

**RESOLUTION OF THE BOARD OF DIRECTORS OF HAYLAKE LODGE  
TOWNHOMES ASSOCIATION CONFIRMING PRIOR BOARD ACTION AND  
FURTHER MODIFYING THE RESPONSIBILITY FOR FUTURE COSTS OF  
MAINTENANCE AND REPAIR TO INDIVIDUAL UNITS AND CERTAIN LIMITED  
COMMON ELEMENTS ASSIGNED OR RELATING TO INDIVIDUAL UNITS**

**BE IT RESOLVED**, by the Board of Directors of Haylake Lodge Townhomes Association (the "Association") as follows:

Section 1. It is hereby found, determined and declared as follows:

- (A) That pursuant to Section 6 of the Declaration, certain repair and maintenance expenses may be determined, assessed, and allocated against individual Units by the Board, in its discretion, on the basis of actual costs incurred with respect to each Unit benefited.
- (B) That the existing assessment formula for certain repairs and maintenance based solely on the square footage of individual Units is deemed inadequate and unfair.
- (C) That it is necessary and desirable to modify the existing assessment policy for repair and maintenance to the roof and exterior portion of individual Units as well as repair and maintenance of the Limited Common Elements assigned or related to a specific Unit or Units.
- (D) That it is in the best interests of both the Association and Unit Owner's that the Association maintain dues comparable to similarly situated developments.
- (E) That it is in the best interests of both the Association and Unit Owner's that the Association not maintain a large capital improvement fund for repairs and maintenance benefiting individual Units and Limited Common Elements assigned to a specific Unit or Units.

NOW THEREFORE, the Board of Directors of the Association agrees as follows:

Section 2. That the maintenance and repair policy attached hereto as Exhibit 1 be adopted and that this Resolution be effective immediately.

Adopted by the Board of Directors of the Association, this 2nd day of July, 2005.

Mark Muonio  
Its President

Brian Scarborough  
Its Secretary

**Hay Lake Town Home Association**  
**Building Maintenance/Repair Assessment Policy**  
Approved JULY 2nd, 2005

Recently, the board has received requests for the Association to cover the costs for repairs and items involving original construction/amenities of specific units. It is not the Association's responsibility to warrant construction issues or to underwrite amenities for specific units. Such concerns should be addressed to the builder or previous owner, through the realtor, during the resale process. Therefore, the board recommends that all prospective buyers purchase a home inspection package and consider the advantages of purchasing a home warranty. The cost of repair and maintenance to those amenities described in the Declaration as Common Elements and held by the Association for the benefit of all Unit Owners such as common structures, water and septic systems, driveways, and common grounds, will continue to be paid for by the Association. Annual and special assessments may be determined and assessed from time to time against all Units by the Board, in its discretion, to cover such Common Element costs.

**Roof and Exterior Repairs and Maintenance Relating to Individual Units:**

By Board action effective October 8, 2004, it was determined that repairs and maintenance to the roof of an individual Unit and the exterior staining or painting of such Unit, shall be pre-approved by the Board; shall conform to the color, appearance and overall quality levels of the original Unit construction; and shall be paid for by the Unit Owner requesting the work to be done. In its discretion, repairs and maintenance to the roofs and exterior staining or painting of multiple or all Units may be approved, scheduled and coordinated by the Board and the costs will be assessed back to the benefited Units on an actual cost basis.

**Repairs and Maintenance to Limited Common Elements:**

Repair and maintenance expenses involving those areas of individual Units described in the Declaration as Limited Common Elements such as electrical, heating, air conditioning and plumbing servicing individual Units but leading to or connecting with the central water or septic system, shall be the responsibility of the Unit Owner and shall be paid for directly by the Unit Owner requesting the work to be done.

**Landscaping:**

Expenses associated with landscaping maintenance (including modifications to the existing sprinkling system) within each Unit's boundaries, shall be the responsibility of the Unit Owner and shall be assessed back to the benefited Unit on an actual cost basis. All proposals for such changes and additions shall be pre-approved by the Board.

**Exterior Modifications to Individual Units:**

Expenses associated with exterior modifications and changes to individual Units (including the repair of any damage to Common Elements that may occur from such work) shall be the responsibility of the individual Unit Owner. All proposed exterior modifications and changes

shall be pre-approved by the Board; shall be assessed back to the benefited Unit; and shall meet the requirements of all applicable building and zoning requirements.

EXHIBIT 1

**RESOLUTION OF THE BOARD OF DIRECTORS OF HAY LAKE LODGE TOWNHOMES ASSOCIATION CONCERNING INSURANCE COVERAGE PROVIDED BY THE ASSOCIATION'S CONDOMINIUM POLICY AND THE RESPONSIBILITY OF OWNERS TO PROVIDE COVERAGE FOR BETTERMENTS AND IMPROVEMENTS TO THEIR UNITS VIA THEIR HOMEOWNERS HO6 POLICY**

**BE IT RESOLVED**, by the Board of Directors of Hay lake Lodge Townhomes Association (the "Association") as follows:

Section 1. It is hereby found, determined and declared as follows:

- (A) That section 11 (paragraph 11.2) of the Declaration could be misinterpreted concerning insurance coverage of improvements and betterments.
- (B) That it is in the best interests of both the Association and Unit Owners to document the physical coverage provided by the Association condominium Policy.
- (C) That it is in the best interests of both the Association and Unit Owners to document the responsibility for insurance coverage of improvements and betterments.

NOW THEREFORE, the Board of Directors of the Association agrees as follows:

Section 2. That the following definitions be adopted and that this resolution be effective immediately.

- (A) The Association condominium insurance policy covers the basic structure, including roof, walls, floor coverings, cabinets and attached fixtures, such as sinks, fireplace inserts, furnaces, and water heaters.
- (B) Unit Owners are responsible to provide insurance coverage, via their homeowners H06 policy, for any improvements or betterments, such as, but not limited to, upgraded flooring, masonry/stone fireplaces, window and wall coverings/treatments, furnishings and personal property.

Adopted by the Board of Directors of the Association, this 22<sup>nd</sup> day of Sept. 2006.

Maria Mironis  
Its President

Mary Scarborough  
Its Secretary