

**CASA REQUENA II HOMEOWNERS ASSOCIATION  
WATER INTRUSION, DAMAGE, AND INSURANCE DEDUCTIBLE, AND  
WATER LEAK PREVENTION RESOLUTION**

**RECITALS**

WHEREAS, Casa Requena II Homeowners Association (the "Association") is governed by the Declaration of Horizontal Property Regime and of Covenants, Conditions, and Restrictions for Casa Requena II, recorded at Instrument No. 1983-0328807, in the records of Maricopa County, Arizona (the "Declaration");

WHEREAS, Article 9, Section 9.01 of the Declaration requires the Association to maintain and repair the Common Elements in the Association;

WHEREAS, Article 9, Sections 9.02 and 9.03 of the Declaration obligates Owners to maintain, repair, and replace all portions of his Unit, including, but not limited to windows and sliding glass doors, the fixtures within a Unit, floor coverings, and interior surfaces such as paint and wall finishes;

WHEREAS, Article 9, Section 9.05 of the Declaration states that each Owner is liable to the Association for damage caused to the Common Elements or other Units which result from the negligent or willful misconduct or omission of the Unit Owner, or the Owner's Residents, Invitees, or pets;

WHEREAS, Article 14, Section 14.02 of the Declaration obligates the Association to carry hazard insurance covering the Condominium Project;

WHEREAS, Article 14, Section 14.07 of the Declaration authorizes the Association to assess an increase in premiums occasioned by the use, misuse, occupancy, or abandonment of a Unit against the particular Owner;

WHEREAS, Article 14, Section 14.08 of the Declaration states that the Board has full and complete power to act for the Association in adjusting all claims arising under insurance policies purchased by the Association;

WHEREAS, the Declaration has no express language on the responsibility for payment of deductibles for work incurred based on a claim on the Association's insurance policy, if there is coverage, and the Board wishes to clarify its practice under the Declaration;

WHEREAS, the Board hereby adopts the following Resolution to govern and clarify responsibility for maintenance and insurance obligations for water intrusion, leaks, potential damage; and payment of the insurance deductible;

THEREFORE, pursuant to the Governing Documents, authority pursuant to its express

rulemaking authority in the Governing Documents and its implied rulemaking authority under Arizona law, the Board of Directors for the Association adopts the following Resolution

**RULES COVERING THE COSTS OF DAMAGE IF LESS THAN THE INSURANCE DEDUCTIBLE**

1. If damage occurs solely to a Unit, and the amount of such damage is less than the Association's insurance deductible, the Owner of the Unit shall be responsible for the cost for repair, replacement, or restoration thereof, unless the damage was caused by another Unit Owner's willful or negligent act.
2. If damage occurs to more than one Unit that is less than the Association's insurance deductible, each respective Unit Owner shall be responsible for full payment of the cost of the repair, replacement or restoration thereof, unless the damage was caused by the negligence or willful misconduct of one particular Owner or the Owner's guests, tenants, licensees or invitees for which the offending Owner shall be held responsible for the full repairs.
3. If damage occurs solely to the Common Elements that is less than the Association's insurance deductible, the Association shall be responsible for the costs of repair, replacement or restoration thereof, unless the damage was caused by the negligence or willful misconduct of an Owner or the Owner's guests, tenants, licensees or invitees for which said Owner shall be held responsible.
4. Each Owner should be aware of the amount of the Association's insurance deductible so that the Owner carries proper insurance coverage to meet any gaps in insurance coverage. Each Owner is ultimately responsible for adequately insuring his or her own Unit and the belongings therein in amounts adequate to cover the loss resulting from water damage.

**RULES RELATING TO PAYMENT OF INSURANCE DEDUCTIBLES**

1. If partial or complete damage covered by the Association's insurance policy is caused by the negligent or willful act of a Unit Owner, or the Owner's residents, family, guests, tenants or invitees, or from other known or unknown causes without any negligence being attributable, such Owner will be responsible to pay the full amount of the deductible, even if the Association causes contractors to be paid in order to facilitate adjusting the claim. The Association may ask for payment in advance from the Owner, or may ask for reimbursement and will sue if necessary to recover such funds.
2. If more than one Unit is involved in any insured loss, and the cause of the damage cannot be attributable to any one Unit or Owner, if there is a single deductible, it will be proportionately distributed among all Units that have experienced the loss.
3. If the cause of the insured loss is directly attributable to a failure in operation of a portion of the Common Elements, the Association shall pay the full amount of the deductible.

## **RULES REGARDING INSURANCE CLAIM PROCEDURES**

1. Unit Owners must file all claims with the Association's managing agent, not with the Association's insurance agent. The managing agent will not refer the claim to the Association's insurance agent until the Unit Owner provides proof that the claim exceeds the applicable insurance deductible.
2. The Association shall adjust the claims and disburse insurance proceeds consistent with the Declaration.
3. Owners are responsible for making claims against their own policies.
4. Owners are required to provide the Association with a Certificate of Insurance. Owners have a ninety (90) day grace period from the date of the recordation of this Resolution to provide the Association with a Certificate of Insurance.

## **GUIDELINES RELATING TO MAINTAINING UNITS TO HELP PREVENT WATER LEAKS, DAMAGE, AND INSURANCE CLAIMS**

1. Each Owner should install steel-braided toilet tank fill hoses with steel connectors and valve shutoffs at the wall.
2. Each Owner should install copper or steel-braided tubing on ice maker refrigerators to replace plain plastic tubing.
3. Each Owner should install steel-braided hoses with steel connectors and valve shutoffs at the wall connecting any and all bathroom or kitchen sink(s) to its water supply.
4. Each Owner should install copper or steel-braided hoses with steel connectors on any and all dishwasher water connections.
5. Each Owner should install copper or steel-braided hoses with steel connectors on any and all water heater connections.
6. If an Owner leaves a Unit vacant for more than seven (7) days, the Owner should shut off the water to the residence. If an Owner leaves a Unit vacant for more than two (2) weeks, and the hot water heater is older than 10 years, the Owner should have a person perform monthly inspections of the Unit to ensure that no water leaks or other damage has occurred.
7. Each Owner shall have a working ball valve water shut-off in their Unit. This valve is located next to the hot water heater. If the valve is the original screw valve when the unit was built, then the Owner is required to have the valve replaced with a new ball valve and provide proof of replacement.
8. Each Owner agrees to have a one-time inspection performed of their Unit to provide the Association with pictures and proof of compliance with this resolution. The age of the hot water heater shall also be noted on the inspection form which will be provided by the Association. The

Owner can choose to do a self-inspection or hire a licensed plumber at the Owner's expense to provide the Association with the required documents.

9. Each Owner shall provide the Association with an emergency contact person with appropriate contact information, including telephone number.

10. The failure of a Unit Owner to meet the obligations of this Section shall be deemed willful or negligent for purposes of liability and responsibility for resulting damage.

**COMPLIANCE WITH THIS RESOLUTION**

Each Owner is required to follow the Rules and guidelines stated above. Failure to do so may result in the Owner forfeiting any claims against the Association and being held responsible for any costs or expenses incurred.

**CERTIFICATION**

A majority of the Board of Directors adopted the above Resolution at a meeting duly called and held on the 26 day of APRIL, 2021.

Casa Requena II Homeowners Association

By:   
Its: President