

381.890 Destruction -- Reconstruction.

- (1) In case of fire or other destruction or damage the regime's insurance indemnity, except as provided in subsection (3) of this section, shall be applied to reconstruct and repair the common elements affected.
- (2) Where the destruction and damage is not insured or where the insurance indemnity is not sufficient to cover the cost of reconstruction or repair, the cost (or added cost) shall be paid by the co-owners as a common expense, the council by a majority vote being authorized to borrow funds therefor and to amortize the repayment of same over a period of time, not exceeding the reasonable life of the reconstruction or repairs.
- (3) Reconstruction shall not be compulsory where two-thirds (2/3) or more of a building is destroyed provided there are provisions in the master deed or bylaws of the regime making adequate provision for reasonable compensation to those co-owners who are deprived of their interest as the result of the failure to reconstruct and further providing for the recalculation and redistribution of the percentage of common interest.

History: Amended 1974 Ky. Acts ch. 381, sec. 14. -- Created 1962 Ky. Acts ch. 205, sec. 18.