

**TRENDMAKER HOMES NORTH CONDOMINIUM ASSOCIATION, INC.**

**RESOLUTION NO. \_\_**

**RELATING TO OWNER RESPONSIBILITY FOR INSURANCE DEDUCTIBLE  
AND REQUIRING PROOF OF HOMEOWNERS INSURANCE**

WHEREAS, the Trendmaker Homes North Condominium Association, Inc. (the “Association”) was created by a **Master Deed dated March 18, 1986 and recorded in Deed Book 1575, Page 781**, et seq. in the Office of the Clerk of Somerset County; and

WHEREAS, Bylaws, Article IV, Section 1 provides that, “The property, affairs and business of the Association shall be managed by the Board of Directors, which shall have those powers granted to it by the Certificate of Incorporation, the Master Deed, these By-Laws, and by law.”; and

WHEREAS, Bylaws, Article V, Section 1(f) empowers the Board to, “adopt, amend, and publish rules and regulations covering the details of the operation and use of the Common Elements. . .”; and

WHEREAS, Master Deed, Paragraph 8 provides, in pertinent part, that, “If, due to the negligent act or omission of or misuse by Unit Owner, or a member of his family or household pet, or a guest, occupant or visitor (whether authorized or unauthorized by Unit Owner), damage shall be caused to the Common Elements, or to a Unit(s) owned by others, or maintenance, repair or replacements shall be required which would otherwise be a Common Expense, then the Unit Owner so responsible shall pay for such damage and be liable for any damages, liability, costs and expenses, including attorney’s fees, caused by or arising out of such circumstances”; and

WHEREAS, N.J.S.A. 46:8B-24 provides that if there is any damage or destruction to any improvements on the condominium property or to the common elements, and any deficiency

exists as a result of the Association repairing or restoring same, the “unit owners directly affected shall be assessed on an equitable basis for any deficiency and shall share in any excess”; and

WHEREAS, Bylaw, Article XI, Section 2 provides, in pertinent part, that, “The Board shall. . .have the power to levy fines against any Unit Owner(s) for violation(s) of any rule or regulation of the Association or for any covenants or restrictions contained in the Master Deed or By-Laws, except that no fine may be levied for more than \$10.00 for any one violation; provided, however, the [sic] for each day a violation continues after notice it shall be considered a separate violation”;

WHEREAS the Board has reviewed how such insurance claims can be treated equitably and determined to issue a written policy concerning such claims.

**NOW, THEREFORE,** be it resolved that the following is hereby adopted:

**I. LIABILITY FOR INSURANCE DEDUCTIBLES**

A. If damage is sustained to a portion of the condominium common elements for which the Association is responsible to maintain, repair, or replace as set forth in the governing documents, then the Association will be responsible for payment of the insurance deductible which is incurred to repair such damage. However, if such damage is sustained as the result of negligence, recklessness or a willful act of any unit owner or the occupants, tenants, employees, agents, or guests of the unit owner, the insurance deductible shall be the sole responsibility of that unit owner along with any expenses not paid for by the Association’s insurance carrier.

B. If damage is sustained by a portion of the condominium for which the unit owner is responsible to replace, repair or maintain, but that damage is covered by a master insurance

policy maintained by the Association, then the unit owner will be responsible for payment of any insurance deductible.

C. In the event that damage is sustained to the common elements and, at the same time, to a unit, as fully defined in the Association's Master Deed, then the Board shall apportion monetary responsibility according to the dollar amounts of the respective insured losses solely for the purpose of determining the amount of damages.

D. Notwithstanding the foregoing, any expense which is incurred in an effort to maintain, repair, or replace any portion of the condominium common property or any unit, which is damaged by the negligence or carelessness of any unit owner or the occupants, tenants, employees, agents, or guests of the unit owner, shall be the sole responsibility of that unit owner. The determination as to carelessness or negligence will be in the sole discretion of the Board of Directors, with the assistance of its insurance carrier, legal counsel and management, which shall charge the responsible unit owner in that event.

