### Master Deed and Declaration

THIS MASTER DEED AND DECLARATION (herein "Declaration") is made this 15th day of Lowenth 1981, by A. Stuart Goldberg and Marilyn A. Goldberg, husband and Wife, herein called "Declarant" for itself, its successors, grantees and assigns.

#### WITNESSETH:

- l. Declaration of Purpose. The purpose of this Master Deed is to declare the desire of the Declarant to submit the lands herein described and the improvements thereon but subject to all easements, rights and appurtenances belonging thereto to the condominium form of ownership and use in the manner provided by Section 76-801 et. seq., R.R.S. 1943, as amended (herein called "Condominium Act"), and the name by which this Condominium is to be identified is Garfield Square Condominium Property Regime, sometimes referred to herein as the "property" or "project".
- 2. <u>Description of Land</u>. The lands owned by the Declarant which are hereby submitted to the condominium regime are a fee simple interest in lands described as:
  - All of Lot Three (3), and the North Thirty-two (32)
    Feet of Lot Four (4), and the East Thirty and Nine-tenths
    (30.9) Feet of the North Seventy-eight (78) Feet of
    Lot Two (2), and the North Nine and five-tenths (9.5) Feet
    only of the West Five and one-tenth (5.1) Feet of the South
    Fourteen (14) Feet of Lct Four (4), and the North Nine and
    five-tenths (9.5) Feet only of the East Thirty and ninetenths (30.9) Feet of the South Fifty-seven and three-tenths
    (57.3) Feet of Lot Two (2), all in Rathbone's Prescott
    Addition to Lincoln, Lancaster County, Nebraska.
- 3. <u>Definitions</u>. The definitions set forth in Section 76-802, R.R.S. 1943 shall govern this Master Deed, the attached plans, and By-Laws, except that as used here in "unit" shall also mean "apartment" and "owner" shall also mean "co-owner".
- 4. <u>Description of Building</u>. The condominium improvements consist of an existing stone three-story five-unit building with one detached four-stall garage.
- 5. Value, Designations, Percentages and Description of Units. The total value of the Garfield Square Condominium Property Regime, the basic value of each unit together with the percentage interest in expenses, including taxes, of and rights in the common elements, the designation and approximate location of each unit, and immediate common areas to which it has access, and its proportionate interest in the common area and facilities, and the voting rights in the Association appurtenant thereto are set forth in Exhibit "A" attached hereto and made a part hereof by this reference.
- 6. Dimensions of Units. Each Unit consists of that part of the building containing the unit which lies within the boundaries of the unit exclusive of interior load-bearing wals and pillars, any pipes, wires, conduits, ducts, vents and any other utility or service lines which are utilized for or serve more than one condominium unit. The horizontal and vertical boundaries of each unit shall be from the top of the floor joists to the bottom of the ceiling joists and from the inside edge of the wall studs in an area as more specifically defined on the condominium map attached hereto marked Exhibit "B", and by reference made a part hereof. Any unit having a door, window or other opening in any exterior wall shall include only the unfinished surface of such opening in its closed position.

### 7. Nature and Incidents of Unit Ownership.

(a) <u>Interior of Units</u>. Each dwner shall have the exclusive right to paint, repaint, tile, wax, paper, carpet or otherwise

decorate the interior surfaces of the walls, ceilings, floors, and doors forming the boundaries of lis unit and the surfaces of all walls, ceilings, floors and doors within such boundaries.

- (b) Incidental Unit Ownership. Each unit shall include the heating and air conditioning systems serving each unit.
- (c) Maintenance of Units. Each owner shall keep the interior of his unit, including without limitation, interior walls, windows, ceilings, floors, and permanent fixtures and appurtenances thereto, in a clean and sanitary condition and in a state of good repair. In the event that any such unit should develop an unsanitary or unclean condition or fall into a state of disrepair, and in the event that the owner of such unit should fail to correct such condition or state of disrepair promptly following written notice from the Association, the Association shall have the right, at the expense of the owner and without liability to the owner for trespass or otherwise, to enter said unit and correct or eliminate said unsanitary or unclean condition or state of disrepair. Notice will be given as set forth in the By-Laws.
- (d) No Partition. The common elements shall be owned in common by all of the owners, and no owner may bring any action for partition thereof.
- (e) Separate Mortgages by (wners. Each owner shall have the right to mortgage or otherwise ercumber his unit. However, no owner shall attempt to or shall have the right to mortgage or otherwise encumber the common elements or any part thereof except the undivided interest therin appurtenant to his unit. Any mortgage or other encumbrance shall be subordinate to all of the provisions of this Declaration, and in the event of foreclosure the provisions of this Declaration shall be binding upor any owner whose title is derived through the foreclosure by private power of sale, judicial foreclosure or othewise.
- (f) Mechanic's Liens. No labor performed or material furnished for use in connection with any unit with the consent or at the request of an owner or his agent or sub-contractor shall create any right to file a statement of mechanic's lien against the unit of any other owner not expressly consenting to or requesting the same or against any interest in the common elements, except as to the undivided interests therein appurtenant to the unit of the owner for whom such labor shall have been performed and such materials shall have been furnished.
- 8. Ownership of Common Elements. The undivided interest in the common elements appurtenant to each unit shall be as set forth in Exhibit "A" attached hereto and ty this reference made a part thereof. The percentages appurtenant to each unit as shown in said Exhibit "A" shall have a permanent character and shall not be altered without the unanimous written consent of all co-owners expressed in an amendment to this Declaration duly recorded. Except as otherwise provided in this Declaration each owner shall be entitled to use the common elements other than the limited common elements, in any manner that does not hinder or encroach upon the rights of other owners and is not contrary to any Rules and Regulations promulgated by the Association.
- 9. Common Elements. The common elements consist of all parts of the property other than the units, including, without limitation, the limited common elements and the following:
  - (a) The land on which the building is situated:
- (b) All foundations, columns, girders, beams, supports, main walls, interior load-bearing walls, pillars, roofs, stairs stairways, and exits of the building;
- (c) Central and appurtenant installations for power, light and ventilation, and all pipes, wires, conduits, ducts, vents and other service and utility lines;
- (d) Tanks, pumps, motors, fans, compressors, ducts and in general all apparatus and installations existing for common use;

- (e) The sidewalk areas surrounding the building;
- (f) Halls, corridors and foyers;
- (g) Driveways and parking areas:
- (h) Patios and lawn areas.
- (i) All other items listed as such in Nebraska Condominium Property Act and located on the property;
- (j) All other spaces and facilities shown as common elements on said condominium map; and
- (k) All other parts of the property necessary or convenient to its existence, maintenance and safety or normally in common use, except to the extent specifically included in the units.

Each owner of a unit may use the common elements in accordance with the purpose for which they were intended without hindering or encroaching upon the lawful rights of the other owners, subject always to the exclusive use of the limited common elements as provided in this Declaration.

shall mean use of common elements by one condominium unit. Each unit has use of that portion of common area for air conditioning purposes as is presently being used on the premises. The second floor unit use portions of the common area of the basement of the building for heating purposes. Such use of common elements for such purpose is reserved as limited common area for said units. Limited common elements shall also include the use of the basement. The garage with entry from the north is reserved for owners of the building with each section of the garage designated by a number. The use of such garage to vest in the owner of the unit with the same number. Each unit owner may install at his own cost and expense a washer and dryer in the basement of the building. All installations shall have prior written approval of Garfield Square Condominium Association, Inc.

