

BY-LAWS OF
SWANSON TOWERS CONDOMINIUM
PROPERTY REGIME
AND
SWANSON TOWERS ASSOCIATION, INC.

ARTICLE I. BY-LAWS

Section 1. Description

These are the By-Laws of the Swanson Towers Association, Inc., a Nebraska non-profit corporation with its registered offices at Omaha, Nebraska. These are also the By-Laws of Swanson Towers Condominium Property Regime, a Nebraska condominium property regime.

Section 2. Seal

The corporate seal shall bear the name of the corporation and the words Omaha, Nebraska, Corporate Seal.

Section 3. Membership

The corporation has been organized to provide a means of management for Swanson Towers Condominium Property Regime, a Nebraska condominium regime in Omaha, Nebraska, sometimes hereinafter referred to as the "Condominium Regime". Membership in the Association is automatically granted and restricted to record owners of apartment units (herein sometimes referred to as "units") in said Condominium Regime. The votes on behalf of a unit shall be in person by the record owner thereof, or by proxy, but if a unit is owned by more than one person or by a corporation or other entity, such vote shall be cast, or proxy executed, by the person named in a certificate signed by all of the owners of the unit and filed with the Secretary of the Association. Each unit shall be entitled to the number of votes assigned to such unit in Paragraph IX of the Master Deed creating the Condominium Regime.

Section 4. Property Submitted

The property described in Paragraph II of the Master Deed as located in Douglas County, Nebraska, has been submitted to the provisions of Sections 76-801 through 76-824, Reissue, Revised Statutes of Nebraska, known as the "Condominium Property Act" by the Master Deed recorded simultaneously herewith in the office of the Register of Deeds of Douglas County, Nebraska.

Section 5. Application

All present and future owners, mortgagees, lessees and occupants of condominium units and their employees, and any other persons who may use the facilities of the Condominium Regime in any manner are subject to these By-Laws, the Master Deed and the Rules and Regulations.

The acceptance of a deed or conveyance or the entering into of a lease or the act of occupancy of a condominium unit shall constitute an agreement that these By-Laws, the Rules and Regulations, and the provisions of the Master Deed, as they may be amended from time to time, are accepted, ratified, and will be complied with.

ARTICLE II. UNIT OWNERS

Section 1. Annual Members' Meetings

Upon December 31, 1981 or upon the closing of the sale of the 50th unit by Creative Land Investments, Inc., a Nebraska corporation (herein referred to as "Developer"), or as soon as the Developer shall relinquish control of the Board of Administrators, whichever shall first occur, the Developer shall notify all unit owners thereof and the first annual meeting of the unit owners shall be held within 30 days thereafter.

At such meeting, the original Board of Administrators shall resign as members of the Board of Administrators and as officers, and all the unit owners, including the Developer shall elect a new Board of Administrators. Thereafter, the annual meetings of the unit owners shall be held on the 15th day of January of each year, unless such date shall occur on a Saturday, Sunday or legal holiday, in which event the meeting shall be held on the following business day. At such meetings the Board of Administrators shall be elected by ballot of the unit owners in accordance with the requirements of Section 4 of Article III of these By-Laws. So long as the Developer shall own two or more of the units, the Developer shall be entitled to elect at least one member of the Board of Administrators who shall serve for a term of one year. The unit owners may transact such other business at such meetings as may properly come before them.

Section 2. Special Members' Meetings

Special meetings of the Association unit owners may be called by the President or Vice President or by a majority of the Board of Administrators and must be called upon receipt of written request from members holding a majority of the total basic value of the Condominium Regime, using the percentages set forth in Paragraph IX of the Master Deed. Notice of a special meeting shall state the time and place of such meeting and the purpose thereof. No business, except that stated in the notice shall be transacted at the special meeting.

Section 3. Place of Meetings

Meetings of the Association unit owners shall be held at the registered office of the Developer or at such other suitable place convenient to the unit owners as may be designated by the Board of Administrators.

Section 4. Notice of Meetings

It shall be the duty of the Secretary to mail a written notice of each annual or special meeting of the Association unit owners at least ten (10) but not more than twenty (20) days prior to such meeting, stating the purpose thereof as well as the time and place where it is to be held, to each unit owner of record, at their unit address or at such other address as such unit owner shall have designated by notice in writing to the Secretary. The mailing of a notice of meeting in the manner provided by this Section shall be considered service of notice.

Section 5. Order of Business

The order of business at all meetings of the Association unit owners shall be as follows:

- (a) Roll Call.
- (b) Proof of notice of meeting.
- (c) Reading of minutes of preceding meeting.
- (d) Reports of officers.
- (e) Reports of Board of Administrators.
- (f) Reports of committees.
- (g) Election of inspectors of election (when so required).
- (h) Election of members of the Board of Administrators (when so required).
- (i) Unfinished business.
- (j) New business.

Section 6. Quorum

A quorum for Association unit owners' meetings shall consist of the presence, in person or by proxy, of unit owners holding a majority of the total basic value of the Condominium Regime, using the percentages set forth in Paragraph IX of the Master Deed, unless otherwise provided in these By-Laws or the Master Deed.

Section 7. Voting

The owner or owners of each unit, or some person designated by such owner or owners to act as proxy on his or their behalf and who need not be an owner, shall be entitled to cast the votes for such unit at all meetings of unit owners. The designation of any such proxy shall be made in writing to the Secretary, and shall be revocable at any time by written notice to the Secretary, by the owner or owners so designating. In instances of other than individual ownership, any or all of such owners may be present at any meeting of the unit owners and (those constituting a group acting unanimously), may vote or take any other action as an individual unit owner either in person or by proxy. However, no proxy may cast a vote for more than one unit owner. A fiduciary shall be the voting member with respect to any unit owned in a fiduciary capacity. Each unit shall have the number of votes assigned to such unit in Paragraph IX of the Master Deed.

Section 8. Majority Vote

The vote of a majority of unit owners at a meeting at which a quorum shall be present shall be binding upon all unit owners for all purposes except where in the Master Deed or these By-Laws, a higher percentage vote is required.

Section 9. Procedure

The President shall preside over members' meetings and the Secretary shall keep the minute book wherein the resolutions shall be recorded.

Section 10. Adjournment

If any meeting of the unit owners cannot be held because a quorum has not attended, a majority of the unit owners who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called.

ARTICLE III. BOARD OF ADMINISTRATORSSection 1. Number and Qualification

The affairs of the Association and the Condominium Regime shall be governed by a Board of Administrators (also called "Directors"). Until December 31, 1981, or, until the closing of the sale of the 50th unit by Developer, or until the Developer shall relinquish its control of the Board of Administrators, by written notice to all owners of units, whichever shall first occur, the Developer shall designate all members of the Board of Administrators, officers and employees of the Association. Thereafter, the Board of Administrators shall be composed of not less than three (3) nor more than five (5) persons, all of whom shall be unit owners.

Section 2. Powers and Duties

The Board of Administrators shall have the powers and duties necessary for the administration of the affairs of the Association and the Condominium Regime, and may do all such acts and things except as by law or by the Master Deed or by these By-Laws may not be delegated to the Board of Administrators by the unit owners. Such powers and duties of the Board of Administrators shall include, but shall not be limited to, the following:

- (a) Operation, care, upkeep and maintenance of the common areas and facilities.
- (b) Determination of the common expenses required for the affairs of the Condominium Regime, including, without limitation, the operation and maintenance of the Condominium Regime.

