PEACHTREE TOWERS CONDOMINIUMS
RULES & REGULATIONS
UPDATED AUGUST 2021

Please read through the following Rules and Regulations including the attachments. There is much valuable information that is important to know including:

1. **Contractors**
   Certain contractors hired by owners are now required to provide the association a copy of their professional license and a certificate of Insurance. It is imperative that the owner and the contractor understand the rules regarding repairs and renovations.
2. **Fines**
   The basic fine structure for violations is included.
3. **Guests**
   There is a two-page list of the basic guidelines and rules that all landlords should provide to their guests. A full set of the Rules & Regulations should also be available inside the units.
4. **Insurance**
   The is a one-page article explaining why all owners should obtain their own condominium insurance policy.
5. **Landlord Compliance Form**
   Every landlord needs to supply the association with this form properly filled out for each guest. There is an electronic version available online.
6. **Water Damage Procedures**
   There is a one-page article that explains what happens when a major water leak occurs.
7. **Water, Water Everywhere… and Who Do You Think is Gonna Pay?**
   This an article written by George E. Nowack, Jr. from NowackHoward Community Association Attorneys.

ALTERATIONS

No owner shall alter, impair, remove or otherwise affect or change the condominium common elements or limited common elements, including, without limitation, window and balcony screens, without the prior written consent of the Board of Directors. No awnings, aerials or other projections shall be attached to the outside walls of the building and no blinds, shades or screens shall be attached on the exterior of any of the building without the prior written consent of the Board of Directors.

No residential or commercial owner may make any alteration within a unit that would materially impair the structural integrity of the condominium or that would affect the allocation of liability for the common expenses of the Association (such as electrical or mechanical changes) without prior review by the condominium manager and prior written consent of the Board of Directors. Any and all costs associated with such alterations shall be the sole responsibility of the owner. To the extent that any alteration within a unit results in increased expense to the Association or causes such unit to receive a disproportionate share of the services provided as common expenses of the Association, the owner shall be liable for and shall pay a special assessment for such increased expense or disproportionate share in an amount determined by the Board of Directors. Such special assessment shall be in addition to the general assessment for common expenses allocated as set forth in Exhibit D to the condominium Declaration.

BALCONIES

Balconies shall be used only for the purposes intended and not as storage areas. No articles (including, without limitation, mops, brooms, boxes, furniture and bicycles) other than suitable balcony or patio furniture and planters may be placed on any balcony.

BICYCLES

Bicycles are not allowed in elevators and may not be brought into the building except: (1) in a storage area for bicycles maintained by the Association in the basement. Availability is on a first come basis. There is **a $25 charge** for a key to the bicycle storage room. The Association does not warranty the bicycles against theft or damages. (2) bicycles may be taken directly in and out of a stairwell to and from a unit.

No motor driven cycles shall be permitted in the bike room or in any other part of the condominium.

CARTS

Carts may be obtained through the concierge after completing a Cart Use form. Carts are available to all residents for transporting household items up to a maximum load of 200 pounds. Items contained ***within the boundaries*** of the cart may be transported on any elevator. Items ***extending beyond the boundaries*** of the cart shall only be transported by means of the service (middle) elevator after being properly padded and locked by staff member.

Contractors may not use the carts owned by Peachtree Towers.

When a cart is being used for a Move or Delivery that exceeds 15 minutes, the cart may only be used in the middle elevator.

Carts must be returned within 30 minutes or a rental charge of $15 for each additional 15 minutes will be incurred. Carts may be used for longer times without charge when a resident is moving provided that resident has scheduled the move as provided in the “Elevator” section.

CONTRACTORS & OWNERS MAKING RENOVATIONS OR IMPROVEMENTS - SIGNED FORM REQUIRED

Form and Rules attached

CONCIERGE'S STATION

No loitering shall be permitted at or about the concierge's station. Only the concierge may use the telephone at such station. Concierge may not receive or deliver telephone messages for owners or residents, except in the event of an actual emergency.

DISTURBANCES

No resident shall make or permit any disturbing noise in the building, nor do or permit anything else to be done that will interfere with the rights, comfort, and convenience of the other residents, building staff and/or employees. No cursing, profanity or sexual explicit language is permitted in the common areas either verbal or written on clothing. The volume of all radios, televisions, stereos, musical instruments should not be audible beyond the boundaries of the unit in which they originate. If you should be disturbed by noise, please notify the Management Office or concierge on duty.

No nuisance shall be permitted to exist or operate upon any portion of the condominium so as to be offensive or detrimental to persons using or occupying other portions of the condominium. Without limiting the generality of any of the foregoing provisions: no exterior lights or speakers, horns, whistles, bells or other sound devices, except security devices used exclusively for security purposed, shall be located, used or placed in the condominium.

Any guest of an owner or resident who has threatened, harassed, exhibited disorderly conduct and/or caused damage to the common elements must be escorted by the host owner or resident at all times when on the common elements. If such person is found on the common elements without their host, then they will be considered to be trespassing and will be subject to immediate removal and trespass proceedings.

DOORS & HARDWARE

The unit owner shall not change the exterior appearance of the entry door to the unit. No signs, decorations or wreaths are permitted on the exterior of the door. Any changes in the style or color of door knobs and door hardware must be approved by the management office prior to installation. All replacement doors must conform to the updated door panel design and approved by the Building Engineer prior to installation. The owner must provide the management office keys to their unit for pest control and emergency services.

Electronic Door Locks. Owners may install any electronic deadbolt on their entry door provided: (1) the finish is brushed nickel or stainless steel in appearance; (2) the deadbolt must have an override key; (3) the door handle must remain the approved the Tulip Entrance Door Knob with the Satin Nickel finish.

Electronic Video Doorbells. The use of electronic video doorbells has been approved. They must be black and/or stainless steel in color and cannot exceed 5 inches tall and 2.5 inches wide. They must be installed directly below the existing door knocker.

No other locks or hardware may be installed on the entry doors without management approval.

Lockboxes. The association has installed lockboxes in the hallway of the main lobby to be used for emergencies if an electronic entry lock fails. Owners may rent one of these backup lockboxes if they have installed the Schlage Connect Touchscreen Deadbolt locks on **all** of the entry doors of the units that they own or manage. The rental cost is $50 per year. All lockboxes on unit entry doors must be removed by December 15, 2018 with the exception of Realtor lockboxes.

DRESS CODE – CLOTHING REQUIREMENTS IN THE COMMON ELEMENTS

Proper attire including but not limited to shirts and shoes is required at all times in the common areas of the condominium. Exercise attire may be worn as long as occupant exists and enters through the basement of the condominium. Sleeping attire including pajamas and night robes are not permitted at anytime. Hoods or other

clothing items covering the head and face so that the person is not easily recognizable are not permitted inside the common areas of the building.

