

Willow Brook Homeowners Association
PO Box 542
Belle Fourche, SD 57717

December 23, 2022

Unit Owner
Address

SPECIAL LOSS ASSESSMENT

Dear Unit Owner:

As you know, in June of 2022 the Units were significantly damaged in a hailstorm. Thereafter, a claim was submitted to the HOA's insurance company, Liberty Mutual. As with any insurance policy, each Unit has a deductible that must be paid. To that end, please regard this letter as notice of a special loss assessment for the deductible attributable to your Unit. The amount you are responsible for is \$2,500.00.

You may have coverage for a special loss assessment under the insurance policy that you maintain as the owner, in which case your insurance company would likely pay this loss assessment. Therefore, the Board would suggest that you contact your personal insurance company to see whether you have this type of coverage. Please note, however, that regardless of whether you have coverage for loss assessment under your policy, you are responsible for the deductible attributable to your Unit. Whether paid by you or your insurance company, your deductible should be remitted to the HOA on or before June 30, 2023.

When this issue was discussed at the meeting in August, some owners questioned why the HOA is not paying all of the deductibles. While the HOA may have paid the deductible in the past, that was years ago when the deductible was relatively small and that single deductible applied for the entire location (i.e., all of the Units). As you might expect, given the storms this area has encountered in more recent years and other factors, the deductible has increased dramatically. Further, it is not feasible for the HOA to pay all of the deductibles using its funds, since doing so would exhaust virtually the entirety of the HOA's funds and require the HOA to immediately replenish its funds by either increasing the monthly dues or assessing a special fee.

Thank you again for your patience as we work through the tedious process of getting everyone's Units repaired.

Sincerely,

The Board

BOARD OF DIRECTORS – WILLOW BROOK HOA