

**RIVER VIEW VISTA ESTATES ASSOCIATION, INC.
Resolution of the Board of Directors**

INSURANCE

RECITALS

- A. This Resolution is adopted by the Board of Directors of River View Vista Estates, Inc., an Oregon nonprofit corporation (“**Association**”). The Association is charged with the operation and management of River View Vista Estates, an Oregon planned community located in Eagle Crest Resort, Deschutes County, Oregon (“**River View**”). The Association is governed by the following:
1. *Declarations, Restrictions, Covenants and Conditions for River View Vista Estates*, recorded on March 8, 1990, in Book 203, Page #2797 in Deschutes County, Oregon, including any amendments and supplements thereto (“**Declaration**”);
 2. *By-laws of River View Vista Estates, Inc.*, including any amendments thereto (“**Bylaws**”); and
 3. *The Oregon Planned Community Act*, ORS 94.550-94.783, as applicable.
- B. The legal description for each plat to which this Resolution applies is identified in the attached Exhibit A.
- C. ORS 94.676 allows the Association to adopt a resolution to assign responsibility for payment of the Association’s insurance deductible, to require unit Owners to obtain insurance coverage on their units, and to prescribe procedures for processing insurance claims.
- D. Article III of the Bylaws provides that the Board of Directors shall have all of the power to obtain insurance or bonds pursuant to the provisions of the Bylaws and Declaration.
- E. ORS 94.630(1)(m) provides that the Association has the authority to promulgate rules and regulations necessary for the administration of the affairs of the Association.
- F. Article V. Section 1. of the Declaration prescribes the types of insurance the Association is required to and has the authority to obtain and maintain at all times and pay for out of the common expenses funds, for the benefit of the Association.
- G. It is the intent of the Board of Directors to (a) ensure that the Association has adequate coverage for property and liability insurance, (b) ensure the continuing insurability of the Association at a reasonable price, and (c) prescribe a procedure for reporting and processing insurance claims.

NOW THEREFORE BE IT RESOLVED THAT, pursuant to ORS 94.676 and in consideration of the recitals above, the conditions, requirements, and procedures set forth below be adopted:

**ARTICLE 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 applicable law. In determining the deductible under the policies, the Board shall take into consideration, among other factors the: availability, 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 fifteen (15) days after the effective date of the change. The notice shall be delivered to each Residential Unit, mailed to the mailing address of each Residential 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) **Association Property Insurance.** Pursuant to the Declaration, the Association may elect to be responsible for obtaining property insurance covering the Common Areas and the Residential Units within River View. With respect to the Residential Units, the Association's property loss policy will include the Residential Unit and all fixtures, equipment, and fixed finishes therein, exclusive of personal property, any hot tubs placed on outdoor decks and any improvements or betterments installed by an Owner.
- (b) **Owner Property Insurance.** Each Owner shall be responsible for insuring all portions of the Residential Unit not covered by the Association's property loss policy, including personal property, any hot tubs placed on outdoor decks and any improvements or betterments installed by an Owner. The Owner may also be responsible for some or all of the deductible under the Association's insurance policy and for restoration costs in excess of the insurance proceeds, as provided in Section 1.3 herein.
- (c) **No Monitoring.** The Association has no obligation to monitor whether Owners and tenants comply with their respective obligations to maintain insurance required under the Declaration, Bylaws or under this Resolution.
- (d) **Other Insurance not Covered by Association's Insurance Policy.** The Association shall have no responsibility to obtain or assist in obtaining property loss insurance for any Owner or tenant (1) for damage to a Residential Unit not covered by the Association's policy or (2) for any damage or loss to the Owner's or tenant's personal property.

1.3 Deductible and Other Uninsured Loss. Owners shall have the following obligations with respect to the deductible for the Association's insurance policy:

- (a) **Damage Not Resulting from Negligence.**
 - (1) **Responsibility for Deductible Follows Responsibility for Maintenance.** Subject to the provisions of Section 1.3 (b), the deductible amount under the Association's property loss insurance policy shall be paid by the party or parties with responsibility for maintenance and repair of the damaged item(s). Since the Association is charged with maintenance and repair of the Common Areas, and individual Owners are charged with maintenance and repair of their individual Residential Units, the Association will pay the deductible with regard to damage to the Common Areas and individual Owners will pay the deductible for damage to their Residential Units. "Common Areas" shall include the Storage Buildings for purposes of this Resolution.
 - (2) **Damage Confined to One Residential Unit.** If the damage is confined to a single Residential Unit, the Owner shall be responsible for the entire deductible of the Association policy.
 - (3) **Damage Affecting More Than One Residential Unit or Common Areas.** If a loss affects more than one Residential Unit, or affects Common Areas and one or more Residential Units, the deductible amount under the Association's property loss insurance policy shall be allocated between or among the parties in proportion to their respective losses. For example, if an event damages the Common Areas to the extent of \$30,000, and damages one Residential Unit to the extent of \$45,000, and a second Residential Unit to the extent of \$45,000, and if the Association's deductible amount is \$10,000, the \$10,000 shall be allocated \$2,500 to the Association, and \$3,750 to each Residential Unit Owner. Whenever an allocation of loss is necessary for purposes of allocating responsibility for payment of a deductible or other amount, the determination shall be made by the Board in consultation with the insurance company's adjuster. The determination of the Board shall be definitive, absence evidence of bad faith.