ELEVATORS (MOVING & DELIVERIES) ---- Concierge's Desk 404-524-4423

Only the ***middle elevator*** may be used for moving, deliveries of furniture, appliances or other large items, or the transporting of building materials UNLESS permission is granted by the concierge. The concierge must be notified in advance of Moving & Deliveries. The concierge should "lock down" the middle elevator and attach the moving pads prior to use. If possible, the concierge will allow the movers to have the exclusive use of an elevator during the move. Elevator doors must not be propped or held open. This damages the elevators and may require maintenance to repair.

All moves must be made through the basement entrance. If the basement doors are propped open, the resident must keep someone posted at the basement doors.

Moving and Deliveries ***(not exceeding 15 minutes)*** to and from the condominiums shall be accomplished during the hours of 6:00 a.m. until 11:00 p.m.

Moving and Deliveries ***(exceeding 15 minutes)*** to and from the condominium shall be accomplished during the hours of **8:30 a.m. and 6:30 p.m**. All such moves and deliveries must be scheduled with the Concierge Desk at least 24 hours in advance. A signed form is required. Only one move or delivery will be allowed at a time.

There is a $50 per hour fee for the use of the elevator exceeding 15 minutes. If the elevator use exceeds three (3) hours, the fee will increase to $100 per hour. A $50 deposit must be paid by the resident to reserve the elevator. The $50 deposit should be paid at the Management Office during normal business hours. This charge will be for all moving, deliveries and use of the elevators by contractors.

Residents must make sure they have enough manpower to ***complete the move within 3 hours***. If a move is not completed after 3 hours the move must stop to allow the next scheduled move to begin on time.

Trucks will not be allowed to block the driveway until after the garbage truck has made their daily pickup.

The concierge shall inspect the elevator and hallway to the unit before and after the move or delivery and record any damages in the Daily Log. The unit owner will be billed for cleaning and/or repairs required.

Violations of Elevator (Moving & Delivery) rules are subject to a minimum of a $150 fine plus the cost of any repairs.

ENTRY INTO THE BUILDING

RESIDENTS

6:00 AM UNTIL 11:00 PM

- Residents with electronic entry key fobs shall have unrestricted access to the building at each building entrance.
- Residents without their electronic entry key fobs must sign-in and present a photo I.D. to the concierge.

11:00 PM UNTIL 6:00 AM

- Entry into the building shall only be permitted through the Peachtree Street main entrance. During this time period the Baker Street and the lower lobby entrances may not be used and the electronic key fobs will not function.

- All Residents entering the building during these hours must sign-in and present a photo I.D. to the concierge if the concierge does not recognize the individual as being a resident of the building. Residents refusing to comply may be denied entry into the building and/or subject to fines.

GUESTS – RENTING OR LEASING A UNIT IN THE BUILDING

1. **Prior to Check In**
   Landlords who desire that the concierge grant access to their Guests when such Guests are unaccompanied by the Landlord must provide a completed ***Landlord Compliance Form*** to the concierge prior to occupancy ***(available at www.peachtreetowers .com and attached to these Rules).*** The concierge will NOT grant access to the building to individuals not on the Landlord Compliance Form, unless such individuals are accompanied by an Owner or accompanied by an individual listed on the Landlord Compliance Form. Unaccompanied Individual Guests not on the Landlord Compliance Form who attempt to check in will be asked to leave the building. It is not the concierge's responsibility to try to contact the owner to confirm occupancy for Guests not on the list.
2. **Check In**
   The concierge will ask for the Driver's Licenses or Identification Cards of all guests and confirm that they are listed on the Landlord Compliance Form.
3. **Check Out**
   The concierge will not assist Guests in the checking out process and will not accept the turning in of unit keys.

GUESTS - VISITING A RESIDENT IN THE BUILDING

Guests accompanied by a Resident

- May enter the building without being required to sign in.

Guests not accompanied by a Resident

- Must use the Peachtree main entrance only.
- Must present a photo I.D. to the concierge and be signed in.
- Must remain in the Peachtree Lobby until a Resident comes down to the Lobby and accompanies them to their unit. This procedure includes guests who gain entry through the Call Box.
- If the Resident is not in the Building, the guest must leave the Building. Guests will not be permitted to wait in the Lobby until a Resident arrives at the Building.
- Guests that visit the building frequently must adhere to the procedures set forth above for each visit.

Individuals will not be allowed to follow in behind another individual or group without being identified and following the procedures set forth above.

REALTORS

- Realtors may enter the building; however, they must present a valid Real Estate license or business card to the concierge and be signed in. Realtors must identify the units they are visiting.

DELIVERIES

- The delivery person must sign the *Delivery Log Book* and leave a photo I.D. with the concierge. Deliveries may be made directly to the units.
- PIZZA DELIVERIES: The concierge will ensure that pizza boxes are marked with the unit number where they are to be delivered.

UPS & FEDERAL EXPRESS

- The delivery person should be instructed to deliver the mail or package to the resident at their unit door. If a resident is not home, the delivery person should leave a note on the unit door that the package is being left with the concierge.

- The concierge shall log in the mail or package in the *Delivery Log Book* and notify the resident on the same day that a delivery has been left with the concierge. The mail or package will be stored until the resident comes to pick it up.

EVICTIONS

If an owner evicts a tenant, all personal property removed from the unit may not be placed on condominium property except the 3rd 15 minute parking space for no longer than two hours. If the owner fails to remove the items within two hours the Association may have the items removed and bill the unit owner for all costs. Items may only be moved by use of the middle elevator. Owner shall pay a $50 move out fee.

FIRE ALARMS

Any negligent act that results in a fire alarm is subject to a minimum fine of $150.00.

GRILLS

No charcoal, propane or other flammable grills may be used or stored in the condominiums or balconies. Only electric grills may be used on the balconies.

INGRESS & EGRESS

All common areas designed for ingress and egress, including sidewalks, entrances, exits, elevators, lobbies, hallways, stairways and landings, must not be obstructed or used for any purpose other than ingress or egress. The storage of personal items in any of these areas is strictly prohibited. Sitting, smoking or loitering on the steps or entranceway of the Peachtree Street and Baker Street entrances is strictly prohibited.

INSURANCE

Each unit owner is strongly encouraged to a Condominium Unit-Owner's Policy (HO-6) or a Dwelling Fire policy if the owner does not reside in the unit. See attachment

LAUNDRY FACILITIES

The laundry facilities are available on a first come, first served basis. No laundry may be left in any machine after a cycle has been completed. **Clothes are subject to being moved from the machines 15 minutes after the cycle has been completed.** No tints or dyes may be used in the washing machines, and lint should be removed from the dryers. No shoes may be washed or dried. Please take care to leave the laundry room in a clean and neat condition after use. Bleach should be carried only in a sealed container to avoid damage to carpets.

