

The Villas of Arden Mills Condominium Association

INSURANCE DEDUCTIBLE POLICY

Reference:

Title 68 PA Consolidated Statutes, Section 101 (the "ACT") grants the Council the power to "Exercise any other powers necessary and proper for the governance and operation of the association"

The Association insures under the master insurance policy certain privately owned structural parts of the units.

The Association master insurance policy has a deductible which may change from time to time, and may be found in the "Evidence of Property Insurance" which is issued to each individual resident upon the Association's annual insurance policy renewal.

The Association does not intend to pay the deductible for loss on the privately owned components of the unit. Each owner is to contact their own insurance agent to purchase an HO6 policy, and insure that their individual policy is properly coordinated with the master policy, including any provision for paying the deductible portion of any claim.

POLICY:

Following is the VILLAS OF ARDEN MILLS CONDOMINIUM ASSOCIATION policy on responsibility for the insurance deductible.

1. Any loss must be reported to the Association Management Company. Claims that are reported directly to the Insurance agent or the insurance company will not be honored as each loss must be reviewed by the staff to protect the homeowners as well as minimizing losses that increase the premium.
2. On any loss determined to be common property, the association will pay the entire deductible.
2. On any loss to privately owned property that is determined to be covered by the master insurance policy, the unit owner will pay the entire deductible.
3. On any loss that occurs to both common and private property covered by the master insurance policy, the association will pay the portion of the deductible on the common property loss and the unit owner will pay the portion of the deductible on the private property loss.

[Example: For each \$1,000 of deductible, the following would apply. If a loss occurred that cost \$10,000 to repair and \$7,000 was the repair cost of private property and \$3,000 was the repair cost of common property, then the unit owner would pay 70% (or \$700) of each \$1,000 of the deductible, and the association would pay 30% (or \$300) of each \$1000 of the deductible.]

Approved by the Board: 12/04/19