- (c) Collection of the assessments (which for the purpose of these By-Laws shall mean such portion of the common expenses as are payable by the respective unit owners) from unit owners.
- (d) Employment and dismissal of the personnel necessary for the maintenance and operation of the general common areas and facilities.
- (e) Adoption and amendment of rules and regulations covering the details of the operation and use of the Condominium Regime.
- (f) Opening of bank accounts on behalf of the Association and designating the signatories required therefor.
- (g) Obtaining of insurance for the Condominium Regime, including the units pursuant to the provisions of Article VI hereof.
- (h) Making of repairs, additions and improvements to or alterations of the Condominium Regime and repairs to and restoration of the Condominium Regime in accordance with the other provisions of these By-Laws, after damage or destruction by fire or other casualty or as a result of condemnation or eminent domain proceedings.

Section 3. Managing Agent and Manager

The Board of Administrators may employ for the Condominium Regime a managing agent and/or a manager at a compensation established by the Board of Administrators, to perform such duties and services as the Board of Administrators shall authorize, including but not limited to the duties listed in subdivisions (a), (c), (d), (g) and (h) of Section 2 of this Article III. The Board of Administrators may delegate to the manager or managing agent, all of the powers granted to the Board of Administrators by these By-Laws other than the powers set forth in subdivisions (b), (e), (f), of Section 2 of this Article III.

Section 4. Election and Term

At the first annual meeting of the Association unit owners, the members of the Board of Administrators shall be elected to serve until the next annual meeting of the Association unit owners. Each Administrator shall be elected thereafter to serve a term of one (1) year or until his successor shall have been duly elected by the Association unit owners. Administrators shall be elected by the vote of the owners of a majority of the basic value of the Condominium

Regime, using the percentages set forth in Paragraph IX of the Master Deed. The initial Board of Administrators shall hold office until the first annual meeting of the owners.

Section 5. Removal of Administrators

After the Developer has relinquished control of the Board of Administrators, at any regular or special meeting of Association unit owners, any one or more of the members of the Board of Administrators may be removed with or without cause by a vote of the owners of a majority of the basic value of the Condominium Regime, using the percentages set forth in the Paragraph IX of the Master Deed, and a successor may then and there or thereafter be elected to fill the vacancy thus created. Any members of the Board of Administrators whose removal has been proposed by the Association unit owners shall be given an opportunity to be heard at the meeting.

Section 6. Vacancies

Vacancies in the Board of Administrators caused by any reason other than the removal of a member thereof by a vote of the Association unit owners, shall be filled by vote of a majority of the remaining Administrators at a special meeting of the Board of Administrators held for that purpose promptly after the occurrence of any such vacancy, even though the members present at such meeting may constitute less than a quorum, and each person so elected shall be a member of the Board of Administrators for the remainder of the term of the vacating member and until a successor shall be elected at the next annual meeting of the Association unit owners.

Section 7. Annual Board Meeting

The annual meeting of the members of the Board of Administrators shall be held immediately following the annual meeting of the Association unit owners, at such time and place as shall be fixed by the Association unit owners at the meeting at which such Board of Administrators shall have been elected. No notice shall be necessary to the newly elected members of the Board of Administrators in order legally to constitute such meeting, providing a majority of the whole Board of Administrators shall be present thereat.

Section 8. Regular Meetings

Regular meetings of the Board of Administrators may be held at such time and place as shall be determined from time to time by a majority of the members of the Board of Administrators, but at least two such meetings shall be held during each calendar year, in addition to the annual meeting. Notice of regular meetings of the Board of Administrators shall be given to each member of the Board, by mail, at least three business days prior to the day named for such meeting.

Section 9. Special Board Meetings

Special meetings of the Board of Administrators may be called by the President upon five (5) business days' notice to each member of the Board, given by mail, or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Administrators shall be called by the President or Secretary in like manner and like notice on the written request of at least three (3) members of the Board of Administrators, unless there are less than three (3) members, in which event, upon the written request of the one or two remaining.

Section 10. Waiver of Notice

Any member of the Board of Administrators may, at any time, waive notice of any meeting of the Board of Administrators in writing, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Board of Administrators at any meeting of the Board shall constitute a waiver of notice to him of the time and place thereof. If all the members of the Board of Administrators are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 11. Quorum

At all meetings of the Board of Administrators a majority of the members thereof shall constitute a quorum for the transaction of business, and the votes of a majority of the members of the Board of Administrators present at a meeting at which a quorum is present shall constitute the decision of the Board of Administrators. If at any meeting of the Board of Administrators there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any such adjournment at which a quorum is present, any business which might have been transacted at the meeting originally called, may be transacted without further notice.

Section 12. Fidelity Bonds

The Board of Administrators shall obtain adequate fidelity bonds for all officers, employees, and themselves, if necessary, of the Association handling or responsible for Association funds. The premiums on such bonds shall constitute a common expense.

Section 13. Compensation

No members of the Board of Administrators shall receive any compensation from the Condominium Regime or Association for acting as such; provided, however, members of the Board of Administrators shall receive reimbursement for expenses actually incurred. An Administrator may be an employee of the Association, and a contract for management of the condominium may be entered into with an Administrator.

Section 14. Liability of Administrators

The members of the Board of Administrators shall not be liable to the unit owners for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. The unit owners shall indemnify and hold harmless each member of the Board of Administrators against all contractual liability to others arising out of contracts made by the Board of Administrators on behalf of the Condominium Regime unless any such contract shall have been made in bad faith or contrary to the provisions of the Master Deed or of these By-Laws. It is intended that the members of the Board of Administrators shall have no personal liability with respect to any contract made by them on behalf of the Association. Every agreement made by the Board of Administrators or by the managing agent or by the manager on behalf of the Association shall provide that the members of the Board of Administrators or the managing agent, or the manager, as the case may be, and are acting only as agents for the Association and shall have no personal liability thereunder. The liability of any unit owner arising out of any contract made by the Board of Administrators or out of the indemnity in favor of the members of the Board shall be limited to such proportion of the total liability thereunder as his interest in the common elements.

ARTICLE IV. OFFICERSSection 1. Designation

The officers of the Association shall consist of a President, Vice President, Secretary and Treasurer, all of whom shall be elected by the Board of Administrators, and such additional officers as the Administrators shall from time to time deem necessary. Any person may hold two or more offices, but no one person shall hold the offices of President and Secretary simultaneously. Members of the Board of Administrators may also be officers. The President shall be elected from the members of the Board of Administrators.

Section 2. Election

The officers of the Association shall be elected annually by a majority vote of the Board of Administrators at the annual Board meeting, and shall hold office at the pleasure of the Board.

Section 3. Removal

Upon the affirmative vote of a majority of the Board of Administrators, any officer may be removed, with or without cause, and his successor shall be elected at any regular, annual, or special meeting of the Board called for that purpose.

