

June 8, 2020



Office: 801-399-5883 Hours: M-F 9am-5pm Email: info@WelchRandall.com

**Notice regarding Insurance for:
PARK WILLOW CONDOMINIUMS**

Dear Unit Owner,

The purpose of this document is to:

1. Inform you regarding the recent change in Utah law affecting insurance coverage for Condominium Homeowners Association as well as you as an Individual Owner.
 2. **Notify you that should damage occur to your unit you are personally responsible to pay for any loss up to and or including the deductible amount on the Master Association policy. The current deductible amount on the Master Association 's policy is \$25,000.00.**
 3. Provide you with information that will assist you in securing personal insurance. Doing so can lessen the financial impact you will face for damage to your unit [See Exhibit 1].
 4. Address basic coverage and exclusion provisions common in most property insurance policies.
 5. Address loss/claim prevention techniques.
 6. Provide information to assist you in ordering evidence of insurance for personal or mortgage company use and the handling of insurance claims.
1. **Utah Law - Condominium and Community Association Revisions (SB167 - Insurance Sections)**
 - 1.1. Applies to all Master Association and unit owner policies. The law supersedes anything to the contrary included in the HOA CC&R's.
 - 1.2. The Association's Master policy includes coverage for: "any fixtures, improvements, or betterments installed by a unit owner, floor coverings, cabinets, heating and plumbing fixtures, paint, wall coverings, windows, and any item permanently attached to a unit."
 - 1.3. For a covered cause of loss, the Association's policy of property insurance shall provide **primary coverage, the unit owner's insurance policy shall be primary for the portion of the loss attributable to the deductible on the Association's policy.**
 - 1.4. If two or more owners suffer a loss in a single event, they are each responsible for payment of a portion of the Association's deductible based on the percentage of the loss they each suffered.
 - 1.5. If an owner does not pay his/her share of the loss within 30 days after substantial completion, the Association may levy an assessment against the owner and place a lien on a unit if necessary (applies to loss less than HOA Master Policy deductible).
 - 1.6. If the unit owner has no insurance for a covered cause of loss, he/she is personally responsible for the loss to the amount of the deductible.
 2. **As of policy ending JUNE 24, 2020 has a property deductible of \$25,000.00. For each occurrence. Payment of the deductible becomes your responsibility when a covered cause of loss affecting your unit occurs. See Exhibit 1.**

3. **Personal Insurance:**

3.1 **Unit Owner should maintain personal insurance coverage. We recommend unit owners do a comprehensive review of your personal insurance with your own licensed insurance advisor. Exhibit 1** at the end of this document provides a check list of items that should be reviewed at that time.

4. **Basic coverage and exclusion provisions in the Association's Master Insurance Policy:**

4.1 The Association's policy includes "special form" property coverage including perils such as fire, lightning, windstorm, hail, explosion, riot, aircraft and vehicle damage, smoke, vandalism, falling objects, weight of ice and snow, collapse, sudden and accidental discharge of water or overflow from plumbing or appliances, and frozen pipes inside a unit.

4.2 Common **exclusions:** Many insurance companies will not cover water damage resulting from a frozen pipe if adequate heating is not maintained in the unit. Therefore, it is imperative that heat be maintained or that the pipes are drained when a unit is unoccupied for an extended period of time.

4.2.1 No coverage is provided for wear and tear, deterioration, and flood ie: outside surface water penetrating the building envelope. This can include items such as a sprinkling system or other sources of water located outside the physical building structure, damage by insects or animals, mold/fungus (some insurance policies will provide minimal property coverage for mold/fungus), settling or cracking of foundations, walls or pipes. **There is no coverage for damage caused by repeated leaking or seeping from appliances or plumbing systems. This includes leaking from around shower, bathtub, toilet, or sink.** The insurance contract contains full details on coverage, limitations and exclusions.

5. **Loss Prevention:**

To reduce the likelihood of damage to your unit and possible damage to a neighbor's unit the following are a few "loss prevention" measures that should be followed:

When your unit will be **unoccupied** for more than a few days:

- Turn off the water to the inside of your home
- Leave heat on in the winter to avoid freezing or air-conditioning on in the summer to avoid melting, warping, etc.

