

iv) It shall be presumed that the first monies disbursed in payment of such costs of reconstruction and repair shall be from insurance proceeds; and if there is a balance in a construction fund after payment of all costs of the reconstruction and repair for which the fund is established, such balance shall be distributed to the Association.

22.8.4 Each Unit owner shall be deemed to have delegated to the Board of Directors of the Association his right to adjust with insurance companies all losses under policies purchased by the Association subject to the rights of mortgagees of such Unit owners.

22.8.5 In the event a mortgagee endorsement has been issued as to a Unit, the share of the Unit owner shall be held in trust for the mortgagee and the Unit owner as their interests may appear; however, that no mortgagee shall have any right to determine or participate in the determination as to whether or not any damaged property shall be reconstructed or repaired, and no mortgagee shall have any right to apply or have applied to the reduction of a mortgage debt any insurance proceeds except distribution of such proceeds made to the Unit owner and mortgagee pursuant to the provisions of this Declaration.

22.8.6 Escrow Account for Insurance and certain Taxes: There shall be established and maintained in a Local, National or State Bank, or a Federal or State Savings and Loan Association, two (2) interest bearing Savings Deposit Accounts, in order to accumulate sufficient monies for the following purposes:

22.8.6.1 To pay all Insurance Premiums for the Insurance on the property obtained and purchased by the Association, pursuant to this Master Deed; and

22.8.6.2 To pay all Real or Personal Property Taxes assessed by the taxing authorities aforescribed against the property.

On or before the 30th day of each month, the Treasurer of this Association shall cause two checks to be issued and drawn on the Association's Bank Account each check being equal respectively to one-twelfth (1/12th) of the estimated yearly amounts as to Items 1 and 2 above; and said checks shall be immediately deposited into the appropriate Savings Deposit Account.

These Accounts shall be maintained in the State or National Bank or State or Federal Savings and Loan Association owning and holding the first recorded mortgage encumbering a Unit, and upon the aforesaid mortgagee's no longer owning and holding a mortgage on a Unit, then these accounts shall be maintained in the Bank or Savings and Loan Association having the highest dollar amount of indebtedness of institutional first mortgages owing against the condominium Units. Where said institutional first mortgagee is not a State or National Bank or State or Federal Savings and Loan Association, said account shall be maintained in one of the foregoing as selected by said institutional first mortgagee.

These accounts shall have the right of withdrawal restricted to a joint request by the Board of Directors of this Association and the institution holding the first recorded mortgages encumbering a Unit and, thereafter, the institution having the highest dollar amount of indebtedness on Units.

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