Section 4. President

The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Association unit owners and of the Board of Administrators. He shall have all of the general powers and duties which are incident to the office of President of a corporation organized under the laws of Nebraska, including but not limited to, the power to appoint committees from among the unit owners from time to time as he may at his discretion decide is appropriate to assist in the conduct of the affairs of the Association.

Section 5. Vice President

The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board of Administrators shall appoint some other member of the Board of Administrators to act in place of the President, on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Administrators or by the President.

Section 6. Secretary

The Secretary shall take the minutes of all meetings of the Association unit owners and of the Board of Administrators, and shall keep same at the principal office of the Association unless otherwise instructed by the Board of Administrators; he shall have charge of such books and papers as the Board of Administrators may direct; and he shall, in general, perform all the duties incident to the office of secretary of a corporation organized under the laws of the State of Nebraska.

Section 7. Treasurer

The Treasurer shall have the responsibility for Association funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements, and for the preparation of all required financial data. He shall be responsible for the depository of all monies and other valuable effects in the name of the Board of Administrators, or the managing agent, in such depositories as may from time to time be designated by the Board of Administrators, and he shall, in general, perform all the duties incident to the office of treasurer of a corporation organized under the laws of the State of Nebraska.

Section 8. Compensation

No officer shall receive any compensation from the condominium or Association for acting as such.

Section 9. Agreements, Contracts, Etc.

All agreements, checks, contracts and other instruments shall be signed by two officers of the Association or by such other person or persons as may be designated by the Board of Administrators.

ARTICLE V. BUDGET AND ASSESSMENTSSection 1. Budget

The Board of Administrators shall adopt a budget for each calendar year, which shall include the estimate of funds required to defray common expenses in the coming calendar year and to provide funds for current expenses, reserves to provide a working fund or to meet anticipated losses, and such sums as needed to make up any deficit in the common expense assessments for prior years. The budget shall be adopted in December of each year in advance of the coming calendar year and copies of the budget and the annual assessments for each unit shall be sent to each unit owner on or before the January 1st beginning of the calendar year for which the budget is made.

Budgets may be amended during a current calendar year where necessary, but copies of the amended budget and proposed increase or decrease in assessments shall be mailed to each unit owner prior to the effective date of such increase or decrease.

Section 2. Annual Assessments

The first annual assessment shall be levied against each unit and the owner thereof on January 1, 1982, or any preceding January 1 if Developer has previously relinquished control of the Association. The annual assessment shall be divided as evenly into twelve (12) monthly payments as possible with the first payment to include the remainder after division. These monthly payments shall become due and payable upon the 1st of January and the 1st of each month thereafter during the calendar year. Annual assessments for each calendar year thereafter shall be levied and shall become due and payable in the same manner. Annual assessments to be levied against each unit and the owner thereof shall be computed according to such units prorata share of the total annual budget for the calendar year based upon the percentage of such unit's basic value as set forth in Paragraph IX of the Master Deed.

Section 3. Interim Assessments

Until January 1, 1982, or until the first levy of annual assessments according to Section 2 of Article V herein, whichever shall first occur, the following interim assessments shall be due and payable on the first day of each calendar month by the respective unit owners:

See Exhibit "1", attached hereto and by this reference made a part hereof.

The purchaser of a condominium unit shall pay to the Association, on the date of closing, the pro-rata amount of the interim assessment due in the month of closing. Thereafter interim assessments shall become due and payable upon the first day of each calendar month.

The provisions set forth in this Section 3 of Article V shall not apply to Developer with respect to units owned by Developer, subject to the following:

- (a) Developer will pay each month the difference between the monthly interim assessments to be paid by unit owners other than Developer and the total operating expenses for said month necessary to operate the Condominium Regime.
- (b) On July 1, 1982, or upon the sale of the 50th unit by Developer, or at such time as Developer releases control of the Association, whichever is the first to occur, Developer shall then be required to pay interim assessments pursuant to Exhibit "1", including any increases thereto, for all units owned by Developer, until the levy of the first annual assessment.
- (c) Any additional funds which are required in excess of the interim assessments to be paid by unit owners other than Developer and interim assessments paid by Developer shall be obtained pursuant to the other provisions of this Article V.

Section 4. Increases in Interim Assessments

Interim assessments in the amounts shown in Section 3 of Article V shall not be increased more than ten percent (10%) above the level of the immediately preceding year. The interim assessment increases provided for herein shall also apply to Developer, where applicable.

Section 5. Special Assessments

Special assessments may be assessed and levied against each unit, in addition to the annual or interim assessments provided for above, during any assessment year for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, improvement, repair or replacement of a capital improvement of the common elements, both general and limited, including fixtures and personal property, subject to the owner approval provisions of the Master Deed and these By-Laws. The phrase "common elements" used

in these By-Laws shall include both general and limited common elements unless otherwise specified. Where no provision is applicable, the discretion of the Board of Administrators shall control.

Special assessments shall be due and payable thirty (30) days after the assessment is levied against the owners of the units and notice thereof has been given, and special assessments not paid within thirty (30) days thereafter shall be treated according to the interest and lien provisions hereafter.

Special assessments to be levied against each unit and the owner thereof shall be computed according to such unit's pro-rata share of the total special assessment based upon the percentage of such unit's basic value as set forth in Paragraph IX of the Master Deed.

Section 6. Escrow of Assessments

The Board of Administrators of the Association may arrange to have all assessments in Section 4 or Section 5 of Article V paid to an escrow fund to be held and managed by a bank or savings and loan association.

Section 7. Personal Assessment Liability

Each unit owner or, if more than one, unit owners, jointly and severally, shall be personally liable for the payment of assessments under the preceding Sections. Upon the expiration of thirty (30) days from the due date of an assessment, if said assessment remains unpaid, the Association may bring suit against the owner or owners of said unit for recovery of the same. If the assessment is a monthly installment of an annual assessment, the default in payment of one installment when due, may, at the option of the Association, cause the remainder of the installments due for that annual period to become immediately due and payable. The defaulting unit owner shall be liable for the unpaid assessment or assessments, interest thereon from the due date to the date paid at the highest rate of interest at which individuals may contract in Nebraska, and attorney fees and expenses incurred in the collection of the same. No proceeding to collect defaulted assessments pursuant to this Section shall constitute a waiver of the lien of the Association against said defaulting owner's unit nor a waiver of the right of the Association to foreclose thereon.

The grantee of a unit shall be jointly and severally liable with the grantor for all unpaid assessments against the latter up to the time of the grantor conveyance, without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee therefor.

The provisions set forth in this Section shall not apply to the initial sales and conveyances of the condominium units made

by Developer, and such sales shall be free from all assessments to the date of conveyance.

Section 8. Assessment Lien

If any unit owner shall fail or refuse to make any payment of an assessment when due, the amount thereof shall constitute a lien on the interest of the unit owner in his unit and the Board of Administrators may record such lien in the Office of the Register of Deeds of Douglas County, Nebraska; whereupon, said lien shall be privileged over and prior to all liens and encumbrances except assessments, liens and charges for taxes past due and unpaid on the unit and except prior duly recorded mortgage and lien instruments. Assessments delinquent more than ten (10) days after the due date shall bear interest at the highest rate at which individuals may contract in Nebraska from the due date until paid. The delinquency of one installment of an annual assessment shall cause all remaining installments, at the option of the Association, to immediately become due and payable.

