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Prepared by: J. David Ramsey, Esq.

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CLEARBROOK OXFORD VILLAGE CONDOMINIUM ASSOCIATION NO. 14 INC.
(the "Association")

RESOLUTION REGARDING INSURANCE DEDUCTIBLES

PREAMBLE

A. The Master Deed for the Clearbrook Oxford Village Condominium No. 14 Inc. (the "Master Deed") was originally recorded in the Middlesex County Clerk's Office and the original Bylaws of the Association (the original Bylaws and any amended amendments thereto being hereinafter referred to as the "Bylaws") were recorded as "Exhibit E" to the Master Deed.

Location of property: Monroe Township NJ 08831

B. The Bylaws requires the Association, through its Board of Directors (the "Board"), to place and keep in force all insurance coverages applicable to the condominium property and the Association's members.

C. The Association has delegated to the Clearbrook Community Association, Inc. ("CCA") the obligation for obtaining the required insurance policies.

D. The CCA has obtained a blanket property insurance policy that covers the improvements required to be insured under each section condominium association's governing documents, which policy currently provides for a \$10,000 deductible, as such deductible may, in the future be modified.

E. The CCA has advised each section condominium association that the CCA will not be responsible for the payment of the deductible.

F. The Bylaws provide that Unit Owners may obtain their own property damage insurance for their own benefit provided that such policies must contain waivers of subrogation; and further provides that the liability of the carriers issuing insurance obtained by the Board shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owners.

G. The Bylaws further provide in Article VIII, Section 1(f), that: "The Board may determine, in its sole discretion, the amount of any deductible and the responsibility for payment of same as to any policy of insurance maintained under this subsection."

H. Pursuant to the New Jersey Condominium Act, as well as the Association's Bylaws, the Board is empowered to adopt, amend and publish rules and regulations covering the details of the operation and use of the Units and Common Elements.

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I. From time to time, insurance proceeds (therefore "net" of any insurance deductibles) are paid to the Association by its insurance carrier, a portion of which proceeds may represent a reimbursement, in whole or in part, of the restoration costs to a Unit or property owned by a Unit Owner.

J. From time to time a casualty occurs that would be covered under the CCA's master policy, but the total claim is less than the amount of the deductible.

K. The CCA has advised each section condominium association that where the total claim is equal to or less than the deductible under the property damage insurance, the CCA will not be responsible for the cost of undertaking the repair.

L. The Board has determined that it is equitable and appropriate to allocate or prorate responsibility for insurance deductibles between the Association and the affected Unit Owners as further described below.

M. This Resolution was duly introduced and thereafter adopted pursuant to the terms and conditions of the Bylaws.

NOW, THEREFORE, BE IT RESOLVED on this 14 day of June 2011 as follows:

1. **Capitalized Terms.** Unless specifically defined otherwise, all capitalized terms used in this Resolution, other than those appearing in caption headings, have the same meaning as defined in the Master Deed, Bylaws and the other governing documents of the Association.

2. **Application of Insurance Proceeds.** If and to the extent the Association receives insurance proceeds pursuant to insurance policies placed, maintained, and paid for by the CCA, which proceeds represent, in whole or in part, a reimbursement for repairing or restoring damage caused to a Unit or the real property of a Unit Owner, then and in such event the proceeds shall be applied to the cost of restoring damage to (a) the Common Elements and condominium property and; (b) the Unit, in proportion to the amount of damage suffered by each. In the event of damage to multiple Units, the amount, if any, available to the Unit Owners shall be prorated between the affected Unit Owners on an equitable basis as determined in the discretion of the Board. The costs of repair and restoration determined by the CCA's insurance carrier, as approved by the Board, shall be utilized in determining the apportionment of proceeds between Unit Owners or between a Unit Owner(s) and the Association. The amount to be paid to a Unit Owner shall be net of the deductible as more specifically described in Paragraph 3 below.

3. **Deductibles.** Notwithstanding the terms of paragraph 2 above, the Board has determined that it is equitable and appropriate to allocate responsibility for the insurance deductible, between the Association and the affected Unit Owner or Unit Owners when there is damage resulting from an insurable event that affects any part of the Common Elements and one or more Units. Therefore, where the Association suffers damage from a single insurable event

involving Common Elements and one or more Units, the responsibility for the deductible will be calculated as follows: the total cost for repairing or restoring the insurable portions of Common Elements, property of the Association and individual Units shall be divided by the total cost of restoring all insurable damages to property owned or managed by each party (the Association and Unit Owners affected), with the resultant fraction or percentage being referred to as each parties "Share of Damage". The insurance companies calculation of the value of damage to each party's property, as accepted by the Association, shall be used to determine each Party's Share of Damages. Each party's Share of Damage shall be multiplied by the amount of the insurance deductible and then each party shall be responsible for paying the portion of the deductible relating to its Share of Damage.