Daily considerations:

Washing machine hose should be turned off after each use.

Replace rubber washing machine hoses with no-burst woven metal hoses.

Have clothes dryer vents checked and cleaned on an annual basis. Always remove lint from filter after each use.

Keep smoke alarms in good working condition.

Consult with a professional when unable to remedy unusual persistent odor, or when events occur that seem to suggest appliances or other home equipment are near the end of their life span.

Have a trusted neighbor or family member check your unit periodically while you are away.

Replace water heaters on a regular basis every 7 - 10 years.

6. **Information to assist you in ordering evidence of insurance and claim protocol:**

6.1 Certificates of insurance may be requested by calling (801)438-1460. Our agent's receptionists handle all such requests.

6.2 should be handled as follows:

6.2.1 **\$0 to \$25,000.00 is the unit owner's sole responsibility. Cost of cleanup and repair would be paid out of pocket or from personal insurance coverage. Claims under \$25,000.00**

6.2.2 will not be filed against the Association policy unless circumstance dictates otherwise.

6.2.2 Claims over **\$25,000.00** should be submitted to the Association's Policy. Unit owner is responsible for the Association deductible. After receiving approval from the board or management of such claim it is the unit owner's responsibility to work the claim through to the end.

6.3 **When a loss occurs:**

1. Take action to prevent further damage to your unit. For example, it may be necessary to call an emergency restoration company to start water extraction if water damage has occurred inside your unit. The next step would be to contact one of the following:
2. Contact your own insurance company and report the damage to your unit.
3. Contact a Property Manager or Board Member regarding the damage.
4. If individuals above are not available, contact the association's insurance agent at **801.438.1460**. As the representative for the association, they will only submit claims to the insurance company after approval from the Board or the Property Manager has been received. Only in rare situations we will do otherwise.

A loss that involves your personal property, loss of use, personal liability, loss assessment etc. should be submitted to your personal insurance carrier. Neither the Association nor its insurance company is responsible for any of these claims.

Payment for claims made on the Association's Insurance Policy will be payable to the Association not to an individual unit owner.

Please note that the coverage and procedures outlined in this letter apply to your current insurance program, provided by **Reliance Risk Management & Insurance LLC**. If the association changes agents, we recommend that these procedures be reevaluated.

We strongly suggest reviewing these documents with your personal insurance agent to facilitate securing the appropriate insurance coverage for your specific situation.

When corresponding with the association's insurance agent please reference **PARK WILLOW CONDOMINIUM** as the community you live in.

Exhibit 1. - Personal insurance check list

	<p>1. Policy type - H0-6 form (commonly referred to as a Condominium Owners Policy). Not an H0-3 homeowner policy or a H0-4 renter's policy.</p>
	<p>2. Coverage A (Dwelling Coverage) should be a minimum of \$25,000. Consult your personal insurance advisor.</p>
	<p>3. Loss Assessment-A minimum of \$25,000 should be secured. Consult your personal insurance advisor.</p>
	<p>4. Personal Property Coverage - Consult your personal insurance advisor.</p>
	<p>5. Personal Liability- Consult your personal insurance advisor. You may want to inquire regarding umbrella liability coverage.</p>
	<p>6. Loss of Use Coverage & Additional Living Expenses (In the event your unit is uninhabitable due to a covered loss).</p>
	<p>7. Earthquake coverage for your contents, loss assessment, loss of use, etc. Consult your personal insurance advisor.</p>
	<p>8. Any other riders such as Valuable Articles ie: jewelry, art, collectables etc. Consult your personal insurance advisor.</p>
	<p>9. Is your unit a rental? - If so, this coverage should be purchased. Note that form numbers may change.</p>

PARK WILLOW OWNERS ASSOCIATION, INC.
RESOLUTION OF THE BOARD

MAINTENANCE RESPONSIBILITY

WHEREAS, Park Willow Owners Association, Inc. ("Association") and the members thereof, are required to comply with the requirements set forth in a Declaration of Covenants, Conditions and Restrictions of Park Willow Condominiums ("Declaration"), as amended, as well as rules and regulations as set forth by a Board of Trustees ("Board");

WHEREAS, the Board is empowered to govern the affairs of the Association, including the interpretation and enforcement of the Declaration as well as with the power to adopt rules and regulations.

