

To the Brisbane City Council:

My understanding is that Brisbane's insurance crisis will be discussed at the 2/15/24 Council meeting under Mayor and Council matters. I've attached information regarding our circumstances at Altamar which I hope will be helpful in your discussion.

Kevin Fryer
414 Swallowtail Ct
Brisbane CA

2/14/24

February 12, 2024

Altamar at the Ridge Owners Association

Contact:

Kevin Fryer, board member

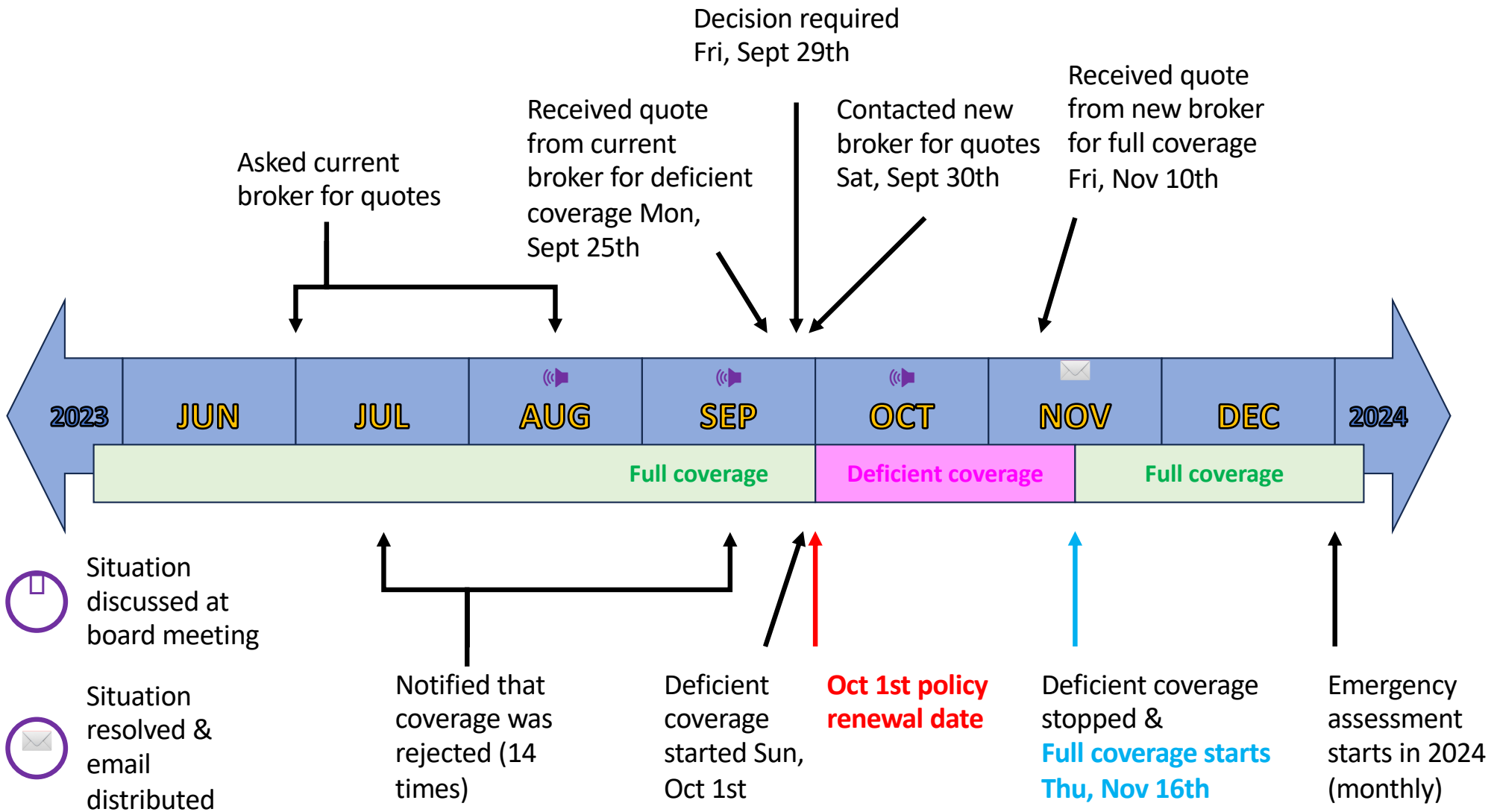
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- Altamar is a Condominium complex in Brisbane, San Mateo County comprised of 214 units built in 1998-2000.
- In renewing our insurance last fall, our insurance broker gave us three days notice of increase before the renewal date. The policy only covered \$10 million in wildfire coverage and did not comply with our CCR's.
- We were under insured for a period of six weeks while we worked with a new insurance broker to find an insurance package that would cover us for 90% of the value due to wildfire risk as required by our CCR's and mortgage borkers. See *timeline attachment*.
- We were turned down by 31 insurance companies, we now have a layered policy with 13 insurance companies sharing the risk. See *attachment*.
- Our insurance premium went from \$133,000 to \$1,213,865, an increase of nearly %1000. This necessitated an emergency assessment of \$5,672 per homeowner.
- Our layered policy is made up of non-admitted companies (not registered in the State of California) and as such are not subject to California insurance regulations. They are also more expensive.
- Reinsurance companies use a scoring system that is "black box". Our score is 81 and we are not allowed to review any of the methodology used to determine that score. We have been unable to get info on what our score has been in previous years
- Our understanding is that we are in a hardened insurance market and that this will remain so for the next few years.
- This added cost to home ownership further exacerbates the housing crisis in the Bay Area



