

**RESOLUTION OF  
LAKE FOREST CONDOMINIUM ASSOCIATION  
UNIT MAINTENANCE AND PROPERTY INSURANCE**

**SUBJECT:** Adoption of policies and procedures regarding Maintenance of Units and Insurance.

**PURPOSES:**

1. Clarify maintenance obligations of each Owner in the Declaration to keep the Owner’s Unit in good repair, avoid damage to other Units and Common Elements.
2. Confirm Association property insurance coverage, recommended homeowner insurance coverage to be obtained by Owners.
3. Reduce insurance claims and potential increases in insurance premiums.

**AUTHORITY:** The Declaration, Articles of Incorporation, and Bylaws of the Association. See also the Colorado Common Interest Ownership Action (“CCIOA”).

**EFFECTIVE  
DATE:** December 6, 2022

**RESOLUTION:** The Association adopts the following Policies and Procedures subject to:

Definitions: Unless otherwise defined, initially capitalized or terms defined in the Declaration shall have the same meaning herein.

Supplement to Law. The provisions of this Resolution shall supplement the provisions of the Declaration and the law of the State of Colorado governing the Lake Forest Project.

Deviations. The Board may deviate from any provision of this Resolution if in its sole discretion such deviation is reasonable under the circumstances.

Amendment. The following policies may be amended from time to time by the Executive Board.

**CONDOMINIUM UNIT AND COMMON ELEMENT MAINTENANCE**

**1.1 Community Quality of Life.** All Owners are Members of the Association which will always endeavor to observe and promote the cooperative purposes for which the property was built. Because neighbors rely on one another to maintain the quality of life and property values in the Community, each Member is more accountable to other Members than in other communities without shared Common Elements. This maintenance policy clarifies the duties of each Owner to keep the Owner’s Unit in good repair, to avoid damage to other Units and Common Elements, to minimize insurance claims, and to promote enjoyment of the community by all residents.

**1.2 “Individual Air Space Unit” or “Unit”** means a Unit depicted on the Condominium Map bounded by the perimeter unfinished walls, ceilings, and floors. A Unit includes all wallboard, paneling, tile, paint, paper, carpeting, or any other finished surfaces. All other portions of the perimeter walls, ceilings, and floors are Common Elements. A Unit includes any heating, electrical and plumbing fixtures, pipes, utility lines and all other fixtures which serve

only the Unit. Any structural component of the building or chute, duct, wire, fixture, utility or service line located within the Unit, but serving more than one Unit, is a Common Element.

Any exterior windows, doors, decks, porches or other fixtures designed to serve a single Unit, but located outside the boundaries of a Unit, are Limited Common Elements (“LCE”) allocated exclusively to the Unit.

**1.3 Condominium Unit Maintenance and Repair.** All maintenance and repair of a Condominium Unit is the sole responsibility of the Owner of each Unit. Each Owner also has the responsibility to:

a. promptly report to the Association or its managing agent any defect or need for repairs, for which the Association is responsible;

b. pay for the cost of repairing, replacing, or restoring any damage, regardless of negligence, resulting from the failure of any fixture located within a Unit which the Unit Owner has the responsibility to maintain; this reimbursement obligation includes costs to inspect and repair damage to any other Unit, and any Common or Limited Common Element arising from any Owner’s Unit. For example, if a water leak caused by a leaking water heater in a 3<sup>rd</sup> floor Unit causes the Association to inspect downstairs units to confirm whether furnace damage has occurred, the costs of such unit inspection will be paid by the Unit Owner who has the duty to repair the water heater.

c. perform maintenance responsibility in such manner so as not to unreasonably disturb or put at risk other persons in Units, other Units or the Common Elements.

An Owner shall be strictly liable for all injuries or damages to person or property caused by any incident occurring or originating from within a Unit or resulting from the Owner’s maintenance or lack of maintenance of the Unit.