LOBBIES & COMMON AREAS

The main lobby may be used for residents to greet guests and enjoy a quiet conversation. Residents and guests may not use the lobbies as a business conference room or as their personal living room. No one may put their feet up on the couches, no business paperwork performed and no spreading out personal items on the couches or tables. No smoking, no open beverages, and/or consumption of food and beverages are permitted in any of the common areas including the lobbies, basement, hallways and elevators.

No radios, CD or tape players or other similar devices may be operated by residents or guests in any of the common areas, including lobbies, hallways, laundry room or elevators.

No loitering shall be permitted around the doorman's station.

No one shall be permitted to sit or loiter on or around the entrances into the building.

LOSS OF KEYS – SIGNED FORM REQUIRED

If a resident is locked out of a unit when the Building Manager is not on site there will be a $65 charge for unlocking the door. A unit door will only be unlocked for a unit owner, someone on a lease or with written authorization for the owner. **Resident must fill out a form and provide copy of I.D. The concierge must verify that resident is an Owner or registered tenant.**

PARKING

The driveway shall be used solely for the purpose of loading and unloading items being delivered to, or removed from, a unit. There are currently three (3) 15-minute parking spaces. These spaces are intended for use by delivery persons, guests and residents. **Because of the limited number of short-term parking spaces, the 15-minute time limit must be strictly enforced.** The driveway may not be used for short-term parking. Any vehicle left unattended in the driveway is subject to being towed. In order to use the driveway for loading and unloading, vehicles must park as close to the building side of the driveway as possible and must either: (i) have their emergency flashers operating, or (ii) display on the dashboard a moving permit issued by the Management Office. Violators are subject to being towed at their own expense.

Towing Procedure – If a parking violation is observed, the concierge will place a violation sticker on the bottom right of the driver's window of the offending vehicle. The concierge will record the date, time when the sticker was placed on the vehicle, the tag number and description of the offending vehicle. If the violation continues fifteen (15) minutes after the parking sticker has been placed on the vehicle, a towing company will be called to tow the offending vehicle. The concierge shall record the time when the vehicle is towed. Vehicles blocking the driveway without permission are subject to being towed immediately.

PEST CONTROL

A pest control service will be entering each Unit on the scheduled dates posted on the website and in the lower lobby bulletin board. Your participation in this program is mandatory. You may opt of the program ONLY if 1) you provide a copy of a contract you have entered into with a pest control company for service to your unit; or 2) you provide a letter from a physician stating that pest control services would adversely impact your health. A second person will accompany the pest control employee to ensure that nothing is disturbed in your home.

PETS

No animal or fowl of any kind shall be kept or permitted in the condominium – minimum fine of $500.

RENTALS & LEASING

RESIDENTIAL USE ONLY – No units may be rented or leased for business or office use. (refer to Declaration Amendment 1-10-97, Section 7 on page 6).

RENTAL ADMINISTRATION FEES
SHORT-TERM RENTALS – SUBJECT TO AN ANNUAL FEE BASED ON CURRENT BUDGET
The purpose of the charge (a specific assessment) is to help offset additional expenses caused as a direct result of these short-term guests including but not limited to: cost of additional concierges required to handle these guests; occasional off-duty police hired to monitor the additional activity in the building.

LONG-TERM RENTALS – SUBJECT TO AN ANNUAL FEE BASED ON CURRENT BUDGET
The purpose of the charge (a specific assessment) is to help to offset additional administration expenses caused as a direct result of these long-term tenants including but not limited to: (1) set-up tenant account in computer with contact information; (2) set-up electronic telephone entry system with tenant telephone number; (3) review and filing of the Landlord Compliance Form; (4) filing of leases with association records; (5) reviewing leases for

current and expired status; (6) communicating with tenants, landlords and owners regarding rules and regulations requirements and violations; (7) coordination of elevators for move-ins and move-outs.

WHEN WILL THE ANNUAL RENTAL ADMINISTRATION FEES BE COLLECTED?
Invoices will be mailed during the 1st Quarter of each year for the current year's fee. Owners starting to lease or rent in the middle of the year will be billed the full annual fee.

LANDLORD COMPLAINCE FORM – ATTACHED
All landlord must fill out this form for each tenant or guest.

GUIDELINES FOR GUESTS – ATTACHED
All landlords should provide

Also - Refer to the Landlord Compliance Form.

SALES – TRANSFER FEES FOR ALL REAL ESTATE TRANSACTIONS

Processing Charge for Seller - $100
Review of the selling account and calculation of amounts due; Preparation of the closing letter with the final payoff ($10 included in charge); Liability for the management company to provide an accurate payoff; Close out of the prior owner's account
Processing Charge for Buyer - $400
Creation of the new owner's account; to include setting up charges and ordering coupon books, if applicable; Processing of all of the closing checks and documents; Archiving all closing documents received from the closing attorney; Filling out mortgage questionnaire for lender, if required; Production of requested documents to buyer at or before closing including recorded documents, insurance certificate, budget, etc.; Staff to facilitate preparation of the closing letter and administer the process.

SIGNS

No "for sale", "for rent" or other signs may be placed in any residential unit or on any part of the condominium property other than on message boards intended for such purposes. No signs may be placed in any commercial unit without the prior written approval of the Board of Directors.

SOLICITATION

No solicitation of any kind or distribution of flyers, pamphlets or other literature shall be permitted in the condominium; provided, however, that the management staff in its reasonable discretion may permit the display of such materials in designated locations.

TRASH

All trash should be disposed of through the trash chutes located at either end of the hallway on each floor. In consideration of other residents, trash may not be placed down the chutes between the hours of 10:00 p.m. and 8:00 a.m. ALL TRASH MUST BE SECURELY WRAPPED IN PLASTIC BAGS THAT ARE TIED CLOSED BEFORE BEING PLACED IN THE TRASH CHUTE. Do not place boxes, paint cans, plants or building materials of any kind in the trash chutes; these items must be disposed of in dumpster located at the end of the service drive on the north side of the building. Violations are subject to a minimum fine of $50.

Any items larger than 3 square feet (including furniture, appliances, carpeting, etc.) may not be placed in the dumpster, but must be removed from the condominium property by the resident. Violations are subject to a minimum fine of $150 plus the cost of removal.

Commercial unit owners and occupants shall dispose of all trash in the manner requested by the Association's management staff.

No rubbish or debris of any kind shall be dumped, placed or permitted to accumulate upon any portion of the condominium including, without limitation, the entrances to commercial units, and no odors shall be permitted to arise there from, so as to render any portion thereof unsanitary, unsightly, offensive or detrimental to persons using or occupying other portions of the condominium.

Any unit owner (or his family, agents or guests) who shall dump or place any trash or debris upon any portion of the condominium shall be liable to the Association for the actual cost of the removal thereof, plus a minimum fine of $50, and the same shall be added to and become part of the portion of any assessment next coming due to which the unit owner is subject.

