

**ALAMEDA PARK CONDOMINIUM ASSOCIATION**

**BOARD OF DIRECTORS RESOLUTION  
REGARDING DAMAGE TO LOTS, INSURANCE DEDUCTIBLES, AND  
WATER LEAK PREVENTION**

WHEREAS, Alameda Park Condominium Association (“Association”) is governed by a Declaration of Horizontal Property Regime and Covenants, Conditions and Restrictions for Alameda Park Unit One Condominium, recorded at Docket 12912, Page 1083, Official Records of Maricopa County, Arizona, and all amendments thereto (“Declaration”). The Declaration applies to the real property as described in the Condominium Plan recorded in Book 199 of Maps, Page 40 of the Official Records of Maricopa County, Arizona;

WHEREAS, all Units within the Association are governed by the Declaration;

WHEREAS, Article V, Section 1 of the Declaration allows the Association, through the Board of Directors, to adopt and enforce reasonable rules and regulations governing all parts of the Project, including the Units.

WHEREAS, Article VI, Sections 1 and 2 and Article IX, Section 1 of the Declaration provide that the Association is responsible for the maintenance, repair and replacement of the common elements and all exteriors and roofs of the units, including but not limited to, recreation and parking areas and walks.

WHEREAS, Article VI, Section 2 and Article X, Section 1 of the Declaration provides that Unit Owners are responsible for the maintenance, repair and replacement of their own Units except as provided by the Association.

WHEREAS, in the event of partial or complete destruction of or damage to a Unit, it is each Owner’s responsibility, at his sole cost and expense, to repair his Unit, according to Article XI, Section 2 of the Declaration, and it is the Owner’s responsibility to carry adequate fire, hazard and casualty insurance covering the Unit and personal property, according to Article XII, Section 1.

WHEREAS, Article XI, Section 1 of the Declaration provides that Owners are responsible for damage caused to common elements by the Owner or the Owner’s, tenants, guests, licensees or invitees.

WHEREAS, Article XII, Sections 1 and 2 of the Declaration obligate the Association to carry hazard insurance on the common elements and permit the Association to obtain other insurance, which can include hazard insurance on the

Units and original fixtures within the units as the builder may attach to the interior, including but not limited to built-in ranges, and similar appliances and interior walls and ceilings.

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 work pertains to the Units) and the Board wishes to clarify its current practice under the Declaration.

NOW, THEREFORE, based on the power authorized to the Board of Directors and the responsibilities of the Owners, the Board of Directors hereby adopts the following resolution and makes the provisions below part of the Association's rules and regulations, **concerning damage and destruction of Units, i.e. damage from hazards, perils, sudden losses, fire, acts of nature (e.g. hail, tornado), etc. that are not normal "wear and tear", hereafter "damage"**:

**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. This also applies to those portions of the Unit to which the Association provides routine maintenance (e.g. roofs), but the Association Board reserves the right to determine that the Association will make repairs to such portions of the Unit.
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.
3. If damage occurs solely to the common elements or other items maintained by the Association 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 Owners guests, tenants, licensees or invitees for which the Owner shall be held responsible.
4. Each Owner should be aware of the amount of the Association's insurance deductible, because in the event the insurance proceeds are

insufficient to pay all the costs of repairing and/or rebuilding to the same condition as formerly, the Board shall levy a special assessment against all Unit Owners to make up any deficiency. Each Owner is ultimately responsible for adequately insuring his or her own Unit, whether the Association insures or not.

**RULES RELATING TO PAYMENT  
OF INSURANCE DEDUCTIBLES**

1. In the event that partial or complete damage covered by the Association's insurance policy is caused by the negligence or willful act of a Unit Owner, the Owner's residents, family, guests, tenants or invitees, *or from other known or unknown causes without any negligence being attributable*, such Unit Owner shall be liable for the full amount of any deductible on the Association's insurance policy, 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. In the event that 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 Lots that have experienced the loss.
3. In the event that 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 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.
3. Owners are responsible for making claims against their own policies.

**GUIDELINES RELATING TO MAINTAINING LOTS TO  
HELP PREVENT WATER LEAKS AND DAMAGE  
AND INSURANCE CLAIMS**

1. Each Owner should install steel-braided toilet tank fill hoses with steel connectors and ball valve shutoffs at the wall.
2. Each Owner should install steel-braided washer hoses to replace plain rubber hoses.
3. Each Owner should install copper, steel-braided, or nylon mesh tubing on ice maker refrigerators to replace plain plastic tubing.
4. Each Owner should install steel-braided hoses with steel connectors and ball valve shutoffs at the wall connecting any and all bathroom or kitchen sink(s) to its water supply.
5. Each Owner should install copper or steel-braided hoses with steel connectors on any and all dishwasher water connections.
6. Each Owner should install copper or steel-braided hoses with steel connectors on any and all water heater connections.
7. If an Owner leaves a Unit vacant for more than seven (7) days, the Owner should shut off the water off to the residence. If an Owner leaves a Unit vacant for more than two (2) weeks, the Owner should have a person perform weekly inspections of the Unit to ensure that no water leaks or other damage has occurred.
8. Each Owner shall provide the Association with an emergency contact person with appropriate contact information, including telephone number.

**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.

A majority of the Board of Directors adopted the above Resolution on this  
15 day of MARCH, 2017.

ALAMEDA PARK CONDOMINIUM  
ASSOCIATION

By: Ken Carpenter  
Its: President