



7/15/19

**NOTICE
CHANGE IN ASSOCIATION
INSURANCE COVERAGE**

THERE ARE CHANGES IN INSURANCE POLICIES CARRIED BY THE ASSOCIATION. YOU SHOULD IMMEDIATELY NOTIFY YOUR INSURANCE AGENT OF THE CHANGES SET FORTH IN THE ENCLOSED INFORMATION AND ASK YOUR AGENT TO DETERMINE IF CHANGES TO YOUR INSURANCE POLICIES ARE NECESSARY.

DEDUCTIBLE CHANGE TO \$20,000.00

WWW.BULLRUNHOA.ORG/INSURANCE

.....

John Lokting
State Farm Insurance
307 SE 102nd
Portland, OR 97216
Ph 503-252-5581 Fax 503-254-2553

State Farm Insurance

Dear Unit Owners:

The condominium associations' insurance policy has a \$20,000 deductible for damage to any part of the building, including the units. With this in mind, you should contact your personal insurance agent to ensure that your Unit Owners policy is tailored properly.

Many insurance companies will allow an individual unit owner to submit the master policy deductible under his/her individual Unit Owners policy and only be responsible for the smaller deductible that is carried on the individual Unit Owners policy.

There are two ways in which the deductible may be assessed, to individual unit owners and to all unit owners.

If the deductible is assessed to one or more individuals, it is generally the "Coverage A – Building" area of the policy which extends coverage. If the deductible is assessed to all unit owners, the "Loss Assessment" area of the policy generally extends coverage. It is **very** important to confirm that loss assessments can be applied to the building deductible. Some insurance companies only extend this coverage to liability losses.

The unit owner should:

1. Make sure there are sufficient dollar amounts of coverage in their policy to meet the associations' deductible in both areas of their unit owners' policy.
2. Make sure they have "special peril" building coverage rather than "named peril" building coverage.
3. Have their policy endorsed for earthquake if they have an earthquake concern. Be aware there may be serious limitations for earthquake under the loss assessments coverage.

This letter contains only a general description of coverage's. All coverage's are subject to the terms, provisions, exclusions, and conditions in the policies themselves, and in any endorsements.

If you have any questions, please call John's office at 503-252-5581.

Like a good neighbor, State Farm is there!

.....

**BULLRUN TOWNHOUSE ASSOCIATION
BOARD OF DIRECTORS RESOLUTION
DATED JUNE 16 2014 RE: INSURANCE**

A. The Declaration of Ownership for Bullrun Townhouse Association, a nonprofit corporation formed under the laws of the State of Oregon, states that the Association shall obtain and maintain in force policies of insurance as provided in the Declaration or the Bylaws of the Association:

B. Article X of the Bylaws of the Bullrun Townhouse Association, prescribes the type of insurance and specifies the responsibilities of the Association and the owners to place and maintain in force at all time appropriate insurance to protect the owners, the Association and its members.

C. It is the intent of the Board of Directors to:

1. Ensure that the Association has adequate coverage for property and liability insurance;
2. Ensure the continuing insurability of the Association at a reasonable price;
3. Prescribe a procedure for reporting and processing insurance claims.

D. The Declarations and Bylaws of the Association are silent regarding responsibility for the payment of the Association insurance policy deductible.

E. The Declarations and Bylaws of the Association state that the Board has authority to determine the amount of the deductible.

NOW THEREFORE, BE IT RESOLVED THAT the conditions, requirements and procedure set forth below be adopted.

I. INSURANCE DEDUCTIBLE; OWNER AND TENANT INSURANCE

1.1. Determination of Deductible; Notice.

(a) Determination of Deductible by Board. The Board of Directors shall determine the amount of the deductible for property loss insurance policies and any other insurance policies required to be obtained by the Association as provided in the Declaration or the Bylaws of the Association. In determining the deductible under the policies, the Board shall take into consideration, among other factors, the availability, and cost and loss experience of the Association. In making the determination, the Board members shall exercise their reasonable business judgment.