### 11. Easements.

- (a) Easements for Encroachments. If any part of the common elements encroaches or shall hereafter encroach upon a unit, or if any unit now encroaches upon any other unit, an easement for such encroachment and for the maintenance of the same shall and does exist. If any part of a unit encroaches or shall hereafter encroach upon the common elements, upon an adjoining unit, an easement for such encroachment and for the maintenance of the same shall and does exist. Such encorachment shall not be considered to be encumbrances either on the common elements or the units. Encroachments referred to herein include, but are not limited to, any error in the condominium map attached hereto or by changes in position caused by repair or reconstruction of the building or any part thereof.
- (b) Easements for Maintenance, Cleaning, and Repair. Some of the common elements are or may be located within the units or may be conveniently accessible only through the units. The Association shall have the irrevocable right to have access to each unit and to all common elements from time to time during such reasonable hours as may be necessary for the maintenance, cleaning, reapair or replacement of any common elements located therein or accessible therefrom or for making emergency repairs at any time therein necessary to prevent damage to the common elements or to a unit. In addition, the Association or its agents may enter any unit when necessary in connection with any cleaning, maintenance, repair, replacement, landscaping, or construction for which the Association is responsible. Such entry shall be made with as little inconvenience to the owners as practicable, and any damage caused thereby shall be repaired by the Association.

- (c) Right to Ingress, Egress and Support. Each owner shall have the right to ingress and egress over, upon and across the common elements as necessary for access to his unit, and shall have the right to the horizontal, vertical and lateral support of his unit.
- (d) Association's Right to Use Common Elements. The Association shall have an easement to make such use of common elements as may be necessary or convenient to perform the duties and functions that it is obligated or permitted to perform pursuant to this Declaration, including without limitation, the right to construct and maintain in the common elements, other than limited common elements, facilities for use by owners generally or by the Association and its agents exclusively.
- (e) Easements Deemed Create 1. All conveyances of units within the building hereafter made, whether by Declarant or otherwise, shall be construed to grant and reserve such reciprocal easements as are provided herein, even though no specific reference to such easements appears in any such conveyance.

# 12. Additional Restriction on Us : and Occupancy.

- (a) No owner of a unit shall do, or suffer or permit to be done, anything in any unit which would impair the soundness or safety of the property, or which would increase the rate or result in the cancellation of insurance applicable to the property, or which would be noxious or offensive or an interference with the peaceful possession and proper use of other units, or which would require any alteration of or addition to any of the common elements to be in compliance with any applicable law or regulation, or which would otherwise be in violation of any statute, rule, regulation, permit or other validly imposed requirement of any governmental body.
- (b) No owner shall, without written approval and consent of the Board of Administrators of the Association, violate the Rules and Regulations for the use of the urits, common elements or other parts of the project, which may be adopted from tome to time by the Association.
- (c) Each owner shall promptly report to the Board of Administrators any defect or need for repairs which is the responsibility of the Association.

### 13. The Association.

- (a) Garfield Square Condominium Association, Inc., (herein "Association"), a Nebraska non-profit corporation, has been incorporated to provide for the management of the project. The By-Laws of the Association are attached here to, marked Exhibit "C" and made a part hereof by this reference.
- (b) Each owner shall be enwitled and required to be a member of the Association; membership shall begin immediately and automatically upon becoming an owner and shall terminate immediately and automatically upon ceasing to be an owner. If title to a unit is held by more than one person, the membership appurtenant to that unit shall be shared by all such persons in the same proportionate interests and by the same type of tenancy in which title to the unit is held. An owner shall be entitled to one membership for each unit owned by him. Each membership shall be appurtenant to the unit to which it relates and shall be transferred automatically by conveyance of that unit. Ownership cannot be separated from membership in the Association appurtenant thereto, and a transfer, encumbrance, gift, devise, bequest or other conveyance of a unit shall be construed to be a transfer, encumbrance, gift, devise, bequest or other conveyance, respectively, of the owner's membership in the Association and the rights appurtenant thereto.
- (c) The number of votes appurtenant to each respective unit shall be as shown in Exhibit "A" attached hereto. The number of votes appurtenant to each unit as shown in said Exhibit "A" shall have a permanent character and shall not be altered without the written consent of all owners expressed in an amendment to this Declaration duly recorded.

# 14. Certain Rights and Obligations of the Association.

- (a) The Common Elements. The Association subject to the rights and duties of the owners as set forth in this Declaration, shall be responsible for the exclusive management and control of the common elements and all improvements thereon, and shall keep the same in a good, clean, attractive, safe and sanitary condition, order and repair; provided, however, that each owner of a unit shall keep the limited common elements, if any, appurtenant to his unit in a good, clean, safe sanitary and attractive condition. The Association shall be responsible for the maintenance and repair of the exterior of Carfield Square and grounds. The Association shall also be responsible for maintenance, repair, and replacement of common elements within Carfield Square, including, but not by way of limitation, hallways, utility lines, improvements or other material located within or used in connection with the common elements. All goods and services procured by the Association in performing its responsibilities shall be paid for with funds from the owners assessments as herein provided.
- (b) <u>Miscellaneous Goods and Services</u>. The Association may obtain and pay for the services of any person or entity to manage its affairs, or any part thereof, to the extent it deems advisable, as well as such other personnel as the Association shall determine to be necessary or desirable for the proper operation of the project, whether such personnel are furnished or employed directly by the Association or by any person or entity with whom or which it contracts. The Association may obtain and pay for legal and accounting services necessary or desirable in connection with the operation of the project or the enforcement of this Declaration. The Association may acquire and pay for water, sewer, garbage collection, electrical, gas and other necessary utility services for the common elements and the units to the extent not separately metered, and insurance, bonds and other goods and services common to the apartments.
- (c) Rules and Regulations. The Association may make reasonable Rules and Regulations governing the use of the units and common elements, which Rules and Regulations shall be consistent with the rights and duties established in this Declaration. The Association may take judicial action against any owner to enforce compliance with such Rules and Regulations or other obligations of owner arising hereunder, or to obtain damages for noncompliance, all to the fullest extend permitted by law.
- (d) Implied Rights. The Association may exercise any other right or privilege given to it expressly by the Declaration or by law, and every other right or privilege reasonably implied from the existence of any right or privilege given to it herein or reasonably necessary to effectuate any such right or privilege.
- (e) Limitation on Association's Liability. The Association shall not be liable for any failure of vater service or other service to be obtained and paid for by the Association hereunder, or for injury or damage to person or property caused by the elements or by another owner or person in the project, or resulting from electricity, water, rain, snow, or ice which may leak or flow from outside or from any parts of Garfield Square, or from any of its pipes, drains, conduits, appliances, or equiment, or from any other place, unless caused by the gross negligence of the Association. No diminution or abatement of any assessments under this Declaration shall be claimed or allowed for inconvenience or discomfort arising from the making of repairs, maintenance or improvements to the project or any part thereof, or from any action taken to comply with any law, ordinance or orders of a governmental agency.

### 15. Assessments.

(a) Each owner, including Declarant, by acceptance of conveyance and transfer, covenants with the Association and with each other owner to pay all assessments provided for herein or in the By-Laws attached hereto. Such assessments shall provide for the payment of expenses arising out of or connected with the maintenance and operation of the common elements and utility services and other common items to the units.

Expenses may include: expenses of management; taxes and special assessments unless or until units are separately assessed; premiums for insurance required or permitted to be carried by the Association; repairs and maintenance; wages, utility charges; legal and acounting fees, creation of reasonable contingency or reserve funds; and any other expenses which may be incurred by the Association for the benefit of all the owners or by reason of this Master Deed or Declaration.

