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Dear Homeowners Association Board,

Insurance premiums have skyrocketed, with the potential for further increases in the future. Associations throughout Florida are dealing with an insurance crisis. Many homeowners' associations are faced with the daunting task of trying to find insurance alternatives that address their coverage needs at an affordable level for residents.

Insurance is a complicated issue and in many instances board members feel helpless because they are left searching for an alternative solution.

As fellow Floridians with insurance expertise, we wanted to help craft an alternative solution. We formed Condo Owners Reciprocal Insurance Exchange (CORE) as a way for like-minded associations to band together to have a better solution. The solution will not fit every association and cannot be extended to everyone. In fact, out of approximately 28,000 condominium associations throughout Florida less than 1,000 are being approached to participate in CORE. We think your association is one that would be a good fit and your policy with Citizens was selected by CORE to depopulate.

So what is CORE? It is a reciprocal insurer, which means unlike most insurance companies, the policyholders are the owners of the insurance company. The objective is to bring together between 400 and 600 associations into CORE and collectively pool the insurance risk of these associations. By assembling a group of associations spread throughout Florida, CORE will be able to offer a better premium. The goal is to find associations that are good intentioned and want to find a solution to their insurance needs.

If done correctly, associations stand to benefit from this arrangement because any profits on premium paid into CORE remain at the insurance company. This means that any profits go to the benefit of the policyholders.

We look forward to you joining CORE and participating in a better alternative for residents.

Sincerely,

Condo Owners Reciprocal Insurance Exchange (CORE)