UNIT ACCESS

If a registered resident requests that management provide access to a unit, management shall have the right to demand a picture identification before providing such access. This service will be provided only during regular business hours when management staff is present on the property. **There will be a $5.00 charge for providing such access.** Under no circumstances will access to any unit be provided to anyone not registered with the Management Office as a resident of that unit.

The management and/or maintenance staff shall have the right of access to any unit for the purpose of making inspections, repairs, replacements, improvements, pest control, or to remedy certain conditions that would result in damage to other portions of the building.

The unit owner and/or resident must supply management with a key to their unit. Any owner desiring to alter or install a new lock must inform the management staff and provide an extra key. If the management staff is required to enter a unit, reasonable efforts will be made to notify the owner in advance. However, if the owner cannot be reached, the members of the management staff may enter a unit at their discretion.

UNIT MAINTENANCE

Each owner is expected to maintain his unit in a state of good repair and cleanliness. Nothing shall be thrown, swept or otherwise allowed to fall from any window or balcony of any unit. **If water is actively leaking in one unit, the association will turn off the water to that unit until the condominium owner has had the leak repaired.**

MAINTENANCE INSPECTIONS. Every year significant damage is caused to the common areas as well as individual condominiums resulting from water leaks in bathrooms, kitchens and air conditioning drain systems in the condominium units. Most of these leaks could have been prevented had the owners undertaken routine inspection and repair of their units. Therefore, the Board of Directors has authorized annual maintenance inspections as well as a clean out of all the building air conditioning drainage pipes. ***There is no cost to the owners for these inspections.*** Pursuant to the Declaration and the Georgia Condominium Act each unit owner is required to afford to the association, and to any agents or employees of the Association such access through his/her unit as may be reasonably necessary to enable them to exercise and discharge their respective powers and responsibilities. **Accordingly, the Association will be accessing each Unit at least once per year to provide these preventive maintenance inspections. At least 3 days advance notice will be given.**

Peachtree Towers does not warrant or guarantee that every potential problem will be identified during the inspection and assumes no liability for breaks, leaks or any resultant damage by providing this service.
After the inspection you will be informed if there are any problems which need to be addressed in your unit. You may hire Peachtree Towers to replace the HVAC drain pans at a cost of $150 per drain pan. If other repairs are needed, you may hire any qualified contractor to make the repairs.

USAGE

RESIDENTIAL USE ONLY – No units may be used for business or office use. (refer to Declaration Amendment dated 1-10-97, Section 7 on page 6).

No owner shall allow anything to be done or kept in his unit or in the common elements that would increase the cost of insurance or that would result in the cancellation of insurance for the building without the prior written consent of the Board of Directors.

Under no circumstances are the electrical or cable closets to be used for storage, due to Fire Codes.

Water closets and other water apparatus in the building shall not be used for any purpose other than those purposes for which they were designed. Any damage resulting for misuse of any water closet or other water apparatus in a unit shall be repaired and paid for by the owner of such unit.

Noxious or offensive activities shall not be carried on in any unit or in the common elements and facilities. Each unit owner, his family, guests and agents shall refrain from any act or use of his unit or the common elements and facilities which could reasonably cause embarrassment, discomfort, annoyance or nuisance to the occupants of the units or which would be in violation of any law or governmental code or regulation.

Residents shall not, within their unit or within the common areas: (a) install or operate any machinery other than household appliances; or (b) use or store any flammable liquid (other than routine household products), explosives or other articles which are hazardous to life or property.

Nothing may be placed in storage areas that could create a fire hazard or damage or promote danger in any other manner to the condominium.

All window treatments must be of off-white or neutral color when viewed from the exterior of the building. No tinted insulation or reflecting films applied to any window glass shall be permitted.

No waterbeds may be used in any unit or in any other part of the condominium property.

No smoking and/or consumption of food and beverages is permitted in any the common areas including the lobbies, basement, hallways and elevators.

VIOLATIONS OF THE RULES & REGULATIONS

The Board has established the following Fine Guidelines and considers these amounts to be reasonable fines to assist with the enforcement of the Association Documents and Rules and Regulations. (see the 6-5-95 Amendment to the Declaration, Article VIII, Section 9)

Elevators – Improper use of elevators and the moving and delivery rules – minimum fine of $150 plus the cost of any repairs for damages.

Fire Alarms Caused by Negligence/Willful Misconduct - $150 minimum fine plus any charges assessed by the City of Atlanta.

Noise and Disturbance Complaints

1st violation (per stay for short-term guests) – warning
2nd violation(per stay for short-term guests) - $150 fine
3rd violation and each violation thereafter (per stay for short-term guests) – minimum fine $500 for each instance

Odors (tobacco, marijuana, incense, etc.) coming into other units or common areas

1st violation (per stay for short-term guests) – warning
2nd violation(per stay for short-term guests) - $150 fine
3rd violation and each violation thereafter (per stay for short-term guests) – minimum fine $500 for each instance

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It is the unit occupant's responsibility to contain odors within their units which may require the purchase of air purifiers and adding weatherstripping to seal their front door. Note, the weatherstripping may not be visible from the exterior of the door.

Pet Violations – minimum fine of $500 per pet, plus $25 fine per pet, per day for a continuing violation

Trash Chute and improper disposal of garbage or other items – Minimum fine $50
Additional fines will apply if the trash chute becomes clogged, and the owner will be held liable for any costs to remove the clog.

These fines are used as a guideline for the violations mentioned. Other violations of the Covenants and the Rules & Regulations shall also be subject to reasonable fines as determined by the Building Management and the Board of Directors.

**CONCIERGE SERVICES

Peachtree Towers Condominiums provides 24 hour "Concierge Services" to assist the residents and guests. **The concierges are not security guards and Peachtree Towers does not provide any security services.** The association may employ video surveillance equipment in the common areas. This equipment may or may not be monitored at any time and all footage is the exclusive property of the association. This surveillance is not for security purposes. Each owner, tenant, and guest is responsible for their own security.

ATTACHMENTS

Contractors Information Form & Rules
Guidelines for Guests
Insurance Article – Condominium Unit-Owner's Policy is Recommended
Landlord Compliance Form
Water Damage Procedures
Water, Water Everywhere… and Who Do You Think is Gonna Pay? By George E. Nowack, Jr.

CONTRACTORS & OWNERS MAKING RENOVATIONS OR IMPROVEMENTS - SIGNED FORM REQUIRED

Owners are responsible for all actions of their contractors and any and all fines or damages incurred.