Section 9. Statement of Unpaid Assessments

Upon payment of a reasonable fee, not to exceed Seventy-Five Dollars (\$75.00), and upon the written request of any owner, prospective purchaser or of any mortgagee of a condominium unit, the Board of Administrators, or the Managing Agent, shall issue a written statement setting forth the amount of the unpaid assessments, if any, with respect to the subject unit, the amount of the current periodic assessment and the date that such assessment becomes due, any penalties due, and credit for advance payments or for prepaid items, which statement shall be conclusive upon the Association in favor of all persons who rely thereon in good faith.

Section 10. Nonwaiver

The omission or failure to timely fix any assessments or deliver or mail a statement for any period shall not be deemed a waiver, modification or a release of the owners from their obligation to pay the same.

Section 11. Foreclosure of Liens for Unpaid Common Expenses

In any action brought by the Board of Administrators to foreclose a lien on a unit because of unpaid common expenses, the Board of Administrators, acting on behalf of all apartment owners, shall have power to purchase such unit at the foreclosure sale, and to acquire, hold, lease, mortgage, vote the votes appurtenant to, convey, or otherwise deal with the same, all costs incurred, including the cost to purchase, constituting a common expense. A suit to recover a money judgment for unpaid common expenses shall be maintainable without foreclosing or waiving the lien securing the same.

ARTICLE VI. INSURANCE

The Association shall furnish and maintain in full force and effect a policy or policies of fire insurance with extended coverage, vandalism and malicious mischief endorsement, for the full insurable replacement value of the common element and of the units to provide for restoration thereof to tenable condition in the event of damage, (but not including furniture, furnishings, or other personal property supplied or installed by unit owners), together with all air conditioning equipment and other service machinery contained therein. This policy or policies shall be written in the name of, and the proceeds thereof shall be payable to, the Association, as Attorney-in-Fact pursuant to Article X of these By-Laws, for each of the apartment owners in the percentages established in the Master Deed and to the respective mortgagees of the unit owners as their respective interest may appear. Said policy or policies shall provide for separate protection for each unit and its attached, built-in, or installed fixtures and equipment to the full insurable replacement value thereof and with a separate loss-payable replacement in favor of the mortgagee or mortgagees of each unit. Such policy or policies shall permit the waiver of subrogation and shall provide that the insurance company or companies will not look to the Board of Administrators, or any unit owner, for the recovery of any loss under such policy or policies. Such policy or policies shall not be cancellable except after ten days written notice to the mortgagee. A copy or a duplicate of such policy or policies shall be deposited with the mortgagee with evidence of the payment of premiums, and the renewal policy shall be deposited with the mortgagee not later than ten days prior to the expiration of existing policies. In addition, insurance shall be procured for Workmen's Compensation coverage (where applicable) and such other insurance as the Association may deem advisable from time to time, such other insurance to include public liability insurance in such limits as the Board may from time to time determine. Insurance premiums shall be deemed common element expense. Each unit co-owner may obtain additional insurance at his expense, provided that all policies shall contain waivers of subrogation and further provided that the liability of the carriers issuing insurance obtained by the Board of Administrators shall not be affected or diminished by reason of any such additional insurance carried by an apartment owner.

ARTICLE VII. MAINTENANCE AND ALTERATIONSSection 1. Maintenance

The unit owner shall have the obligation to maintain and keep in good repair the interior surfaces of walls, ceilings and floors (including carpeting, tile, wallpaper, paint or other covering) including all fixtures and appliances located within such owner's unit, as well as all exterior doors, screening, window and door glass, and storm doors which are appurtenant to said owner's

unit. An owner shall not be solely responsible for repair to common elements by casualty, unless such casualty is due to the act or negligence of the owner, his guests, invitees or tenants. All maintenance, including lawn maintenance and snow removal, repairs and replacements to the general common elements and limited common elements, shall be made by the Association and be charged to all unit owners as a common expense, unless such maintenance, repair, or replacement is necessitated by the negligence, misuse or neglect of a unit owner, in which case, such expense shall be charged to such unit owner.

The Association shall clean, no less than twice per year, the exterior surface of all exterior windows, including the exterior windows appurtenant to each owner's unit.

Section 2. Alterations by Unit Owner

No unit owner shall make any structural addition, alteration or improvement in or to his unit, or the limited common elements pertaining thereto, including any exterior painting or exterior alteration or addition (including awnings, grills, etc.) without the prior written consent thereto of the Board of Administrators. The Board of Administrators shall have the obligation to answer any written request by a unit owner for approval of a proposed structural addition, alteration or improvement in such owner's unit, within thirty (30) days after such request, and failure to do so within the stipulated time shall constitute a consent by the Board of Administrators to the proposed addition, alteration or improvement. Any application to any governmental authority for a permit to make an addition, alteration or improvement in or to any unit shall be executed by the Board of Administrators only, without, however, incurring any liability on the part of the Board of Administrators or any of them to any contractor, subcontractor or materialman on account of such addition, alteration or improvement, or to any person having any claim for injury to person or damage to property arising therefrom. The provisions of this Section 2 shall not apply to units owned by the Developer until such units shall have been initially sold by the Developer and paid for.

Section 3. Alterations or Enlargement of Common Elements by Association

There shall be no enlargement of the common elements nor additions thereto if such enlargement or addition shall cost more than Ten Thousand Dollars (\$10,000) during any single calendar year, unless and until such a proposal is approved in writing by owners of units holding at least seventy-five percent (75%) of the total basic value of the Condominium Regime, using the percentages set forth in Paragraph IX of the Master Deed, and until a proper amendment to the Master Deed has been duly executed, acknowledged and recorded pursuant to law.

The cost of the alteration or enlargement and of amending the Master Deed shall be a common expense and shall be collected by special assessment against all unit owners.

Section 4. Balconies, Decks, Patios, and Storage Areas

A balcony, deck, patio, and storage area to which an apartment has sole access, shall be for the exclusive use of the owner of said unit. Such unit owner shall keep such areas free and clear of snow, ice, any accumulation of water, waste, debris, dirt, and shall make all repairs thereto resulting from his negligence, misuse or neglect. All other repairs in, to or with respect to such areas shall be made by the Board of Administrators, as a common expense.

Section 5. Heating, Air Conditioning, Water Charges and Sewer Use Fees

Heat, air conditioning, and water shall be supplied to all of the units and the common elements and the Board of Administrators shall pay, as a common expense, all costs of providing said heat, air conditioning, water consumed by the Condominium Regime, together with all related sewer use fees arising therefrom, promptly after the bills therefor are rendered.