**1.4 Common Element Maintenance.** All maintenance and repair of any Common Element or Limited Common Element is the responsibility of the Association subject to the exceptions below. The Association will repair damage to Limited Common Element windows and the interior of garages which is covered by the Association’s property insurance.

a. Each Owner will maintain and repair the exterior windows of the Owner’s Unit and the interior of the garage allocated to such Unit.

b. Owners will keep Limited Common Element decks and balconies clean and in good order so as not to interfere with use of any other deck or balcony.

## **INSURANCE DEDUCTIBLES AND CLAIMS**

### **2.1 Insurance.**

a. The Association will maintain liability insurance and property insurance for the Common Element Buildings, the Limited Common Elements (including the LCE garages, decks and balconies) and the Units. The Association policy shall cover the replacement costs of

Units and garages in accordance with the plans and specifications of the Property as originally built and will cover the replacement costs for all Common Element Buildings.

b. Owners are responsible for repair of any upgrades and improvements to a Unit and LCE garages. **Each Owner should obtain a homeowner's policy (HO-6) for a Unit to cover personal liability, Owner improvements and upgrades, personal property contents, liability, special assessments loss coverage, loss of use and loss of income for rental units, deductible subrogation, unless the Owner desires to self-insure such risks. Every Unit Owner shall upon request submit to the Association proof of homeowner's insurance or shall submit to the Association a written statement that the Owner accepts the risk of being self-insured.**

**2.2 Deductible Amount.** From time to time, the Board, in its reasonable discretion, may set, increase or decrease the amount of the deductibles for the Association's insurance policies.

**2.3 Payment of Deductible by Responsible Owner.** If the Association settles any insurance claim the Board may assess all or any part of deductibles paid by the Association to an Owner causing the loss or an Owner benefitting from the repair or restoration. In the event that there is more than one Unit damaged by a loss which is covered by Association insurance, the Board in its reasonable discretion may assess each Unit Owner a pro rata share of any deductible paid. All determinations by the Board will be made in a nondiscriminatory manner. In the event the Board determines in its reasonable discretion that good cause exists to not assess all or part of any deductible as permitted above, the deductible shall be paid by the Association as a Common Expense.

#### **2.4 Claims Against Association Policy**

a. Notice of Claim. Any Owner who may have a claim covered by an Association insurance policy, upon discovery of the claim, will promptly notify the Board in writing. The Association will have a reasonable time to investigate the Owner's claim and may file such claim on behalf of the Owner. If the Board does not file a claim or elect to repair the damage as provided in subparagraph b below it will notify the Owner within fifteen (15) days of receiving the Owner's written notice, and the Owner may file a claim against the Association's policy.

b. Association Payment of Claim. The Board in its reasonable discretion may choose not to submit any claim to the Association's insurance carrier, including an Owner's claim, provided that the Association causes the loss to be repaired or adjusted to the extent such claim would have been paid had the claim been so submitted. In such event the Board may assess the applicable deductible as provided above.

### **UNIT MAINTENANCE AND INSURANCE CHART**

The responsibilities of the Association and Owners for maintenance and property insurance are summarized in the chart attached as Exhibit A. If the provisions of this Resolution conflict with the Declaration, the provisions of the Declaration control.

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The undersigned, being the President and Secretary of the Lake Forest Condominium Association, a Colorado nonprofit corporation, certify that the foregoing Resolution was adopted by the Executive Board of the Association, at a duly called and held meeting of the Executive Board on the 6<sup>th</sup> day of December, 2022.

**Lake Forest Condominium Association,**  
a Colorado nonprofit corporation

By: *Skip Hale*, President

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**EXHIBIT A to**

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RESOLUTION OF  
LAKE FOREST CONDOMINIUM ASSOCIATION  
UNIT MAINTENANCE AND PROPERTY INSURANCE**

