FAIRFIELD PLACE ASSOCIATION, LTD.

AMENDMENTS TO

CONDOMINIUM DOCUMENTS

BYLAW AMENDMENT

Pursuant to Article X, Section 10.1 of the Bylaws of Fairfield Place Association, Ltd. The following amendment is hereby approved as of September 22, 1999:

Resolved: (1.) SECTION 11.2 of the Declaration of condominium of Fairfield Place Association, Ltd. is amended to read that notwithstanding any other language in this Declaration each individual unit owner shall be fully responsible for the repair and maintenance of any plumbing which is contained within an interior or exterior wall and which serves solely that individual unit owner.

(2.) SECTION 14 of the Declaration of Condominium of Fairfield Place Association, Ltd. is amended to remove any obligation on the part of the Association or its insurance company to be responsible for the repair or maintenance of the interior plumbing referenced in paragraph one (1) above.

Proposed Bylaw Change:
The attorney for the Association has recommended an ammendment to the bylaws which reads:

Pursuant to Article X, Section 10.1 of the Bylaws of Fairfield Place Association, Ltd. The following amendment is hereby approved as of 9-21-99:

Resolved: (1.) SECTION 11.2 of the Declaration of condominium of Fairfield Place Association, Ltd. is amended to read that notwithstnading any other language in this Declaration each individual unit owner shall be fully responsible for the repair and maintenance of any plumbing which is contained within an interior or exterior wall and which serves solely that individual unit owner.

(2.) SECTION 14 of the Declaration of Condominium of Fairfield Place Association, Ltd. is amended to remove any obligation on the part of the Association or its insurance company to be responsible for the repair or maintenance of the interior plumbing referenced in paragraph one (1) above.

The change is necessary because the current bylaws state the Association is responsible for any pipes encased within the wall. It doesn't become the responsibility of the owner to maintain until the plumbing comes out of the interior wall. This bylaw is relieving the Association of the coverage liability and shifting it to the unit owner when the pipe services solely that unit. The pipe coming into the building would still be covered by the Association policy until it splits to carry water to an individual unit. This is necessitated by previous claims and our current $5,000 deductible for any water related damage. Homeowners should contact their own insurance policy to ensure that they have adequate coverage for this change.

A question was raised about what owners need to show their insurance company related to this change. If it is changed a unit owner should take a copy of the amendment to their insurance carrier to ensure that they have adequate coverage. The entire Association will need to vote on this bylaw change.

A resident asked for clarification on where exactly the ownership responsibility of the pipes lies. If a pipe serves a single unit, then from the point that the pipe serves a single unit, through to the fixtures within that unit, the pipe would be the responsibility of the unit owner.

Simply put, anything from where the pipe splits off to a unit is the responsibility of the unit owner serviced by that pipe. The owners insurance is responsible for any damage whether that pipe is in the outside wall, inside wall, ceiling, floor, or in another unit. The only pipes that the Association coverage would apply to are the outside water spigots, and the main water pipe coming into the manifold before it splits it to the individual units.

The reason we're doing this, if we have 3 pipes burst again this coming winter, and we're on a $5,000 deductible - that's $15,000 that the Association is going to have to pay causing a special assessment to all owners. This would cost each owner more than any increase in an individual homeowner's insurance premium. In theory, this bylaw change is creating a responsibility on the part of the unit owner for any pipe leak or burst, even if it is in an interior wall, as long as that pipe solely served that owner's unit.

A question was raised about who covers the damage when a pipe breaks in an upper unit that causes damage in a lower unit. The response was that the upper unit owners insurance would have to cover the damage as the pipe was solely servicing the upper unit.