

or damage shall be applied to the repair, replacement or reconstruction of such loss or damage. If the insurance proceeds are in excess of the cost of the repair, replacement or reconstruction of such common elements, then such excess insurance proceeds shall be paid by the Insurance Trustee to the owners of all of the dwellings and their respective mortgagees, the distribution to be separately made to the owner of each dwelling and his respective mortgagee or mortgagees, as their interests may appear, in such proportion that the share of such excess insurance proceeds paid to the owner of each dwelling and his said mortgagee or mortgagees, if any, shall bear the same ratio to the total excess insurance proceeds as does the undivided interest in common elements appurtenant to each dwelling bear to the total undivided interests in common elements appurtenant to all dwellings. If it appears that the insurance proceeds covering the casualty loss or damage payable to the Insurance Trustee are not sufficient to pay for the repair, replacement or reconstruction of the loss or damage, or that the insurance proceeds when collected will not be so sufficient, then Association shall deposit with the Insurance Trustee a sum which, together with the insurance proceeds received or to be received, will enable said Insurance Trustee to completely pay for the repair, replacement or reconstruction of any loss or damage, as the case may be. The monies to be deposited by Association with the Insurance Trustee, in said latter event, may be paid by Association out of its Reserve for Replacements Fund, and if the amount in such Reserve for Replacements Fund is not sufficient, then Association shall levy and collect an assessment against the owners of all dwellings and said dwellings in an amount which shall provide the funds required to pay for said repair, replacement or reconstruction.

In the event of the loss of or damage to common elements and any dwelling or dwellings which loss or damage is covered by the casualty insurance, the proceeds paid to the Insurance Trustee to cover such loss or damage shall be first applied to the repair, replacement or reconstruction, as the case may be, of common elements, real or personal, and then any remaining insurance proceeds shall be applied to the repair, replacement or reconstruction of any dwelling or dwellings which may have sustained any loss or damage so covered. If the insurance proceeds are in excess of the cost of the repair, replacement or reconstruction of the common elements, and the insurance proceeds shall be paid and distributed by the Insurance Trustee to the owners of all dwellings, and to their mortgagee or mortgagees, as their respective interests may appear, such distribution to be made in the manner and in the proportions as are provided hereinbefore. If it appears that the insurance proceeds covering the casualty loss or damage payable to the Insurance Trustee are not sufficient to pay for the repair, replacement or reconstruction of the loss or damage, or that the insurance proceeds when collected will not be so sufficient, then the Board of Directors of Association shall, based upon reliable and detailed estimates obtained by it from competent and qualified parties, determine and allocate the cost of repair, replacement or reconstruction between the common elements and the dwelling or dwellings, sustaining any loss or damage. If the proceeds of said casualty insurance are sufficient to pay for the repair, replacement or reconstruction of any loss of or damage to common elements, but should the same not be

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