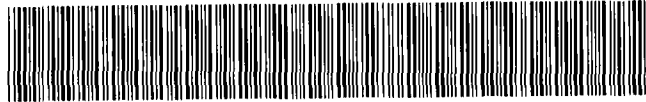


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DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS

As revised on Tuesday, March 5, 2013.

Originally filed in Book 1195, Page 366 and Book 1196 Page 691.

This declaration is made as of the date stated above "As revised on ..." of this instrument, by the Villas of Hawthorne Association, Inc., a Nebraska Non-Profit Corporation, referred to as the "Declarant".

W I T N E S S E T H:

WHEREAS, The Villas of Hawthorne Association, Inc. is the association affiliated with the property in Douglas County, Nebraska, more particularly described as follows: Lot 121 through 158, inclusive, with Lots 121-131 and 136-158 Hawthorne Subdivision, Lot 1 and 2 Hawthorne Subdivision Replat 3 and Lot 1 Hawthorne Subdivision Replat 2 of the Villas of Hawthorne, a Subdivision located in Douglas County, Nebraska, as surveyed, platted and recorded;

WHEREAS, Declarant desires to continue to make all properties of the Villas of Hawthorne Association subject to the covenants, conditions and restrictions hereinafter set forth;

Now, therefore, the Declarant hereby declares that herein above described properties shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with, all of said real property and shall be binding on all parties having any right, title or interest in said properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner/member thereof.

Ret

Villas of Hawthorne Assoc
 PO Box 390441, Omaha NE 68139 ✓ 2079

ARTICLE I
DEFINITIONS

Section 1. "Association" shall mean and refer to Villas of Hawthorne Association, Inc., a Nebraska nonprofit corporation, its successors and assigns.

Section 2. "Owner/Member, shall mean and refer to:

- (a) The record owner/member, whether one or more persons, of a fee simple title to any Lot which is a part of the Properties, but excluding those having such interest merely as security for the performance of an obligation or as an encumbrance upon the interest of the beneficial owner/member, and
- (b) The purchaser, whether one or more persons, under a recorded contract for the sale and purchase of a Lot, under which the Seller retains title solely as security for the performance of the purchaser's obligation under the contract.

Section 3. "Properties" shall mean and refer to Lots 121 through 158, inclusive, of the Villas of Hawthorne, a Subdivision located in Douglas County, Nebraska, as surveyed, platted and recorded, together with any such additions thereto as may hereafter be brought within the jurisdiction of the Villas of Hawthorne Association.

Section 4. "Lot" shall mean and refer to any platted Lot shown upon any recorded subdivision map of the Properties.

Section 5. "Improved Lot" shall mean and refer to any Lot included within the Properties upon which shall be erected a dwelling the construction of which shall be at least 80% completed according to the plans and specifications for construction of said dwelling.

Section 6. "Assessable Lot" shall mean and refer to any Improved Lot which the Board of Directors of the Villas of Hawthorne Association determines is entitled to the benefits for which assessments are levied by the Villas of Hawthorne Association as provided in this instrument.

Section 7. "Declarant" shall mean and refer to the Villas of Hawthorne Association, Inc. which is signed by the current members of the Board of Directors of the Villas of Hawthorne Association as their successors and assigns.

ARTICLE II
PROPERTY RIGHTS

Section 1. The Villas of Hawthorne Association may suspend the voting rights of a Villas of Hawthorne Association's owner/member for any period during which any assessment against such Villas of

Hawthorne Association owner's/member's Lot remains unpaid, and for any period not to exceed 60 days for any infraction by any such Villas of Hawthorne Association's owner/member, or members of such Villas of Hawthorne Associations owner's/member's family, or guests or tenants of such Villas of Hawthorne Association's owner/member, of the published rules and regulations of the Villas of Hawthorne Association.

Section 2. Parking Rights. Owner/Member of any Lot shall entitle the Villas of Hawthorne Association's owner/member or owners/members thereof to such parking rights as shall be available upon such Lot.

ARTICLE III MEMBERSHIP AND VOTING RIGHTS

Section 1. Every Villas of Hawthorne Association's owner/member of a Lot shall be a member of the Villas of Hawthorne Association. Each Villas of Hawthorne Association's Lot owner/member is empowered to enforce the covenants. Membership shall be appurtenant to and shall not be separated from membership of any Lot which is subject to any assessment.

Section 2. In order to ensure that a quorum is present for all meetings of the resident members, and to allow for orderly management of the Villas of Hawthorne Association's affairs, it shall be the duty of each resident member to attend such meetings or execute and deliver to the Villas of Hawthorne Association a continuing proxy prepared by the officers of the Villas of Hawthorne Association. This continuing proxy shall operate in lieu of the actual attendance at the meeting by the specific member and shall be void if the member personally attends that meeting to exercise the member's right to vote. A Villas of Hawthorne Association's Lot owner/member may provide a superseding proxy to be voted by his duly authorized attorney in fact for one specific meeting only. The proxy shall be subject to the terms of the Nebraska Nonprofit Corporation Act concerning revocability and life span of the proxy. Failure to attend personally or by proxy is a violation of this covenant.