1. Before any construction, alteration, repair and/or renovation work begins on any project in Peachtree Towers, the Contractor (or the owner if the owner is performing the work) must fill out the Contractor Information Form with all work reviewed and approved by the Building Engineer. The Building Engineer will review the proposed work to insure compliance with building requirements. Contractors (or the owner if the owner is performing the work) performing renovations or improvements involving plumbing, electrical, work requiring approval under Article VII, Section 16 of the Declaration and/or other work that poses risk of damage to the Association common elements or other units will be required to meet with the Building Engineer prior to commencing work.
2. ADDITIONAL REQUIREMENTS: (A) All electrical, plumbing, HVAC and structural remodeling work which requires a Building Permit from the City of Atlanta is to be done by a licensed contractor. The contractor performing these services must supply Peachtree Towers with a copy of their professional license and certificate of insurance with a minimum of $1,000,000 in liability coverage; (B) All contractors performing minor electrical, plumbing, or HVAC repairs or renovations near plumbing and electrical pipes, lines, wires or fixtures must provide a certificate of insurance with a minimum of $1,000,000 in liability coverage. Violations of these provisions are subject to a fine of $1,000 per day and all other enforcement measures provided in the association documents.
2. All contractors must sign in daily at the concierge's desk in the front lobby before any work commences.
3. **WORK HOURS**. Contractors may work in the building Monday – Saturday between 8:30 a.m. and 6:00 p.m. Owners will be fined if contractors start work before 8:30 a.m. or continue work past 6:00 p.m. **Contractors may not work in the building on Sunday.**
4. Vehicles cannot block handicap access.
5. Doors cannot be propped open unattended.
6. All carts, buggies, etc. owned by Peachtree Towers are not to be used by contractors. Contractors must provide their own dollies, etc.
7. BALCONIES. No household items, furniture, construction equipment or construction debris may be stored on the balcony during construction.
8. ELEVATORS. Contractors or owners transporting building materials or supplies must use the MIDDLE ELEVATOR unless the concierge grants permission to use another elevator. Contractor must notify the concierge when moving large items in the elevator so protective shrouds and/or floor mats can be installed. Contractor is responsible for any damages to the elevators as well as the other common areas.
9. Contractors and/or owners are responsible for keeping the hallways and elevators cleaned and vacuumed at the end of each work day. Lay-out boards, tarps, etc., should be used when needed to protect the floors and walls. If Peachtree Towers has to have employees clean up after contractors, the unit owner will be charged.
10. Any changes in the existing electrical or plumbing systems must have a "rough in" inspection by the Building Engineer before any openings receive finished drywall, patchwork, etc. A "finish" inspection with fixtures in place will also be done by the Building Engineer.
11. Any remodel that includes removal of any existing partitions, or additions of any partitions shall also require a "rough in" inspection by the Building Engineer. A "to scale" floor plan provided by the contractor must show which walls are to be removed and the location of all new walls.
12. By law, all building codes must be strictly adhered to at Peachtree Towers. A few examples would include: 1) all wiring must be 12-gauge, aluminum clad MC cable; 2) all electrical boxes must be metal with proper connectors; 3) any plumbing in enclosed wall cavities, including washer-dryer drain systems must be copper with soldered joints. PVC or compression fittings are not allowed. All building code questions should be brought to the attention of the Building Engineer. The Unit Owner is responsible to make sure that all Building Permits and Inspections required by the City of Atlanta are obtained and performed.
13. DISPOSAL OF BUILDING MATERIALS AND DEBRIS. No owner or contractor may use the dumpster to dispose of any construction material or debris including but not limited to: plaster, flooring, plumbing or electrical materials, doors, cabinets, tiles, toilets and sinks. The minimum fine for improper disposal of these materials is $500.
14. FINES. Unless otherwise specified, the minimum fine for failure to comply with any of these guidelines will be $250.

PEACHTREE TOWERS CONDOMINIUMS

CONTRACTORS INFORMATION FORM

Contracting Company: _____

Supervisor at Job Site: _____ Cell #: _____

Office Telephone: _____ Email: _____

Company Address: _____

Job Site – Unit: _____ Start Date: _____ Completion Date: _____

Work to be done: _____

_____

Will there be any modifications to the plumbing, electrical systems or interior walls: _____

If yes, explain: _____

_____

Contractors warrants that he has read the Rules & Regulations for Peachtree Towers, including the Contractor Rules on the back of this form, and agrees to follow the guidelines and pay any fines for violations that may occur and for any damages Contractor causes to the Condominium. **This form must be reviewed and approved by Peachtree Towers prior to any work being done.** All work is subject to periodic inspections by Peachtree Towers staff.

To obtain an appointment with the Building Engineer, Kurt Kenney, call 770-880-3689 or email ptbuilding24@gmail.com.

_____ _____

Contractor Date

For Peachtree Towers Condominiums Use Only

_____ Permission is granted to commence work.

_____ Work is not approved: _____

_____ Additional information or permits required: _____

Building Engineer: _____ **Date:** _____

GUESTS
INTRODUCTION TO PEACHTREE TOWERS CONDOMINIUMS

At first glance in may appear that Peachtree Towers is a hotel. However, this is not the case. Peachtree Towers is a residential condominium building. Individual owners have the privilege of being allowed to rent out their units to Atlanta visitors. And the individual unit owners are responsible for your comfort and the maintenance of the units.

WHAT SERVICES CAN YOU EXPECT FROM THE STAFF AT PEACHTREE TOWERS?

1. **Check In**
   All guests must sign in the first time they arrive at the building. The concierge does not have the keys to your unit or any door codes. **IF YOU DO NOT HAVE THE KEYS OR A DOOR CODE, CALL YOUR LANDLORD AND ASK FOR IT.**
2. **Carts**
   You may check out a cart with the concierge. Carts must be returned within 15 minutes. No carts are permitted in the Main Lobby area.
3. **Emergencies Causing Damage to the Unit**
   Please report water leaks or similar maintenance EMERGENCIES to the Concierge.
4. **Luggage**
   Peachtree Towers will not store luggage for Guests.

WHAT SERVICES ARE PROVIDED BY THE UNIT OWNER

1. **Unit Condition**
   Any complaints regarding the unit should be made directly to the unit owner. This includes the cleanliness of the unit, furnishings, whether the appliances are working properly, etc. Our staff cannot help you with these matters.
2. **Heating, Air Conditioning and Plumbing**
   Each heating & air conditioning unit has its own fan turn switch. If you are having a problem with the heating, air conditioning or plumbing, do not report problems to the Building Staff. Guests need to call their unit owner to report maintenance problems. The unit owner can submit a work request to the Building Maintenance Department. The owner must sign the work request granting the Building Staff access to the unit and acknowledge that they will pay for all costs.
3. **Rental Arrangements**
   All rental agreements and payments must be made directly to the unit owner or their agent.
4. **Parking Passes**
   All parking arrangements must be made with the unit owner or directly with the parking lots in the area. Our staff cannot assist you as these are all private parking facilities not associated with Peachtree Towers.
5. **Checking Out**
   The Landlord is responsible for the check-out procedure. The unit keys may not be returned to the concierge's desk.

