

# RANCHO SAN JOAQUIN HOMEOWNERS ASSOCIATION

## WATER INTRUSION AND MOLD POLICY

**All homeowners** that experience water leaks or intrusions **should immediately contact their homeowner's insurance and file a claim for coverage**. Even if the Association's insurance policy covers some of the damage, there will be sums that are not covered due to the deductible (\$25,000 per claim). This un-covered amount (or the amount of expenses for which the Association's insurance does not provide proceeds) should be covered by the individual homeowner's insurance policy, regardless of where the water came from. Failure to make a timely claim to a homeowner's insurance policy or refusal to make a claim to a policy that covers the damage may result in the homeowner being considered self-insured for the damage and repair costs. It is important that every homeowner make a claim to their insurance to avoid any out-of-pocket expenses that might otherwise be offset by insurance proceeds.

### PROCEDURES:

**Reporting and Notification:** When you suspect that a water leak, from any source that impacts common areas including, but not limited to, the roof, a window, a pipe or any other fixture, or if water otherwise appears in or about your unit, regardless of the suspected source of the water, you should **immediately** follow the directions below. Please note that any delay in reporting that results in an insurance claim being denied due to delay (most policies have a 14-day time period) will result in the homeowner being responsible for all costs.

**IMMEDIATELY** upon discovery of a water intrusion event:

- 1) Shut off the water to your Unit.**
- 2) Contact the Association and report the water/leak:**

Rancho San Joaquin Homeowners Association  
C/O: FirstService Residential  
15241 Laguna Canyon Rd  
Irvine, California 92618  
[customercare.ca@fsresidential.com](mailto:customercare.ca@fsresidential.com)  
P: 800-428-5588

- 3) Contact your insurance company and file a claim immediately.** Do not wait! Delays can result in denial of coverage!

If the water cannot be shut off and the water intrusion is substantial, then the incident should be treated as an emergency situation.

In the event of **ANY** interior water leak or other intrusion (regardless of cause) that has any effect upon Association maintained components, including drywall, interior cavities within perimeter walls, or any other areas that impact the Association's maintenance responsibilities, the Association will dispatch a contractor to investigate and document the water damage and the cause, and to take steps to prevent further damage.

The reporting homeowner and any other homeowner affected should be informed that if the damage is exclusively to the interior of the home, the homeowner might be fully or partially responsible for the costs associated with any emergency dry-out or repairs made by the contractor that are not covered by the Association's insurance policy and/or the portion of the costs for which insurance proceeds are not available (allocation of insurance deductible).

In all events that affect common area components, the Association will undertake to engage emergency services to stop and repair the leak and conduct dry-out services and remediation (demolition and mold removal). Following the completion of emergency and remediation services, the Association may pause the restoration in order to determine the rights of the parties, the maintenance responsibilities of the parties, insurance coverage determinations and protocols for restoring the property to its original condition.

**The Association makes no guarantees that any property will be restored to pre-loss condition.** Responsibilities for repairs and insurance proceeds will play a significant role in proceeding to restoration. The Association is not financially responsible for repairs to personal property items or improvements in the units. This includes cabinets, baseboards, interior paint, and interior walls. Although, if the total value of the claim exceeds the Association's policy deductible, there may be insurance proceeds available for such repairs. In any event, homeowners are encouraged to work with their own insurance policy adjustor to effectuate swift action to make restoration.

The Association does not guarantee that all Association-maintained components will always perform flawlessly and will not be responsible for interior damage pursuant to CC&Rs, Article VII and *Civil Code* section 4775(a). For example, if a common area pipe should unexpectedly leak, the Association will repair the pipe and any component damaged as a result of the Association's efforts to make the repair to the pipe. Damage to the interior of a home, such as paint, cabinets or flooring damaged by the water shall be repaired by the owner to the extent that insurance coverage and/or proceeds are not available. Owners of the affected Unit are responsible for all damage to personal property and any damage to elements of the Unit interior that are part of the claim. **Be sure to obtain appropriate homeowners or renter's insurance to cover such losses regardless of the source.**

**The Association's CC&Rs further make homeowners responsible for all damage to their Unit and Common Areas when the water or other source of damage comes from within the Unit. CC&Rs Article VII, Section 2.** All homeowners must carry liability insurance to cover such damages and claims.

All residents have a duty to mitigate damage to their property and to the Association's Common Areas. The existence of mold should be fully disclosed to all affected residents immediately upon discovery. If mold is found in the Association-maintained components or is otherwise found to be the responsibility of the Association, the Association will proceed with the remediation of the conditions at the earliest possible time by an appropriate contractor and hygienist.

If it is determined that the existence of mold is caused by or is the responsibility of the homeowner, the homeowner is obligated to remediate the mold within his/her effected areas. Homeowners are always responsible for the costs of emergency services, dry-out, remediation, and restoration to homeowner-maintained components when insurance proceeds are not adequate to cover the costs or if no proceeds are received due to the policy deductible.

The Board of Directors duly adopts the foregoing resolution by written consent as of this 17th day of August, 2020.