

After Recording Return To:
Richards & Kimble, P.C.
2040 East Murray-Holladay Rd., Suite 102
SLC, UT 84117

ENT 130908:2007 pg 1 of 5
RANDALL A. COVINGTON
UTAH COUNTY RECORDER
2007 Sep 05 4:42 pm FEE 69.00 BY SS
RECORDED FOR EDGEWOOD HOA

**AMENDMENT TO THE BY-LAWS OF
EDGEWOOD CONDOMINIUM HOMES, A CONDOMINIUM PROJECT**

This Amendment to the By-laws of EDGEWOOD CONDOMINIUM HOMES (the "Declaration") that established the Edgewood Condominiums is made on the date evidenced below by the Edgewood Condominiums Home Owners Association (the "Association").

RECITALS

WHEREAS, Article IV, Sections 20, 21, & 22 of the By-laws for Edgewood Condominium Homes, A Condominium Project ("Declaration") requires that the Association maintain comprehensive hazard, liability and fidelity insurance for the Association and the members thereof;

WHEREAS, pursuant to Article IV, Section 7 of the Declaration, owners are required to do everything possible to keep his/her Unit in good and attractive condition and repair at all times.

WHEREAS, owners are often, through neglect and/or willful misconduct, responsible for casualty losses and damage to their dwelling units, lots, the common areas, or other dwelling units;

WHEREAS, such losses and damage are often claimed against the Association's insurance policy, despite the damage or loss being attributable to an owner, their tenants, guests or invitees, without the knowledge or consent of the Management Committee ("Committee");

WHEREAS, pursuant to Article IV, Section 27, the Declaration may be amended by the affirmative vote at least sixty-five percent (65%) of the undivided ownership interest in the Common Areas and Facilities of the Association;

WHEREAS, general common law principles provide that each owner shall be liable to the Association for any damage to the common areas or improvements thereon sustained by the reason of negligence or willful misconduct of said owner, his respective family and guests.

WHEREAS, the Committee, having considered all relevant factors, and based on its best business judgment, deems it necessary and in the best interests of the Association to adopt an equitable amendment whereby owners are required to pay the Association's insurance deductible for losses and/or damages to a dwelling unit, common area or improvement thereon directly attributable

to an owner, their family, guests, tenants, or invitees.

WHEREAS, the Committee, having considered all relevant factors, deems it necessary and in the best interests of the community that, in the case of an owner causing damage or a loss to a unit and/or the common areas, that the owner's insurance policy shall first be exhausted prior to seeking recovery under the Association's master policy.

WHEREAS, the Committee believes that such a policy is both urgent and necessary to (i) reduce the need for the expenditure of Association funds for losses and damage that are attributable to owners; (ii) reduce the number of insurance claims made by encouraging owner responsibility; and (iii) reduce the chance that premiums will increase or that the Association's policies will be cancelled from a high claims record.

WHEREAS, pursuant to Article IV, Section 27 of the By-Laws, owners representing more than sixty-five percent (65%) of the ownership in the common areas have approved the By-Law amendments.

WHEREAS, this Amendment is to be read, to the extent possible, as consistent with the Original Declaration and any other Amendments. In all situations where this Amendment may be in conflict with the Original Declaration, this Amendment shall take priority.

NOW, THEREFORE, the Association, by and through its Management Committee, hereby amends Article IV of the Declaration to read as follows:

32. Owner's Individual Insurance. All Owners shall obtain additional insurance at his/her own expense, so long as such additional insurance does not have the effect of decreasing the amount which may be realized under any policy maintained by the Association. The Association shall only insure the Unit as set forth in Section 20 but shall not insure the Owner's personal property located within the Unit. As stated below, the Association's Hazard Insurance shall not be primary in the event that damage to a Unit or Units is caused by the negligence or intentional misconduct of an Owner. Therefore, the Owners shall insure his/her Unit and all improvements made thereto. Individual Owners, along with their insurance providers, are primarily responsible to pay for damages sustained within their Units or originating within from their Units and damaging their Units or other Units and/or the common areas (as opposed to originating from the common areas) caused from negligence or intentional misconduct of the Owners, their tenants, guests, invitees or agents. In such cases, the Owner's policy shall be primary. It is not the purpose nor the intent of the Article IV that the Association insure that which is the responsibility of the Owners nor pay for damages, of any kind, caused by the negligence or fault of any Owner, their tenants, guests, invitees or agents. Insurance proceeds, if any, from the Association's insurance policy shall be subordinate to the responsibility of the Owner and their insurance provider. A certificate of insurance and evidence of adequate property insurance shall be provided to the Association upon request.

