

Summary of Insurance Responsibilities for Library Square North Homeowners (This is a summary. It is important that you consult with your personal insurance carrier.)

Library Square Members pool their resources to purchase **insurance coverage** for all 16 buildings (32 private zero lot line homes). The coverage should be sufficient to replace the buildings “studs out”. Each individual home owner is strongly encouraged to purchase their own policy which should be sufficient to cover replacement costs for furnishings and property “drywall in”.

The premiums of the Association’s policy are paid for equally by each home owner through a portion of their monthly HOA fee. Details of the coverage are outlined on a separate document from Frankenmuth Insurance and will be provided upon request.

It is important to understand the terms “**studs out**” and “**drywall in**” as they are currently used to distinguish the collective vs individual insurance coverages.

Library Square home owners originally were members of a condominium association. In 2012 they legally established themselves (with Bylaws and a Covenant Document) to be a “Library Square North Owners’ Association, Inc.”. Our current Home Owners Association (HOA) is therefore not bound by Wisconsin State Statutes which govern condominiums. As a result, our HOA insurance policy is **not** required to cover the replacement costs for everything **inside** of your home.

Our understanding of coverage is the following:

The **HOA group policy** covers “studs out” which includes the costs of rebuilding the original structure of foundation, studded walls, frame, roof, siding, windows and doors. This also includes the plumbing and electrical inside the walls, including the so-called “common wall” between the two units of one building.

The **HOA group policy** also includes General Liability coverage, as well as Directors and Officers Liability coverage.

The **individual home owner** is responsible for insurance coverage of their “**zero lot line**” property. This includes everything from “drywall in”: i.e., originally installed, and anything remodeled or added since purchase from builder. This includes the drywall, woodwork, cabinets, appliances, HVAC equipment inside and outside, sinks, toilets, and all personal property. In other words, your policy should include **personal property** as well as **build out items within the interior space** that are permanently affixed, such as moldings, counter and counter tops, internal doors, cabinets, flooring, interior ceiling and partition wall treatments, special upgrades to basic building plans, lighting fixtures, mirrors, vents, electrical, plumbing, etc.

Each home owner is also strongly encouraged to purchase **personal liability** coverage.