- (b) In addition to other assessments authorized herein or in the By-Laws, the Association may levy against any owner an assessment for the purpose of paying the cost of repairing, cleaning or otherwise correcting any damage to apartments or common elements caused by intentional or negligent acts or omissions of any owner or his family, guests, invites or licensees, and which are not otherwise covered by insurance carried by the Association.
- (c) Failure of the Association to timely fix or give notice of the assessments shall not be deemed a waiver or modification in any respect of this Master Deed or a release of the owner from the obligation to pay assessments or any installment thereof for the current or subsequent year.
- 16. <u>Insurance</u>. The Association shall obtain and keep in full force and effect the insurance coverage as required in the By-Laws. The following provisions relating to insurance shall also apply to the Association:
- (a) The provisions of the Fy-Laws shall not be construed as limiting the power or authority of the Association to obtain and maintain insurance in such amounts, and covering such risks and hazards, as the Association shall deed appropriate from time to time.
  - (b) All policies of insurance, where applicable, shall:
  - 1. Name the Association, the owners of the units, and any mortgagee of the project, or of any unit as their interests may appear.
  - 2. Provide for ten days' notice prior to cancellation.
  - 3. Provide for a certificzte of coverage for each owner.
  - 4. Eliminate any rights of contribution with insurance purchased by owners or their mortgagees.
  - 5. Provide for waiver of subrogation as to any claims against the Association or cwners and their respective servants, agents and guests.
- 17. Consequences of Condemnation. If at any time or times during the continuance of condominium ownership pursuant to this Declaration, all or any part of the project shall be taken or condemned by any public authority or sold or otherwise disposed of in lieu of or in avoidance thereof, the following provisions shall apply.
- (a) Proceeds. All compensation, damages or other proceeds therefrom the sum of which hereinafter called the "Condemnation award", shall be payable to the Association.
- (b) Complete Taking. In the event that the entire project is taken or condemned, or sold or otherwise disposed of in lieu of or in avoidance thereof, the condominium ownership hereunder shall not terminate. Each owner shall be entitled to a share of the condemnation award to be determined in the following manner: As soon as practicable, the Association shall, reasonably and in good faith, allocate the condemnation award between compensation, severance damages, or other proceeds, and shall apportion the amounts so allocated among and pay the same to the owners as follows:

- 1. The total amount allocated to taking or of injury to the common elements shall be apportioned among all owners in proportion to their respective undivided interest in the common elements.
- 2. The total amount allocated to severance damages shall be apportioned to those units which were not taken or condemned.
- 3. The respective amounts allocated to the taking of or injury to a particular unit shall be apportioned to the particular unit involved.
- 4. The total amount allocated to consequential damages or any other takings or injuries shall be apportioned as the Association determines to be equitable in the circumstances. If an allocation of the condemnation award is already established in negotiation, judicial decree, or otherwise, then in such allocating the condemnation it is relevant and applicable.
- 5. Distribution of apportioned proceeds shall be made by checks payable jointly to the respective owners and their respective mortgagess, as applicable.
- (c) <u>Reorganization</u>. In the event a partial taking results in the talking of a complete unit, the owner thereof automatically shall cease to be a member of the Association. Thereafter the Association shall reallocate the ownership, voting rights and assessment ratio in accordance with the Condominium Act.
- (d) Reconstruction and repair. Any reconstruction and repair necessitated by condemnation shall be governed by the procedures specified in the By-Laws for damage or destruction of the project, or any part thereof.
- 18. Registration of Mailing Address. Each owner shall register from time to time with the Association his currect mailing address and all notices or demands intended to be served upon any owner may be sent by first class U.S. mail, postage prepaid, addressed to the name of the owner at such registered mailing address, or, if no address has been registered, to the apartment of such owner. All notices or demands intended to be served upon the Association may be sent by first class U.S. mail, postage prepaid, addressed to the Association at the office of its registered agent, or to such other address as the Association may hereafter furnish to the owners in writing. Any notice or demand referred to in this Declaration shall be deemed given when deposited in the U.S. mail in the form provided for in this paragraph.
- 10. Audit. Any owner may at any reasonable time, upon appointment, and at his own expense cause an audit or inspection to be made of the books and records maintained by the Association. The Association, at a common expense, shall obtain an annual audit, by a certified public accounting firm, of all books and records pertaining to the Association.

### 20. Interpretation.

- (a) Intent and Purpose. The provisions of this Declaration and any supplemental or amended declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the development and operation of a condominium. Failure to enforce any provision, restriction, covenant or condition or of any other provisions, restrictions, covenants or conditions.
- (b) Construction. The provisions of this Declaration shall be in addition and supplemental to the Condominium Act and to all other provisions of law. Wherever used herein, unless the context shall otherwise provide, the singular number shall include the plural, the plural and singular, and the use of any gender shall include all genders. The headings appearing at the beginning of the paragraphs of this Declaration are only for convenience of reference and are not intended to describe, interpret, define or otherwise affact the content, meaning or intent of this Declaration of any paragraph,

subparagraph or provision hereof. The provisions hereof shall be deemed independent and severable, and the invalidity or partial invalidity or unenforceability of any one provision or portion hereof shall not affect the validity or inforceability of any other provision hereof.

- 21. Amendment. This deed may be amended by a vote of at least seventy-five percent (75%) of the owners representing the value of the individual units, with relation to the value of the whole property, cast in person or by proxy at a meeting duly held in accordance with the provisions of the By-Laws, or in lieu of a meeting, any amendment may be approved in writing by seventy-five percent (75%) of the owners representing the value of the individual units with relation to the value of the property. That FHA Form Number 3278 (Regulatory Agreement) is incorporated in this Master Deed by reference.
- 22. Units Subject to Declaration and By-Laws. All present and future owners, tenants and occupants of units shall be subject to and shall comply with the provisions of this Declaration and the By-Laws as they may be amended from time to time. The acceptance of a deed or conveyance or the entering into a lease or occupancy of any unit shall constitute an agreement that the provisions of this Declaration and the By-Laws as they may be amended from time to time are accepted and ratified by such owner, tenat or occupant, and all of such provisions shall be deemed and taken to be convenants running with the land and shall bind any person having at any time any interest or estate in such unit, as though such provision were recited and stipulated at length in each and every deed or conveyance or lease thereof.

Executed this 1sth day of November . 196

A. Stuart Goldberg

Marilyn A. Goldberg

STATE OF NEBRASKA

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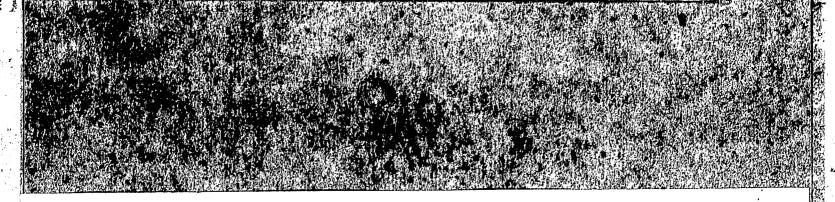
COUNTY OF LANCASTER

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

RICHARD J. BURNER
GENERAL NOTARIAL
S E A L
STATE OF NEBRASKA
COMM. EXPIRES
APRIL 8, 1984

Notary Pyblic

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#### BY-LAWS OF

GARFIELD SQUARE CONCOMINIUM ASSOCIATION,

#### ARTICLE I.

### PLAN OF UNIT OWNERSHIP

Section 1. Unit ownership The property located at 1601 South 20th Street, Lincoln, Nebraska (hereinafter called the "Property") is more particularly described in the Master Deed dated the 15th Day of 1981, and recorded in the Lancaster County Register of Deeds, as instrument No. and has been submitted to the provisions of the Nebraska Condominium Property Act by A. Stuart Goldberg and Marilyn A. Goldberg (hereinafter called the "Declarant"). The Condominium thereby created shall be known as the Garfield Square Condominium Property Regime (hereinafter called the "Condominium").

