

HIGHLANDER Group Inc.

AMENDMENTS TO THE CONDOMINIUM DOCUMENTS ASSOCIATION RESPONSIBILITY FOR THE COST TO MAINTAIN, REPAIR AND REPLACE ORIGINAL AC CONDENSERS

December 12, 2023

Hello Co-owners,

This communication relates to the Units in 200 River Place Lofts that still have original air conditioning condensers (the "Original AC Conditioners") located on the roof of the building that are connected to the heating, ventilation, and air conditioning system (the "HVAC System") contained within their Units, that were installed when the Condominium was built.

Enclosed is a Resolution from the Board of Directors regarding those Original AC Condensers which is intended to clarify the Association's responsibilities to maintain, repair, and replace those Original AC Conditioners, even after the proposed Amendments to the Governing Documents are approved and recorded in the register of deeds.

For clarification, at a Community Meeting on July 23, 2022, the Association made the following commitment to Co-owners: "*The Association will continue to replace original condensers installed 20 years ago, but Co-owners will be responsible for repairs and replacements thereafter.*" The proposed Amendments to the Master Deed do not have a specific provision that addresses this commitment to Co-owners, but the Association remains committed to this responsibility, and will reimburse individual Co-owners for the cost of maintenance, repairs, and replacement of the Original AC Condensers when such costs are incurred.

To confirm this commitment, the Association adopted the enclosed Resolution, which is signed by the Board of Directors and includes a list of the affected Units, to ensure that the current Board and future Boards fulfill this commitment.

If you have any questions or concerns, please contact Angela Williams at The Highlander Group, or send an email to the Board at: **board@200riverplace.org**

Best Regards,

Angela Williams

On Behalf of 200 River Place Lofts Association

Angela M. Williams CMCA, AMS Certified Manager of Community Associations Association Management Specialist

The Highlander Group Inc.

3080 Orchard Lake Rd, Suite J. Keego Harbor, Michigan 48320 248-681-7883 Main 248 724-2207 Direct Dial for Angela Williams Fax: 248-682-2161 Emergency After Hours: 248-225-7191 awilliams@highlandergroup.net

cc: Governing Documents Committee Board of Directors

200 RIVER PLACE LOFTS ASSOCIATION

Resolution re: ORIGINAL AC CONDENSERS

Effective as of: DECEMBER 12, 2023

The Board of Directors of 200 River Place Lofts Association (the "Association") adopts the following Resolution pursuant to Article IV, Section 4.01(o), Air Conditioning System, and Article IV, Section 4.03(a), General Common Elements, of 200 River Place Lofts Master Deed recorded November 22, 2000 (the "*Original Master Deed*").

WHEREAS rules and regulations provide the framework for community association living and are designed to protect all Condominium Co-owners and occupants; and

WHEREAS, the Board of Directors has approved a proposed Amended and Restated Master Deed, including proposed amended Article IV, Section 2.A.(1)(b), *HVAC Equipment*, Article IV, Section 1.A.(15), Air Conditioning System, and Article IV, Section 2.B.(2), General Common Elements, (the "Amended and Restated Master Deed") on November 16, 2023, and sent the proposed Amended and Restated Master Deed to Co-owners along with a Notice of Special Meeting to vote on the proposed Amendments at an Association meeting to be held on December 14, 2023; and

WHEREAS, this **Resolution re: ORIGINAL AC CONDENSERS** is being adopted to address proposed Amendments in the *Amended and Restated Master Deed* related to the responsibility for and costs of the maintenance, repair, and replacement of the Air Conditioning System located on the roof of the building that service the General Common Elements, and the *HVAC Equipment* located on the roof of the building and contained within the Units in 200 River Place Lofts Condomium; and

WHEREAS the Air Conditioning System is a General Common Element in accordance with the *Original Master Deed*, including the air conditioning condensers located on the roof of the building, and all duct work, fans and appurtenances of the air conditioning system, in which the responsibility for and costs of maintenance, decoration, repair, and replacement of all General Common Elements shall be borne by the Association and shall be an expense of administration of the Condominium Project; and