Altamar at the Ridge

Additional Insurance Information

Altamar at the Ridge Owners:

We have had several owners reach out wanting to have their family or friends who are brokers bid the insurance to get lower rates. For those of you who attended the meeting where the emergency assessment was voted on, you heard the details of what we went through to get the quotes that were eventually bound.

I have attached the list of companies that were shopped for quotes for the insurance for Altamar HOA, if your family or friends who are brokers have insurance markets that are not listed here that they feel will offer better terms please submit the information in writing and we can have our broker investigate the options, but as you can see there were 31 carriers that declined coverage for the HOA (or simply did not respond) and our current property coverage is spread out over 13 carries.

We have done our due diligence, there are no kickbacks and if there were other options open to us that provided the coverage as required by the governing documents, we would have taken them. Again, if your insurance brokers who are family or friends have markets that are not listed here we would be happy to approach them for quotes.

Any further questions will be addressed at the Townhall meeting on December 12, 2023 at 6:00pm

**Altamar
Ridge
HOA**

Marketing Summary

INSURER	PREMIUM	COMMENTS
PROPERTY COVERAGE- Carrier Declinations		
Atlantic Specialty	N/A	Declined due to high brush zone
Chubb	N/A	Declined due to high brush zone
CNA	N/A	Declined due to high brush zone
Accelerant	N/A	Nonrenewed, not able to offer renewal terms
Allied Insurance Company	N/A	no longer offering new business to habitational/hoa exposures
Aspen Specialty	N/A	Declined due to high brush zone
CIBA Ins	N/A	No response
Century National Insurance	N/A	Declined due to high brush zone
DB Insurance Co Ltd	N/A	Declined due to high brush zone
Granada Ins Co	N/A	TIV TOO HIGH, \$20 Million is limit
Mercury Ins Co	N/A	Not able to provide a quote due to underwriting guideline building limit cap of \$50 million TIV
Philadelphia Indemnity Ins Co	N/A	No response to prior agency, we were told it was in too high of a Brush Zone

Altamar at the Ridge

Additional Insurance Information

Travelers Property Casualty Company	N/A	Declined due to high brush zone	
Travelers/CAG Program	N/A	Declined due to high brush zone	
Hanover	N/A	Declined due to high brush zone	
Hanover Surplus	N/A	Declined due to high brush zone	Yes
QBE Ins Co.	N/A	no longer offering new business to habitational/hoa exposures	
McGowan Programs	N/A	Not writing residential associations other than common area only	
Distinguished Programs	N/A	Declined due to high brush zone	
USLI	N/A	Declined due to high brush zone	
Allianz	N/A	Declined due to high brush zone	
Nationwide Group	N/A	no longer offering new business to habitational/hoa exposures	
Liberty Mutual Group	N/A	no longer offering new business to habitational/hoa exposures	
Three	N/A	Declined due to high brush zone	
The Zenith	N/A	Declined due to high brush zone	
Zurich	N/A	no longer offering new business to habitational/hoa exposures	
The Hartford	N/A	Declined due to high brush zone	
BHHC	N/A	Declined due to high brush zone	
Amalgamated Ins Underwriters	N/A	Declined due to high brush zone	
Parametric (Wildfire)	N/A	Coverage offered, extreme limitations	
Amalgamated Ins Underwriters	N/A	Declined due to high brush zone	

PROPERTY COVERAGE- Policy Layers-TIV \$82,953,947

CoAction	\$	172,375	\$1,250,000 part of \$2,500,000
GenStar	\$	162,586	\$1,250,000 part of \$2,500,000
Validus	\$	74,032	\$2,500,000 EXCESS OVER \$2,500,000
RSUI	\$	145,948	\$5,000,000 EXCESS OVER \$5,000,000
RLI	\$	53,396	\$5 MM OF \$15 MM EXCESS OVER \$10,000
KINSALE	\$	33,395	\$5 MM OF \$15 MM EXCESS OVER \$10,000
Sompo	\$	52,880	\$5 MM OF \$15 MM EXCESS OVER \$10,000
Axis	\$	52,880	\$5 MM OF \$25 MM EXCESS OVER \$25 MM
Munich. Re	\$	52,880	\$5 MM OF \$25 MM EXCESS OVER \$25 MM
Hallmark	\$	53,138	\$5 MM OF \$25 MM EXCESS OVER \$25 MM
Beazley/Lloyds	\$	105,760	\$10 MM OF \$25 MM EXCESS OVER \$25 MM
BMS/Lloyds	\$	211,519	\$20 MM OF \$25MM EXCESS OVER \$50MM
JEM	\$	43,078	\$5 MM OF \$25 MM EXCESS OVER \$50 MM