Section 2. Applicability of By-Laws. The provisions of these By-Laws are applicable to the Property of the Condoninium and to the use and occupancy thereof. The term "Property" as used herein shall include the land, the buildings and all other improvements thereon, (including the units--"Units"--and common areas and facilities--"Common Elements"), owned in fee simple absolute and all easements, rights and appurtenances belonging thereto, and other property, personal or mixed, intended for use in connection therewith, all of which are intended to be submitted to the provisions of said Nebraska Condominium Property Act. "Unit" as used herein shall mean "apartment" and "Owner" shall mean co-owner.

Section 3. Application. All present and future owners, mortgagees, leasees and occupants of units and their employees, and any other persons who use the facilities of the Property in any manner are subject to these By-Laws, the Master Deed, the Rules and Regulations and all covenants, agreements, restrictions, easements and declarations of record ("title conditions"). The acceptance of a deed of conveyance or the entering into of a lease or the act of occupancy of an Unit shall constitute an agreement that these By-Laws, the Rules and Regulations, the provisions of the Master Deed, as they may be amenced from time to time, and the title conditions are accepted, ratified, and will be complied with.

### ARTICLE II.

#### BOARD OF FDMINISTRATORS

Section 1. Number and Term. The rumber of Administrators (also known as Directors) which shall constitute the whole Board shall be three (3). So long as the Declarant owns fifty (50) percent or more Units, the Declarant shall be entitled to initially appoint at least two members of the Board of Administrators. If the Declarant has less than fifty (50%) percent ownership of the units, the Declarant shall be entitled to initially appoint at least one member of the Board of Administrators. After the Declarant has conveyed all units, the Declarant is no longer entitled to appoint one member of the Board of Administrators.

Section 2. <u>Powers and Duties</u>. The Board of Administrators shall have the powers and duties necessary for the administration of the affairs of the Condominium 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 Elements.
- (b) Determination of the common expenses required for the affairs of the Condominium, including without limitation, the operation and maintenance of the Property.
- (c) Collection of the common charges from the Unit owners.
- (d) Employment and dismissal of the personnel necessary or advisable for the maintenance and operation of the Common Elements.
- (e) Adoption and amendment of rules and regulations covering the details of the operation and use of the Property subject to a right of the Unit owners to overrule the Board (see Article VI).
- (f) Opening of bank accounts on behalf of the Condominium and designating the signatories required there for.
- (g) Leasing, managing and otherwise dealing with such community facilities as may be provided for in the Master Deed as being common areas and facilities (the "Common Elements").
- (h) Owning, conveying, encumbering, leasing and otherwise dealing with units conveyed to it or purchased by it as the result of enforcement of the lien for common expenses.
- (i) Obtaining of insurance for the Property, including the Units, pursuant to the provisions of Article VI hereof.
- (j) Making of repairs, additions and improvements to, or alterations of, the Property and repairs to and restoration of the Property in accordance with the other provisions of these By-Laws, provided, however, that the Board of Administrators shall not undertake any repair covered by the warranty without the consent of a majority in number and interest of the Unit owners.
- (k) The Board of Administrators shall have the power to enforce obligations of the Unit owners, to allocate income and expenses, and to do anything and everything else necessary and proper for the sound management of the Condominium. The Board shall have the power to levy fines against the Unit owners for violations of reasonable rules and regulations established by it to govern the conduct of the Unit owners. No fine may be levied for more than \$5.00 for any one violation but for each day a violation continues after notice it shall be considered a separate violation.
- (1) Grant or relocate easements in the common areas.

Section 3. Managing Agent and Administrator. The Board of Administrators may employ for the condominium a managing agent and/or 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 subdivision (a), (c), (d), (i) and (j) of Section 2 of this Article II. The Board of Administrators may delegate to the manager or managing agent all of the powers granted to the Baord of Administrators by these By-Laws other than the powers set forth in subdivisions (b), (e), (f), (g), (h), (k) and (1) of Section 2 of this Article II.

Section 4. First Board of Administrators, At the first annual meeting, the members shall elect one (1) administrator for a term of three (3) years, one (1) administrator for a term of two (2) years and one (1) administrator for a term of one (1) year. If the Declarant is entitled to appoint one administrator under Section 1, Article II, he shall be appointed to the one year term. At the annual meeting to be held each year thereafter, the members will elect administrators to fill the terms of those elected at the first annual meeting will be for three (3) year terms, so that at least one-third of the terms shall expire annually. Each administrator shall hold office until such time as his successor has been elected. Any and all of said Administrators shall be subject to replacement, in the event of resignation or death, in the manner set forth in Section 6 of this Article II. All re-elections will be for three year terms.

Section 5. Removal. Administrators may be removed for cause by an affirmative vote of a majority of the unit owners. No Administrator shall continue to serve on the Board if, during his term of office, he shall cease to be a Unit owner.

Section 6. <u>Vacancies</u>. Vacancies in the Board of Administrators caused by any reason other than the removal of a member thereof by a vote of the Unit owners shall be filled by vote of a majority of the remaining members at a special meeting of the Board of Managers 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 member and until a successor shall be elected at the next annual meeting of the Unit owners.

Section 7. <u>Organization Meeting</u>. The first meeting of the members of the Board of Administrators following the annual meeting of Unit owners shall be held within ten (10) days thereafter, at such time and place as shall be fixed by the Unit owners at the meeting at which such Board of Administrators shall have been elected, and 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 fiscal year. Notice of regular meetings of the Board of Administrators shall be given to each member of the Board of Administrators, in person or by mail, at least three(3) business days prior to the day named for such meeting. A notice will also be publicly posted on the first floor of the building, on a bulletin board provided for Association use.

Section:9. Special Meetings. Special meetings of the Board of Administrators may be called by the President on three (3) business days notice to each member of the Board of ADministrators, given by mail or in person 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 Clerk in like manner and on like notice on the written request of at least two (2) of the Board of Administrators.

Section 10. <u>Waiver of Notice</u>. 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 by him of the time and place thereof. If all 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 of Board of Administrators. 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 adjourned meeting 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.  $\underline{\text{Fidelity Bonds}}$ . The Board of Administrators may obtain fidelity bonds for all officers and employees of the Condominium handling or responsible for Condominium funds. The premium on such bonds shall constitute a common expense.

Section 13. <u>Compensation</u>. No member of the Board of Administrators shall receive any compensation from the Condominium for acting as such.

Section 14. <u>Liability of the Board of Administrators</u>. The members of the Board of Adminstrators 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 of the members 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 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 the original Board of Administrators, who are members of or employed by the Declarant, to contract with the Declarant and affiliated corporations without fear of being charged with self-dealing. It is also intended that the liability of any Unit owner arising out of any contract made by the Board of Administrators or out of the aforesaid indemnity in favor of the members of the Board of Administrators shall be limited to such proportion of the total liability thereunder as his interest in the Common Elements bears to the interests of all the Unit owners in Condominium shall provide that the members of the Board of Administrators, or the managing agent, or the manager, as the case may be, are acting only as agent for the Unit owners and shall have no personal liability thereunder (except as Unit owners) and that each Unit owner's liability thereunder shall be limited to such proportion of the total liability thereunder as his interest in the Common Elements bears to the interest of all Unit owners in the Common Elements.

### ARTICLE III

#### **MEETINGS**

Section 1. Annual Meetings. Within ninety (90) days following the date of conveyance of the first Unit, the Declarant shall call the first annual Unit owners meeting. Thereafter, annual meetings shall be held on the anniversary of such date each succeeding year. At such meetings there shall be elected by ballot of the Unit owners, a Board of Administrators in accordance with the requirements of Article II of these By-Laws. The Unit owners may also transact such other business of the Condominium as may properly come before them.

Section 2. <u>Place of Meetings</u>. Meetings of the Unit owners shall be held at such suitable place convenient to the Unit owners as may be designated by the Board of Administrators.

Section 3. <u>Special Meetings</u>. It shall be the duty of the President to call a special meeting of the Unit owners as directed by the Board of Administrators or upon a petition signed by at least one-third in number of the Unit owners having been presented to the Clerk.