The continuing proxy shall be voted by the President (or Vice-President in the absence of the President) of the Villas of Hawthorne Association in his or her discretion at any meeting. It is noted that Nebraska law requires that members holding 1/10th of the votes entitled to be cast represented in person or by proxy shall constitute a quorum. The continuing proxy shall provide on its face that it is valid on a continuous basis for an indefinite period of time (subject to limitations in effect from time to time under the Nebraska Nonprofit Corporation Act) until revoked in writing by the specific the Villas of Hawthorne Association's Lot owner/member. All proxies shall be in writing and filed with the Vice-President or designated Association's Administrator of the Villas of Hawthorne

Association. Each proxy shall be freely revocable and shall automatically cease when the member giving such proxy shall cease to be a Villas of Hawthorne Association's owner/member of a Lot or at such earlier time as shall be specified in the proxy or by operation of law.

Section 3. The Villas of Hawthorne Association shall have one(1) class of voting members, Class A Members, defined as follows:

CLASS A: Class A Members shall be all Villas of Hawthorne Association's owners/members. Each Class A Member shall be entitled to one vote for each Lot owned. When there shall be more than one person or entity holding an interest in any Lot, all such persons or entities or both, shall be members; provided however that the vote for such Lot shall be exercised as such persons or entities or both, shall determine, but in no event shall more than one vote shall be cast with respect to any one Lot.

ARTICLE IV COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant hereby covenants for each Assessable Lot and for each Villas of Hawthorne Association's owner/member of any Assessable Lot, by acceptance of a deed therefore or by entering into a contract for the purchase thereof, whether or not it shall be so expressed in such deed or in such contract, that it is, and shall be, deemed to covenant and agree to pay to the Villas of Hawthorne Association:

- (1) Special assessments for capital improvements as described within this article of this Covenants and ByLaws, and
- (2) Monthly assessments for exterior maintenance and other operational expenses with respect to each Assessable Lot as deemed necessary by the Villas of Hawthorne Association, which assessments shall be established and collected as hereinafter provided. The special assessments and monthly assessments, together with interest, costs and reasonable attorney's late, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment shall be made. Each such assessment, together with interest, costs and reasonable attorney's fees, shall also be the personal obligation of the person or persons who was the Villas of Hawthorne Association's owner/member of the property at the time when the assessment became due. The personal obligation for delinquent assessments shall not pass to such owner's/member's successors in title, unless expressly assumed by them.

Section 2. Purpose of Assessments. The assessments levied by the Villas of Hawthorne Association shall be used exclusively to promote the health, safety, recreation and welfare of the residents in the Properties and for exterior maintenance, and other matters as more fully set out in Article V herein.

Section 3. Monthly Assessments. The Board of Directors of the Villas of Hawthorne Association shall have the authority to levy and assess against each Assessable Lot an initial fiscal year's monthly maintenance assessment for the purpose of meeting the requirements of Section 1 of Article V herein for exterior maintenance. At the commencement of each calendar year thereafter, the Board of Directors shall have the authority to increase the monthly maintenance assessment against each Assessable Lot by a percentage of the prior assessment the percentage shall be the greatest of five percent (5%) or the percentage increase in the U. S. Department of Labor Consumer Price Index. Any adjustment in the monthly maintenance assessment above that authorized by the Board of Directors must be approved by a majority of the votes cast by the Members at a meeting duly called for such purpose.

The Board of Directors shall have the authority to assess a fee to cover a budgetary shortfall with approval of owners/members as described in Article IV, Section 9. The owner/member shall have the option to pay the special assessment monthly, quarterly or in a lump total sum (as identified in this Article IV, Section 9). The owners/members shall identify in writing to the Board of Directors which method of payment option they choose to use to pay for the special assessment in accordance with a notice timeline established by the Board of Directors published in a Special Assessment Payment Notice.

Section 4. Special Assessment for Capital Improvements. The Villas of Hawthorne Association may levy special assessments from time to time against an Assessable Lot for the purpose of meeting the requirements of Section 2 of Article V herein for the costs of any construction, reconstruction, repair or replacement of any capital improvements on such Lots, including fixtures and personal property related thereto, provided that any such assessment shall be approved by the vote of the members, who shall vote in person or by proxy at a meeting duly called for such purpose.

Section 5. Notice and Quorum for Any Action Authorized Under Section 1. Written notice of any meeting called for the purpose of taking any action authorized under Sections 3, 4 or 9 of this Article IV shall be sent to all Members not less than 10 days nor more than 50 days in advance of such meeting. At the first such meeting called, the presence of Members, in person or by proxy, entitled to cast sixty percent (60) of all the votes of the membership of the Villas of Hawthorne shall constitute a quorum as applied to Sections 3 or 4

of Article IV. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at such subsequent meeting shall be one-half (1/2) of the required quorum as applied to Sections 3 or 4 of Article IV at the preceding meeting. Any such subsequent meeting shall be held within 60 days following the preceding meeting. Section 9 of Article IV requires that the Board of Directors must have approval by a simple majority of the owners/members of the Villas of Hawthorne Association prior to the adoption and activation of the special assessment for a fiscal year shortfall.

