

(b) If the damage is confined to the General and Limited Common Elements, such insurance proceeds shall be used by the Association to defray the cost of such repairs. If the cost of such repairs is less than the amount of such insurance proceeds, the excess shall be retained by the Association or its duly authorized agent and placed in the reserve maintenance fund or such other fund as may be established for the purpose of providing for the maintenance, repair and replacement of the General and Limited Common Elements. If the cost of such repairs exceeds the amount of such insurance proceeds, such excess may be provided either by means of a Special Assessment levied by the Board of Directors without a vote of the members, against all Owners in proportion to each Owner's share in the General and Limited Common Elements or by means of an appropriation from the reserve maintenance fund or such other fund as may be established for the purpose of providing for the maintenance, repair and replacement of the General or Limited Common Elements as the Board of Directors in the exercise of its sole discretion may determine.

(c) If the damage is confined to a single Unit, such insurance proceeds shall be used by the Association to defray the cost of such repairs. If the cost of such repairs is less than the amount of such insurance proceeds, the excess shall be paid jointly to the Owner and his mortgagee, if any, who may use such proceeds as they alone may determine. If the cost of such repairs exceeds the amount of such insurance proceeds, such excess shall be provided by means of a Special Assessment levied by the Board of Directors without a vote of the members, against the Owner of the damaged Unit. Payments for repairs, provided for in this subparagraph (c) shall be made only after all such repairs have been completed and approved by the Association, the Owner and his mortgagee, if any, which approval shall not be unreasonably withheld.

Section 7. Special Exceptions for Zoning Restrictions. In the event applicable zoning laws and regulations in effect at the time of the destruction of or damage to any Units shall have the effect of preventing the reconstruction or repair of such Units in the same location or in the same dimensions or design as existed prior to such

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