$)
Guaranteed Cash If HOA Doesn't Rebuild	✓	X

* NOTE: After an earthquake, the CEA can charge its policyholders an additional fee of up to 20% of annual premium to cover claims

Optional Coverage Available (see Enrollment Form for details):

- Loss of Use or Rent

Ready for a free quote? Or ready to sign up?

Go to <https://app.motusins.com> and use the code "RSJ612"; sign up online or mail in the attached form

To learn more, visit us at
www.MOTUSINS.com

or join us for one of our upcoming educational webinars

Schedule of Upcoming Webinars (all times Pacific):

Tuesday, August 24th at Noon

Motus Program Overview (webinar and conference call)

Thursday, September 9th at Noon

Motus Program Overview (webinar and conference call)



Thursday, September 9th at 6pm

Onsite Town Hall for RANCHO SAN JOAQUIN Owners

Location: HOA meeting room next to Montanas Sud pool



Tuesday, September 14th at 6:30pm

DEDICATED Webinar (and conf. call) for RANCHO SAN JOAQUIN Owners

(Note: The Dedicated Webinar will be recorded and distributed to all owners)

Tuesday, September 28th at 6:30pm

Motus Program Overview (webinar and conference call)

Webinar Access Information:



Go to <https://us02web.zoom.us/my/motus>



Dial (669) 900-6833, Meeting ID: 827 268 5044#

(No Participant ID required, so press # again if prompted)

Ready for a free quote? Or ready to sign up?

Go to <https://app.motusins.com> and use the code "RSJ612"; sign up online or mail in the application

MOTUS EARTHQUAKE INSURANCE PROGRAM FOR RANCHO SAN JOAQUIN

Issuing Company: Palomar Excess and Surplus Insurance Company (rated "A- / Excellent" by AM Best)
Effective Date: 10/5/2021 **Expiration Date:** 10/5/2022 **Deductible:** 10%

PROPERTY OWNER INFORMATION

Full Name ("THE INSURED")* _____
Email Address _____
Phone Number _____
Mailing Address Line 1 _____
Mailing Address Line 2 (opt.) _____
City, State ZIP _____

* The name you would like to appear on your Certificate of Insurance, e.g. "John and Jane Smith" or "John Smith as Trustee of the Smith Family Trust"

PROPERTY TO BE INSURED (LEAVE BLANK IF SAME AS ABOVE)

Street Address and Unit # _____
City, State ZIP IRVINE, CA 92612

INSURANCE COVERAGE OPTIONS

Customize Your Coverage and Payment Options at app.motusins.com and use the code "RSJ612"

BUILDING, UNIT INTERIOR and COMMON AREA COVERAGE (Price includes \$75/unit Broker Fee)	Cost per Year
<input type="checkbox"/> \$250,000	\$469.92
<input type="checkbox"/> \$350,000 (Estimated Average Owner Exposure)	\$526.85
<input type="checkbox"/> \$400,000	\$591.40
<input type="checkbox"/> \$500,000 (Higher Limits Available – Contact Motus Directly for More Information)	\$720.50

+

LOSS OF USE OR RENT COVERAGE (Optional; Separate Deductible Applies)	Cost Per Year
<input type="checkbox"/> \$50,000	\$40.00
<input type="checkbox"/> \$100,000	\$80.00

Note: Pay-over-time plans and credit card payment available online

TOTAL DUE (ANNUAL):

Make checks payable to:

MOTUS INSURANCE SERVICES, LLC

Include: "RSJ612", the street address and unit number of the property to be insured on the check

Mail ENROLLMENT FORM and CHECK to:

MOTUS INSURANCE SERVICES
 Attn: RANCHO SAN JOAQUIN Program
 166 Mercer St Suite 3F
 New York, NY 10012