Section 6. Uniform Rate of Assessment. The monthly assessments shall be paid prorata by the Villas of Hawthorne Association's owners/members of all Assessable Lots based upon the total number of Assessable Lots; provided, however, the Board of Directors of the Villas of Hawthorne Association may equitably adjust such prorations if it determines that certain Assessable Lots on which all of the improvements are not yet completed do not receive all of the benefits for which such assessments are levied. The monthly assessments may be collected on a monthly or other periodic basis by the Villas of Hawthorne Association. The Board of Directors of the Villas of Hawthorne Association shall fix the amount of the monthly or other periodic assessments against each Assessable Lot. Written notice of the assessment shall be sent to every owner/member subject hereto. The dates payments are due shall be established by the Board of Directors of the Villas of Hawthorne Association. The special assessments for capital improvements shall only be assessed against the Assessable Lot for which the costs of such construction, reconstruction, repair or replacement of any capital improvements occurs. The Villas of Hawthorne Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Villas of Hawthorne Association, setting forth whether or not all assessments on a specified Assessable Lot have been paid. A properly executed certificate of the Villas of Hawthorne Association as to the status of assessments, on a particular Assessable Lot shall be binding upon the Villas of Hawthorne Association as of the date of its issue by the Villas of Hawthorne Association.

Section 7. Effect of Nonpayment of Assessment: Remedies of the Villas of Hawthorne Association. Any assessment not paid within thirty (30) days after the due date shall be deemed delinquent and shall bear interest at the maximum legal rate allowable by law in the State of Nebraska. Should any assessment remain unpaid more than sixty (60) days after the due date, the Villas of Hawthorne Association may declare the entire unpaid portion of said assessment for said year to be immediately due and payable and thereafter delinquent. The Villas of Hawthorne Association may bring an action at law against the owner/member personally obligated to pay the same, or may foreclose the lien of such assessment against the property through proceedings in any Court having jurisdiction of actions for

the enforcement of such liens. No Villas of Hawthorne Association's owner/member may waive or otherwise escape liability for the assessments provided herein by abandonment or title transfer of such owner's/member's Lot.

Section 8. Subordination of the Lien to Mortgages. The lien on the assessments provided for herein shall be subordinate to the lien of any first mortgage, first deed of trust, or other initial purchase money security device, and the holder of any first mortgage, first deed of trust, or other initial purchase money security device, on any Lot may rely on this provision without the necessity of the execution of any further subordination agreement by the Villas of Hawthorne Association. Sale or transfer of any Lot shall not affect the status or priority of the lien for assessments made as provided herein. The Villas of Hawthorne Association, if authorized by its Board of Directors, may release the lien of any delinquent assessments on any Lot as to which the first mortgage, first deed of trust or initial purchase money security device thereon is in default, if such Board of Directors determines that such lien has no value to the Villas of Hawthorne Association. No mortgagee shall be required to collect any assessments due. The Villas of Hawthorne Association shall have the sole responsibility to collect all assessments due.

Section 9. Special Assessment on Budget shortfall. The Board of Directors shall have the authority to issue a special assessment should a shortfall occur within a fiscal year. A shortfall exists when the Contingency Fund is reduced to zero and the projected or actual expenses are greater than projected or actual revenues. Should a shortfall exist, the Board of Directors must have approval by a simple majority of the owners/members of the Villas of Hawthorne Association prior to the adoption and activation of the special assessment.

ARTICLE V
EXTERIOR MAINTENANCE

The Villas of Hawthorne Association may provide exterior maintenance upon each Assessable Lot as set forth hereinafter.

Section 1. Monthly assessments may be assessed for, but not limited to, the following:

- (a) Maintenance of trees and shrubs, lawns, and other exterior landscaping improvements as originally installed by the builder, except such improvements as may be within the confines of any fenced in area on any Assessable Lot or installed by or at the direction of the Villas of Hawthorne Association's owner/member, which improvements shall be the responsibility of the Villas of Hawthorne Association's

owner/member. The Villas of Hawthorne Association's owner/member understands that the original landscape as installed by the builder is warranted for a period of one year from the time of planting. The Villas of Hawthorne Association's owner/member is responsible for replacement of all dead landscaping improvements after the one year warranty period expires and the owner/member agrees to allow the Villas of Hawthorne Association to replace such dead landscape improvements at the expense of the Villas of Hawthorne Association's owner/member of record at the time of replacement and the owner/member shall reimburse the Villas of Hawthorne Association on demand. In the event such replacement does not occur within thirty (30) days following written notice from the Villas of Hawthorne Association, then the Villas of Hawthorne Association may cause such replacement to occur and charge the owner/member of the Lot for such replacement. The Villas of Hawthorne Association shall have no duty to repair, replace or maintain any exterior concrete surfaces.

- (b) Snow removal as to be determined by the guidelines set forth by the Villas of Hawthorne Association's Board of Directors.
- (c) The color of the exterior paint of a Villas of Hawthorne Association's dwelling shall be of an earth tone. Earth tone is a color scheme that draws from a color palette of browns, tans, greys, greens, oranges, whites, blues and some reds. The colors in an earth tone scheme are muted and flat in an emulation of the natural colors found in dirt, moss, trees and rocks.

