

**ASSOCIATION OF APARTMENT OWNERS  
OF HO'OMALU AT WAIKELE**

August 25, 2023

Re: **Proposed Resolution to Require Owner Insurance**

Dear Association Members:

The enclosed written consent asks that you vote on a resolution to authorize the Board to require owner insurance. The proposed resolution will substantially benefit the Association and the owners. Therefore, the Board is asking for your support and requests that you complete and sign the attached Written Consent form in favor of the resolution and return it **as soon as possible but not later than November 24, 2023**, in the envelope provided.

At present, the governing documents do not require unit owners to obtain their own insurance without the vote or written consent of a majority of owners. Nevertheless, unit owners receive a number of benefits from having their own unit insurance – benefits that are **not** available under the Association's insurance. For example, an owner's unit insurance covers damage to upgrades in a unit as well as to the unit's contents (such as furniture, fixtures, and personal belongings), which are often not covered by the Association's insurance. If a loss in those areas occurs, the owner's own unit insurance should provide coverage, thereby reducing costly disputes between owners and the Association about uninsured damage that is **not** covered by association policies. In addition, an owner's unit insurance covers the owner for liability claims – such as claims that may result from a slip and fall **inside** the owner's unit – that are also not covered by the Association's insurance. An owner's insurance may also cover the cost of finding alternate accommodations if, for example, a fire makes the unit uninhabitable while repairs are completed. The unit insurance will, of course, not replace the Association's insurance.

The condominium law recognizes the benefits outlined above and authorizes the Association members to vote to require every owner to obtain his or her own insurance for the protection of owners, their fellow owners, and the Association. Therefore, this proposal allows the Association to proceed on that basis.

**Please review the proposed resolution and return your completed and signed Written Consent form in favor of the resolution as soon as possible but not later than November 24, 2023, in the envelope provided.**

***NOTE:** A summary of the approval requirements and timetable that must be met to adopt this change is enclosed for your information.*

Sincerely yours,

BOARD OF DIRECTORS,  
ASSOCIATION OF APARTMENT OWNERS  
OF HO'OMALU AT WAIKELE

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Enclosures

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### **APPROVAL REQUIREMENTS AND TIMETABLE**

The resolution will be adopted if the following requirements are met:

1. Owners representing at least a majority of the common interests must vote on the resolution for the vote to be effective under the law. (The common interest for each unit type is provided in Exhibit "C" of the Declaration.)
2. For the resolution to be adopted, at least a majority of all owners (i.e., fifty percent (50%) plus one of the owners) at Ho'omalulu at Waikiki must vote in favor of the resolution.
3. The Association is asking that owners return their completed and signed written consent **as soon as possible but not later than November 24, 2023**, to avoid additional mailing costs. However, written consent forms received within a year of the Association's initial mailing can be counted by the Association, and reminders will be sent as necessary until the resolution is passed or defeated.