



**Damage Restoration Policy and
Painting Costs Associated with Moisture Intrusion Events**
Resolution 03-17-68; Adopted June 20, 2017

WHEREAS, Board members have received numerous complaints from member owners regarding costs associated with painting over repairs from moisture intrusion events that are the responsibility of the Mutual; and

WHEREAS, presently, the Mutual pays the insurance deductible when the source of the damage is exterior to the manor; and

WHEREAS, Article XIII, Section 3 of the Mutual CC&R's specifically state that any restoration and repair of a damaged unit shall be made by the Owner, at Owner's expense; and

WHEREAS, the Mutual will provide painting over walls that are repaired from moisture intrusion events where the Mutual is responsible for repairs to the Common Area. The owner/member will be responsible for providing the paint product.

NOW THEREFORE BE IT RESOLVED, June 20, 2017, that the Board of Directors of this Corporation hereby approves the amended Restoration Policy (as attached to the official minutes of the Corporation); and

RESOLVED FURTHER, Resolution 03-03-40, adopted May 20, 2003 is hereby rescinded and cancelled; and

RESOLVED FURTHER, Resolution 03-05-36, adopted November 15, 2005 is hereby superseded and cancelled;

RESOLVED FURTHER, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out the purpose of this resolution.

CURRENT DAMAGE RESTORATION POLICY AS PER GOVERNING DOCUMENTS adopted 6/20/2017

Third Laguna Hills Mutual

OWNER SHOULD ALWAYS CONTACT THEIR OWN INSURER*

Owner has a responsibility to report problems to Resident Services at 949-597-4600

Responsible for repairing damage to the unit (and deductible for the unit). (If bldg. + unit damage exceeds the current Mutual Insurance Deductible, a claim will go to Mutual Insurer) Owner/Resident is responsible for their personal property, alterations

Cause of Damage

Owner responsible for repairs to and all additions, alterations and improvements

Water Heater Leaks

X*

Toilet Base Leaks

X*

Toilet Tank Leaks/damage

X*

Plumbing Leaks in Alterations

X*

Single Fixture Stoppage or Under fixture leak

X*

Stopper left in sink, tub, shower caused overflow

X*

Multiple Fixture Stoppage

X*

Mainline Stoppage within building

X*

Window Leaks from Rain

X*

Window sweating where nothing wrong with window casing and leads to damage to buildings or common area where nothing is wrong with the building

X*

Damage from unit above. (Mutual/Resident insurance may pursue claim against person who causes damage)

X*

Leak in Slab

X*

Leak in Wall

X*

X*

Excess Humidity in unit: Keeping closed up and hot ; plants cause hothouse effect; not using fans when cooking, bathing; pets cause damage

Sprinklers cause damage

Responsibility depends upon facts

Rain Leaks - no wind damage to roof

Responsibility depends upon facts

Rain Leaks in Alterations

X*

Rain Leaks - wind damage to roof (Mutual fixes building, resident responsible for unit)

X*

Damage to Unit Caused by Owner/Guest/Resident Negligence

X*

Fire Damage to Unit -Mutual may respond depending upon cause.

X*

***In all cases, the Mutual repairs the common area**

Owner is always responsible for alterations, improvements and additions

****The Mutual will provide painting of walls that are repaired from Moisture Intrusion events where the Mutual is responsible for repairs to the Common Area/Unit. The Owner/Member is responsible for providing the paint.***