Section 2. Special assessments may be assessed for, but not limited to, the following:

- (a) Maintain, repair, and replace roofs.
- (b) Maintain, repair, including painting, of all exterior walls, with the exception that the Villas of Hawthorne Association shall not assume the duty to repair or replace any glass surfaces, including, but not limited to, window glass and door glass. The Villas of Hawthorne Association shall not assume the duty to repair or replace any doors, door openers, and cooling units for air conditions systems. The Villas of Hawthorne Association shall not assume the duty to paint the exterior surfaces of exterior doors.
- (c) Maintain, repair, and replace gutters.
- (d) All replacements shall be of like kind if at all possible.

ARTICLE VI
ARCHITECTURAL CONTROL

No building, fence, wall, or other structure shall be commenced, erected or maintained upon the properties, nor shall any exterior addition or change or alteration therein be made, nor shall any trees, shrubs, or other landscaping be planted or maintained upon the Properties, until the plans and specifications therefore, showing the nature, kind, shape, height, materials, color and location of the same shall have been submitted and approved in writing using the VHA's Improvement Request form accompanied by written plans, as to harmony of external design and location in relation to surrounding structures and topography, and in relation to other trees, shrubs and plantings, by the Board of Directors of the Villas of Hawthorne Association. Failure of the Board to act on such plans as submitted within 30 days after the date of submission shall be deemed to be approval of such plans, and the Villas of Hawthorne Association's owner/member may proceed in accordance with such plans and specifications. Board approval shall be independent of and in addition to the restrictions imposed and approvals required by Article VII of this Declaration.

ARTICLE VII
GENERAL RESTRICTIONS AND OTHER PROVISIONS

Every Villas of Hawthorne Association's owner/member shall have full rights of membership and full use and enjoyment of his or her Lot, subject to the following restrictions:

Section 1. Each Lot shall be used exclusively for single-family residential purposes, except for such Lots or parts thereof as may hereafter be conveyed or dedicated by the Villas of Hawthorne Association's Board of Directors, or their successors or assigns, for use in connection with a common facility, or as a church, school, park, or for other non-profit use.

Section 2. No residence, building, fence, wall, driveway, patio, patio enclosure, swimming pool, basketball backboard, dog house, pool house, flag pole, light pole, or other external improvement, including landscaping, above or below the ground (herein all referred to as any "Improvement") shall be constructed, erected, placed, or permitted to remain on any Lot, nor shall any grading or excavation for any Improvement be commenced, except for Improvements which have been approved as follows:

- (a) An owner/member desiring to erect an Improvement shall deliver two (2) sets of construction plans, landscaping plans, grading plans and plot plans in addition to the VHA's Improvement Request form to the Villas of Hawthorne Association, Inc., PO Box 390441, Omaha, NE 68139 or by e-mail (herein collectively referred to as the "plans"). Such plans shall include a

description of type, quality, color, and use of materials proposed for the exterior of such Improvement. Concurrent with submission of the plans, the Villas of Hawthorne Association's owner/member shall notify the Vice-President or the Association's Administrator of the Villas of Hawthorne Association, Inc. at PO Box 390441, Omaha, NE 68139 or by e-mail as provided in the VHA's Membership Roster.

(b) The President (or the Board of Directors at the request of the President) of the Villas of Hawthorne Association, Inc. shall review such plans in light of the conditions and restrictions in this Article VII of this Declaration and in relation to the type and exterior of improvements which have been constructed, or approved for construction, on the Lots. In this regard, the Board of Directors of the Villas of Hawthorne Association, Inc. intends that the Lots shall be developed as a residential community with homes constructed of high quality materials. The decision to approve or refuse approval of a proposed Improvement shall be exercised by the Board of Directors of the Villas of Hawthorne Association, Inc. in a reasonable manner to promote conformity and harmony of the external design of the improvements constructed within the Villas of Hawthorne Subdivision and to protect the value, character and residential quality of all Lots in a manner consistent with this Declaration. Atypical improvements and home designs such as dome houses, A-frame houses and log cabins will not be approved unless the Board of Directors of the Villas of Hawthorne Association, Inc. determines that construction of these Improvements will not be materially inconsistent with the scheme of development contemplated by this Declaration. If the Board of Directors of the Villas of Hawthorne Association, Inc. determines that the external design and location of the proposed Improvement does not conform with the standards or requirements of this Declaration, does not conform with the surrounding improvements and topography or will not protect and enhance the integrity and character of all the Lots and neighboring Lots, if any, as a quality residential community, the Board of Directors of the Villas of Hawthorne Association, Inc. may refuse approval of any proposed Improvement.

(c) Written Notice of any approval of a proposed Improvement shall be e-mailed to the Villas of Hawthorne Associations owner/member's e-mail or resident address provided by the Villas of Hawthorne Association's owner/member specified by the Villas of Hawthorne Association's owner/member upon submission on the VHA's Improvement Request Form. Such notice shall be e-mailed or mailed, if at all, within thirty (30) days after the date of submission of the VHA's Improvement Request form and plans. If notice of approval is not e-mailed

or mailed within such period, the proposed Improvement shall be deemed approved by the Board of Directors of the Villas of Hawthorne Association, Inc.