ARTICLE VIII. RESTRICTIONS AND RESERVATIONSSection 1. Use Restrictions

In order to provide for congenial occupancy of the Condominium Regime and for the protection of the value of the units, the use of the Condominium Regime shall be restricted to and shall be in accordance with the following provisions:

- (a) The apartment units shall be used for residences only by the owner or owners thereof, their families, guests, invitees, lessees and licensees.
- (b) The common areas and facilities shall be used only for the furnishing of the services and facilities for which they are reasonably suited and which are incident to the use and occupancy of the units.
- (c) No nuisances shall be allowed on the Condominium Regime nor shall any use or practice be allowed which is a source of annoyance to its residents or which interferes with the peaceful possession or proper use of the Condominium Regime.
- (d) No improper, offensive or unlawful use shall be made of the Condominium Regime or any part thereof, and all valid laws, zoning laws and regulations of all governmental bodies having jurisdiction thereof shall be observed. Violations of laws, orders, rules, regulations, or requirements of any governmental agency having jurisdiction thereof, relating to any portion of the Condominium Regime shall be corrected, by and at the sole expense of

the unit owners or the Board of Administrators, whichever shall have the obligation to maintain or repair such portion of the Condominium Regime.

Section 2. Rules of Conduct

Rules and regulations concerning the use of the units and the common areas and facilities, including the limited common areas and facilities, if any, may be promulgated and amended by the Board of Administrators with the approval of a majority of the unit owners. Copies of such rules and regulations shall be furnished by the Board of Administrators to each unit owner prior to the time when the same shall become effective. Initial rules and regulations, which shall be effective until amended by the Board of Administrators with the approval of a majority of the unit owners, are annexed hereto, marked Exhibit "2", and made a part hereof.

Section 3. Right of Access

A unit owner shall grant a right of access to his unit to the manager and/or managing agent and/or any other person authorized by the Board of Administrators, the manager or the managing agent, for the purpose of making inspections or for the purpose of correcting any condition originating in his unit and threatening another unit or a common area or facility, or for the purpose of performing installations, alterations or repairs to the mechanical or electrical services or other facilities in his unit or elsewhere in the Condominium Regime, provided that requests for entry are made in advance and that any such entry is at a time reasonably convenient to the unit owner. In case of an emergency, such right of entry shall be immediate, whether the unit owner is present at the time or not.

Section 4. Abatement and Enjoining of Violations

The violation of any rule or regulation adopted by the Board of Administrators or the breach of any of these By-Laws contained herein, or the breach of any provisions of the Master Deed, shall give the Board of Administrators the following rights, in addition to any other rights set forth in these By-Laws:

- (a) To enter into the unit in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting unit owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions hereof, and the Board of Administrators shall not thereby be deemed guilty in any manner of trespass.
- (b) To enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach.

- (c) To deny partially or wholly access to, benefit from, or use of all or any facilities, functions, or services, or suspend, partly or wholly of all or any rights or privileges of membership or any other disciplinary action directed by the Board of Administrators.

ARTICLE IX. MORTGAGES

Section 1. Notice to Board of Administrators

A unit owner who mortgages his unit shall notify the Board of Administrators of the name and address of his mortgagee and shall file a conformed copy of the note and mortgage with the Board of Administrators. The Board shall maintain such information in a book entitled "Mortgages of Units".

Section 2. Notice of Default

The Board of Administrators, when giving notice to a unit owner of a default in paying assessments or other default, shall send a copy of such notice to each holder of a mortgage covering such unit whose name and address has theretofore been furnished to the Board of Administrators.

Section 3. Examination of Books

Each unit owner and each mortgagee of a unit shall be permitted to examine the books of account of the Association at reasonable times, on business days, but not more often than once every three (3) months.

ARTICLE X. DESTRUCTION, DAMAGE OR OBSOLESCENCE

ASSOCIATION AS ATTORNEY-IN-FACT

Section 1. Association Attorney-In-Fact

These By-Laws, as a part of the Master Deed, hereby make mandatory and irrevocable the appointment of the Association as attorney-in-fact to deal with the Condominium Regime and any insurance proceeds upon the damage of the Condominium Regime, its destruction, obsolescence, repair, construction, improvement and maintenance, all according to the provisions of this Article X. Title to any condominium unit is declared and expressly made subject to the terms and conditions hereof, and acceptance by any grantee of a deed or other instrument of conveyance from the Developer or from any owner or grantor shall constitute and appoint the Association his true and lawful attorney in his name, place and stead for the purpose of dealing with the Condominium Regime upon its damage or

destruction or obsolescence as is hereinafter provided. As attorney-in-fact, the Association, by its President and Secretary or Assistant Secretary or its other duly authorized officers or agents, shall have full and complete authorization, right and power to make, execute and deliver any contract, deed or any other instrument with respect to the interest of a unit owner which are necessary and appropriate to exercise the powers granted in this Article. Repair and reconstruction of the improvements, as used in the succeeding Sections of this Article means restoring the improvements to substantially the same condition in which they existed prior to the damage, with each unit and the general and limited common elements, if any, having substantially the same vertical and horizontal boundaries as before.

Section 2. Damage or Destruction - Repair and Reconstruction Mandatory

In the event of damage or destruction due to fire or other disaster, which damage or destruction is determined by the Board of Administrators to be less than sixty-six and two-thirds percent (66-2/3%) of the total replacement cost of all the condominium units and common elements in the Condominium Regime, not including land, such damage or destruction shall be promptly repaired and reconstructed by the Association as attorney-in-fact, and the Association shall have full authority to deal with insurance proceeds in such repair and reconstruction.

In the event that insurance proceeds are insufficient to repair and reconstruct the improvements, the Association shall levy a special assessment to provide an amount sufficient to conduct said repair and reconstruction along with insurance proceeds. Such assessment shall be levied and collected according to Section 5 of Article V, and the Association shall also have the rights noted in Section 9 of Article X.

Section 3. Damage or Destruction - Repair and Reconstruction Optional

In the event of damage or destruction due to fire or other disaster, which damage or destruction is determined by the Board of Administrators to be sixty-six and two-thirds percent (66-2/3%) or more of the total replacement cost of all the condominium units and common elements in the Condominium Regime, not including land, repair and reconstruction will not be mandatory. In such case, and unless otherwise agreed upon in writing by co-owners representing three-fourths (75%) of the total basic value of the Condominium Regime within 100 days after such damage or destruction, the Condominium Regime shall be deemed waived, and the property shall be subject to a partition action and may be sold, and the proceeds, along with the insurance indemnity, if any, shall be credited to each unit co-owner in accordance with his percentage interest specified in the Master Deed, and said sums shall be applied in accordance with the provisions as set forth in Section 10 of Article X.

If co-owners representing three-fourths (75%) of the total basic value of the Condominium Regime decide to reconstruct and repair the property, and the insurance proceeds do not equal the cost of repairs, the Board of Administrators shall proceed to repair and reconstruct the improvements as set forth in Section 2 of Article X. In cases of over-insurance, any excess proceeds of insurance received shall be credited to the common element working fund.

