

ASSOCIATION OF UNIT OWNERS OF WEST OAKS CONDOMINIUMS

Resolution Regarding Required Insurance for Owners

Authority: ORS 100.405	Powers of the Association
Bylaws Article V	Association Responsibilities; Board of Directors' Powers & Duties
Bylaws Art V Sec 3(m)	Board's Powers and Duties
Bylaws Art X Sec 6	Insurance and Bonds: Unit Owner's Obligations
House Rules page 8	Insurance Requirement
House Rules page 15	General Restrictions (compliance procedures in last paragraph)

The Board of Directors of the Association of Unit Owners of West Oaks Condominiums (WOCOA) adopts this resolution to further define and clarify insurance coverage that homeowners are required to carry according to the provisions of WOCOA governing documents.

**Each homeowner has two (2) months to obtain the proper insurance coverage and must submit a copy of their insurance declaration statement to WOCOA.

**If the homeowner does not submit a copy of the insurance to WOCOA within the required time, then WOCOA shall follow the procedures on page 11 of the House Rules to correct the situation.

1.1. Responsibility for Insurance.

(a) **Owners Property Insurance.** Owners shall be responsible for obtaining and maintaining insurance policies insuring their units for any losses less than the deductible (\$10,000 per incident) amount under the Association's policies and for insuring their own personal property for any loss or damage.

(b) **Tenants.** Tenants shall be responsible for insuring their own personal property for any loss or damage. West Oaks does not require any proof of insurance for tenants.

(c) **Owner Liability Insurance.** Owners of all units shall obtain and maintain comprehensive liability policies having combined limits of not less than Three Hundred Thousand Dollars (\$300,000) for each occurrence. The insurance shall provide coverage for, without limitation, the negligent acts of owners and tenants and their guests or other occupants of the units for damage to the general and limited common elements and other units and the personal property of the others located therein.

(d) **Association.** The Association shall have no responsibility to obtain or assist in obtaining property loss insurance for any owner or tenant for:

(1) **Damage to a unit** not covered by the Associations policy (because of the deductible amount or because the claim for loss or damage is one not normally covered by fire and property loss insurance policies with extended coverage endorsements); or

(2) **For any damage or loss to the owner's or tenant's personal property.**

1.2. **Deductible Payment.** The association will use the guidelines below to determine what party will pay the deductible amount related to an incident.

(a) **Damage Not Resulting from Negligence.**

(1) **Damage Affecting More Than One Unit.** If a loss affects more than one unit, when there is no negligence by any party, the parties which have sustained damage (the Association, unit owners or both), shall pay their proportionate share of the Association deductible. The share shall be a percentage determined by dividing the damage to those portions of the building the non-casualty maintenance of which is the responsibility of the party under the governing documents of the association, into the total of all building damage incurred in the loss.

(2) **Damage Affecting One Unit.** If the damage is confined to a single unit, the unit owner shall be responsible for the entire deductible of the master association policy.

(b) **Damage Resulting From Negligence.** If a loss affects more than one unit, the common elements or a combination thereof, to the extent the damage is the result of the negligence of a party, the deductible shall be allocated to the negligent party.

(c) **Owner Policy Deducible.** Owners of damaged units shall be responsible for payment

of their individual condominium unit owner policy deductible.

II. Duplicate Insurance Coverage. In the event of duplicate insurance coverage, the insurance policy obtained by the Association shall be considered the primary coverage.

III. Procedure for Claims Handling

3.1 All claims against the Association's insurance shall be processed through and coordinated by the Board of Directors, or, if authorized, the Association's managing agent.

3.2 Charges of managing agents for handling claims shall be paid by the Association to the extent the deductible is paid by the Association; and by the owner to the extent the deductible is paid by the owner. The deductible is per occurrence. The Association shall, when possible, include the managing agent's insurance claims administrative services within the insurance claim, if a claim is filed.

3.3 The Association shall seek reimbursement for all expenses of processing the claim from an owner when the claim exists and the insurance does not cover all the costs based on the same percentage share as the deductible is allocated.

3.4 If a claim by an owner against the Association's insurance policy is projected to be not covered by the Association's insurance policy by reasonable determination of the board of directors or, if authorized, the managing agent, then the Association retains the right to not complete the process of filing a claim against the association's insurance policy for the incident in question. The board of directors will reasonably determine if an event is covered under the insurance policy using exclusion information from a claim's adjuster of the Association's insurance company and/or information presented by the managing agent as well as the actual information for the policy.

Adopted 5-29-14 M Fell, D Wells.