(d) No Lot owner/member, or combination of Lot owners/members, or other person or persons shall have any right to any action by the Board of Directors of Villas of Hawthorne Association, Inc., or to control, direct or influence the acts of the Board of Directors of Villas of Hawthorne Association, Inc., with respect to any proposed Improvement. No responsibility, liability or obligation shall be assumed by or imposed upon the Board of Directors of Villas of Hawthorne Association, Inc., by virtue of the authority granted to it in this Section 2, or as a result of any act or failure to act by it with respect to any proposed Improvement.

(e) The Board of Directors of the Villas of Hawthorne Association, Inc., or its successor or assign, may terminate its authority to grant or withhold approval of any Improvement under this Section 2, at any time, by filing a Notice of Termination. Upon such filing, the Villas of Hawthorne Association may appoint another entity, association or individual to serve in such capacity, and such appointee shall thereafter have the same authority and powers as the Board of Directors of Villas of Hawthorne Association, Inc., under this Section 2.

Section 3. No single-family residence shall be created, altered, placed, or permitted to remain on any Lot other than one detached single-family dwelling which does not exceed two and one-half stories in height, exclusive of basement level.

Section 4. The exposed front foundation walls and any foundation walls facing any street of all main residential structures must be constructed of or faced with brick or other material approved by the Villas of Hawthorne Association. All exposed side and rear concrete or concrete block foundation walls not facing a street must be painted. All driveways must be constructed of concrete, brick, paving stone, or laid stone. All foundations shall be constructed of concrete, concrete blocks, brick or stone. Fireplace chimneys shall be covered with brick, or other material approved in writing by the Villas of Hawthorne Association.

Section 5. No advertising signs, billboards, unsightly objects or nuisances shall be erected, placed or permitted to remain on any Lot except one sign per Lot consisting of not more than six (6) square feet advertising a Lot as "For Sale". No business activities of any kind whatsoever shall be conducted on any Lot; nor shall the premises be used in any way for any purpose which may endanger the health or unreasonably disturb the owner/member or owners/members of any Lot or any resident thereof. Nothing contained in this Section 5

shall apply to the business activities, signs and billboards or the construction and maintenance of buildings, if any, by Declarants a contractor(s) or real estate agent, their agents or assigns, during the construction and sale of the Lots.

Section 6. No exterior television or radio antenna or disc of any sort shall be permitted on any Lot except small satellite dishes. No tree houses, tool sheds, doll houses, windmills, or similar structures shall be permitted on any Lot.

Section 7. No repair of any boats, automobiles, motorcycles, trucks, campers or similar vehicles requiring a continuous time period in excess of forty-eight (48) hours shall be permitted on any Lot at any time; nor shall vehicles offensive to the neighborhood be visibly stored, parked or abandoned on any Lot. No unused building material, junk or rubbish shall be left exposed on the Lot except during actual building operations, and then only in as neat and inconspicuous a manner as possible.

Section 8. No boat, camper, trailer, auto-drawn or mounted trailer of any kind, mobile home, truck, aircraft, camper truck or similar chattel shall be maintained or stored on any part of a Lot (other than in an enclosed structure) for more than twenty (20) days within a calendar year. No motor vehicle may be parked or stored outside on any lot, except vehicles driven on a regular basis by the occupants of the dwelling located on such Lot. No grading or excavating equipment, tractors or semi-tractors/trailers shall be stored, parked, kept or maintained in any yards, driveways or streets. However, this Section 8 shall not apply to trucks, tractors or commercial vehicles which are necessary for the construction of residential dwellings during the period of construction or reconstruction. All residential Lots shall provide at least the minimum number of off street parking areas or spaces for private passenger vehicles required by the applicable zoning ordinances of the City of Omaha, Nebraska. All garage doors must be closed when not in use.

Section 9. No incinerator, trash burner or fuel tank shall be permitted on any Lot. No garbage or trash can or container shall be stored or be permitted to remain outside except for pickup purposes. No garden lawn or maintenance equipment of any kind whatsoever shall be stored or permitted to remain outside of any dwelling or suitable storage facility, except when in actual use. No garbage, refuse, rubbish or cutting shall be deposited on any street, road or Lot. No clothes line or clothes hanger (including but not limited to laundry umbrellas or other retractable apparatus) shall be permitted outside of any dwelling at any time. Produce or vegetable gardens may only be maintained in rear yards.

Section 10. Exterior lighting installed on any Lot shall either be indirect or of such a controlled focus and intensity as not to disturb the residents of adjacent Lots.

Section 11. Except for homes located on the west side of 178th Street or homes that back up to the Hawthorne's neighborhood, no fence or mass planted hedges or shrubs or other structures which effectively act as a fence shall be permitted on any Lot; provided, however, invisible sound-barrier fencing to restrain pets is permitted.

Section 12. No swimming pool may extend more than one foot above ground level.

Section 13. Construction of any Improvement shall be completed within one (1) year from the date of commencement of excavation or construction of the Improvement.

Section 14. A public sidewalk shall be constructed of concrete four (4) feet wide by four (4) inches thick in front of each Lot and upon each street side of each corner Lot. The sidewalk shall be placed four (4) feet back of the street curb line and shall be constructed by the Villas of Hawthorne Association's owner/member of the Lot prior to the time of completion of the main structure and before occupancy thereof; provided, however, this provision shall vary to comply with any requirements of the City of Omaha. A sidewalk will be maintained by Lanoha Development Company to begin south of the sidewalk of 5035 South 178th Street to extend to Welch Plaza continuing east up to Hy-Vee Super Market on the north side of Welch Plaza.