WHEREAS, the Declaration sets forth the maintenance, repair, and replacement of certain improvements within the Community concerning Common Areas and Units.

WHEREAS, there may be certain improvements and items that remain unclear as to the responsibilities for maintenance,

WHEREAS, the Board wishes to clarify certain areas of maintenance within the community and set forth for easy reference, the areas of responsibility between the Unit Owners and the Association.

NOW, THEREFORE, IT IS RESOLVED AS FOLLOWS:

In addition to any responsibilities set forth in the Declaration, the Board hereby adopts the attached Maintenance Responsibilities Chart which sets forth the responsibilities between the Association and Unit Owners for the upkeep, maintenance, repair, and replacement of the community.

NOW, THEREFORE, IT IS FURTHER RESOLVED THAT:

Owners are responsible for the actions and/or damage from their guests, renters, invitees, or other such individuals. Any damage attributable to an Owner shall be the responsibility of the Owner.

NOW, THEREFORE, IT IS FURTHER RESOLVED THAT:

Pursuant to the Utah Condominium Ownership Act, the Unit Owner is responsible for the deductible of the Association, if a loss occurs to a Unit, in which the Association's policy provides primary insurance coverage, regardless of fault.

13296698
06/12/2020 12:21 PM 4166-00
Book - 10960 Pg - 1199-1205
PASHELLE HOBBS
RECORDER, SALT LAKE COUNTY, UTAH
WESTERN MANAGEMENT ASSOC
4252 S HIGHLAND DR #105
SLC UT 84124
BY: MZA, DEPUTY - 01 7 P

NOW, BE IT FURTHER RESOLVED that a copy of this resolution shall be distributed to all Owners within Park Willow Owners Association, Inc.

DATED this 16 day of June, 2020.

Pre



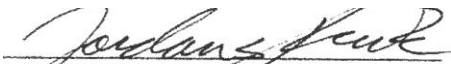
Treasurer/Secretary

STATE OF UTAH

)
SS =

COUNTY OF SALT LAKE)

On the 16 day of June 2020., personally appeared before me Lisa MacDonald and Richard Harman, who by me being duly sworn, did say that they Directors of Park Willow Condominium, a Utah non-profit corporation, and that the foregoing instrument was signed in behalf of the corporation.



NOTARY PUBLIC
Residing At: Salt Lake City, UT
Commission Expires: Apr 10, 2023



PARK WILLOW OWNERS ASSOCIATION, INC.
MAINTENANCE RESPONSIBILITIES CHART

The following chart allocates responsibility for maintenance, repair and replacement for the specified items between the Association and the Owner.

	EXTERIOR	HOA	OWNER
1	Roof exteriors, rain gutters and down spouts.	X	
2	Chimneys, if any.	X	
3	Porches, front steps, entryways.	X	
4	Footings, pilings, foundations, columns, girders, beams, supports and other support structures.	X	
5	Exterior walls, exterior doors, exterior wall coverings, including paint.	X	
6	Doors, hinges, frames, thresholds, locks, doorbells.		X
7	Exterior basement walls, window wells, sump pumps,	X	
8	Windows or other exterior glass surfaces, sliding glass doors, screens, screen doors, and frames (in accordance with approved exterior frame color).		X
9	Maintenance, repair and replacement of landings, patios, decks, balconies or other similar areas included with any Unit exterior.		X
10	The underground pipelines, ducts and wires not under the dwelling that serve more than one Unit.	X	
11	Water faucet or hose bib on exterior of Unit. Any damage caused by a resident's negligence, such as failing to disconnect a hose from a tap, is the liability of the Unit Owner.		X
12	Fences (if installed by HOA) and gates (if any).	X	
13	Authorized modifications or improvements by an owner, including windows, awnings, and attic vents.		X
14	Driveways, designated parking areas, roadways, sidewalks and steps on or around the Unit.	X	