E. Failure by any owner to pay any insurance deductible will result in the Association paying same and treating the failure as a payment default, giving rise to the Association to collect the monies owed in the same manner as delinquent maintenance fees.

## **II. UNIT OWNERS MUST MAINTAIN HOME OWNER'S INSURANCE AND PROVIDE PROOF OF SAME ANNUALLY**

A. Each owner must provide the management company with a copy of their homeowners' insurance policy declaration page, on or before March 1 of each year.

B. Failure by any owner to provide the Association with any requested homeowner insurance declaration will result in the Association levying a \$10.00 (ten) dollar fine until the homeowner provides the Association with information satisfactory to the Association. Each day

an owner fails to provide the requested homeowner insurance policy information shall be treated as a separate and continuing violation. The enforcement of this Paragraph shall be subject to the Association's alternative dispute policy.

C. Notwithstanding any of the above, the Association may exercise all rights and remedies available to it at law, in equity and/or pursuant to the Master Deed and By-Laws.

D. Should any provision hereof be determined to be invalid or unenforceable, the remaining provisions hereof shall remain in full force and effect.

E. Any provision contained within any previously adopted resolution of the Association, which conflicts with any provisions set forth herein, shall be deemed void and the provision contained herein shall govern.

**TRENDMAKER HOMES NORTH CONDOMINIUM ASSOCIATION, INC.**

Resolution Type: Policy No.

Pertaining To: Insurance Deductibles and Requirements

Duly adopted at a meeting of the Board of Directors of Trendmaker Homes North Condominium Association, Inc. held this 20 day of March, 2012

Officer

Vote:

	<u>YES</u>	<u>NO</u>	<u>ABSTAIN</u>	<u>ABSENT</u>
<u>John Bremer</u> , Director	<u>X</u>			
<u>Adrian Cameron</u> , Director	<u>X</u>			
<u>Donna Summers</u> , Director	<u>X</u>			
_____, Director				
_____, Director				

Attest:

Donna Summers, Secretary

Date: March 20, 2012

File:

Book of Minutes -  
Book of Resolutions:

	<u>Book No.</u>	<u>Page No.</u>
Policy	_____	_____
Administrative	_____	_____
Special	_____	_____
General	_____	_____

Resolution Effective: \_\_\_\_\_, 2012

**NOW THEREFORE**, John W. Bremer, the President of the Trendmaker Homes North Condominium Association, Inc. based on the authority granted by the Association's Master Deed, By-laws and the vote reflected above, hereby submits this resolution for recordation in the Somerset County Clerk's Office.

Trendmaker Homes North Condominium  
Association, Inc,



John W. Bremer, President


**ACKNOWLEDGMENT**

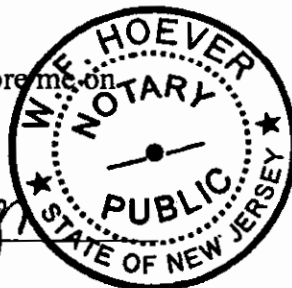
STATE OF NEW JERSEY   )  
  ) ss.  
COUNTY OF SOMERSET   )

On the 20 day of March, 2012, John W. Bremer personally appeared before me and this person acknowledged under oath, to my satisfaction, that:

- (a) this person signed and delivered the foregoing document as the President of Trendmaker Homes North Condominium Association, Inc. (the "Association") and
- (b) this document was signed and delivered by the Association as its voluntary act and deed by virtue of authority from its Board of Directors.

Signed and sworn to before me on  
March 20, 2012

  
NOTARY PUBLIC OF  
NEW JERSEY



W. F. HOEVER  
NOTARY PUBLIC OF NEW JERSEY  
I.D. No. 2095905

My Commission Expires April 12, 2012

**RECORD AND RETURN TO:**

**MCGOVERN LEGAL SERVICES  
P.O. BOX 1111  
NEW BRUNSWICK, NJ 08903**