Section 15. Driveway approaches between the sidewalk and curb on each Lot shall be constructed of concrete. Should repair or replacement of such approach be necessary, the repair or replacement shall also be made of concrete. No asphalt overlay of driveway approaches will be permitted.

Section 16. No stable or other shelter for any animal, livestock, fowl or poultry shall be erected, altered, placed or permitted to remain on any Lot, except for one dog house constructed for one (1) dog; provided always that the construction plans, specifications and the location of the proposed structure have been first approved as required by this Declaration. Dog houses shall only be allowed at the rear of the residence, concealed from public view. No dog runs or kennels of any kind shall be allowed in the Villas of Hawthorne Subdivision.

Section 17. Any exterior air conditioning condenser unit shall be placed in the rear yard or any side yards. No grass, weeds or other vegetation will be grown or otherwise permitted to commence or continue, and no dangerous, diseased or otherwise objectionable

shrubs or trees will be maintained on any Lot so as to constitute an actual or potential public nuisance, create a hazard or undesirable proliferation, or detract from a neat and trim appearance. Vacant Lots shall not be used for dumping of earth or any waste materials, and no vegetation on vacant Lots shall be allowed to reach a height in excess of twelve (12) inches.

Section 18. No Residence shall be constructed on a Lot unless the entire Lot, as originally platted, is owned by one owner/member of such Lot, except if parts of two or more platted Lots have been combined into one Lot which is at least as wide as the narrowest Lot on the original plat, and is as large in area as the largest Lot in the original plat.

Section 19. No temporary structure of any character, and no carport, trailer, open basement, storage or tool shed or shack shall be erected upon or used on any Lot at any time, either temporarily or permanently; provided, however, this shall not prevent the location of a temporary real estate or construction office on any Lot for use during the period of construction or sale of the Lots. An owner/member may erect a swing set, playground equipment, pool house, or other non-prohibited structure on a Lot only after securing the prior written approval of the Villas of Hawthorne Association. No structure or dwelling shall be moved from outside Hawthorne to any Lot without the written approval of the Villas of Hawthorne Association.

Section 20. All utility service lines from each Lot line to a dwelling or other Improvement shall be underground.

Section 21. The use of private barbecue grills and the outside use or storage of barbecue grills is allowed on outside decks and patios, but may be subject to written regulation, restriction or exclusion by the Villas of Hawthorne Association.

Section 22. No tree situated upon any Lot may be moved, removed, cut or destroyed unless complete plans describing the exact tree or trees to be moved, removed, cut or destroyed, and the reason therefore, shall have been submitted to and approved in accordance with Section 2 of this Article VII. For purposes of this Section, "tree" shall mean and refer to a tree of any type with a diameter larger than one (1) inch at a height of five (5) feet. The front yard of each Assessable Lot must have a minimum of two (2) trees which are classified as deciduous. Subject to the Villas of Hawthorne Association's exterior maintenance as provided in this Declaration, each owner/member shall repair and maintain in good condition any and all trees, shrubs, and bushes placed in and along the ten (10) foot public sidewalk easement area on their Lot. Should any of such trees, shrubs or bushes be removed, die, or deteriorate into a poor condition, the owner/member of the Lot shall, at its expense, replace such trees, bushes or shrubs with trees, bushes or shrubs of the

same or similar quality. In the event such replacement does not occur within thirty (30) days following written notice from the Villas of Hawthorne Association, then the Villas of Hawthorne Association may cause such replacement to occur and charge the owner/member of the Lot for such replacement.

Section 23. The exterior trim and siding on each residence constructed on a Lot must be maintained in good and proper condition and must be fully painted. The color of the exterior paint of a Villas of Hawthorne Association's dwelling shall be of an earth tone. Earth tone is a color scheme that draws from a color palette of browns, tans, greys, greens, oranges, whites, blues and some reds. The colors in an earth tone scheme are muted and flat in an emulation of the natural colors found in dirt, moss, trees and rocks.

Section 24. The Villas of Hawthorne Association does hereby reserve unto itself the right to require the installation of siltation fences or erosion control devices and measures in such locations, configurations, and designs as it may determine appropriate in its sole and absolute discretion.

Section 25. No animals, livestock or poultry of any kind shall be raised or kept on any Lot in the Properties, other than non-exotic household pets. With respect to non-exotic household pets, the Board of Directors of the Villas of Hawthorne Association may from time to time establish limits as to the size, weight, and quantity per household. All pets shall be leashed when outside of the residential structure unless restrained by fencing (including invisible sound-barrier fencing) authorized as provided in this Declaration. No such pet shall be kept, bred or maintained for commercial purposes. Reptiles and pot-bellied pigs are classified as exotic pets. All unpleasanties created by the household pet shall be the responsibility of the Villas of Hawthorne Association's owner/member who shall be obligated to clean up after the animal. The Villas of Hawthorne Association's owner/member also shall prevent any prolonged barking or other noises from the household pets from becoming offensive or annoying to other owners/members.

