

XV. REPAIR, RECONSTRUCTION AND REBUILDING

Repair, reconstruction or rebuilding of all or a portion of the property in the condominium following damage or destruction thereof by casualty, shall be governed by the following provisions:

A. Determination by Association. If all or part of the property in the condominium is damaged or destroyed by casualty, the Association shall determine whether or not to repair, reconstruct or rebuild. Such determination shall be made as follows:

1. Common areas, limited common areas and facilities. If the damage is confined to the common areas, limited common areas and facilities, the damaged areas shall be repaired, reconstructed or rebuilt unless otherwise unanimously agreed upon by the co-owners.

2. Units.

a. Lesser damage.

If any unit is damaged but no unit rendered untenable, the property damaged (including units, common areas, limited common areas and facilities) shall be repaired, reconstructed or rebuilt upon the written application of any unit owner.

b. Major damage.

Damage which renders more than two-thirds of the property untenable shall not be repaired, reconstructed or rebuilt unless otherwise unanimously agreed by the co-owners, in which case the provisions of the act shall control.

c. Plans and specifications.

Subject always to the requirement that applicable building requirements must be met, any such repair, reconstruction or rebuilding must be substantially in accordance with the plans and specifications for each original building, or as such building was last constructed.

3. Certificate. The Insurance Trustee may rely upon a certificate of the Manager to determine whether or not the property damaged or destroyed is to be repaired, reconstructed or rebuilt.

B. Estimates of Costs. As soon as practicable following damage to or destruction of any of the property in the condominium, the Manager shall obtain reliable and detailed estimates of the cost to place the damaged property in condition as good as that before the casualty.

C. Assessments. If the proceeds of insurance covering the common areas, limited common areas and facilities or any unit are not sufficient to defray estimated costs of repair, reconstruction or rebuilding of the particular property insured, the Manager 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, assessments 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 unit owners in percentages equal to their respective percentages of ownership in the common areas, limited common areas and facilities.

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

D. Construction funds. The proceeds of insurance held by the Insurance Trustee and funds collected by the Manager from assessments against unit 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.

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