Section 4. Notice of Meetings. It shall be the duty of the Clerk to mail a notice of each annual or special 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 least ten (10) but not more than fifty (50) days prior to such meeting. The mailing of a notice in the manner provided in these Ey-Laws shall be considered notice served. Further, a copy of the notice will be posted on the Association bulletin board.

Section 5. Adjournment of Meetings. If any meeting of Unit owners cannot be held because a quorum has not attended, a majority in common interest of the Unit owners who are present at such meeting, either in person or by proxy, shall adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called.

Section 6. Order of Business. The order of business at all meetings of the 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) Report of Board of Administrators.

(f) Reports of committees.

(g) Election of members of the Board of Administrators (when required).

(ȟ) Unfinished business.

(i) New business.

Section 7. <u>Title to Units</u>. Title to Units may be taken in any manner as is consistent with the laws of the State of Nebraska.

Section 8. Voting. The owner or cwners of each Unit or some person designated by such owner or owners, shall be entitled to cast the votes appurtenant to such Unit at all meetings of Unit owners. The designation of any such proxy shall be made in writing to the Clerk and shall be revocable at any time by written notice to the Clerk by the owner or owners so designating. 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 a unit either in person or by proxy. Each Unit owner (including the Declarant, if the Declarant shall then own one or more Units), shall be entitled to cast one vote at all meetings of the Unit owners, said vote being equivalent to the percentage representing the value of the individual's Unit, with relation to the value of the whole property. This percentage shall be computed by taking as a basis the value of the individual units in relation to the value of the individual's Unit, with relation to the value of the whole property. This percentage shall be computed by taking as a basis the value of the individual units in relation to the value of the property as a whole. Any Unit owned by the Board of Administrators or its designee shall not be entitled to a vote and shall be excluded from the total of common interest when computing the interest of all other Unit owners for voting purposes.

Section 9. Majority of Unit Owners. As used in these By-Laws, the term "majority of Unit owners" shall mean those Unit owners having fifty-one (51%) percent of the total authorized votes of all Unit owners present in person or by proxy and voting at any meeting of the Unit owners, determined in accordance with the provisions of Section 8 of this Article III.

Section 10. Quorum. Except as otherwise provided in these By-Laws, the presence in person or by proxy of a majority of Unit owners shall constitute a Quorum at all meetings of the Unit owners.

Section 11. <u>Majority Vote</u>. The vote of majority of Unit owners present 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, or by law, a higher percentage vote is required.

#### ARTICLE IV

#### · OFFICERS

Section 1. <u>Designation</u>. The principal officers of the Condominium shall be the President, the Secretary-Clerk and the Treasurer, all of whom shall be elected by the Board of Administrators.

Section 2. <u>Election of Officers</u>. The officers of the Condominium shall be elected annually by the Board of Administrators at the organization meeting of each new Board of Administrators and shall hold office at the pleasure of the Board of Administrators and until their successors are elected.

Section 3. Removal of Officers. Upon the affirmative vote of a majority of the members of the Board of Administrators, any officer may be removed, either with or without cause, and his successor may be elected at any regular meeting of the Board of Administrators, or at any special meeting of the Board of Administrators, called for such purpose.

Section 4. President. The President shall be the chief executive officer of the Condominium. He shall preside at all meetings of the Unit owners and of the Board of Administrators. He shall have all the general powers and duties which are incident to the office of President including but not limited to the power to appoint committees from among the Apartment owners from time to time as he may in his discretion decide are appropriate to assist in the conduct of the Condominium.

Section 5. <u>Secretary</u>. The Secretary shall keep the minutes of all meetings of the Unit owners and of the Board of Administrators; shall have charge of such books and papers as the Board of Administrators may direct; and shall in general perform all the duties incident to the office of Secretary.

Section 6. <u>Treasurer</u>. The Treasurer shall have the responsibility for Condominium 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 deposit of all moneys 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. No payment vouchers shall be paid unless and until approved by the Treasurer.

Section 7. Agreements, Contracts, Deeds, Checks, etc. All agreements, contracts deeds, leases, checks and other instruments of the Condominium shall be executed by any two (2) officers of the Condominium or by such other person or persons as may be designated by the Board of Administrators.

Section 8. <u>Compensation of Officers</u>. No officer shall receive any compensation from the Condominium for acting as such inless approved by a majority of the Unit owners.

#### ARTICLE V

#### **NOTICES**

Section I. <u>Definition</u>. Whenever under the provisions of the Master Deed or of these By-Laws, notice is required to be given to the Board of Adminstrators, any administrator or Unit owner, it shall be construed to mean written notice; such notice may be given in writing, by depositing the same in a post office or letter box, in a postpaid sealed wrapper, addressed to the Board of Adminstrators, such administrator or Unit owner at such address as appears on the books of the Condominium. Notice shall be deemed given as of the date of mailing. Personal delivery of written notice will always suffice. In addition, a copy of the notice will be posted on the Association bulletin board.

Section 2. <u>Service of Notice--Waiver</u>, Whenever any notice is required to be given under the provisions of the Master Deed, of law, or of these By-Laws, a waiver thereof, in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

#### ARTICLE VI

### OPERATION OF THE PROPERTY

Section 1. Determination of Common Expenses and Fixing of Common Charges. The Board of Adminstrators shall from time to time and at least annually, prepare a budget for the Condominium, determine the amount of the common charges payable by the Unit owners to meet the common expenses of the Condominium and allocate and assess such common charges among the Unit owners according to their respective common interests. The common expenses may also include such amounts as the Board of Administrators may deem proper for the operation and maintenance of the Property, including, without limitation, an amount of working capital of the Condominium, for a general operating reserve, for a reserve fund for replacements, and to make up any deficit in the common expenses for any prior year.

The common expenses may also include such amounts as may be required for the purchase or lease by the Board of Adminstrators on behalf of all Unit owners, of any Unit whose owner has elected to sell or lease such Unit or of any Unit which is to be sold at a foreclosure or other judicial sale. The Board of Adminstrators shall advise all Unit owners, promptly in writing, of the amount of the common charges payable by each of them, respectively, as determined by the Board of Administrators, as aforesaid and shall furnish copies of each budget on which such common charges are based, to all Unit owners and to their mortgagees.

Section 2. Payment of Common Charges and Assessments, All Unit owners shall be obligated to pay the common charges assessed by the Board of Administrators pursuant to the provisions of Section 1 of this Article VI monthly in advance or at such other time or times as the Board of Administrators shall determine, Other assessments and the time of paying of the same will be determined by the Board of Administrators.

No Unit owner shall be liable for the payment of any part of the common charges assessed against his Unit subsequent to a sale, transfer or other conveyance by him of such Unit, together with the Appurtenant interest, as defined in Section 1 of Article VIII hereof. In addition, any Unit owner may, subject to the terms and conditions specified in these By-Laws, provided that his Unit is free and clear of liens and encumbrances other than the statutory lien for unpaid common charges, convey his Unit, together with the Appurtenant Interests to the Board of Administrators, and in such purchase of an Unit shall be liable for the payment of common charges assessed and unpaid against such Unit prior to the acquisition by him of such Unit, except that a mortgagee or other purchaser of an Unit at a foreclasure sale of such Unit shall not be liable for, and such Unit shall not be subject to, a lien for the payment of common charges assessed prior to the foreclosure sale.

Section 3. <u>Default in Payment of Common Charges</u>. In the event of default by any Unit owner in paying to the Board of Administrators the common charges as determined by the Board of Administrators, such Unit owner shall be obligated to pay interest at the legal rate on such common charges from the due date thereof, together with all expenses, including attorney's fees, if allowed by law, incurred by the Board of Administrators in any proceeding brought to collect such unpaid common charges. The Board of Administrators shall have the right and duty to attempt to recover such common charges, together with interest thereon, and the expenses of the proceeding, including such attorneys' fees, in an action to recover the same brought against such Unit owner, or by foreclosure of the lien on such Unit as provided in Section 76-817 R.R.S. Nebr. as amended.