Section 26. No noxious, offensive, or illegal activity shall be carried on or upon the Properties, nor shall any trash, ashes or other refuse be thrown, placed, or dumped upon any Lot, nor shall anything ever be done which may be or become an annoyance or nuisance to the neighborhood. No outside above-ground trash receptacles or incinerators shall be permitted on any Lot.

Section 27. No awnings or sun screens of any type shall be affixed to any building or structure on any Lot without the written consent of the Board of Directors of Villas of Hawthorne Association, Inc.

Section 28. Written approval is required by the Board of Directors prior to the owners/members initiating plans to change the exterior color on their dwelling. The owners/members shall provide notice of plans to change exterior color to their dwelling using the Improvement Request form.

ARTICLE VIII
INSURANCE

Section 1. The Villas of Hawthorne Association shall procure and maintain adequate liability and hazard insurance on the property owned by the Villas of Hawthorne Association and errors and omissions insurance and liability insurance for the members of the Board of Directors of the Villas of Hawthorne Association. If the Villas of Hawthorne Association has any employees of any nature, the Villas of Hawthorne Association shall purchase and provide Worker's Compensation Insurance for all employees who may come within the scope of Nebraska Worker's Compensation laws.

Section 2. Each Villas of Hawthorne Association's owner/member shall, at their sole cost and expense, procure and maintain in full force and effect a policy or policies of insurance insuring such Villas of Hawthorne Association's owner/member against loss or damage by fire and such or risks as may be included within an extended coverage endorsement covering the full replacement cost of the buildings and other improvements from time to time erected upon or under such Villas of Hawthorne Association's owner's/member's Lot.

Section 3. In the event that any building on the Properties shall be damaged or destroyed (partially or totally) by fire, the elements, or any other casualty, the Villas of Hawthorne Association's owner/member of such building shall, at their expense, promptly and with due diligence repair, rebuild, and restore the same as nearly as practical to the condition existing just prior to such damage or destruction; or alternatively, the Villas of Hawthorne Association's owner/member of such building shall be required to clear, clean and raze the damaged building and landscape the entire Lot.

ARTICLE IX
ACCESS

The Villas of Hawthorne Association, its officers, agents, and contractors and repairmen designated by the Villas of Hawthorne Association, shall have the right to go on any Lot for the purpose of performing maintenance and repair, making inspections and performing the duties of the Villas of Hawthorne Association hereunder, and the Villas of Hawthorne Association is hereby granted a specific easement for such purposes.

ARTICLE X
GENERAL PROVISIONS

Section 1. Enforcement. The Villas of Hawthorne Association, or any Villas of Hawthorne Association's owner/member, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure of the Villas of Hawthorne Association or of any of the Villas of Hawthorne Association's owner/member to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Severability. Invalidation of any one or more of these covenants or restrictions, by judgment or court order, shall in no way affect any other provisions, which other provisions shall remain in full force and effect.

Section 3. Amendment. Additional lots not owned by a resident member of the Villas of Hawthorne Subdivision in Douglas County, Nebraska, if any, may be added to the Properties and become subject to these Declarations upon the written direction of the contractor or real estate agent recorded in the same manner as Deeds shall be recorded at such time. Subject to the preceding sentence, these Declarations may be amended at any time during the initial twenty (20) year term referred to in Section 4, hereafter, by an instrument signed by the owners/members of not less than ninety percent (90) of the Lots then covered by these Declarations, and thereafter by an instrument signed by the owners/members of not less than seventy-five percent (75) of the Lots then covered by these Declarations; provided, however, the definition of Assessable Lot contained in Article I and the provisions of Section 2 of Article VII shall not be amended without the approval of the Board of Directors of Villas of Hawthorne Association, Inc. Any such amendment shall be valid only upon its being recorded in the same manner as Deeds shall be recorded at such time.

Section 4. Term. These Covenants and restrictions contained in this Declaration shall run with the land, and shall be binding for an initial term of twenty (20) years from the date these Declarations are recorded (need to include a date of filing), after which time they shall be automatically extended for successive periods of ten (10) years each.

BYLAWS of the
VILLAS OF HAWTHORNE ASSOCIATION, INC.
A Nebraska Nonprofit Corporation
As revised on March 5, 2013

ARTICLE I.

The name of this corporation is Villas of Hawthorne Association, Inc., hereinafter referred to as the Villas of Hawthorne Association. The principal office of the Villas of Hawthorne Association shall be located at 5027 South 178th Street 68135, PO Box 390441, Omaha, NE 68139 but meetings of its owner/members and of its Board of Directors may be held at such places within or without the State of Nebraska as may be designated by the Board of Directors.

ARTICLE II.
DEFINITIONS

Section 1. Villas of Hawthorne Association shall mean and refer to Villas of Hawthorne Association, Inc., its successors and assigns.

Section 2. "Owner/Member" shall mean and refers to:

- (a) The record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Properties, but excluding those having such interest merely as security for the performance of an obligation or as an encumbrance upon the interest of the beneficial owner, and
- (b) The purchaser, whether one or more persons or entities, under a recorded contract for the sale and purchase of a Lot, 'under which the Seller retains title solely as security for the performance of the purchaser's obligation under the contract.