COMMON RULES VIOLATIONS

(Failure to abide by the Rules may result in fines being charged to the unit. It is the Landlord's Responsibility to provide a complete set of the Rules & Regulations inside the unit)

1. **NOISE & SMELLS**. *No one in the common area hallways or inside another unit should be able to hear sounds or smell odors coming out of another unit at any time.*
2. **LOCKED OUT.** If you are locked out of the unit and if the Building Staff is available to assist you, there is a minimum fee of $65.

3. **FIRE ALARMS**. Behavior Resulting in a Fire Alarm - minimum fine of $150.
4. **ELEVATORS.** Do not block elevator doors and hold them open. It will shut down the elevator.
5. **NO EATING, NO BEVERAGES OR SMOKING** is allowed in the hallways or other common areas of the Building.
6. **TRASH CHUTES**. Trash may not be placed down the chutes between the hours of **10:00 p.m. and 8:00 a.m.** All trash must be securely wrapped in plastic bags that are tied closed before being placed in the trash chute. Do not put pizza boxes or other large items into the hallway trash chutes. There is a minimum fine of $50 for trash chute violations.
7. **DO NOT LET PEOPLE FOLLOW YOU INTO THE BUILDING.** Only residents and guests with keys should be allowed to enter.
8. **NO PETS. No Pets** are allowed at any time – minimum fine of $500.
9. **DRESS CODE.** Proper attire including shirts and shoes is required at all times in the common areas of the condominium.
10. **COMMON AREAS**. The residential hallways are for ingress and egress to the units only. The common area lobbies may not be used for a social gathering place by 5 or more people for longer than 15 minutes.

FINING GUIDELINES

The Board has established the following Fine Guidelines and considers these amounts to be reasonable fines to assist with the enforcement of the Association Documents and Rules and Regulations. (see the 6-5-95 Amendment to the Declaration, Article VIII, Section 9)

Elevators – Improper use of elevators and the moving and delivery rules – minimum fine of $150 plus the cost of any repairs for damages.

Fire Alarms Caused by Negligence/Willful Misconduct - $150 minimum fine plus any charges assessed by the City of Atlanta.

Noise and Disturbance Complaints

1st violation (per stay for short-term guests) – warning
2nd violation(per stay for short-term guests) - $150 fine
3rd violation and each violation thereafter (per stay for short-term guests) – minimum fine $500 for each instance

Odors (tobacco, marijuana, incense, etc.) coming into other units or common areas

1st violation (per stay for short-term guests) – warning
2nd violation(per stay for short-term guests) - $150 fine
3rd violation and each violation thereafter (per stay for short-term guests) – minimum fine $500 for each instance

It is the unit occupant's responsibility to contain odors within their units which may require the purchase of air purifiers and adding weatherstripping to seal their front door. Note, the weatherstripping may not be visible from the exterior of the door.

Pet Violations – minimum fine of $500 per pet, plus $25 fine per pet, per day for a continuing violation

T**rash Chute and improper disposal of garbage or other items** – Minimum fine $50

Additional fines will apply if the trash chute becomes clogged, and the owner will be held liable for any costs to remove the clog.

These fines are used as a guideline for the violations mentioned. Other violations of the Covenants and the Rules & Regulations shall also be subject to reasonable fines as determined by the Building Management and the Board of Directors.

March 12, 2021

MASTER vs. HO6

The Master Policy we have in force for **Peachtree Towers Condominium** is written to provide very broad coverage on the structure itself. The insurance provided covers the entire structure inside and out; however, per the association's governing documents, the association is not responsible for insuring any additions or improvements made to the unit subsequent to the original construction of the building. Examples would be: wall covering, upgraded wall to wall carpeting, built in cabinets, etc. The Master Policy has a deductible of **$10,000 PER UNIT for all covered water losses, $25,000 PER OCCURRENCE for all covered earthquake losses, and $5,000 PER OCCURRENCE for all other covered losses. The deductible(s) would be your (the unit owner's) insurance responsibility for any covered cause of loss.** You should discuss this with your insurance agent providing your personal insurance policy on your unit to make certain it is written correctly to respond to this deductible.

The Master Policy insures against a loss sustained from the perils insured against under the policy. This would include damage resulting from fire, lightning, windstorm, hail, vandalism, and water damage occurring from a sudden and accidental discharge of water such as a frozen pipe bursting, a washing machine hose malfunctioning, etc. This policy is not intended to cover losses resulting from maintenance issues such as roof leaks. In order to have coverage for resulting water damage from a roof leak, there would need to have been damage to the building from a covered peril to respond to such damage such as windstorm damage to the roof thus causing resulting water damage to the inside. To assist in eliminating gaps in insurance, additional coverage should be carried on a personal basis. Water damage resulting from seepage of surface waters is excluded from the policy.

The Master policy also includes general liability for the common areas with a limit of $1,000,000.

Each unit owner would need to carry a **Condominium Unit-Owner's Policy** (or a **Dwelling Fire** policy if you do not reside in the unit) to insure the contents (personal belongings) within the unit, liability coverage for personal exposure, and coverage to respond to the Master Policy deductible **and** total cost of additions and improvements if not included in the Master Policy in the event of a loss. The personal policy should also include Loss Assessment coverage to protect against an assessment from the Association for an uninsured loss, an underinsured loss, or as a result of the deductible for a given loss. These items are not and cannot be included in the Master Policy.

If we can be of further assistance in answering any questions we can be reached at 770-952-7725. Thank you for your continued support of the services we provide to Peachtree Towers Condominium.

Brown & Brown Insurance of GA, Inc.
900 North Point Parkway, Suite 300
Alpharetta, GA 30005
(770)952-7725

The information contained in this letter is not intended to replace the Policy language. Please see the policy for coverage, limitations and exclusions. In the event of a difference, the Policy will prevail.

UNIT NO. _____

PEACHTREE TOWERS CONDOMINIUMS

LANDLORD COMPLIANCE FORM

This page with all of the required information must be provided to the Concierge prior to occupancy by fax: 404-524-2145 or by email: 300ptconcierge@gmail.com

For the purposes of this document the term "Guests" shall include both long and short-term renters, as well as guests of an Owner who will occupy the Unit overnight without the Owner also being present. All Unit owners and occupants agree to comply with the Declaration, Bylaws and Rules & Regulations. It is further agreed that the Owners of Units occupied by Guests ("Landlords") are responsible for the actions of their Guests when they violate the Declaration, Bylaw and Rules & Regulations. If violations do occur and fines are assessed by the Association, the Landlord shall be responsible for the payment of those fines.

Landlords Must Provide The Following Information

Rental/Occupancy Period

Move-In Date: _____ Move-Out Date: _____

Names of all Guests or Tenants and Contact Information

Name: _____ Cell Phone No. _____

Name: _____ Cell Phone No. _____

Name: _____ Cell Phone No. _____

Name: _____ Cell Phone No. _____

Name: _____ Cell Phone No. _____

All guests must sign in the first time they arrive at the building. The policies of Peachtree Towers Condominiums do not permit the concierges to provide Guests with unit keys or door codes.