(b) Notice. The Board of Directors shall give written notice to the owners of the amount of the deductible under the Association policies and any change in the deductible proposed in renewal or replacement insurance policies not more than ten (10) days after the effective date of the change. The notice shall be delivered to each unit or mailed to the mailing address of each unit or mailed to the mailing address designated in writing by the owners. The notice shall include the following notice in at least 12-point type that is either all capitals or boldface:

**NOTICE
CHANGE IN ASSOCIATION
INSURANCE COVERAGE**

THERE ARE CHANGES IN INSURANCE POLICIES CARRIED BY THE ASSOCIATION. YOU SHOULD IMMEDIATELY NOTIFY YOUR INSURANCE AGENT OF THE CHANGES SET FORTH IN THE ENCLOSED INFORMATION AND ASK YOUR AGENT TO DETERMINE IF CHANGES TO YOUR INSURANCE POLICIES ARE NECESSARY.

1.2. Responsibility for Insurance. The Responsibility for insurance shall be as provided in this section.

(a) Owners Property Insurance. Owners shall be responsible for obtaining and maintaining insurance policies insuring their units for any losses less than the deductible amount under the Association's policies and for insuring their own personal property for any loss or damage.

(b) Tenants. Tenants shall be responsible for insuring their own personal property for any loss or damage.

(c) Owner and Tenant Liability Insurance. Owners and tenants of all units shall obtain and maintain comprehensive liability policies having combined limits of not less than Three Hundred Thousand Dollars (\$300,000) for each occurrence. The insurance shall provide coverage for, without limitation, the negligent acts of owners and tenants and their guests or other occupants of the units for damage to the general and limited common elements and other units and the personal property of the others located therein.

(d) Association. The Association shall have no responsibility to obtain or assist in obtaining property loss insurance for any owner or tenant for:

(1) Damage to a unit not covered by the Associations policy (because of the deductible amount or because the claim for loss or damage is one not normally covered by fire and property loss insurance policies with extended coverage endorsements); or

(2) For any damage or loss to the owner's or tenant's personal property.

1.3. Deductible.

(a) Damage Not Resulting from Negligence.

(1) Damage Affecting More Than One Unit. If a loss affects more than one unit, when there is no negligence by any party, the parties which have sustained damage (the Association, unit owners or both), shall pay their proportionate share of the Association deductible. The share shall be a percentage determined by dividing the damage to those portions of the building the non-casualty maintenance of which is the responsibility of the party under the governing documents of the association, into the total of all building damage incurred in the loss.

(2) Damage Affecting One Unit. If the damage is confined to a single unit, the unit owner shall be responsible for the entire deductible of the master association policy.

(b) Damage Resulting From Negligence. If a loss affects more than one unit, the common elements or a combination thereof, to the extent the damage is the result of the negligence of a party, the deductible shall be allocated to the negligent party.

(c) Owner Policy Deductible. Owners of damaged units shall be responsible for payment of their individual unit owner policy deductible.

II. Duplicate Insurance Coverage. In the event of duplicate insurance coverage, the insurance policy obtained by the unit owners shall be considered the primary coverage.

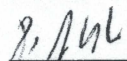
III. Procedure for Claims Handling

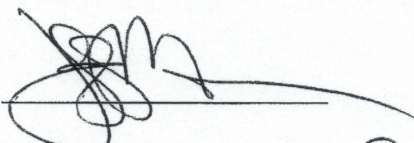
3.1 All claims against the Association's insurance shall be processed through and coordinated by the Board of Directors, or, if authorized, the Association's managing agent.

3.2 Charges of managing agents for handling claims shall be paid by the Association to the extent the deductible is paid by the Association; and by the owner to the extent the deductible is paid by the owner. The deductible is per occurrence. The Association shall, when possible, include the managing agent's insurance claims administrative services within the insurance claim, if a claim is filed.

3.3 The Association shall seek reimbursement for all expenses of processing the claim from an owner when the claim exists and the insurance does not cover all the costs based on the same percentage share as the deductible is allocated.

ATTEST:


Date 7/24/14
Dillan K. K. President
Board of Directors


JEFF MUCERS, SECRETARY