WHEREAS the Air Condition System is a General Common Element in accordance with the *Amended and Restated Master Deed*, including the air conditioning condensers located on the roof of the building, and all duct work, fans, and appurtenances of the air conditioning system <u>that service the General Common Elements</u>, in which the costs of maintenance, decoration, repair and replacement of all General Common Elements (except those assigned to the Co-owners under the various subsections of Article IV, Section 2.A. of the *Amended and Restated Master Deed*) are the Association's responsibility; and the *HVAC Equipment* that service individual Units, are the responsibility of the Co-owner(s) of each Unit, including all heating, ventilation, and air conditioning equipment which service a Unit, including furnace, cooling coil, filter, condenser (located on the roof), humidifier (if any), and related ductwork, copper plumbing lines, thermostat, and electrical lines (even if located outside of the boundaries of the Unit); and

WHEREAS, the Board of Directors desires to adopt this Resolution to harmonize the treatment of maintenance responsibility for air conditioning condensers (the "AC Condensors") under the *Original Master Deed* and the *Amended and Restated Master Deed* upon the approval of the *Amended and Restated Master Deed* by Co-owners and Mortagees, and the subsequent recording of the approved *Amended and Restated Master Deed* in the Wayne County Register of Deeds;

NOW, THEREFORE, be it RESOLVED, that:

- 1. As of the date of the adoption of this Resolution, the Board of Directors recognizes the Association's responsibility for the AC Condensors originally installed that have not yet been replaced and reaffirms that the Association will continue to be responsible for the costs of maintenance, repair, and replacement of the original AC Condensers that were installed on the roof of the building when the Condominium was built (the "Original AC Condensers"), that service Units 5, 6, 10, 21, 22, 26, and 38 (the "Affected Units"), and will reimburse the Co-owner(s) of each Affected Unit for the maintenance and repairs of the Original AC Condenser until such time that this original equipment should fail and cannot be repaired at a reasonable cost (not to exceed \$500.00 for each repair), or until such time that the original *HVAC equipment* contained within the Affected Unit shall fail and must be replaced, and the Original AC Condenser must also be replaced to be compatible, all as determined by the Board of Directors in its sole discretion.
- 2. At such time when an Original AC Condenser must be replaced, as determined by the Board of Directors in its sole discretion, the Association will reimburse the Co-owner(s) of the Affected Unit for replacement of the Original AC Condenser an amount to be reasonably determined by the Board of Directors. Thereafter, the Co-owner(s) of the Affected Unit shall be responsible for the costs of maintenance, repairs, and replacement of the new AC Condenser, in accordance with the approved Amended and Restated Master Deed.
- 3. The Association's responsibility for the costs of maintenance, repair, and replacement of the Original AC Condensers shall be limited to the original equipment located on the roof of the building, and the related coolant lines and electrical lines outside the boundaries of the Affected Units. The costs to maintain, repair, and replace the *HVAC equipment* and related coolant lines and electrical lines contained within the boundaries of the Affected Units shall remain the responsibility of the Co-owners.
- 4. The Association's responsibility to replace an Original AC Condenser with a new AC Condenser, and reimburse the Co-owner(s) of the Affected Unit, shall be limited to the actual cost to purchase a new AC Condenser that is equivalent in cooling capacity and features to the Original AC Condenser, including lifting the new AC Condenser to the roof, cleaning of the coolant lines that extend from the AC Condenser on the roof to the AC cooling coil and related *HVAC equipment* contained within the Affected Unit (or for the replacement of the coolant lines if they are found to be defective and cannot be repaired), and installation and testing of the new AC Condenser. If the Co-owner(s) of the Affected Unit want to increase the cooling capacity or upgrade features of the new AC Condenser, the incremental cost for such upgrades shall be the responsibility of the Co-owner(s), and the Association shall have no obligation to reimburse the Co-owner(s) for such upgrades.

In light of the above, the Board of Directors adopts this Resolution re: ORIGINAL AC CONDENSERS in order to clarify the Association's responsibilities regarding Original AC Condensors of the Affected Units. The actual cost to replace the Original AC Condensers and the reimbursement to the Co-owner(s) of the Affected Units will depend on the size of the Affected Units and the related capacity of the Original AC Condensers, and shall be based on quotes from qualified HVAC contractors at the time when it becomes necessary to replace them.

This Resolution re: ORIGINAL AC CONDENSERS has been adopted by the Board of Directors of 200 River Place Lofts Association at a meeting conducted on December 12, 2023, and will be effective when the approved Amended and Restated Master Deed is recorded in the Wayne County Register of Deeds.