Section 4. Obsolescence of Buildings

Upon request of the Board of Administrators or upon receipt of a written request signed by owners holding a majority of the total basic value of the Condominium Regime, the Secretary shall, pursuant to the provisions of Article II, issue notice of a special member's meeting to consider the question of obsolescence of the condominium buildings. At such meeting, owners holding eighty percent (80%) or more of the total basic value of the Condominium Regime, voting in person or by proxy, may agree that the condominium buildings are obsolete. In the event that the owners agree that the buildings are obsolete, the Secretary shall forthwith issue notice of a special meeting of the members to be held sixty (60) days from the date of the members' meeting at which the owners agreed upon the obsolescence of the buildings. During this sixty (60) day period, the Board shall make such studies, with the aid of such experts as deemed advisable by the Board, as are necessary to present estimates as to the costs of remodeling or reconstructing the buildings, the amount of reserves therefor accrued by the Association to date and the amount, if any, of special assessments necessary to cover any deficiency between available reserves and remodeling or reconstruction expense, the projected sale price of the property as is, the projected distribution of all funds, including reserves and other funds of the Association, should the owners choose sale rather than remodeling or reconstruction. At the subsequent special meeting of the members, the Board shall present these estimates to the owners and the owners holding a majority in value of the units in the Condominium Regime shall adopt either a plan of remodeling or reconstruction, pursuant to Section 5 or a plan of sale pursuant to Section 6 of Article X. Any plan so adopted must subsequently be approved in writing by more than fifty percent (50%), in number, of the first mortgagees of record as of the date of adoption of the plan. No such plan shall go into effect until such approval of first mortgagees is obtained.

Section 5. Plan of Remodeling or Reconstruction - Obsolescence

In the event that a plan of remodeling or reconstruction is adopted by the owners and subsequently approved by the first mortgagees as above set forth, the Board of Administrators shall forthwith proceed to remodel or reconstruct the improvements, applying reserves as set forth for insurance proceeds in Section 2 of Article X, with the same rights as to special assessments as set forth therein.

Section 6. Plan of Sale - Obsolescence

In the event that a plan of sale is adopted by the owners and subsequently approved by the first mortgagees, as above set forth, then the Board of Administrators shall forthwith record a notice setting forth such fact or facts, and upon the recording of such notice with the Register of Deeds of Douglas County, Nebraska, by the Associations' President and Secretary or Assistant Secretary, the entire premises shall be offered for sale and sold by the Association, as attorney-in-fact for all of the owners, free and clear of the provisions contained in the Master Deed, Articles of Incorporation and these By-Laws. The funds and reserves established and held by the Association and the proceeds from the sale of the entire Condominium Regime shall be divided by the Association according to each owner's interest in the general common elements, and such divided proceeds shall be paid into separate accounts, each account representing one of the condominium units. Each such account shall be in the name of the Association, and shall be further identified by the condominium unit designation and the name of the owner. The total funds of each account shall be used and disbursed, without contribution from one account to another, by the Association, as attorney-in-fact, as set forth in Section 10 of Article X.

Section 7. Condemnation

In the event of a taking by condemnation or eminent domain of all or part of the common area, the award made shall be paid to the Board of Administrators. If owners holding eighty percent (80%) or more of the basic value of the Condominium Regime do not, within sixty (60) days from the date of the award, approve the use of the proceeds from the award for use in repairing, the Board of Administrators shall forthwith disburse the net proceeds of the award for the same purpose and in the same order as is provided in Section 10 of Article X.

Section 8. Power of Sale

In the event of sale of the entire Condominium Regime pursuant to Section 6 of Article X, or upon adoption of such a plan upon termination of the Condominium Regime pursuant to Section 1 of Article XI, or otherwise, the Association shall have all the powers set forth in Article X in dealing with a purchaser or purchasers as attorneys-in-fact.

Section 9. Sale of Unit - Default in Special Assessment Under Article X

The assessment provided for herein shall be a debt of each owner and a lien on his condominium unit and may be enforced and collected as is provided in Section 5 of Article V. In addition thereto, the Association, as attorney-in-fact, shall have the absolute right and power to sell the condominium unit of any owner refusing or failing to pay such deficiency assessment within the time provided, and

if not so paid the Association shall cause to be recorded a notice that the condominium unit of the delinquent owner shall be sold by the Association, as attorney-in-fact, pursuant to the provisions of this Section. The delinquent owner shall be required to pay to the Association the costs and expenses for filing the notice, interest at the highest legal rate at which individuals may contract in Nebraska on the amount of the assessment and all reasonable attorney's fees. The proceeds derived from the sale of such condominium unit shall be used and disbursed by the Association, as attorney-in-fact, in the order set forth in Section 10 of Article X. Any deficiency of funds to pay the unpaid assessments shall remain the personal obligation of the delinquent unit owner.

Section 10. Application of Proceeds

Proceeds received as set forth in the preceding Sections and as applicable to each unit, shall be used and disbursed by the Association as attorney-in-fact, in the following order:

- (a) For payment of taxes and special assessments liens in favor of any assessing entity and the customary expense of sale;
- (b) For payment of the balance of the lien of any first mortgage;
- (c) For payment of unpaid assessments and all costs, expenses and fees incurred by the Association;
- (d) For payment of junior liens and encumbrances in the order of and to the extent of their priority; and
- (e) The balance remaining, if any, shall be paid to the condominium unit owner.

Section 11. No Abatement of Assessments

Assessments for common expenses shall not be abated during the period of insurance adjustment and repair and reconstruction, remodeling or reconstruction, nor prior to sale of any unit for delinquent unpaid assessments.

Section 12. Approvals

As used in this Article, the percentage voting requirements of unit owners shall be based upon the percentage values set forth in Paragraph IX of the Master Deed. Those percentages shall refer to total percentages and not merely to percentages of owners in attendance, in person or by proxy, at meetings where votes are conducted.

ARTICLE XI. TERMINATION OR AMENDMENTSection 1. Termination

Except as otherwise provided, owners of units holding seventy-five percent (75%) or more of the basic value of the Condominium Regime, using the percentages set forth in Paragraph IX of the Master Deed, shall have the right to terminate this Condominium Regime, subject to the conditions of Section 76-812 of the Condominium Act.

Section 2. Amendment by Owners

There shall be no amendment to these By-Laws unless owners of units holding sixty-six and two-thirds percent (66-2/3%) or more of the basic value of the Condominium Regime, using percentages set forth in Paragraph IX of the Master Deed, shall have voted therefor in the affirmative at a special or annual meeting; provided, however, that percentage voting requirements contained in these By-Laws shall not be amended by a lesser percentage vote than that sought to be amended, and provided further that such amendment shall have the approval of more than fifty percent (50%), in number, of the first mortgagees of record upon the date of adoption of said amendment.

Section 3. Amendment by Developer

Anything contained in these By-Laws or in the Master Deed or Articles of Incorporation to the contrary notwithstanding, until December 31, 1981, or upon the sale of the 50th unit by Developer, or until Developer releases control of the Association, whichever first occurs, Developer reserves the right to supplement or amend these By-Laws for clarification, correction or otherwise in the best interests of all unit owners, including Developer; provided that any such supplement or amendment shall be approved by more than fifty percent (50%), in number of all existing first mortgage holders of record, in writing.

ARTICLE XII. RECORDSSection 1. Records and Audit

The Board of Administrators or the managing agent shall keep detailed records of the actions of the Board of Administrators and the managing agent, minutes of the meetings of the Board of Administrators, minutes of the meetings of unit owners, and financial records and books of account of the Corporation and the Condominium Regime, including a chronological listing of receipts and expenditures, as well as a separate account for each unit which, among other things, shall contain the amount of each assessment of common charges against such unit, the date when due, the amounts paid thereon, and the balance remaining unpaid. A written report summarizing all

receipts and expenditures of the corporation and Condominium Regime shall be rendered by the Board of Administrators to all unit owners at least semi-annually. In addition, an annual report of the receipts and expenditures of the corporation and Condominium Regime, certified by an independent certified public accountant, shall be rendered by the Board of Administrators to all unit owners and to all mortgagees of units who have requested the same, promptly after the end of each calendar year.

