

WINDSOR LAKES HOMEOWNERS ASSOCIATION, INC.

AMENDED RESOLUTION CONCERNING INSURANCE MATTERS

STATE OF TEXAS §
 §
COUNTY OF MONTGOMERY §

WHEREAS, Windsor Lakes Homeowners Association, Inc. (the "Association"), is the governing entity for Windsor Lakes, Sections 1-11, additions in Montgomery County, Texas, according to the maps or plats thereof, recorded in the map records of Montgomery County, Texas, under Clerk's File Nos. 2002-131351, 2002-131514, 2002-131516 / 2003-056902, 2003-045017, 2003-045526, 2002-131688, 2004-020265, 2004-020276, 2004-048654, 2004-048655 and 2004-128282, respectively, along with any amendments or supplements thereto (the "Subdivision"); and

WHEREAS, the Subdivision is subject to the Declaration of Covenants, Conditions, and Restrictions for Windsor Lakes, recorded in the Real Property Records of Montgomery County, Texas, under Clerk's File No. 2003-068161, along with any amendments and supplements thereto (the "Declaration"); and

WHEREAS, Article VII of the Declaration, "Insurance and Casualty Losses", outlines the insurance coverage requirements for the Association and for all Townhome (Unit) Owners; and

WHEREAS, Article VII of the Declaration specifies that the premiums for all insurance, which is the obligation of the Association to provide for the benefit of the whole Association, shall be a common expense of the Association; and

WHEREAS, Article VII of the Declaration further states that the premiums for insurance, which is for the benefit of the Units only, will be apportioned equally among the Units and shall be included in the additional assessments paid only by the Unit Owners; and

WHEREAS, Article VII of the Declaration states that the insurance policies for the Association may contain reasonable deductibles; and

WHEREAS, the Association has previously amended rules and regulations governing the administration of insurance coverage for the Units, recorded in the Montgomery County, Texas, Real Property Records, under Clerk's File No. 2021132970 (the "Insurance Resolution"); and

WHEREAS, to preserve the ability of the Association to obtain the insurance policies required by the Declaration, the Board of Directors deems it necessary to adopt and enforce an equitable policy regarding the liability for payment of the insurance deductible, and the administration of insurance claims, on the Association's insurance policies, and to amend its Insurance Resolution to conform to changes in insurance policies;

NOW THEREFORE, pursuant to the foregoing, and as evidenced by the Certification hereto, the Association, through its board of directors, hereby adopts, establishes and imposes on the Subdivision, the following Rules and Regulations, and hereby amends its Insurance Resolution to be replaced in its entirety, by the following:

1. Deductible Application:

- a) Any Unit Owner who makes a claim **other than wind and hail** under the Association's insurance policy is individually responsible for the \$25,000 deductible amount. Thus, all Unit Owners are urged to purchase their own insurance protection that covers all or part of the first \$25,000 of a claimed loss along with coverage for any part of the Unit's interior that may not be covered under the Association's insurance coverage, personal contents, and liability coverage all typically included in a "Homeowners Insurance (HO-Condominium form)" policy.
- b) If wind and hail damage is sustained by one or more Units, except from a named storm, resulting in damage claims; the first 1% per building in damage claims, which is the deductible amount of the Association's insurance coverage, will be paid equally by all Unit Owners and the full amount of the deductible shall be assessed to all Unit Owners and payable through their maintenance dues in two installments.
- c) If wind and hail damage is sustained by one of more Units, from a Named Storm, resulting in damage claims; the first 2% per building in damage claims, which is the deductible amount of the Association's insurance coverage, will be paid equally by all Unit Owners and the full amount of the deductible shall be assessed to all Unit Owners and payable through their maintenance dues in two installments.
- d) If wind and hail damage is sustained by one or more Units as well as by Common property owned by the Association, then the first 1% per building in damage claims not part of a Named Storm or the first 2% per building in damage claims from a Named Storm, will be paid equally by all Unit and Lot Owners through their assessment amounts.
- e) In the event the loss or damage covered by the Association's insurance policy is caused by the act, omission, or negligence of a Unit Owner, or the Owner's tenants, invitees, or guests, or caused by any item the Unit Owner is responsible for maintaining, The Unit Owner or tenant must first submit a claim with their individual insurance carrier before a claim may be sought on the Association policy; and such Owner shall be liable for the full amount of any deductible on the Association's insurance policy and all costs in excess of insurance proceeds.
- f) In the event that:
 - i. the loss originates from the Unit of, or is caused by, the Unit Owner, the Owner's tenants, invitees or guests, or from unknown causes within the Unit without any negligence being attributable; or
 - ii. the cause of the loss cannot be determined and is only related to the Owner's Unit or the items the Unit Owner is responsible for,

the Unit Owner or tenant must first submit a claim with their individual insurance carrier before a claim may be sought on the Association policy; and such Owner shall be liable for the full amount of any deductible on the Association's insurance policy and all costs in excess of insurance proceeds.

- g) In the event more than one, but not all, Units are involved in any insured loss, and the cause of the damage cannot be attributable to any one Unit or resident, the cost of repair, or the deductible (if the cost to repair is greater than the deductible) will be proportionately distributed among all Unit Owners who have experienced the loss.
- h) In the event that a loss or damage covered by the Association's policy is less than the deductible on the Association policy, and the loss or damage was caused by the act, omission, or negligence of a Unit Owner, or the Owner's tenants, invitees, or guests, or caused by any item the Unit Owner is responsible for maintaining, such Owner shall be responsible for the cost of the repair to the Unit, any other affected Units and the building, and no claim shall be made on the Association policy.
- i) In no event shall a claim be made on the Association policy if the loss or damage is less than the deductible on the Association policy.
- j) In the event that the loss or damage covered by the Association's policy is caused by the act, omission, or negligence of the Association, or caused by any item the Association is responsible for maintaining, the Association shall be liable for the full amount of any deductible on the Association's insurance policy and all costs in excess of insurance proceeds.

2. Claims Procedures:

- (a) In the event a Unit Owner or resident is insured for any loss to the Unit or to the Property, the Association shall be entitled to require the Unit Owner and/or resident to claim any loss under such Owner/resident's policy of insurance.
- (b) 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 Owner provides proof that the claim exceeds the amount of the deductible on the Association policy.
- (c) Only licensed and insured contractors shall be authorized to perform reconstruction or repair work necessitated by insurance claims. All work must be permitted as required by local ordinance.
- (d) The Association shall disburse insurance claim proceeds directly to the licensed contractor(s) performing the repair or renovation work. Owners performing repairs must submit all required permits and licenses along with original receipts in order to receive reimbursement for work performed.

3. General Provisions:

- a) Because of the potential for a deductible to be assessed to the Owners, Owners are encouraged to consider obtaining a loss assessment endorsement on their personal insurance policy.

E-FILED FOR RECORD

02/16/2022 08:32AM



COUNTY CLERK
MONTGOMERY COUNTY, TEXAS

STATE OF TEXAS,
COUNTY OF MONTGOMERY

I hereby certify that this instrument was e-filed in the file number sequence on the date and time stamped herein by me and was duly e-RECORDED in the Official Public Records of Montgomery County, Texas.

02/16/2022



County Clerk
Montgomery County, Texas