Section 4. Foreclosure of Liens for Unpaid Common Charges. In any action brought by the Board of Administrators to foreclose a lien on any Unit because of unpaid common charges, the Unit owner shall be required to pay a reasonable rental for the use of his Unit and the Plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same. The Board of Administrators acting on behalf of all Unit owners shall have power to purchase such Unit at the foreclosure sale and to acquire, hold, lease, mortgage (but not to yote the votes appurtenant to), convey or otherwise deal with the same. A suit to recover a money judgment for unpaid common charges shall be maintainable without foreclosing or waiving the lien securing the same.

Section 5. Statement of Common Charges. The Board of Administrators shall promptly provide any Unit owner so requesting the same in writing, with a written statement of all unpaid common charges due such Unit owner.

Section 6. <u>Insurance</u>. The Board of Administrators shall be required to obtain and maintain, to the extent obtainable, the following insurance: (1) fire insurance with extended coverage insuring the buildings containing the Units (including all of the Units and the bathroom and kitchen fixtures initially installed therein by the Declarant, but not including carpeting, drapes, wall-covering, fixtures, furniture, furnishings or other personal property supplied or installed by the Unit owners).

together with all airconditioning requirment and other service machinery contained therein and covering the interest of the Condominium, the Board of Administrators and all Unit owners and their mortgagees as their interests may appear, in the amount determined by the Board of Adminstrators, each of which policies shall contain a standard mortgagee clause in favor of each mortgagee of an Unit which shall provide that the loss, if any, thereunder shall be payable to such mortgagee as its interest may appear, subject however, to the loss payment provisions in favor of the Board of Administrators; (2) workmen's compensation insurance if needed; (3) public liability insurance in such amounts and with such coverage as the Board of Administrators shall from time to time determine, but at least covering each member of the Board of Administrators, the managing agent, the manager and each Unit owner and with cross liability endoresement to cover liabilities of the Unit owners as a group to an Unit owner; and (4) such other insurance as the Board of Administrators may determine. All such policies shall provide that adjustment of loss shall be made by the Board of Administrators and that the net proceeds thereof shall be payable to the said Board.

All policies of physical damage insurance shall contain waivers of subrogation and waivers of any reduction of prorata liability of the insurer as a result of any insurance carried by Unit owners or of invalidity arising from any acts of the insured or any Unit owners, and shall provide that such policies may not be cancelled or substantially modified without at least ten (10) days prior written notice to all of the insureds, including all mortgagees of Units. Duplicate originals of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums, shall be delivered to all mortgagees of Units at least ten (10) days prior to expiration of the then current policies.

Unit owners should carry insurance for their own benefit insuring their carpeting, wall-covering, fixtures, furniture, furnishings and other personal property provided that all such policies shall contain waivers of subrogation and further provide 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 any Unit owner.

Section 7. Repair or Reconstruction After Fire or Other Casualty. In the event of damage to or destruction of the Building or Buildings containing the Units as a result of fire or other casualty, the Board of Administrators shall arrange for the prompt repair and restoration of the Buildings containing the Units (including any damaged Units, and any kitchen or bathroom fixtures initially installed therein by the Declarant but not including any wall, ceiling or floor decorations or coverings or other furniture, furnishings, fixtures or equipment installed in the Units) and the Board of Administrators shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments. Any cost of such repair and restoration in excess of the insurance proceeds shall constitute a common expense and the Board of Administrators may assess all the Unit owners for such deficit and for a completion bond for such deficit as part of the common charges.

If there shall have been a repair or restoration pursuant to the first paragraph of this Section 7, and the amount of insurance proceeds shall have exceeded the cost of such repair or restoration, then the excess of such insurance proceeds, if any shall be added to the Condominium's reserve fund or, at the option of the Board of Administrators, divided among all the Unit owners in proportion to their respective common interests after first paying out of the share due each Unit owner such amounts as may be required to reduce liens on such Unit in the order of priority of such liens.

- (c) No immoral, improper, offensive or unlawful use shall be made of the Property or any part thereof, and all valid laws, zoning ordinances 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 Property, shall be eliminated, 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 Property.
- (d) No portion of an Unit (other than the entire Unit) may be rented, and no transient may be accommodated therein.
- (e) No Unit may be leased for more than one year except with the written consent of the Board of Administrators.

### Section 10. Improvements.

- (a) If fifty (50%) percent or more but less than seventy-five (75%) percent of the Unit owners agree to make an improvement to the Common Elements, the cost of such improvements shall be borne solely by the Unit owners so agreeing.
- (b) Seventy-five (75%) percent or more of the Unit owners may agree to make an improvement to th Common Elements and assess the cost thereof to all Unit owners as a common expense, if such improvement shall not cost in excess of ten (10%) of the then value of the Condominium. Any Unit owner not so agreeing may apply to the Lancaster County District Court on such notice to the Board of Managers as the court shall direct, for an order directing the purchase of his unit by the Board of Managers at the fair market value thereof as approved by said court. The cost of any such purchase shall be a common expense.

Section 11. Additions, Alterations, or Improvements by Unit Owners. No Unit owner shall make any structural addition, alteration or improvement in or to his Unit 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 an Unit owner for approval of a proposed structural add tion, 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 department of the City of Lincoln or to any other 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, hewever, 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 12 shall not apply to Apartments owned by the Declarant until such Apartments shall have been initially sold by the Declarant and paid for.

Section 12. <u>Use of Common Elements and Facilities</u>. An Unit owner shall not place or cause to be placed in the lobbies or other common areas or common facilities, other than a parking space to which such Unit owner has rights, and other than the areas designated as storage areas, any furniture, packages or objects of any kind. The public streets and ways shall be used for no purpose other than for normal transit through them.

Section 13. Right of Access. An Urit owner shall grant a right of access to his Unit to the manager and/or the managirg 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 conditions originating in his Unit and threatening another Unit or a Common Element, or for the purpose of performing installations, alterations or repairs to the mechanical or electrical services or other Common Elements in his Unit or elsewhere in the building in which the Unit is located, provided that requests for entry are made in advance and that any such entry is at a time reasonably corvenient 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. In the event of the exercise of the right of access any costs for repairs shall be borne in accordance with the provisions of Section 8 of this Article.

Section 14. Rules of Conduct. Rules and regulations concerning the use of the Units and the Common Elements may be promulgated and amended by the Board of Administrators. A majority vote of Unit (where at a meeting may overrule the Board. Copies of such rules and regulations shall be furnished by the Board of Managers 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, are annexed hereto and made a part hereof as Schedule "D".

Section 15. <u>Water Charges, Sewer Rents and Other Energy Costs</u>. Water, electricity, and other energy sources shall be supplied to all of the Units and the Common Elements through one or more building meters and the Board of Administrators shall pay, as a common expense, all charges for said utilities consumed on the Property, including the Units, promptly after the bills for the same shall have been rendered. In the event of a proposed sale of an Unit by the owner thereof, the Board of Administrators, on request of the selling Unit owner, shall execute and deliver to the purchaser of such Unit or to the purchaser's title insurance company, a letter agreeing to pay all charges for water and sewer rents and other energy costs including electricity and other fuels, affecting the Property as of the date of closing of title to such Unit, promptly after such charges shall have been billed.

### ARTICLE VII

#### MOR"GAGES

Section 1. Notice to Board of Administrators. An 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 of Administrators shall maintain such information in a book entitled "Morgages of Units."