ARTICLE XIII. MISCELLANEOUS

Section 1. Notices

All notices hereunder shall be sent by registered or certified mail to the Board of Administrators c/o the managing agent, or if there is no managing agent, to the office of the Board of Administrators or to such other address as the Board of Administrators may hereafter designate from time to time, by notice in writing to all unit owners and to all mortgagees of units. All notices to any unit owner shall be sent by registered or certified mail to the building or to such other address as may have been designated by him from time to time, in writing to the Board of Administrators. All notices shall be deemed to have been given when mailed except notices of change of address which shall be deemed to have been given when received.

Section 2. Invalidity

The invalidity of any part of these By-Laws shall not impair or affect in any manner the validity, enforceability or effect of the balance of these By-Laws.

Section 3. Captions

The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these By-Laws, or the intent of any provisions thereof.

Section 4. Gender

The use of the masculine gender in these By-Laws shall be deemed to include the feminine and neuter genders and the use of the singular shall be deemed to include the plural, whenever the context so requires.

Section 5. Nonwaiver

No restrictions, condition, obligation or provision contained in these By-Laws shall be deemed to have been abrogated or waived by reason of any failure to enforce same, irrespective of the number of violations or breaches thereof which may occur.

EXHIBIT "1"

<u>APARTMENT NUMBER</u>	<u>INTERIM ASSESSMENT</u>	<u>APARTMENT NUMBER</u>	<u>INTERIM ASSESSMENT</u>
1A1	\$286.48	3B12	167.61
1A2	286.48	4A1	317.15
1A3	158.07	4A2	317.15
1A4	286.48	4B3	167.33
1A5	286.48	4A4	361.72
1B6	158.07	4A5	317.15
1A7	291.83	4B6	172.41
1A8	322.23	4A7	317.15
1A10	384.76	4A8	317.15
1A11	326.69	4B9	172.41
1B12	110.61	4A10	317.15
2A1	296.68	4A11	317.15
2A2	296.68	4B12	172.41
2B3	162.82	5A1	327.36
2A4	296.68	5A2	327.36
2A5	296.68	5B3	177.21
2B6	162.82	5A4	327.36
2A7	302.20	5A5	327.36
2A8	396.68	5B6	177.21
2B9	162.82	5A7	327.36
2A10	296.68	5A8	434.57
2A11	296.68	5A10	373.38
2B12	162.82	5A11	327.36
3A1	306.89	5B12	177.21
3A2	306.89	6-1	636.09
3B3	167.61	6-2	497.59
3A4	306.89	6-3	378.51
3A5	306.89	6-4	378.51
3B6	167.61	6-5	565.70
3A7	306.89	6-6	385.59
3A8	306.89	6-7	470.42
3B9	167.61	6-8	378.51
3A10	306.89	6-9	88.20
3A11	306.89	1-1	178.50
		1-2	418.33

Lots 8, 9, 10, 11, 12 13 + 14
 Indian Hills Village Add.

EXHIBIT "2"

RULES AND REGULATIONS
OF
SWANSON TOWERS ASSOCIATION, INC.

A. CONDOMINIUM APARTMENTS AND COMMON AREAS.

1. No part of the condominium property shall be used for any purposes except housing and the common recreational purposes for which the property was designed. Each unit shall be used as a residence for a singly family, its guests, invitees, lessess and licensees. No portion or all of any unit may be used as a professional office whether or not accessory to a residential use.

2. There shall be no obstruction of the general common elements nor shall anything be stored in the general common elements without the prior consent of the Board of Administrators except as herein or in the By-Laws expressly provided.

3. Nothing shall be done or kept in any unit or in the common elements which will increase the rate of insurance of any of the buildings or contents thereof, applicable for residential use, without the prior written consent of the Board of Administrators. No unit owner shall permit anything to be done, or kept in his unit, or in the common elements which will result in the cancellation of insurance on any of the buildings, or contents thereof, or which would be in violation of any law.

4. Any owner shall not cause or permit anything to be hung or displayed on the outside of windows or placed on the outside walls or doors of a building and no sign, awning, canopy, shutter or radio or television antenna (except for master antenna system) shall be affixed to or placed upon the exterior walls or doors, roof or any part thereof, or exposed on or at any window, without the prior consent of the Board of Administrators.

5. No unit owner shall make or permit any disturbing noises in his unit or within the common element, or do, or permit anything to be done, which will interfere with the rights and reasonable comfort and convenience of other owners.

6. Nothing shall be done in any unit, or in, on or to the common elements which will impair the structural integrity of any building or which would structurally change any of the buildings.

7. No clothes, sheets, blankets, or any kind of other articles shall be hung out of a unit or exposed on any part of the common elements. The common elements shall be kept free and clear of all destruction and unsightly materials.

8. Except in recreational or storage areas designated as such by the Board of Administrators, there shall be no playing, lounging, or parking of baby carriages, playpens, bicycles, wagons, toys, vehicles, benches, or chairs on any part of the general common elements except that limited common elements, if any, may be used for such purposes provided there is no obstruction of the general common elements.

9. No industry, business, trade, occupation or profession of any kind, commercial, religious, educational or otherwise, designed for profit or otherwise, shall be conducted, maintained or permitted on any part of the property, nor shall any "For Sale", "For Rent" or "For Lease" signs or other window displays or advertising be maintained or permitted on any part of the condominium property or any unit therein nor shall any unit be used or rented for transient, hotel or motel purposes; provided, however, that the right is reserved by the Developer and the Board of Administrators, or its agent, to place, "For Sale", "For Rent", or "For Lease" signs on any unsold or unoccupied unit. The Developer reserves the right to carry on its condominium unit sales activities on the condominium property.

10. Each unit owner shall keep his unit and the appurtenant balcony, deck, or patio, if any, in a good state of preservation and cleanliness and shall not sweep or throw or permit to be swept or thrown therefrom any dirt or other substance. Each unit owner shall be obligated to maintain and keep in good order and repair his own unit in accordance with the provisions of the By-Laws.

11. No garbage or trash will be left or disposed of on or adjacent to the condominium property except in established areas for trash storage. No garbage cans, milk bottles, mats or other articles shall be placed in the hall or on the staircase landings.

12. All radio, television or other electrical equipment of any kind or nature installed or used in each unit shall fully comply with all rules, regulations and requirements of the public authorities having jurisdiction in the unit. Owner alone shall be liable for any damage or injury caused by any radio, television or other electrical equipment in such owners unit.

13. No unit owner or any of his agents, guests, employees, licensees or family shall at any time bring into or keep in his unit any inflammable, combustible or explosive fluid, material, chemical or substance, except for normal household use.

