

# *Appendix C: Insurance*

Revised 2024

## **Introduction**

In addition to any legal or fiduciary obligations of the East Point Condominium Association (the “Association”) relating to the protection of the building, its components and equipment, the Association believes it is in the long-term best interests of the homeowners who live at East Point that each owner carry appropriate and adequate personal property and liability insurance. It is also believed that this will help to protect and support the maintenance of property values for all unit owners. It is in this spirit that the following rule was passed by the Board of Directors.

## **Insurance Rules:**

**A.** (1) All unit owners shall, at all times, maintain personal liability insurance in the amount of at least \$500,000 to cover claims arising from possible injuries sustained by owners’ guests and visitors and to cover claims from damage to property not owned by, or not under the control of, the unit owner; Additionally, each unit shall maintain loss assessment coverage in the amount of at least \$25,000.

(2) Not less than once each calendar year and at all policy declaration renewals, all unit owners shall provide the Association via the management evidence of such current coverage.

(3) Given that the Association assumes no responsibility for damage to or loss of, or loss of use of, any unit owner property caused by anyone not acting properly on behalf of the Association, all unit owners are encouraged to maintain personal property damage insurance covering all property kept by the unit owner anywhere in the building or on the property;

**B.** (1) Given that the Association assumes no liability for damage to or loss of, or loss of use of, any units or property contained in the units where such damage or loss is caused by sources originating in or from any other unit or units, all unit owners understand that they are and, until all associated claims are paid, settled or otherwise resolved, shall remain personally liable for, and responsible to the Association to resolve, any such damage originating from their units, whether or not any insurance coverage applies and whether or not any unit’s owner (or the unit owner’s guest, resident, or invitee) is in any way negligent;

(2) For the avoidance of doubt, regardless of whether an owner’s unit, and property contained in the unit, is damaged by causes originating in or from another unit, or from a common element problem, the damaged unit owner (and not the Association) is responsible for maintaining insurance to cover his, her or its costs of repairing such damage or replacing damaged items (e.g., decorating, painting, wall and floor coverings, trim, appliances, equipment and other furnishings). Of course, to the extent such damage is caused by common element problems that are not themselves caused by, or that are not the result of, the negligence of a unit owner (or such owner’s guests, residents or invitees), it shall be the responsibility of the Association to handle, and the unit owner shall cooperate with the Association in resolving the issues surrounding any such situation.

**C.** All unit-to-unit damage claims shall be disputed and handled between unit owners and their respective insurance companies and legal counsel without undue delay or otherwise causing any adverse consequences to the interests of the Association (including but not limited to further damage to common elements). However, at all times during such situations in which any common element is damaged, or is the cause of damage, the responsible unit owner must fully

cooperate with the Association in its efforts to identify and repair the damage to common elements. If the unit owner who is responsible for damage to common elements does not have sufficient insurance coverage, the Association will pay for the repairs to the common elements and charge said unit owner for all costs involved and the unit owner shall promptly reimburse the Association for such costs.

**D.** As with all of our rules and regulations, the Association greatly appreciates each unit owner's reading and understanding of, and respect for, the continuing implementation of this Insurance Rule.

**Conclusion:**

The Association has created this Insurance Rule in order to improve unit owners' understanding of our respective responsibilities to each other as we continue to work together to maintain a first-class, residential community.