Section 2. Notice of Unpaid Common Charges. The Board of Administrators, whenever so requested in writing by a mortgage of an Unit, shall promptly report any then unpaid common charges due from, or any other default by, the owner of the mortgaged Unit.

Section 3. Notice of Default. The Board of Administrators, when giving notice to an Unit owner of a default in paying common charges 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 4. Examination of Books. Each Unit owner and each mortgagee of an Unit shall be permitted to examine the books of account of the Condominium at reasonable times, on business days.

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# ARTICLE VIII

### CONVEYANCE OF UNITS

Section 1. No Severance of Ownership. No Unit owner shall execute any deed, mortgage or other instrument conveying or mortgaging title to his Unit without including therein the Appurtenant Interests, it being the intention hereof to prevent any severance of such combined ownership. Any such deed, mortgage or other instrument purporting to affect one or more of such interests, without including all such interests, shall be deemed and taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein. No part of the Appurtenant Interests of any Unit may be sold, transferred or otherwise disposed of except as part of a sale, transfer or other disposition of the Unit to which such interests are appurtenant, or as part of a sale, transfer or other disposition of such part of the Appurtenant Interests of all Units.

Section 2. Financing of Purchase of Units by Board of Administrators. The acquisition of Units by the Board of Administrators may be made from the working capital and common charges in the hands of the Board of Administrators, or if such funds are insufficient, the Board of Administrators may levy an assessment against each Unit owner in proportion to his ownership in the Common Elements, as a common charge, which assessment shall be enforceable in the same manner as provided in Article VI, or the Board of Administrators, in its discretion, may borrow money to finance the acquisition of each Unit, provided, however, that no financing may be secured by an encumbrance or hypothecation of any property other than the Unit, together with the Appurtenant interests, so to be acquired by the Board of Administrators.

Section 3. Waiver of Rights of Partition Respecting Acquired Units. In the event that a Unit shall be acquired by the Board of Administrators, all Unit owners shall be deemed to have waived all rights of partition with respect to such Unit.

Section 4. Payment of Assessments  $\epsilon$  nd Charges. No Unit owner shall be permitted to convey, mortgage, pledge, hypothecate, sell or lease his Unit unless and until he shall have paid in full to the Board of Administrators all unpaid common charges theretofore assessed by the Board of Administrators against his Unit and until he shall have satisfied all unpaid liens against such Urit, except permitted mortgages. Until paid, the lien remains in force under Section 76-817 R.R.S Nebr. 1943, as amended.

### ARTICLE IX

#### RE( ORDS

Section 1. Records and Audits. The Board of Adminstrators 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 the Unit owners, and financial records and books of account of the Condominium, 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 annual report of the receipts and expenditures of the Condominium, certified by an independent certified public accountant, shall be rendered by the Board of Administrators to all Unit owners promptly after the end of each fiscal year. Copies of the Master Deed, these By-Laws, Rules and Regulations and floor plans of the buildings and Units, as the same may be amended from time to time, shall be maintained at the office of the Board of Administrators and shall be available for inspection by Unit owners and their authorized agents during reasonable business hours.

# ARTICLE X

#### MISCELLANEOUS

Section 1. <u>Invalidity</u>. The invalicity 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 2. <u>Captions</u>. 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 provision thereof.

Section 3. Gender. The use of the masculine gender in the By-Laws shall be deemed to include the feminine gender, and the use of the singular shall be deemed to include the plural whenever the context so requires.

Section 4 Term. Throughout these Ey-Laws, the term "Unit owner" shall be read synonymous with the term "co-owner" as defined by Section 76-802(3) R.R.S. Nebr. 1943, as amended.

Section 5. <u>Waiver</u>. No restriction, condition, obligation or provision which is contained in these By-Laws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

Section 6. <u>Signs</u>. No sign, plaque or communication of any description shall be placed on the exterior of any Unit or (ommon Element, by either an Unit owner or the Board of Administrators, 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 Property or in any Unit therein as long as the Declarant owns any Unit in any phase of the Property. No Unit shall be used or rented for transient, hotel or motel purposes. After the Declarant has parted with the interest in the subject property, no Unit owner shall place any sign or other communication on the exterior of any Unit or Common Element without procuring the prior written approval of the Board of Administrators.

#### ART) CLE XI

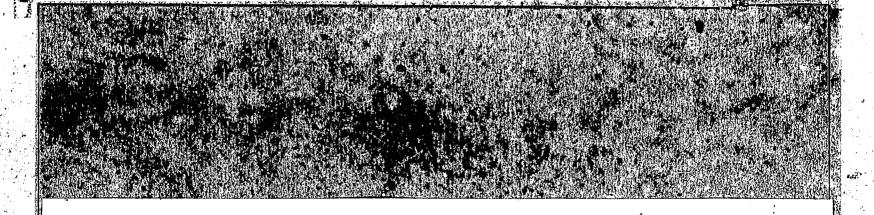
### AMENDMENTS TO BY-LAWS

Section 1. Amendments to By-Laws. These By-Laws may be modified or amended by the vote of seventy-five percent (75%) of the owners representing the value of the individual unit, with relation to the value of the whole property, (or if such modification or amendment affects a provision then requiring a larger percentage, such larger percentage) in number and in common interest of all Unit owners at a meeting of Unit owners duly held for such purpose.

### ARTICLE XII

### CONFLICTS

Section 1. <u>Conflicts</u>. These By-Laws are set forth to comply with the requirements of the Nebraska Condominium Property Act. In case any of these By-Laws conflict with the provisions of said statute, the Master Deed and Declaration recorded in the Lancaster County Register of Deeds, the provision of said statute, the Master Deed and the Declaration, as the case may be, shall control.



# ARTICLE XIII

# PETS

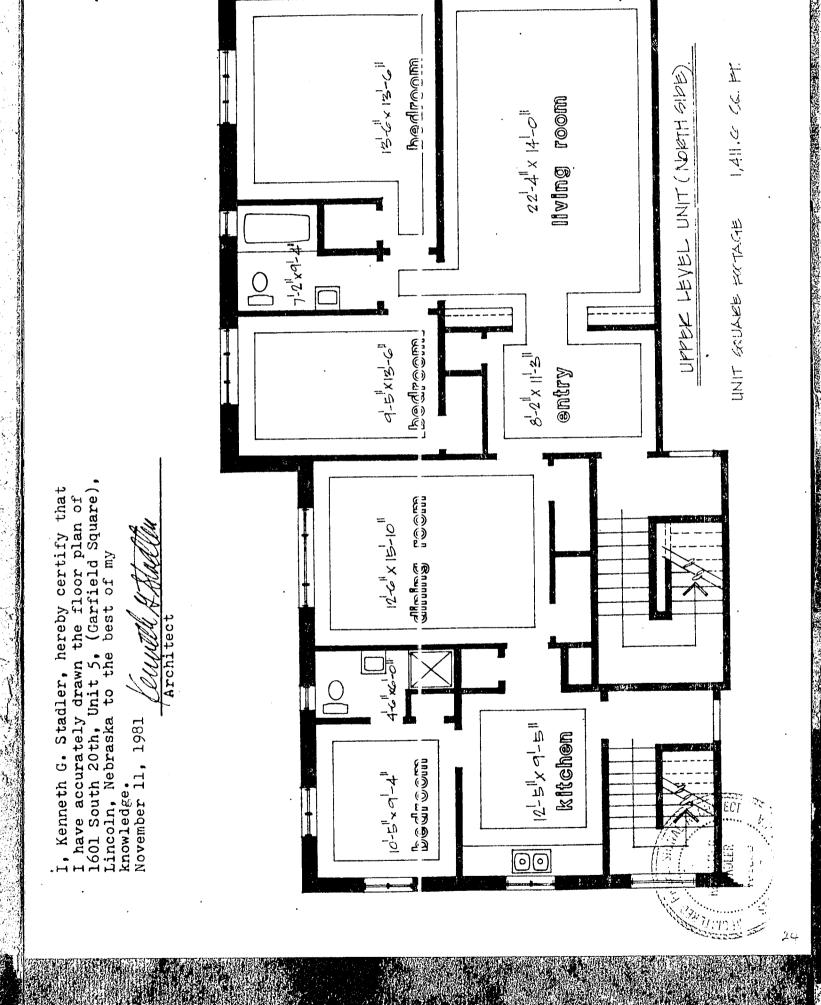
Section 1. <u>Pets</u>. In order to maintain the building and the common areas in the best condition possible, no pets will be kept in any Unit without the written permission of the Board of Administrators.