14. The agents of the Board of Administrators or the managing agent, and any contractor or workmen authorized by the Board of Administrators or the managing agent, may enter any room or unit in the buildings at any reasonable hour of the day after notification (except in case of emergency, in which case such right of entry shall be immediate whether the unit owner is present at the time or not) for the purpose of making inspections or for the purpose of correcting any condition originating in his unit or threatening another unit or a common element, or for the purpose of performing installations, altera-

tions or repairs to the mechanical or electrical surfaces or other common elements in his unit or elsewhere in the unit.

15. No article shall be placed in any of the halls or on any of the staircases or landings, nor shall any fire exit be obstructed in any manner. Nothing shall be hung or shaken from the doors, windows or terraces or placed upon the windowsills of the building.

16. If any key or keys are entrusted by a unit owner or by any member of his family or by his agent, servant, employee, licensee, or visitor to an employee of the Board of Administrators or of the managing agent whether for such unit owners apartment unit or an automobile, trunk or other item of personal property, the acceptance of the key shall be at the sole risk of such unit owner, and neither the Board of Administrators nor the managing agent nor the manage shall be liable for injury, loss or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.

17. No key or keys to the condominium property shall be entrusted by any unit owner to anyone other than his household without first giving written notice to the Association.

B. RECREATIONAL FACILITIES

1. Swimming Pool, Fixtures and Appurtenances Pertaining Thereto.

a. The swimming area will be open each year from May 28th to September 5th.

b. The pool hours will be from 9:00 a.m. to 10:00 p.m. and there will be no swimming under any circumstances between 10:00 p.m. and 9:00 a.m.

c. Swimming is solely at the swimmer's risk.

d. No food or drink shall be permitted in the pool area.

e. No glassware shall be permitted in the pool area.

f. No dogs or pets shall be permitted in the pool area.

g. No roughness, foul language, pushing, boisterous play, running or dangerous practices shall be allowed in the pool area.

h. Guest privileges may be restricted without notice by the Association.

i. Private parties or owners having more than four guests must be approved by the Association.

j. All users of the pool shall only utilize the bathing area corridor and exits and will refrain from going to and from the pool through the lobby.

k. The unit owner on behalf of the unit owner, the members of his family, and the guests of the unit owner assumes all liability of every kind and character for the use of the pool and the appurtenances and fixtures pertaining thereto.

1. Other rules and regulations as are posted in the pool area by the Board of Administrators shall be adhered to by unit owners and all users of the facilities.

2. Tennis Courts, Fixtures and Appurtenances Pertaining Thereto.

a. No roughness, foul language, pushing, boisterous play, running or dangerous practices shall be allowed in the tennis area.

b. Guest privileges may be restricted without notice by the Association.

c. The unit owner on behalf of the unit owner, the members of his family, and the guests of the unit owner assumes all liability of every kind and character for the use of the tennis courts and the appurtenances and fixtures pertaining thereto.

d. Other rules and regulations as are posted in the tennis court area by the Board of Administrators shall be adhered to by the unit owners and users of the tennis facilities.

C. STORAGE AREAS

1. The ownership of each unit includes, as a limited common area, a storage area as shown in the plans attached to the Master Deed forming the Condominium Regime. This area may be used by the owner subject to the restrictions of 3, 5 and 6 of Paragraph A herein, which shall apply to the storage areas.

2. Storage areas may be locked; provided, however, that only locks provided by the Association for such purpose may be used.

D. GARAGES AND PARKING

1. Indoor garage spaces are available for monthly rental to owners only. The monthly rental for each space shall be determined by the Association and all sums collected shall be applied to the common element working fund.

2. Each unit owner is guaranteed one indoor parking stall, if desired, for the monthly rental rate. The remaining indoor stalls will be rented on a first come first serve basis.

3. All guests of unit owners shall park only in the outside parking area.

4. No vehicle belonging to a unit owner or to a member of the family, or guest, tenant or employee of a unit owner may be parked in such a manner as to impede or prevent ready movement by another vehicle.

5. The garage spaces and parking areas are for automobiles only. Parking is permitted only in areas so designated.

6. Repairing or overhauling of automobiles or any other vehicles on the premises is not permitted.

7. Employees of the Association are not permitted to operate the automobiles of unit owners.

8. Electric remote garage door openers are available from the Association for a deposit to be determined by the Association.

E. PETS

1. Generally, animal pets are not permitted in Swanson Towers. However, in cases where a unit owner moving in or a current tenant of the Swanson Towers who is purchasing an apartment unit owns a family pet at the time of purchase, an exception may be made. If the dog or cat pet is well behaved and weighs not more than 20 pounds at maturity, the unit owner may be permitted to keep the pet in his condominium apartment upon approval by the Board of Administrators.

2. The above permission, if granted, does not extend to the replacement of the permitted pet, and no permission will be granted to allow a pet to a unit owner who does not have a pet at the time of the purchase of his unit.

3. Any such pets permitted must be under leash control when outside the apartment unit, and the pet may not be tethered outside the apartment unit, nor on the condominium property outside the apartment unit.

4. Should any pet become a nuisance, in the opinion of the Board of Administrators, the right is reserved hereunder to require removal of the pet permanently from Swanson Towers.

5. Caged birds of the canary and parakeet type are permitted.

F. GROUNDS

1. No motorized vehicles are allowed on the condominium property.

2. There shall be no littering of the condominium property grounds.

3. No tree climbing or any other act that may cause damage to a tree or shrub shall be permitted on the condominium property grounds.

4. No activity that may be offensive or disturbing to the rights and reasonable comfort and convenience of other unit owners shall be carried out on the condominium property grounds.

1. These rules and Regulations may be added to, amended or repealed at any time by resolution of the Board of Administrators, pursuant to the By-Laws.

2. Complaints regarding the operation of the Association or service of the condominium property, grounds, etc., shall be made in writing to the Board of Administrators or to the managing agent or to the manager.

Dated this 11th day of January, 1978.

CREATIVE LAND INVESTMENTS, INC.
a Nebraska corporation

By *Glenn L. Buck*
President

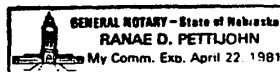
SWANSON TOWER ASSOCIATION, INC.
a Nebraska non-profit corporation

By *Glenn L. Buck*
President

STATE OF NEBRASKA)
) ss.
COUNTY OF DOUGLAS)

On this 11 day of January, 1978, before me, a Notary Public duly commissioned and qualified in and for said County, personally came Glenn L. Buck, President of Creative Land Investments, Inc., to me personally known to be the President and identical person who signed the foregoing instrument, and acknowledged the execution thereof to be his voluntary act and deed as such officer and the voluntary act and deed of said corporation.

Witness my hand and notarial seal the day and year last above written.



Ranae D. Pettijohn
Notary Public

STATE OF NEBRASKA)
) ss.
COUNTY OF DOUGLAS)

On this 11 day of January, 1978, before me, a Notary Public duly commissioned and qualified in and for said County, personally came Glenn L. Buck, President of Swanson Tower Association, Inc., to me personally known to be the President and identical person who signed the foregoing instrument, and acknowledged the execution thereof to be his voluntary act and deed as such officer and the voluntary act and deed of said corporation.

Witness my hand and notarial seal the day and year last above written.



Ranae D. Pettijohn
Notary Public

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C. HAROLD OSTLER
REGISTER OF DEEDS
DOUGLAS COUNTY, NEBR.
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