

Crystal,

Thank you very much for your follow-up email. I must commend the board member who discerned the most significant problem I saw in the insurance provisions between the Covenants and the Bylaws.

I noticed that problem myself but attempted to thread the needle in the variation of treatment of the insurance deductible between the Covenants and Bylaws by reading the Covenants to apply only to the deductible applicable to the insurance policy's coverage of damage to Common Area in the Covenants versus the permission in the Bylaws to require the Unit Owner to pay the deductible for insurance coverage for damages to the Unit Owner's Unit. I mentioned this issue in Paragraph 3 of my email of March 17. This would avoid the concept of a conflict between the documents. However, at that time, I was not aware that the Association attempted to amend the Bylaws and Covenants to pass along consistent treatment of the deductible amount in both documents. I did not realize that this resulted in an amendment in the Bylaws but not to the Covenants, which could be found by a Court to create a conflict between Covenants and Bylaws on the issue. As such, according to language in the Covenants and in the statutes, the provision in the Covenants takes priority over any conflicting provision in the Bylaws. Thus, the provision in the Declaration requiring the Association to absorb the cost of the deductible amount would control.

Thank you for this opportunity to clarify my comments in my March 17 email. Please contact me again if I can provide any further assistance.

Henry W. Jones, Jr.