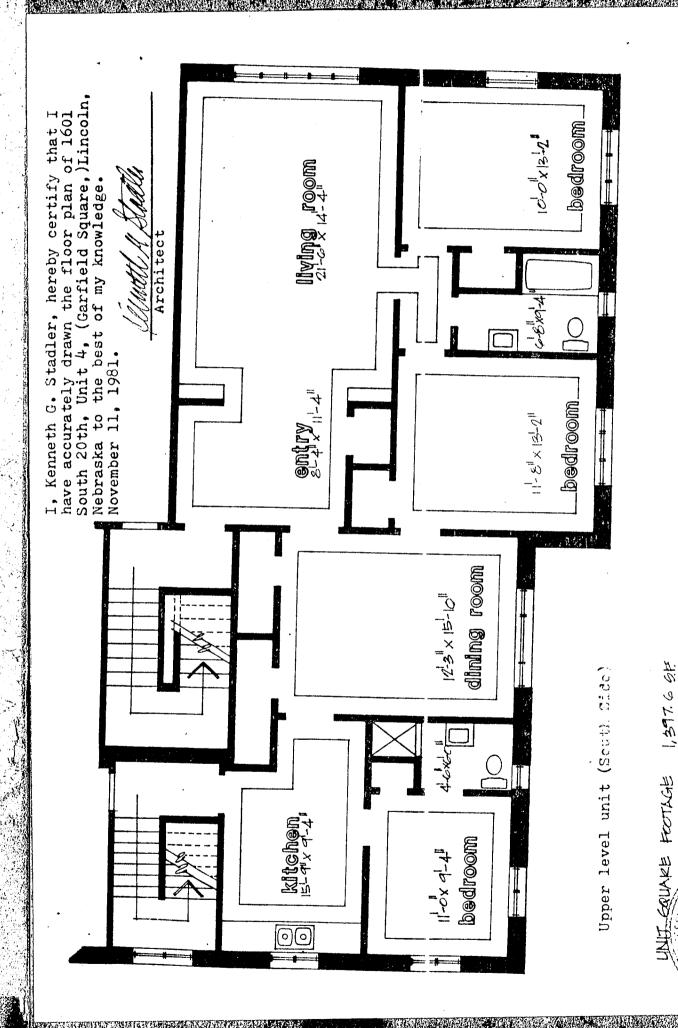
Dated this ist day of Lincoln, Lancaster County, Nebraska.

1<del>982</del> at

GARFIELD SQUARE CONDOMINIUM ASSOCIATION,

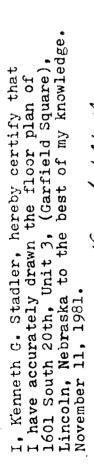
By: A Lucy X



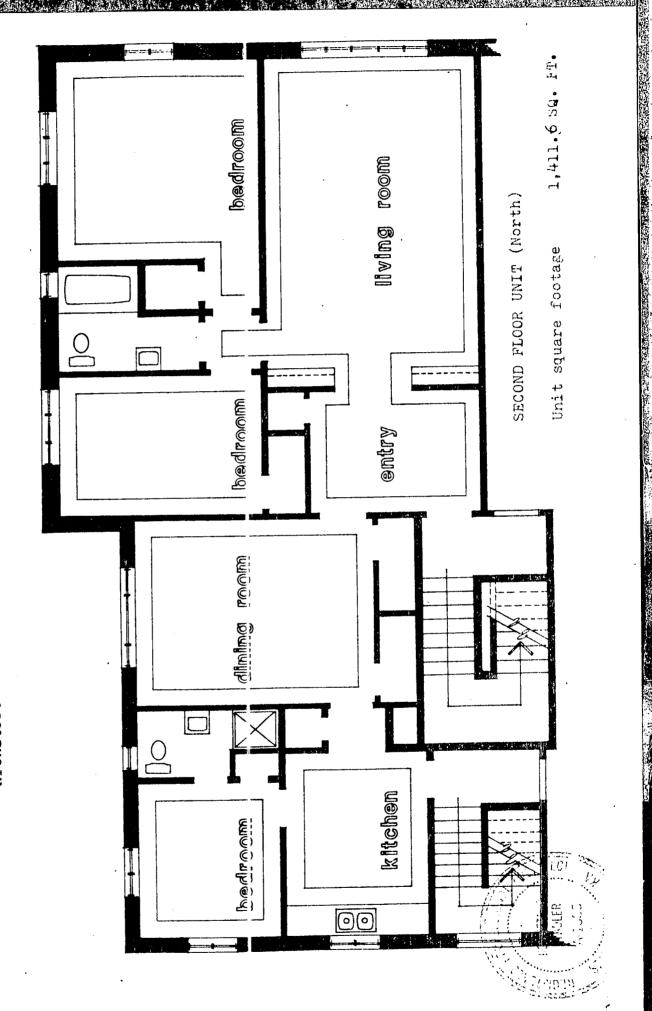


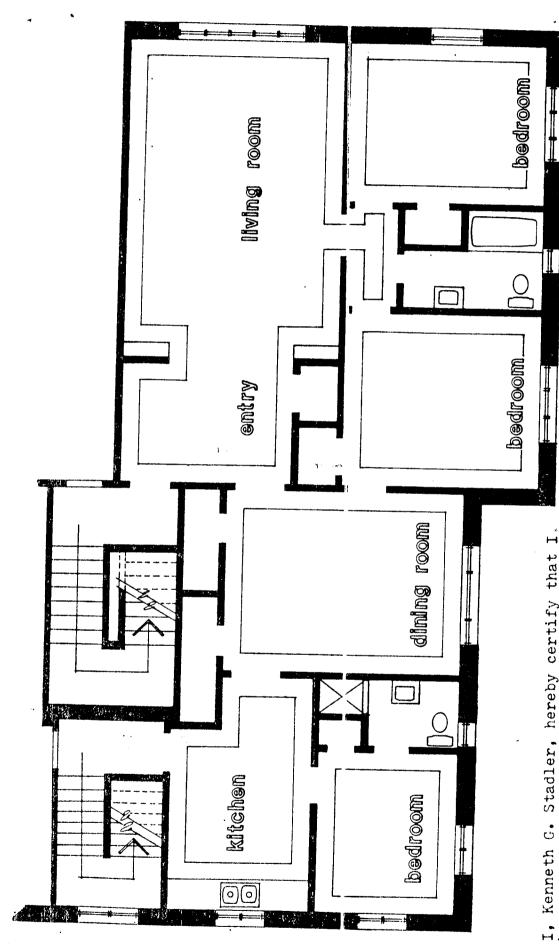
TYPICAL UNIT

NUNVETE G. STABLER



Lunde of State





I, Kenneth G. Stadler, hereby certify that I have accurately drawn the floor plan of 1601 South 20th, Unit 2, (Garfield Square), Lincoln, Nebraska to the best of my knowledge.

NEWRETH G. ST. AR. STADLER 123

SECOND FLOOR LEVEL (South)

Unit square footage 1,397.6 S.F.