Where the Association suffers damage from a single insurable event that does not affect any part of the Common Elements or other property of the Association, the Unit Owner or Owners shall be responsible for payment of the entire insurance deductible. If multiple units are affected by such an event, the Unit Owners' respective responsibilities for the entire deductible shall be allocated based upon each Unit Owner's Share of Damage, as determined by the insurance company and agreed to by the Board. The Association shall not be responsible for payment of any portion of an insurance deductible when there is an insurable event that does not affect any part of the Common Elements or other property belonging to the Association.

4. Claims Below Deductible Amount. Where there is damage to a Unit that requires repair or restoration that costs less than the amount of the deductible maintained under the policy of property damage insurance procured by the CCA, the Unit Owner shall be responsible for the entire cost of the repair or restoration. If the casualty event involves both the Common Elements and one or more Units, the responsibility for the repair or restoration shall be calculated as set forth in paragraph 3 above.

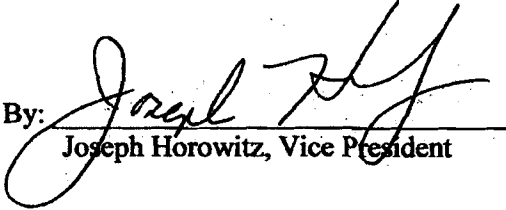
5. Review of Owner Coverage. The Unit Owners are advised to review their personal casualty insurance policies, commonly referred to as an HO-6 policy, covering their respective Units and are urged to consult with their insurance agents and/or carriers concerning this Resolution and the appropriate amounts and types of insurance coverage and deductibles. The Unit Owners are also advised to consult with the Association and/or its insurance agent in order to determine, from time to time, the amount of casualty insurance coverage deductible being maintained by the Association in order that the Unit Owners are able to insure that portion of the Association's deductible under their HO-6 policy.


NOTICE AND RECORDING. The Association's managing agent is authorized and directed to prepare correspondence, in appropriate form and substance, and thereafter circulate same, along with a copy of this Resolution, to all Unit Owners. The Association also authorizes and directs its legal counsel to arrange for recordation of a copy of this Resolution with the County Clerk's Office in order to establish the recording of this Resolution in the chain of title.

This Resolution shall be effective as of the 14 day of June, 2011.

ATTEST:

**CLEARBROOK OXFORD
VILLAGE CONDOMINIUM
ASSOCIATION NO. 14 INC.**

By: 
Joseph Horowitz, Vice President

By: 
Thelma Goldhammer, President

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STATE OF NEW JERSEY

SS.:

COUNTY OF

I CERTIFY that on June 14, 2011, Joseph Horowitz personally came before me and this person acknowledged under oath, to my satisfaction, that:

- (a) this person, Joseph Horowitz Vice President of the CLEARBROOK OXFORD VILLAGE CONDOMINIUM ASSOCIATION NO. 14 INC, a nonprofit corporation of the State of New Jersey, named in this document;
- (b) this person signed this document as attesting witness for the proper corporate officer who is Thelma Goldhammer, the President of the corporation;
- (c) this person knows the proper corporate seal of the corporation and the proper corporate seal was affixed;
- (d) this document was signed and delivered by the corporation as its voluntary act and deed by virtue of authority from its Board of Directors; and
- (e) this person signed this acknowledgment to attest to the truth of these facts.
- (f) this Resolution was duly introduced and was thereafter adopted at a regular scheduled meeting of the Board of Directors, at which a quorum was present, by a majority vote of the members of the Board of Directors eligible to vote on this matter.

Joseph Horowitz
Joseph Horowitz, Vice President

Signed and sworn to before me on

June 14, 2011

Daisy Henderson
Notary Public of New Jersey

DAISY HENDERSON
Notary Public
State of New Jersey
My Commission Expires Oct 17, 2015

RECORD AND RETURN TO:

J. David Ramsey, Esq.
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67 Park Place East
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