33. Additional Insurances; Further General Requirements. The Committee may also procure insurance which shall insure the Common Areas and the Association or the Owners and

others against such additional risks as the Committee may deem advisable. Insurance procured and maintained by the Committee shall not require contribution from insurance held by any of the Owners or their Mortgagees. Each policy of insurance obtained by the Committee shall, if reasonably possible, provide:

33.1 A waiver of the insurer's right of subrogation against the Association, the Owners and their respective directors, officers, agents, employees, invitees and tenants;

33.2 That it cannot be canceled, suspended or invalidated due to the conduct of any particular Owner or Owners;

33.3 That it cannot be canceled, suspended or invalidated due to the conduct of the Association without a prior written demand that the defect be cured; and

33.4 As stated above, that any "no other insurance" clause therein shall not apply with respect to insurance maintained individually by any of the Owners.

34. In the event that a Unit experiences damage or a loss, which is covered by the Association's insurance policy pursuant to Article IV of the Declaration, yet is caused by the negligence, failure to maintain, or willful misconduct of an owner, the owner's tenants, guests, or invitees, such owner (not the Association) shall be liable for the full amount of any deductible on the Association's insurance policy.

35. To the extent permitted by law and the Association's insurance policy, the Committee may also require that the owner tender a claim to their insurance carrier pursuant to the individual homeowner policies required under Article IV, Section 32. Nothing contained herein, however, shall alleviate the Association's obligation to make a claim under its own master policy as the loss or damage may necessitate.

36. If a unit is damaged or experiences a loss due to the circumstances set forth in paragraph 33 above or for any other reason, the harmed unit owner shall contact the Board directly, or its managing agent, and report the damage or loss. The Board, based on the facts surrounding the damage or loss, will then make a claim against the Association's policy, as the situation may require, or follow the policy adopted in paragraph 33 above. The harmed unit owner shall not contact the Association's insurance agent or insurance carrier nor shall an owner make any direct claims against the Association's policy.

37. In the event that a unit owner is responsible for the deductible and/or damage to a unit, or in the event the Association's insurance policy covers a loss, only licensed and insured contractors shall be authorized to perform reconstruction or repair work. All work must be done and permitted by the Association's governing documents and local ordinances.

38. In the event that the Association's insurance company pays for any repairs, the Association shall disburse insurance claim proceeds directly to the licensed contractor(s) performing

the repair or renovation work. Owners performing repairs must submit all required permits and licenses along with original receipts in order to receive reimbursement for any work performed.

39. **Deductible.** For all claims against the Association's insurance policy for which the damage or injury is caused by or due to the common area or areas over which the Association has responsibility, the Association shall pay the deductible. If, however, for reasons not contemplated in Section 20 or 32 above, the Association's insurance is obligated to cover a loss which was attributable to the negligence or fault of an Owner, its tenants, guests, invitees or agents, then the "at fault" Owner shall pay the deductible. Failure to pay the deductible within 30 days shall entitle the Association to collect said unpaid deductible in the same manner as an unpaid assessment.

IN WITNESS WHEREOF, EDGEWOOD CONDOMINIUM HOMES OWNERS ASSOCIATION has executed these Amendments to the Declaration as of this ____ day of _____, 2007, in accordance with Section 27 of the Declaration.

EDGEWOOD CONDOMINIUM HOMES OWNERS ASSOCIATION



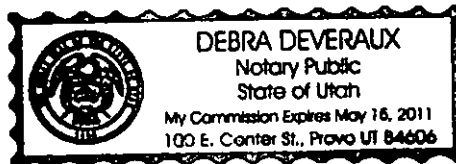
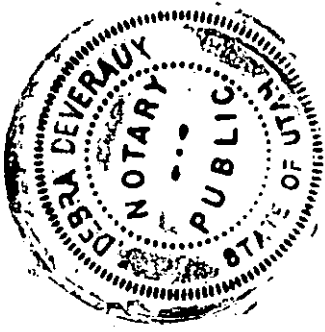
President



Secretary

STATE OF UTAH)
 :SS
County of Utah)

On the 05 day of September 2007, personally appeared Jerry Young and Suzanne Young who, being first duly sworn, did that say that they are the President and Secretary of the Association and that the seal affixed to the foregoing instrument is the seal of said Association and that said instrument was signed and sealed in behalf of said Association by authority of its Management Committee; and each of them acknowledged said instrument to be their voluntary act and deed.



Matter 1236-001

Debra Deveraux
Notary Public for Utah