For Long-Term Rentals exceeding 35 days, I affirm that I have obtained and reviewed a criminal background check and credit report for the tenants leasing my unit.

I agree to hold harmless, remise, release, acquit, discharge and indemnify the Association, its officers, directors, agents, staff and concierge service of and from any and all causes of action, claims, suits, counterclaims, debts, damages and demands of whatever kind and nature, known or unknown, anticipated or unanticipated, related to: (1) any services that they may render on behalf of myself, my Guests or invitees; and/or (2) the Association, its officers, directors, staff, agents, and/or concierges, except as results from the willful misconduct or gross negligence of the Association.

Date: _____ Unit: _____

_____ _____

Signature – Owner/Property Manager Landlord Contact Numbers ***(Must be available 24/7)***

_____ _____

Print Name - Owner / Property Manager Landlord Email Address

Fax, Scan or Take a Picture of this page and send to the Concierge prior to occupancy by fax: 404-524-2145 or by email: 300ptconcierge@gmail.com

LONG-TERM LEASING REQUIREMENTS FOR RENTALS EXCEEDING 35 DAYS

Landlords must obtain criminal background checks and obtain credit reports before leasing or renting out their units. Peachtree Towers Condominiums recognizes that this requirement may not be practical for short-term rentals of less than 34 days. Landlords can obtain these reports from credit reporting agencies providing these services such as the ones listed below. To find additional services you can do an internet search for "tenant screening."

TVS Nationwide Tenant Screening Services for Landlords & Property Managers
1-877-974-9328
www.tenantverification.com

AmerUSA.Net
727-725-4500
www.amerusa.net

Online Tenant Screening
www.screeningworks.com

While the actual information obtained is private between the Landlord and Tenant, the Landlord must sign the "Landlord Compliance Form" and turn it into the management office with a copy of the rental agreement or lease prior to occupancy. Management will not provide any building entry keys or place a name in the entry phone system until these documents are provided. Failure to provide the lease and the signed statement below may result in fines up to $25 per day.

**Please note that Peachtree Towers Condominium Association, Inc., its board members and agents have not personally used or retained any of these companies and makes no representations as to the quality or reliability of these companies and expresses no opinion as to the terms of any engagement of the companies. It is your responsibility to interview them, check their references and determine whether or not you wish to use them or another company.

WATER DAMAGE PROCEDURES

Water damage is the most common damage between condominium units. The purpose of this letter is to explain the Association's procedure when these events occur.

Stop the Cause of the Water Damage

Once the association is aware of water leaking between units, the maintenance staff immediately attempts determine the source of the leak and stop the water flow. The owners of the units effected will be contacted as soon as possible and informed of the situation.

If the water leak was significant enough to leave excess water standing or soaking into the walls and floors, the association will treat this as an emergency and may hire a remediation company to remove or dry up the excess water before mold or mildew can start growing and cause further damage to the building. Based on the maintenance obligations of the unit owners outlined in the Declaration and Bylaws, the effected unit owners may be billed for the any emergency services required in their unit.

Insurance Loss

It the water damage is significant enough to cause repairs in excess of the association's insurance deductible, an insurance claim will be filed for the units and common areas damaged. The unit owners will also be encouraged to contact their personal insurance carriers for any damages under the association's deductible.

The Cause of the Water Leak

The maintenance staff will typically communicate with the unit owners involved and explain what was the reason for the leak and where the leak originated.

Who is Responsible to Repair the Damages?

The cost of the emergency water remediation and repair of damages not covered by insurance would become the responsibility of the unit owner suffering the damages. The Declaration states: "Each unit owner is responsible to maintain and keep in good repair all portions of his or her unit."

A common question is: "Shouldn't the owner where the leak originated be liable to pay for my damages?" The association does not offer legal advice to owners, but encourages the reading of the attached article entitled, "Water, Water Everywhere… and Who Do You Think is Gonna Pay?" This explains some of the common questions asked when water damages occur. It was written by George E. Nowack, Jr. with the law firm NowackHoward.

If the owners that suffered damages want to contact the owner where the leak originated, the Office Manager will provide the name and address of that unit owner. All communication between these owners is a private matter and the association does not get involved in matters of liability and damages between these owners except as described above.

Peachtree Towers Condominiums
officepeachtreetowers@gmail.com
404-524-6190

Water, Water Everywhere... and Who Do You Think is Gonna Pay?

By: George E. Nowack, Jr

Water damage is the most common casualty claim in buildings with attached units. Whenever water escapes from a pipe or hot water heater, or an appliance malfunctions or a bathtub overflows, the natural reaction of the owner whose unit is flooded or damaged is: “Someone else has to get rid of the water and repair my unit.” That is especially true when the owner of the damaged unit did not do anything to cause the damage. Being a reaction, it is a conclusion without any analysis of the facts – the who, what, where, and when.

Like a broken clock that is correct twice a day, the conclusion that “someone else” will be responsible for removing the water and repairing the unit is correct only half of the time. A condominium association is liable for damage to a unit only if the claim is covered by property insurance or if the association is negligent in exercising its maintenance, repair, and replacement responsibilities.

Whenever water escapes from a pipe or hot water heater, or an appliance malfunctions or a bathtub overflows, the natural reaction of the owner whose unit is flooded or damaged is: “Someone else has to get rid of the water and repair my unit.”

Property Insurance

A property insurance policy identifies the building(s) and perils which are covered. Following a loss, an insurer only looks at whether the cause of the damage and the damaged property are covered by the policy. In the absence of an intentional act (i.e. arson, turning the heat off in winter), an insurer pays a property claim regardless of fault. If a unit owner causes a fire by leaving a pot on a stove (IF the policy covers fire) the insurer will pay even though the unit owner’s negligence caused the damage.

Many boards of directors want to either sue an owner or refuse to file a claim on the association’s policy when damage is caused by a negligent unit owner. A board cannot take either of those actions. The reason is because each unit owner is an insured under the association’s policy. Each unit owner pays a portion of the premiums as a part of the annual assessment. That makes each unit owner a beneficiary of the policy, regardless of fault.

Think of it this way. If the owner of a single-family detached house leaves a pot on the stove, that owner pays the premium, is an insured, and will be paid for the damage. A unit owner of a multi-family structure is the same as the owner of a detached house – the unit owner pays the premium, is an insured, and will be paid for the damage.

"Water damage" is defined as the sudden and accidental discharge or leakage of water, steam, or vapor from a pipe, appliance, or other contrivance.

Cause of Damage

The Georgia Condominium Act ("Act") requires a property insurance policy to cover the perils of fire, windstorm, hail, automobile, aircraft, riot, civil commotion, vandalism, explosion, and malicious mischief. That coverage is known as Fire & Extended Coverage ("Fire & EC"). You should have noticed that water is not a peril that is a required coverage under the Act. Therefore, no assumption should be made that an association's insurance policy covers water damage.

