THE AMBERLEA AT SOUTH RIDING CONDOMINIUM UNIT OWNERS ASSOCIATION
POLICY RESOLUTION NO. 2026 -08
(SUPERSEDES 2024-06)

(Casualty Losses and Insurance Claims)

WHEREAS, Article 3, Section 3.1 of the Amberlea at South Riding Condominium Unit Owners Association Bylaws states that the Board of Directors of the Association shall have all of the powers and duties necessary for the administration of the affairs of the Unit Owners Association and may do all such things as are not by the Condominium Act or Condominium Instruments required to be exercised and done by the Association; and

WHEREAS, Section 55-79.53 of the Virginia Condominium Act, Code of Virginia (1950, as amended) ("Act") states that every Owner of a Unit shall be governed by and shall comply with all of the terms of the Declaration, Bylaws and Rules of Regulations of the Association ("Condominium Instruments"); and

WHEREAS, Article 3, Section 3.1(f) of the Bylaws empowers the Board to adopt and amend rules and regulations in accordance with Section 5.8(b) of the Bylaws, provided that those rules and regulations do not conflict with the Condominium Act or Condominium Instruments; and

WHEREAS, Article 3, Section 3.1(h) of the Bylaws empowers the Board to make or contract for the making of repairs, additions and improvements to or alterations and restoration of the Property, in accordance with the Bylaws, after damage or destruction by fire or other casualty; and

WHEREAS, Article 3, Section 3.1(j) of the Bylaws requries the Board to obtain and carry insurance against casualties and liabilities, as provided in Article 6 of the Bylaws and to pay the premiums therefor and adjust and settle any claims thereunder; and

WHEREAS, Article 3, Section 3.11 (b) of the Bylaws states that the Association shall not be liable for any failure of water supply or other services to be obtained by the Association or paid for as a common expense, or for injury or damage to person or property caused by the elements or by any unit owner, or resulting from electricity, water, snow or ice which may leak or flow from or over any portion of the common elements or from any pipe, drain, conduit, appliance or equipment.

WHEREAS, Article 5, Section 5.1(c)(2) of the Bylaws empowers the Association to specially assess Units for Limited Common Expenses, when certain common expenses benefit less than all of the Condominium Units or are caused by the conduct of less than all those entitled to occupy the same or by their licensees or invitees; and

WHEREAS, Article 5, Section 5.5(a) of the Bylaws states that except as otherwise provided herein, the Association shall be responsible for the maintenance, repair and replacement

of all of the common elements (including limited common elements), the cost of which shall be a common expense; provided, however, that the Board may elect not to do so if in the opinion of a majority of the Board such maintenance, repair or replacement was necessitated by the act, neglect or carelessness for which a unit owner is responsible, per Section 9.1(a) of the Bylaws; and

WHEREAS, Article 5, Section 5.5(b)(1) of the Bylaws provides that the Unit Owner is responsible for keeping his or her unit, equipment, appliances and appurtenances in good order, condition and repair.

WHEREAS, Article 6, Section 6.2 of the Bylaws requires the Board to obtain physical damage property insurance over the entire Property, including the Units; and

WHEREAS, Article 6, Section 6.1(e) of the Bylaws provides that the deductible on any insurance policy purchased by the Board shall be a common expense, provided, however, that the Association may pursuant to Section 9.1(a) of the Bylaws, assess any deductible amount necessitated by the act, neglect or carelessness for which a unit owner is responsible against such unit owner; and

WHEREAS, Article 6, Section 6.6(a) of the Bylaws states that the physical damage insurance policies purchased by the Board shall be for the benefit of the Association, the unit owners, and their Mortgagees; and

WHEREAS, Article III, Section 2(e) of the Bylaws authorizes the Board of Directors to make and amend the Rules and Regulations of the Association; an

WHEREAS, the Board of Directors seeks to establish clear procedures and requirements related to reporting, investigating and resolving damage incidents within the Condominium, as well as administration of insurance claims, including allocation of uninsured loss costs, deductibles and insurance proceeds.

NOW THEREFORE, the Board of Directors adopts the following policy:

I. DEFINITIONS

Unless otherwise defined here, all capitalized terms shall have the definition set forth in the Declaration and Bylaws of the Association ("Condominium Instruments").

II. MASTER INSURANCE, INDIVIDUAL INSURANCE AND DEDUCTIBLES

A. The Board of Directors maintains a master casualty insurance policy ("Master Policy") covering the Common Elements and the individual Units against certain property damage associated with fire and other casualties ("Covered Loss").

B. The Master Policy does not cover all losses to property within Units, including, but not limited to, damages to wall coverings, furniture and other personal

property (e.g., jewelry, televisions, etc.) or Owner-installed betterments not installed by the Declarant as part of the original construction.

C. In addition, the Master Policy contains a deductible amount ("Master Deductible") which at the time of the adoption of this policy is currently **$50,000.00** per incident/loss, but it may be adjusted from time to time, at the direction of the Board of Directors. The Master Deductible is deducted from any amount payable under the Master Policy on a Covered Loss.

III. LOSS INVESTIGATION

A. In the event a Unit Owner suffers damage to his or her Unit or Limited Common Element, the Unit Owner must report the damage as soon as possible to Management. Upon notice, Management will conduct an investigation into the loss to determine the source, the extent of the damage or loss, whether such damage is a Covered Loss, and the allocation of responsibility for the repairs and damages under the Condominium Instruments.

