

Water Leak/Insurance Resolution

WHEREAS, Sunvalley Villas Homeowners Association (the "Association") is governed by an Amended and Restate Condominium Declaration for Sunvalley Villas (the "Declaration") recorded at instrument number 1987-287357 in the Official Records of the Maricopa County Recorder and all the amendments thereto;

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

WHEREAS, Article VI, Section 6.1.6 of the Declaration allows the Association to adopt rules and regulations;

WHEREAS, Article XI, Section 11.5 of the Declaration provides that Unit Owners are responsible for the maintenance and repair of their Unit and Limited Common Elements;

WHEREAS, Article VI, Section 6.2 of the Declaration provides that the Association is responsible for the maintenance and repair of the Common Elements;

WHEREAS, Article XI, Section 11.7.5 of the Declaration classifies the cost of insurance as a common expense;

WHEREAS; A.R.S. § 33-1255(C) allows the Association to assess certain common expenses to Unit Expenses;

The Board of Directors of the Sunvalley Villas HOA is extremely concerned about water damage to Units, the Common Area and the potential of a resulting increase in insurance rates or denial of coverage for submitted claims.

Therefore, the Board of Directors adopts the following resolution to be in compliance with the HOA insurance policy exclusion clause which states that leakage or seepage occurring over a 14 day period is excluded from coverage.

- a. Each owner shall provide a key to the owner's condominium to a person designated as an emergency contact, who lives at or near the complex and who will be available and responsible to provide immediate access in case of an emergency. The name and telephone number of said emergency contact shall be reported to the management company within forty-five (45) days from the date the Association requests this information and, should the name or phone number of that contact change, the new information will immediately be reported to the management company.
- b. To be compliant with the HOA insurance policy, if the Unit is vacant for more than a two week period, the Owner shall have his/her Unit inspected at least every 14 days to ensure that there are no water leaks or other damages occurring.
- c. In buildings #1 through #6 and #12 & #13, where individual main whole-unit shut off valves exist, the Owner shall maintain the main shutoff valve to the Unit in an operable condition, and if the Unit is vacant for more than seven (7) days, the Owner shall shut off the main water valve to the Unit.

- d. In buildings #7 through #11, where individual main whole-unit shutoff valves are not available, if the Unit is vacant for more than seven (7) days, owners shall turn off all interior water shutoff valves where available on all fixtures including toilets, sinks, water lines to refrigerators, washing machines and hot water heaters.
- e. Failure to comply with the 14 day inspection requirement (as stated above) will result in the Owner being responsible for any and all damage not covered by insurance, including the deductible as set forth in f, and whether or not the damage is to common elements.
- f. Failure to comply with the 14 day inspection requirement (as stated above), will result in the HOA insurance deductible being assigned to the Unit of origin of any and all damage, including any damage to other units or common elements.
- g. If at any time there is a change to the HOA insurance policy which alters the 14 day vacant unit inspection requirement, the board shall inform the Owners of the change and modify this resolution accordingly, if necessary.
- h. If/when a water heater is replaced in any unit, a drip pan and proper outside drainage or inside drainage to an existing drain shall be added.
- i. It is strongly recommended that Units be fitted with quarter turn style ball valve shut off valves on all interior water supply lines. It is further recommended that owners periodically inspect all interior shutoff valves to observe for leaks. Where leaks are present, the valves shall be repaired or replaced.
- j. Individual water shut off valves for each fixture shall be maintained in such a manner as to accommodate fluctuations in water supply/pressure from the city of Mesa. The HOA strongly recommends use of braided steel supply lines with stainless steel or brass fittings as plastic or nylon lines or fittings may not sufficiently handle the pressure fluctuation or may dry out and crack over time.
- k. It is strongly recommended that each Owner carry adequate insurance to cover personal property and all damage not covered by the HOA insurance policy, including coverage of the HOA's insurance deductible.

This resolution was adopted by the Sunvalley Villas Board of Directors on this 7th day of March, 2015, and shall be effective on an even date herewith.

IN WITNESS WHEREOF, the undersigned has hereunto affixed his hand this 7th day of March, 2015.
Sunvalley Villas Condominium Association, a not-for-profit Arizona Corporation

By: _____, President

CERTIFICATE

The undersigned hereby certifies that she is the Secretary of Sunvalley Villas Condominium Association, a corporation organized and existing under the laws of the State of Arizona; that the foregoing is true and correct copy of a resolution adopted at a meeting of the Board of Directors of said corporation held on this 7th day of March, 2015, at which meeting a quorum was at all times present and acting; that the passage of said resolution was in all respects legal; and that said resolution is in full force and effect.

Dated this 7th day of March, 2015. Sunvalley Villas Condominium Association, a not-for-profit Arizona Corporation

By: _____, Secretary

Water Leak/Insurance Resolution - Home Owner Acknowledgment/Acceptance

I (we), the undersigned, state that I (we) have read and understand the attached Water Leak/Insurance Resolution.

Unit # _____

Homeowner signature (1) _____
(please sign above)

Homeowner name (1) _____
(please print full name)

Homeowner signature (2) _____
(please sign above)

Homeowner name (2) _____
(please print full name)

Date: _____

Name of person(s) designated as Emergency Contact: _____

Phone Number of Emergency Contact: _____

IMPORTANT NOTE: This page MUST be completed, signed and returned to Jeff Twito, Sunvalley Villas Property Manager, within 45 days of receipt.