If a policy includes water as a covered peril, it is generally referred to as "water damage" coverage. "Water damage" is defined as the sudden and accidental discharge or leakage of water, steam, or vapor from a pipe, appliance, or other contrivance. It does not include water that leaks through a foundation, a roof leak, water that backs up through a sewer or drain, or a flood.

The who, what, when, and where must be addressed to determine if a water claim is covered.

The following examples explain water damage coverage:

a. A common element water supply line breaks/ develops a leak. It is sudden and accidental. The policy will pay, subject to any deductible, to repair the damage to the Unit. The policy does not pay to repair/replace the water line.

b. Following a few days of rain, water enters a Unit through a foundation wall or floor. That damage is not covered.

c. A dishwasher in a unit leaks, causing damage to the unit and adjacent unit(s). It is sudden and accidental. The policy will pay, subject to any deductible, to repair the damage to the unit and the adjacent unit(s), but will not pay to repair the dishwasher.

d. If a tree root clogs a sewer or drain that then causes a back-up of water into a Unit, that damage is not covered unless the policy expressly covers that peril.

e. Damage caused by flood waters is not covered by a standard property policy. Flood insurance is a separate policy.

Section 94 of the Act authorizes an association to impose a deductible of up to $5,000 per unit for a claim required to be covered by the Act. Since the Act does not require water damage coverage, the $5,000 limitation does not apply. There is NO limit on the amount of a deductible for water damage which can be imposed on a unit owner.

Go back to example (a). Assume the damage to the unit is $5,000 and there is a $10,000 water damage deductible per unit. The owner of the damaged unit would not receive any money from the insurer, since the damage is less than the deductible. The unit owner would pay the $5,000 to repair the damage to the unit.

What Property is Insured?

If an association has an insurance policy which includes water damage coverage, the property that is covered relates to the unit, such as walls or floors, cabinets, appliances, HVAC system. The association's policy does not cover the personal property of a unit owner. Personal property is clothing, furniture, books, televisions, etc... in other words, items in a unit, not part of the unit. If personal property is damaged, the cost of repair or replacement is the responsibility of the owner.

What if the Association's Policy Does Not Include Water Damage?

In the above examples, water flowed from items that were either the maintenance responsibility of an association or a unit owner. If it was a covered claim, the property insurance policy paid, subject to any deductible, without regard to fault. When an association's policy does not include coverage for water damage, fault determines if the claim is covered by property insurance. Rather than a property claim, the claim becomes a liability claim against either an association or a unit owner, depending on who is responsible for the maintenance of the pipe, appliance, etc. that leaked.

Liability insurance covers claims for bodily injury and property damage caused by an insured. Coverage is totally dependent on whether the insured was negligent. A claim for negligence requires proof that a person owed a duty to someone else, the person beached that duty, and the breach was the cause of the damage. That concept is explained by the following two examples:

a. An owner of a washing machine has no indication the water supply line is ready to rupture. Owner comes home to find unit and adjacent unit(s) flooded.

b. Same owner, same washing machine, EXCEPT, owner has repeatedly wrapped small holes in the supply line with duct tape. Owner returns home to a flood in unit and adjacent unit(s).

In example (a), the unit owner would not be liable for the damage to any of the adjacent units. The unit owner was not negligent because there was no breach of duty. The adjacent owners would be responsible for all expenses to fix their units. In example (b), the unit owner was negligent because there was a breach of duty: the owner knowingly failed to properly maintain (i.e. repair) the leaky supply line. That owner would be liable for the neighbors' damages.

In example (a), the owners of the damaged units will not like that outcome because they did not do anything wrong. But, neither did the owner of the washing machine. Each owner will be responsible for the cost to repair the damage to their own unit.

NOTE: The result would be the same in both examples if the washing machine was a common element. In example (a), the association would not be liable for the damage to the units and would be liable in example (b).

Unit owners can avoid out of pocket costs to repair a unit by carrying their own insurance. A unit owner's policy is known as an HO-6 policy. It provides property, liability, and personal property coverage.

What About a Leaky Roof?

Rain that enters a unit is not water damage. Coverage is determined by what caused the rain to enter a unit. If a tree limb falls on a unit during a storm and the tree limb punctures the roof, the damage caused by the rain is covered. Why? Because the cause was a windstorm and the rain damage was a consequential damage. If a shingle wears out, damage caused by rain is NOT covered because it is not a covered peril under Fire & EC, the cause is wear and tear. Even if the policy had special form coverage, which provides broader coverage then Fire & EC, wear-n-tear is an exclusion in all property policies.

Liability insurance covers claims for bodily injury and property damage caused by an insured. Coverage is totally dependent on whether the Insured was negligent.

Damage caused by a roof leak oftentimes turns into a liability claim when the roof is the maintenance responsibility of an association and the damage is not covered by an association's property policy. Unless the source of a leaky roof is obvious, the ability to pinpoint a roof leak is an inexact science. The place the water exits is obvious; however, tracing the leak to its source can be a series of trial-and-error tests based on a roofer's experience.

As with damage caused by a broken water pipe, an owner of a damaged unit assumes an association is responsible for repairing a stain on a ceiling that results from a roof leak. As with a broken pipe, that assumption is not correct; negligence must be established to win a liability claim. The inexact science of roof leaks makes them more challenging in determining if an association breached its duty. Normally, an owner becomes aware of a roof leak with the appearance of a ceiling stain. If the owner reports the leak and the association acts promptly and diligently to repair the leak, the association is not responsible for repairing the stain. It is not liable because it did not breach its duty to maintain the roof.

Rather than successfully finding and repairing the source of a roof leak, assume the next time it rains, the roof again leaks and causes more damage to the ceiling. A roofer is called and, based on experience, thinks he has it fixed that time. Is the association responsible for the additional damage? What if the roof leaks one more time, causes more damage, and the roofer determines the water is entering a hole in a shingle that is 50-feet away, traveling along a beam and then leaking into the unit. Was the association ever negligent? If so, when? There is no answer.

If the owner sues the association, a court will have to determine if the action of the board was both reasonable and appropriate. A court will look at the response of the roofer; were the first two attempts to locate the source of the leak reasonable and appropriate (i.e. something the average roofer would do), etc. If the court rules that the board's actions were sensible, rational, logical, and sound, then there would be no negligence and no liability. If a court found there was negligence, the liability insurance policy would pay for the damage.

Water damage claims are inevitable in buildings with attached units. Who pays the cost to repair the damage depends on whether the association's policy includes water damage coverage or if the association or unit owner was negligent.

As with damage caused by a broken water pipe, an owner of a damaged unit assumes an association is responsible for repairing a stain on a ceiling that results from a roof leak. As with a broken pipe, that assumption is not correct; negligence must be established to win a liability claim.