

ments, if any, received by the Board, when the damage or destruction is to be repaired or reconstructed, shall be disbursed as provided for in Section 3 of this Section XIII.

Section 6. Minor Repairs.

(a) Notwithstanding the foregoing provisions of this Section XIII, in the event of damage by fire or other casualty to either the General and Limited Common Elements covered by insurance written in the name of the Association and if the insurance proceeds initially offered or paid therefor are less than One Thousand Dollars (\$1,000.00) and the estimated cost of repairing such damage is less than twice the amount of such proceeds then the instrument by means of which such proceeds are paid shall be made out to the Association and delivered to the Board, and the damage shall be repaired in accordance with the following provisions.

(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 Townhome, 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

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