15	Improvements, lighting, signs, or the like, placed by the Association on the Common Areas or the land surrounding the Units.	X	
16	Common utility systems which are not separately metered and billed to Owners directly.	X	
17	Phone lines, TV cables, heat pumps, furnaces, and air conditioning Units. Owners must obtain permission from the Board if any holes need to be drilled through exterior walls for cable lines.		X
18	Heating, ventilation, air conditioning, and all other utility equipment which serves the Unit.		X
19	Limited Common Area parking areas and storage facilities permanently assigned to specific Units.		X

	INTERIOR	HOA	OWNER
20	The interior of the Unit from the unfinished interior surfaces of the walls, floors, ceilings, windows, and doors inward.		X
21	Undecorated interior surfaces of the common bearing walls, non-supporting interior walls, ceiling and floor, and all other walls within the Unit		X
22	Shared interior walls, ceilings, floors (from center of wall into Unit).		X
23	All finishing materials applied or affixed to interior surfaces.		X
24	Decorations, furnishings, fixtures and improvements within the Unit.		X
25	The electrical system from the breaker panel and to all outlets including switches and light fixtures.		X
26	Plumbing fixtures such as sinks, basins, toilets and all interior pipes and valves. Water pipes and drainage pipes that serve only one Unit are the responsibility of the Owner to the point they join a common pipe.		X
27	Repair of cracks or other damage to interior walls, floors or ceilings caused by normal Unit settling.		X

28	Repairs of damage resulting from static water or seepage of water from any source.		X
29	Repairs of damage resulting from surface water.		X
30	All appliances, exhaust fans, attic vents, air conditioners, water heaters.		X
31	Bearing walls, floors, ceilings, even if located within the Unit.	X	
32	Interior surfaces of roof		X

	GROUND S	HOA	OWNER
33	Lawns, flowers, trees and shrubs in the Common Areas.	X	
34	Landscaping, flowers, trees and shrubs located upon Limited Common Areas appurtenant to their respective Units.		X
35	Lawn watering system (installed by Association).	X	
36	Snow removal of Common Areas.	X	
37	Roadways, parking lots, curbs and gutters, sidewalks (unless maintained by the City).	X	
38	Swimming pool and other Common Area amenities	X	



Office: 801-399-5883

Hours: Monday- Friday 9am-5pm

Email: info@WelchRandall.com

Park Willow Owners Association, Inc.
Resolution of the Board
Maintenance and Repair Protocol

The following is the official protocol for the maintenance and repair of the common area assets and personal property assets of each homeowner.

Emergency Plumbing or Water Pipe Repairs: It is the responsibility of each homeowner to take whatever steps are necessary to immediately stop ongoing damage that would be caused by plumbing or broken water pipe. Homeowners should call a plumber immediately to make the repair. Should the plumber determine the cause was from another source outside the control of the individual unit owner's responsibility (main water or plumbing line serving more than one unit), the Association will be responsible to pay for the repair. Otherwise, the cost will be the individual unit owner's responsibility.

Property Damage between Units: If there is damage caused from one unit to another, it is the responsibility of the homeowners to work the matter out. The unit where the source of the damaged stemmed will be the responsible party and liable for the repair cost. Each homeowner should be responsible for making the repairs to their individual unit. The Association should only be involved in the event of a dispute between the owners affected. The decision of the Association with respect to liability will be final.

Common Area Maintenance: Any request for maintenance or repair work to any of the common area assets, should be directed to the management committee. Emergency repair work from a common area should also be directed to the management office.

Personal Insurance Policies: Each homeowner should be aware that the deductible on the Master Association insurance policy is \$25,000.00. Each homeowner will be required to pay the Associations deductible prior to filing any claim against the Associations master insurance policy, regardless of where the fault lies. When damages affect more than one unit, each unit owner will share in the cost up to the deductible amount. **The Association strongly recommends that each homeowner obtain a personal property insurance policy that provides a rider to cover the Association's \$25,000,00 deductible.**