University Terrace HOA Leak Policy & Procedures

Effective: 2026

Emergency Contact & Response

We provide emergency services 24 hours a day, 7 days a week. HOA Management Company will respond to all emergencies.
In the event of water damage to a building or a leak, call HOA Management Company as soon as possible at **252-565-4820 ext. 2010**. If there is no answer, leave a message and/or call back within 5–10 minutes for a representative.

Standard Response Procedure

When HOA Management Company receives a call reporting physical damage primarily relating to water damage, the following actions are initiated and completed per the approval of the University Terrace Board of Directors or Executive Committee. *Note: This policy is subject to change at any time at the discretion of the Board of Directors or Executive Committee; homeowners will be notified of updates.*

1. **Emergency Dispatch:** Upon receiving an emergency call, HOA Management Company will dispatch a plumber to respond and direct the homeowner/tenant to turn off the water main immediately.
2. **Property Access:** HOA Management Company will contact owners and tenants of all impacted units to coordinate plumbing access. If a owner or tenant cannot be reached after reasonable efforts, management maintains the right to dispatch a locksmith to gain access. The locksmith fee (minimum $75) will be billed back to the unit owner upon Board/Executive Committee approval.

Important: *It is the sole responsibility of unit owners to maintain updated contact information with the HOA Management Company.*

3. **Plumber On-Site Protocol:** Upon arrival, the plumber will perform the following steps:
    a. Locate the leak source and take immediate steps to halt water flow.
    b. Notify the HOA Management Company representative of the leak source to establish responsibility (University Terrace HOA vs. Unit Owner).

c. Take photographic evidence for official management files.
d. If determined to be an **HOA repair**, the plumber will complete necessary repairs. If determined to be an **Owner repair**, the owner will be notified to engage an appropriate repair service immediately.
e. Conduct an initial damage assessment (evaluating need for water extraction and scope of repairs) and report findings to management.
f. If water extraction is required for an HOA responsibility leak, management will immediately dispatch a mitigation contractor (e.g., Pinnacle Carpet Care, MSI, 24 Restore).
g. If a leak originating from an owner-responsible unit damages adjacent units, management will dispatch a mitigation contractor. Costs will be billed back to the originating unit owner upon Board approval.
h. If damage is isolated strictly to the originating owner's unit, the owner is responsible for contacting a mitigation contractor within 24–36 hours to begin extraction and drying.
i. Mitigation contractors will document all damage and findings with photographs.

4. **Insurance Guidance:** If repairs fall under owner responsibility, management recommends immediately contacting individual insurance providers.

Master Insurance Policy Details

The Master Insurance Policy carries a **$2,500 deductible** and covers restoration only to original construction specifications. Owners are responsible for the cost difference of any upgraded unit improvements. Homeowners filing claims (or whose unit prompts an HOA claim) may be assessed the $2,500 deductible. Note: Frequent claims on the master policy risk increasing community premiums or policy cancellation.

5. **Repair Timeline:** Owners responsible for repairs must **START** unit repairs within **7 days** of the water damage incident. If repairs are not initiated within this window, the Association reserves the right to intervene, restore the unit to original construction specs, and bill all costs to the owner.

Repeat Leaks: *A recurring leak in the same location within 8 days of the original leak is not covered by insurance.*

6. **Third-Party Unit Repairs:** If an owner-responsible leak causes damage to another owner's unit, management will issue a work order to an approved Board contractor after drying is complete to restore the impacted unit to original construction.

Division of Responsibility

Responsibility of the Association

1. Leaks originating in common elements or resulting from acts/omissions of the Association or its agents.

2. Pipe bursts occurring between unit walls or outside unit boundaries.
3. Pipe bursts occurring in ceiling spaces.

Responsibility of the Owner

1. Leaks originating within unit boundaries due to acts or omissions of the owner, tenant, agents, or guests.
2. Leaks that cannot be attributed to acts/omissions of either the owner or Association (damages to limited common elements are repaired by the Association and assessed back to assigned unit owners).
3. Leaks originating from inside the unit boundaries.
4. Leaks originating from unit fixtures (toilets, sinks, showers, tubs, dishwashers, washing machines, water heaters, garbage disposals, or open windows/doors).
   Leaks originating from supply lines located inside the unit (e.g., icemakers, A/C units).