

shall assess the owner or owners, as the case may be, of the particular property to cover such excess of costs, which assessment shall be collected and enforced in the manner provided for other assessments. If at any time during repair, reconstruction or rebuilding, or upon completion thereof, the funds for payment of the costs thereof are insufficient, assessment shall be made, as other assessments are authorized to be made, in sufficient amounts to provide funds to cover such excess of costs. Such assessments shall be made as follows:

1. Common areas, limited common areas and facilities. The Manager shall assess such excess of costs applicable to common areas, limited common areas and facilities against the residence owners in percentages equal to their respective percentages of ownership in the common areas, limited common areas and facilities.

2. Residences. The Manager shall assess such excess of costs applicable to any residence against the owners thereof.

D. Construction funds. The proceeds of insurance held by the Insurance Trustee and funds collected by the Manager from assessments against residence owners shall constitute a construction fund for payment of costs of repair, reconstruction and rebuilding after a casualty.

1. The sums paid upon assessments to defray estimated costs of repair, reconstruction and rebuilding shall be deposited by the Manager with the Insurance Trustee.

2. The proceeds of Insurance collected on account of a casualty and the sums deposited with the Insurance Trustee by the Manager from collections of assessments against residence owners on account of such casualty, shall constitute a construction fund which shall be held by the Insurance Trustee in separate accounts for repair, reconstruction and rebuilding of the damaged property, one such account for each damaged residence and one for any common areas, limited common areas and facilities sustaining damage.

(a) Disbursement. The construction fund shall be disbursed in payment of costs of repair, reconstruction and rebuilding upon the order of the Manager; provided, however, that upon request to the Insurance Trustee by a mortgagee which is a beneficiary of an insurance policy the proceeds of which are included in any component account of the construction fund, disbursements from such account shall be made upon order of the Manager and upon approval of an architect qualified to practice in South Carolina and employed by the Manager to supervise the work.

(b) Surplus. It shall be presumed that the first monies disbursed from the construction fund in payment of costs of repair, reconstruction and rebuilding shall be from insurance funds; and if there is a balance in the construction fund after payment of all costs for which the fund is established, such balance shall be repaid to the

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