

DESCRIPTION OF INSURANCE FOR UNIVERSITY GABLES HOMEOWNERS

The CSU Fullerton ASC (ASC) is a non-profit corporation which owns University Gables for the benefit of CSU Fullerton faculty and staff. Because the ASC will retain ownership of the land and will be leasing lots to homebuyers, the ASC, as landlord, will in some respects serve the role as a “homeowners association”.

Hazard Insurance (Fire, Lightning, Vandalism) Provided by the ASC

Homeowner insurance requirements are outlined in section 9 of the ground lease. The ASC has elected to acquire the Hazard insurance for homeowners of University Gables and assess each homeowner a pro rata share of the cost as a part of their Community Maintenance Payment as outlined in Section 9.1.2 of the ground lease. Hazard insurance covers perils such as fire, lightning and vandalism, but it does not cover property damage to the structure caused by earthquake, subsidence or other earth movement, or the presence of mold. The ASC will also maintain property insurance and insurance protection for liabilities arising from the operation and maintenance of the University Gables common areas. Hazard insurance is required by all mortgage companies. The ASC will annually provide certificates of insurance (proof of coverage) to your mortgage company as required.

Personal Liability (additional insured and waiver of subrogation) Required by Homeowner

Section 9.2 of the ground lease outlines the requirements for homeowner personal liability insurance. The ASC insurance program will not provide a defense or indemnification to residents of University Gables, as residents are required to have their own liability insurance to protect themselves. This coverage is commonly found in an “HO-6 Policy” which is very similar to a condominium policy. Also required with the policy are the endorsements which would name the CSU Fullerton ASC, 1121 N. State College Blvd. Fullerton, Ca 92831 as additional insured and waive the right of subrogation by the insurer as to landlord (CSU Fullerton ASC). Orange County insurance agents recommend personal liability limits of not less than \$300,000 per occurrence. A certificate of insurance evidencing proof of the policy must be provided to the ASC on Commencement Date and upon renewal of the policy.

Personal Property, Loss of Use, Dwelling Coverage Recommended to Homeowner’s

Homeowners at University Gables are not required but advised to purchase Personal Property Insurance (contents) coverage for all of their personal property placed into the structures, including such items as furniture, clothing, laptop or desktop computers, artwork, etc.

Loss of Use coverage is also recommended in case the home is damaged and temporary homeowner relocation is required while the structure is repaired.

Dwelling coverage is also recommended with limits of \$10,000. Most reputable insurers include dwelling coverage in their “HO-6 Policy”.

HO-6 Policy

Personal Liability, Personal Property (Contents), Loss of Use and Dwelling coverages are commonly included together in a policy form that the insurance industry calls the “HO-6 Policy”. Acquiring a “HO-6” policy would satisfy a homeowner’s required and recommended coverages mentioned above.

Review of Coverages:

Provided by ASC

Hazard insurance for replacement cost of home provided by ASC.

Required by Homeowner

Personal Liability insurance with special endorsements naming CSU Fullerton ASC as additional insured and waiving right of subrogation rights by insurer as to CSU Fullerton ASC.

Recommended for Homeowner to Acquire

Personal property insurance for an amount necessary to replace homeowner’s personal property, loss of use with a dollar amount determined by homeowner, and dwelling coverage.

Insurance Agents

Homeowner’s should review their coverages and potential liabilities with their insurance agent and or legal representative. The following insurance agents are available to answer questions regarding an “HO-6” policy.

State Farm Insurance
Lori Moore, Agent
714.779.3464

Liberty Mutual Insurance Company
Tom Matheis, Agent
949.586.3920 Ext. 204

Questions regarding the CSU ASC insurance coverage can be directed to Cindy Dowling at 657-278-3257 or by email at cdowling@fullerton.edu

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