- (b) **Damage Resulting from Negligence.** If a loss affects more than one Residential Unit, the Common Areas 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 (or the Owner who is responsible for such negligence party).
- (c) **Owner Policy Deductible.** Owners of damaged Residential Units shall be responsible for payment of their individual owner policy deductible.
- (d) **Responsibility for Uninsured Loss.** In addition to the responsibility for deductibles as described above, the Owner of a damaged Residential Unit shall be responsible for any restoration costs for that Residential Unit that may exceed the insurance proceeds.

ARTICLE II DAMAGE LESS THAN THE DEDUCTIBLE.

- 2.1 **Damage to Residential Unit Only Less than Deductible.** If the cost to repair damage to a Residential Unit is less than the amount of the deductible of the Association's insurance policy, the Owner of the damaged Residential Unit is responsible for the cost of the repairs.
- 2.2 **Damage to Residential Unit and Common Areas Less than Deductible.** If the total combined cost to repair damage to both a Residential Unit and the Common Areas is less than the amount of the deductible of the Association's insurance policy, both the Owner of the damaged Residential Unit and the Association are jointly responsible for the cost of the repairs. In that situation, each party's (the Owner's and the Association's) share of the cost of repairs is allocated according to the formula set forth in Section 1.3(a), above.
- 2.3 **Report of Losses.** Even if the total cost to repair damage to a Residential Unit is less than the amount of the deductible of the Association's insurance policy, the Association and an Owner must still report all losses or claims to the parties' insurance carriers in case more damage is discovered later that will make the loss exceed the deductible amount of the Association's insurance policy.

ARTICLE III PROCEDURE FOR CLAIMS HANDLING AND REPAIRS

- 3.1 **Tendering Claims.** 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 and Administrative Services.** Charges of managing agents for handling claims, if such charges are approved by the Board of Directors, shall be paid by the Association to the extent the deductible is paid by the Association and by the Owner or Owners to the extent the deductible is paid by the Owner or Owners under Section 1.3, above. 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 **Reimbursement.** The Association shall seek reimbursement from each affected Owner for all expenses to process claims. The allocation of expenses shall be allocated as provided in Section 1.3, above, depending on whether damage affects one or more Residential Units or Common Areas.
- 3.4 **Repairs to Common Areas.** The Association shall always control the conduct of maintenance and repairs to Common Areas.
- 3.5 **Repairs to Residential Unit(s).** In the event of damage to one or more Residential Units with respect to which there is any coverage under the Association's insurance policy, the Association retains the right, but not the duty, to control the solicitation of bids and the conduct of repairs for such damage. In its discretion, the Board of Directors may choose to permit an individual Owner to control the conduct of repairs to the Residential Unit, depending upon a) the relative financial contributions of the Association's insurance and the individual Owner or its insurance carrier; b) the Board's confidence that Residential Unit repair work will not affect the Common Areas or other Residential Units; and c) other relevant factors as determined by the Board.

**ARTICLE IV
OTHER RIGHTS AND REMEDIES**

Nothing in this Resolution prohibits Owners from pursuing any rights or remedies, such as contribution or subrogation, that an Owner may be legally entitled to pursue.

BE IT FURTHER RESOLVED THAT 1) a copy of this Resolution and 2) a notice advising Owners to contact the Owner's insurance agent to determine the effect of this Resolution on the Owner's individual insurance coverage be delivered to each Owner within River View either in person by mail to the mailing address of each Owner or to the mailing address designated in writing by the Owner.

DATED: June 1, 2023.

DocuSigned by:
Ernie Taylor
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/s/ _____
President
River View Vista Estates, Inc.

DocuSigned by:
Marrissa Rainey
83958118AB154F2...

/s/ _____
Secretary
River View Vista Estates, Inc.

EXHIBIT A
Legal Description

The Resolution to which this Exhibit A is attached is applicable to all lots located within the following plats recorded in the Plat Records of Deschutes County, Oregon as listed below:

River View Vista Estates

Plat	Recording Date	Lots
Riverview Vista Estates	Sept 14, 1990	Lots 1 – 14
Riverview Vista Estates, Phases II	June 13, 1991	Lots 15 – 26, 27, 29, 31, 33, 35, and 37
Riverview Vista Estates, Phase III	Sept 17, 1992	Lots 28, 30, and 32
Riverview Vista Estates, Phase IV	Dec 3, 1992	Lots 39, 41, 43, 45, 47, 49, 51, 53, 55, 57, 59, and 61