	MAINTENANCE	PROPERTY INSURANCE
<b>Association insures original construction 2.1a; Owner insures improvements and upgrades 2.1b</b>	<b>A/O</b>	<b>A/O</b>
<b>BUILDING EXTERIORS</b>		
Structure, including foundation, columns, girders, beams, and supports	A	A
Siding, sheathing, wrap, brick, trim, molding, and other façade surfaces	A	A
Exterior stoops, steps, and concrete surfaces	A	A
Gutters and downspouts	A	A
Balcony and patio maintenance, repair, replacement and improvement (excluding cleaning)	A	A
Roof shingles and roof underlay	A	A
Skylight windows maintenance, repair, replacement	O	A
Shutters and awnings	A	A
Maintenance, repair, and replacement of chimneys, firebox, flue, damper and chimney caps	A	A
Unit Windows and window screens	O	A
Cleaning of Common Element external glass surfaces	A	A
Repair and replacement of common element external glass except windows in Units	A	A
Painting, staining and caulking of external window frames, trim, and exterior Unit doors and garage doors	A	A
Maintenance, repair, replacement of garage man doors, and garage door panels	O	A/O
Maintenance, repair, replacement of unit front doors	O	A/O
Maintenance, repair, replacement of guest bedroom man doors	O	A/O
Maintenance, repair, replacement of unit front door doorknobs, lock mechanisms	O	A/O
Balcony / patio sliding glass doors	O	A/O
Exterior light fixtures excluding light bulb replacement on LCE balconies	A	A
Bulb replacement exterior LCE light fixtures	O	A
<b>UTILITIES</b>		
Outside utilities <u>servicing more than one unit</u> , including but not limited to electrical and other wires, water pipes and sewer pipes, cables, circuit boxes and breakers, water meters	A	A
Outside utilities <u>servicing only one unit</u> , including but not limited to internet and cables	A/O	A/O
Inside utilities servicing singular Unit:		
1. Heating equipment and thermostats, light and fan switches	O	A/O
2. Water pipes, electrical wiring and outlets, telephone wiring and outlets, cable wiring and Internet (WiFi), circuit boxes and breakers	A/O	A/O
3. Conduits	A	A
Inside utilities servicing more than one Unit		
1. Conduits	A	A
2. Water pipes, telephone and cable wiring	A	A

	MAINTENANCE	PROPERTY INSURANCE
<b>UNIT INTERIORS</b>		
Furnishings, including all personal property such as furniture, electronics, jewelry, and clothing	O	O
Window coverings, cleaning of interior glass surfaces, painting and staining of interior window frames	O	O
Attached fixtures including but not limited to ceiling fans cabinets, countertops, bathtubs and showers, garbage disposals, sinks and toilets, furnace	O	A/O
Detached appliances, including but not limited to oven, range, refrigerator, washer and dryer, and microwave	O	A/O
Maintenance, repair, replacement of fireplaces, including but not limited to façade, door, screen, chimney back, and gas logs	O	O
Unfinished interior walls, floors, and ceilings, including but not limited to surfaces, doors, drywall, studs, insulation, hardware, and other material lying within such walls, floors, and ceilings	A	A
Updated materials including but not limited to surfaces, doors, and hardware	O	O
Finished surfaces of perimeter walls and ceilings (decorator ready), including but not limited to paint, wallpaper, paneling, texture	O	O
Finished surfaces of perimeter floors (decorator ready), including but not limited to tile, vinyl, hardwood, carpeting, subflooring	O	O
Any components lying between the perimeter drywall and residence exterior, including but not limited to insulation, girders, beams, pipes, wiring, plumbing	A	A
Party walls	A	A
Garage interiors, including any drywall or improvements therein	O	A/O
<b>GROUNDS</b>		
Retaining walls, landscaping, irrigation system and time clocks	A	A
Private roads, drives, sidewalks, and parking areas	A	A
Gazebo and hot tubs	A	A
<b>OTHER</b>		
Snow removal, excluding balconies and patios	A	A
Garbage collection storage and pick-up	A	A
Common Elements, Limited Common Elements existing in community and not otherwise listed	A	A
Any personal property of Owners not otherwise listed	O	O
Any Owner installed exterior and/or interior improvement not otherwise listed	O	O

A = Association; O = Owner