

AMENDMENT 5

FOR SECTIONS 1 AND 2

IT IS HEREBY PROPOSED THAT A PART OF ARTICLE V, SECTION 2 OF THE BY-LAWS BE AMENDED:

Section 2. Insurance.

“The board of directors shall be required to obtain and maintain, to the extent obtainable, the following insurance: (1) fire insurance with extended coverage, vandalism and malicious mischief endorsements, insuring the entire buildings (including all of the apartment units and bathroom and kitchen fixtures and air conditioning **equivalent to builder’s grade or quality**, but not including any wall, ceiling, or floor decoration or coverings or other furniture or furnishings, fixtures or equipment installed by unit owners) together with all service machinery contained therein and covering the interest of the condominium, the board of directors and all unit owners and their mortgagees, as interest may appear, in an amount equal to the full replacement value of the buildings, without deduction for depreciation; ...”

RATIONALE: The language in the by-laws was written when the Sponsor or Developer was still in possession of some or all of the units. Accordingly, the use of the words “initially installed therein by the Sponsor” is subject to conflicting interpretations. This is borne out by the most recent bids by the Insurance Agencies for Fire and Extended Coverage. This proposed amendment will clarify the provision and reduce the risk of varied interpretations by insurance companies. (Please note that the only change to this section is indicated in **bold** print above. The balance of Section 2 after “without deduction for depreciation” remains the same without change.)