

**THIS RESOLUTION AFFECTS YOUR INSURANCE COVERAGE. OWNERS MUST CONTACT THEIR INSURANCE AGENTS RIGHT AWAY TO DISCUSS THE EFFECT OF THIS RESOLUTION ON THEIR INDIVIDUAL INSURANCE COVERAGE.**

**ASSOCIATION OF UNIT OWNERS OF CARDINELL VIEW LOFTS CONDOMINIUM  
RESOLUTION OF THE BOARD OF DIRECTORS  
Increasing the Insurance Deductible to \$25,000  
Regarding Insurance 2021-01**

At a regular meeting of the Board of Directors, held on April 29, 2021, the Board unanimously made the following findings:

WHEREAS the Association Secretary, by signing below, attests that pursuant to the Association Bylaws, all Directors were provided notice of the meeting pursuant to Bylaws Article IV; and a quorum of the Board was present in person at the meeting in accordance with the Bylaws Article IV §11;

WHEREAS pursuant to Article X of the Bylaws, the Association is responsible for providing Property Damage Insurance for the Condominium, the cost of which is a common expense;

WHEREAS pursuant to Article X Section 1(a) of the Bylaws, the maximum deductible for the Property Damage Insurance is \$1,000 per Unit;

WHEREAS the Board has consulted with its insurance agent, community manager, and legal counsel and has determined that Property Damage Insurance with a \$1,000 per Unit deductible is prohibitively expensive due to the cost and availability of the insurance and the Association's loss experience;

WHEREAS the Board previously increased the deductible to \$10,000 per Unit prior to 2014, but has since determined that it is in the best interest of the Association and the Unit Owners to increase the deductible again;

WHEREAS ORS 100.435(4) permits the Board to approve an insurance policy with a deductible in excess of the maximum deductible specified in the Bylaws as long as it is not in excess of the maximum deductible acceptable to the Federal National Mortgage Association (FNMA);

WHEREAS the maximum deductible acceptable to FNMA is 5% of the face amount of the policy, which in the Association's case is greater than \$25,000;

WHEREAS the Association's Insurance Resolution requires the Board to give written notice to the owners of the amount of the deductible and any change not more than 30 days prior to the effective date of the change; and

WHEREAS the Board of Directors is authorized to adopt a resolution regarding these matters in accordance with ORS 100.435 and the Bylaws;

NOW THEREFORE BE IT RESOLVED that:

The deductible for the Association's Property Damage Insurance shall be \$25,000 per Unit effective June 1, 2021 .

The Board directs BPM to mail a copy of this Resolution to each owner with the following notice language:

**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.**

Dated this 29 day of April, 2021.

AUO Cardinell View Lofts Condominium

By: *Kismet Kilbourn*  
Its Chairperson

By: \_\_\_\_\_  
Board Member

ATTEST: the above resolution was properly adopted.

By:  ,  
Its Secretary