B. In the event of an emergency, the Unit Owner shall also contact the appropriate emergency servicing agency (e.g., gas company, fire department, etc.) and otherwise act to mitigate the damages (e.g., shutting off water supply valves in the Unit). Such costs of emergency repairs may not be reimbursable to the Unit Owner, if they are not Covered Losses, timely reported, or are otherwise due to the Owner based on the terms of the Condominium Instruments.

C. The Unit Owner, and other affected Unit Owners/tenants, shall provide Management with the immediate right of entry to into the Unit or related Limited Common Element to investigate the loss or damage and, in the case of an emergency threatening other Units or the Common Elements, Management will take or direct immediate action to attempt to stop or minimize the threat, if such action has not already been taken by the Unit Owner.

D. If the damage or loss does not constitute an emergency in which immediate remedial action is needed, the Unit Owner is obligated to file a "damage report" within three (3) calendar days of the date when the damage occurred. Failure to submit a complete damage report within such time frame may jeopardize the Association's ability to obtain any insurance coverage for the loss, absolve the Association of responsibility for such loss and subject the Unit Owner to possible liability for the damage.

1. The damage report may be in a form approved or promulgated by the Board of Directors, but which, in any event, shall include, at a minimum:
   - the name and address of the Unit Owner making the report;
   - a statement of when the incident of damage occurred;
   - the purported cause and/or origin of the damages (if known);
   - a preliminary list of claimed damages;

- authorization for the Association and its agents to enter the Unit for the purpose of investigating the loss;

E. Management shall further investigate and/or consult with the Association's insurance agent to determine if the loss would constitute a Covered Loss under the Master Policy and, if so, whether the damage estimates will exceed the amount of the Master Deductible.

F. Management shall, in making the determinations under II(E) above, be entitled to rely upon the advice of Association's insurance agent, consultants, tradesman and/or other advisors (as well as the Management's own internal resources) to determine whether the loss would be a Covered Loss and the estimated repair costs and damages.

IV. REPAIR RESPONSIBILITY/COST ALLOCATION

A. If the loss is a Covered Loss, then any insurance proceeds over and above the Master Deductible shall be applied towards the costs to remediate the damages. Proceeds shall be applied first to pay for any Common Element damage and then to any Unit damages.

B. Repairs obligations to Unit or the Common Elements associated with Covered Losses which are not covered by insurance proceeds (including the Master Deductible) shall be allocated:
1) to the Unit Owner(s) (whether pertaining to the Common Elements or a Unit) where the loss was caused by the negligence, misuse or neglect of the Unit Owner (or contractors, guests, invitees, family members or tenants);
2) to the Unit Owner(s) where the repairs are required within a Unit and are caused by the elements, or resulting from electricity, water, snow or ice which may leak or flow from or over any portion of the common elements or from any pipe, drain, conduit, appliance or equipment.

C. Repairs to Units or the Common Elements <u>not</u> associated with a Covered Loss shall be the responsibility of the party who otherwise would have been responsible for such maintenance or repairs under the Condominium Instruments (in the absence of insurance).

D. If the Association determines that the cause of the damage to the Unit and/or Common Elements resulted from the neglect, misuse or negligence of a Unit Owner, or is not otherwise the obligation of the Association, and that the cost of the repairs is likely to exceed the amount of the deductible, the Association shall notify the responsible Unit Owner of the determination in writing. The notice shall inform the responsible Unit Owner of a) the Association's intention to file an insurance claim, and b) the Unit Owner's responsibility to pay the deductible.

E. The Association may, within its reasonable discretion and based upon the

allocation of responsibilities controlled by the Bylaws, allocate the deductible obligation between more than one party, including multiple Unit Owners and/or the Association, depending upon percentage of benefit/causation of the total repair costs for each involved party.

F. Only the Association is authorized to file claims with the insurance company.

The effective date of this Resolution shall be October 23, 2026.

THE AMBERLEAT AT SOUTH RIDING CONDOMINIUM UNIT OWNERS ASSOCIATION

By: Daniel Vargas
Daniel Vargas, Board President

THE AMBERLEA AT SOUTH RIDING CONDOMINIUM
UNIT OWNERS ASSOCIATION
FOR ASSOCIATION RECORDS

I hereby certify that a copy of the foregoing Policy Resolution was mailed or hand delivered to the members of The Amberlea at South Riding Condominium Unit Owners Association, on this day of October 23, 2026.

Mary Frank, Community Manager

THE AMBERLEA AT SOUTH RIDING CONDOMINIUM UNIT OWNERS ASSOCIATION

RESOLUTION ACTION RECORD 2026-08

Duly adopted at a meeting of the Board of Directors held October 7, 2026

Motion by: Daniel Vargas Seconded by: Cypriana McCray

	VOTE: YES	NO	ABSTAIN	ABSENT
Daniel Vargas President	X			
Robert W. Patton Vice President	X			
Cypriana McCray Treasurer	X			
_____ Secretary				
_____ Director				

ATTEST:

_____ _____

Secretary Date

Resolution effective: October 23, 2026

Signature: Daniel Vargas
Daniel Vargas (Oct 23, 2026 09:47:07 EDT)

Signature: Robert W. Patton
Robert W. Patton (Oct 21, 2026 14:36:16 EDT)

Signature: Cypriana McCray
Cypriana McCray (Oct 22, 2026 16:18:28 EDT)