

LEISURE VILLAGE WEST ASSOCIATION, INC.

POLICY RESOLUTION

REGARDING UNIT OWNER AND RENTER'S INSURANCE

WHEREAS, the Leisure Village West Association, Inc. (the "Association") was formed by the filing of a certain Certificate of Incorporation, on May 31, 1972, with the Secretary of State of the State of New Jersey having its offices at 959 Buckingham Drive, Manchester, New Jersey 08759; and

WHEREAS, the Association was established and exists by certain **Master Deeds with attached Bylaws recorded on January 10, 1978, in the Ocean County Clerk's Office in Deed Book 3683 page 51 et. seq.,** and as amended from time to time (collectively the " Master Deed"); and

WHEREAS, the Association's Master Deeds were amended and consolidated and recorded on **July 30, 2014 in the Ocean County Clerk's Office in Deed Book 15860, Page 1840 et. seq.;** and

WHEREAS, the Bylaws, Article VI, Section 1, provides, "The Board of Trustees shall have and exercise all lawful powers and duties necessary for the proper conduct and administration of the affairs of the Association and the operation and maintenance of Leisure Village West and may do or cause to be done all such other lawful acts and things as are not by law, by these Bylaws or otherwise, directed or required to be done or exercised by members of the Association or owners of units, or by others;" and

WHEREAS, the Bylaws, Article VI, Section 1(n), the Board of Trustees (the "Board") has the power to "make, and enforce compliance with, such reasonable rules and regulations relative to the operation, use and occupancy of the units, common elements and Association facilities, and to amend the same from time to time as when approved by appropriate resolutions [which] shall be binding on the owners and occupants of units, their successors in title and assigns. A copy of such rules and regulations and copies of any amendments thereof shall be delivered or mailed to each owner of a unit promptly upon the adoption thereof;" and

WHEREAS, the Board finds that Units left unrepaired due to lack of adequate insurance would degrade the character of the Association and the market value of the Units therein; and

WHEREAS, the Board deems it to be in the best interest of the Association to ensure that all Unit Owners and tenants maintain appropriate insurance policies to restore their Unit in case of a covered occurrence.

NOW, THEREFORE, the following Rules and Regulations are hereby adopted:

I. UNIT OWNER'S AND RENTER'S INSURANCE

1. All Unit Owners shall obtain and maintain an "H06" condominium insurance policy with sufficient coverage including any upgrades thereto, the Association's insurance deductible, and it is recommended that the policy provide sufficient coverage for all personal property stored within the Unit.

2. All Unit Owners who rent their Units shall, as part of the lease agreement, require the tenant(s) to obtain and maintain an "H04" renter's insurance policy with at least \$300,000 in liability coverage. It is recommended that the policy provide sufficient coverage to insure the full value of the tenant's personal property stored within the Unit. The lease shall further provide that any failure to obtain and maintain said policy shall constitute a material default under the lease and be grounds for termination and eviction. Any Unit Owner who rents their unit must provide the Association with a copy of the tenant's insurance policy declaration page.
3. All Unit Owner's and Renter's policies shall include a waiver of subrogation.
4. All Unit Owners applying for a Rental Permit shall provide the Association's manager with proof of his or her insurance policy and shall provide an "H04" renter's insurance policy with sufficient coverage as described above. Thereafter, proof of continued insurance shall be provided to the Association annually and upon each lease renewal in a form acceptable to the Association.
5. If any Unit is damaged or destroyed by fire or other casualty, the Unit Owner shall promptly restore the Unit to its condition preceding the fire or casualty.

II. ENFORCEMENT

1. The Board shall have the right to impose fines for violations of these Rules and Regulations up to the maximums permitted by the Governing Documents and by law.
2. In addition to fining, the Association may, but is under no obligation to, exercise any and all rights and remedies available to it at law, in equity, or pursuant to the Governing Documents should any Unit Owner fail to timely provide the Association's manager with proof of insurance, including, but not limited to, obtaining insurance on the Unit Owner's behalf and charging the cost back to his or her account.
3. Failure by any Unit Owner to pay any insurance deductible may result in the Association paying the same and treating the failure as a payment default, in which case the amount of the deductible shall be assessed to the Unit Owner's account and which amounts shall be owed and collected in the same manner as delinquent Common Expense Assessments.
4. All costs, damages, and fines due hereunder shall be collected by the Association in the same manner as assessments. These costs, damages, and fines shall be a continuing lien on the Unit that shall bind the Unit in the hands of the then Owner and the Owner's successors and assigns.
5. This Resolution is subject to the Association's existing Alternative Dispute Resolution Policy.
6. Should any provision hereof be determined to be invalid, the remaining provisions hereof shall remain in full force and effect.
7. Any provision contained in any previously adopted Association resolution conflicting with any provisions set forth herein shall be deemed void and the provision contained herein shall govern.
8. Notwithstanding any of the above, the Association may exercise all rights and remedies available to it by law, in equity, and/or pursuant to the Master Deed and Bylaws.