

ARTICLE XI.

COVENANTS OF OWNER TO KEEP UNITS INSURED AGAINST
LOSS, TO REBUILD AND TO KEEP IN GOOD REPAIR

The Declarant covenants with the Association, on behalf of itself and on behalf of each subsequent owner of a lot within the properties, and each owner of any lot within the properties, by acceptance of a deed therefor, whether or not it shall be so expressed in said deed, or by exercise of any act of ownership, is deemed to covenant:

- (1) To keep each dwelling unit upon a lot subject to assessment insured against loss by fire with what is commonly called extended coverage in an amount equal to at least one hundred percent (100%) of the replacement value of such dwelling unit;
- (2) To name the Association as an insured "as its interest may appear" so that the Association shall be entitled to receive notice of cancellation of such insurance policies (subject to the provisions and covenants contained in any mortgage or mortgages creating a lien against any lot) which shall be issued by companies acceptable to the Association;
- (3) To apply the full amount of any insurance proceeds to the rebuilding or repair of any dwelling unit (subject to the provisions and covenants contained in any mortgage or mortgages creating a lien against any lot, provided the dwelling is insured under a group or hazard insurance policy which contains a replacement cost endorsement providing for replacement of a dwelling from insurance proceeds);
- (4) To rebuild or restore the dwelling unit in the event of damage thereto; and provided the dwelling is insured under a group or hazard insurance policy which contains a replacement cost endorsement providing for replacement of a dwelling from insurance proceeds, and
- (5) To keep the dwelling unit in good repair as provided by the By-Laws of the Association.

In the event of non-payment of any premium for insurance required under this Article XI, the Association is authorized to pay such premium and sums so paid shall become a lien upon the insured lot which shall be enforceable in the same manner and to the same extent as provided for enforcement of liens for assessments hereunder.

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