Section 3. "Properties" shall mean and refer to all of Lots 121 through 158, inclusive, of Villas of Hawthorne, a subdivision located in Douglas County, Nebraska, as surveyed, platted and recorded, and pursuant to the terms thereof.

Section 4. "Lot" shall mean and refer to any platted lot (other than for roadways) shown upon any recorded subdivision map of the Properties.

Section 5. "Declarant" shall mean and refers to the Declarant as defined in the Declaration, its successors and assigns.

Section 6. "Declaration" shall mean and refers to the "Declaration of Covenants, Conditions and Restrictions" applicable to the Properties, as amended and restated from time to time, as recorded in the office of the Register of Deeds of Douglas County, Nebraska, NE.

Section 7. "Owner/Member" shall mean and refers to those persons entitled to membership as provided in the Declaration.

ARTICLE III.

MEETINGS OF OWNER/MEMBERS

Section 1. Annual Meetings. The first annual General Membership Meeting shall be held within one year after the real estate closing date of the first unit sold. The owners/members shall receive a written notice at least 10 days prior to the meeting, but not more than 50 days in advance. Each subsequent regular annual General Membership Meeting of the owners/members shall be held each year, approximately one year from the previous annual General Membership Meeting, on a date to be determined by the Board of Directors. Written notice of each annual General Membership Meeting shall be given at least 10 days prior, but not more than 50 days in advance.

Section 2. Special Meetings. Special meetings of the owners/members may be called at any time by the President or the Vice President, or by a majority of the Board of Directors, and shall be called by the Secretary of the Villas of Hawthorne Association or other authorized person upon receipt by such Secretary of a written request signed by owners/members of the Villas of Hawthorne Association owning at least two-thirds (2/3) of the properties included in the Villas of Hawthorne Association.

Section 3. Notice of Meetings. Written notice of special meetings shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by mailing a copy of such Notice, postage prepaid, or e-mailed, at least ten (10) days, but not more than fifty (50) days, in advance of any such special meetings to each owner/member entitled to vote thereat, addressed to such owner's/member's address last appearing on the Villas of Hawthorne Association's Membership Roster of the Villas of Hawthorne Association, or supplied by such owner/member to the Villas of Hawthorne Association for the purpose of such Notice. Such Notice shall specify the place, day and hour of the meeting and the purpose of the meeting.

Section 4. Quorum and Proxies. In order to ensure that a quorum is present for all General Membership Meetings of the owners/members, and to allow for orderly management of the

Villas of Hawthorne Association's affairs, each owner/member, upon purchase of a Lot, shall be provided and surrender a Villas of Hawthorne Proxy form to the Villas of Hawthorne Association contributing to a continuing proxy prepared by the Villas of Hawthorne Association. This continuing proxy shall operate in lieu of the actual attendance at the General Membership Meeting or other special owner/member meetings by the specific owners/members and shall be void if the owners/members personally attends that meeting to exercise the owner's/member's right to vote. A Lot owner/member may provide a superseding proxy to be voted by their duly authorized attorney in fact for one specific meeting only.

The continuing proxy shall be voted by the President (or by the Vice President of the Villas of Hawthorne Association in the absence of the President) in their discretion at any meeting. It is noted that Nebraska law requires that owners/members holding 1/10th of the votes entitled to be cast represented in person or by proxy shall constitute a quorum. The continuing proxy shall provide on its face that it is valid on a continuous basis for an indefinite period of time until revoked in writing by the specific Lot owner/member. All proxies shall be in writing and filed with the Vice-President or the Villas of Hawthorne Association's Administrator. Each proxy shall be revocable and shall automatically cease when the owner/member giving such proxy shall cease to be an owner/member of a Lot or at such earlier time as shall be specified in the proxy. No proxy shall be valid after eleven months from the date of its execution unless otherwise provided in the proxy that it operates as a continuing proxy designed to ensure a quorum at all meetings.

ARTICLE IV. BOARD OF DIRECTORS

Section 1. The affairs of this Villas of Hawthorne Association shall be managed by a Board of not less than three (3) nor more than six (6) directors, with the number of Directors to be set initially by the Articles of Incorporation of this Villas of Hawthorne Association, and from and after the time of the first meeting of owners/members, by vote of the owners/members at the annual General membership Meeting. The Association's administrator shall be a non-voting member of the Villas of Hawthorne Association's Board of Directors.

Section 2. Term of Office. Directors shall be elected for a term of two (2) years and shall hold office until their successors shall be elected and qualified. At each annual General Membership Meeting the owners/members shall elect Directors to fill an expiring full term Director's position.

Section 3. Removal. Any Director may be removed from the Board of Directors, with or without cause, by a majority vote of the votes cast by the owners/members of the Villas of Hawthorne Association at any annual General Membership Meeting or special owner/member meeting called for such purpose. In the event of death, resignation or removal of a Director, his or her successor shall be selected by the remaining owner/members of the Board and shall serve for the unexpired term of the predecessor.

Section 4. Compensation. No Director shall receive compensation for any services rendered to the Villas of Hawthorne Association in their capacity as a board member. However, any Director may be reimbursed for actual expenses incurred in the performance of official duties or be employed by the Villas of Hawthorne Association to perform any budgeted service(s).

Section 5. Informal Action by Directors. The Board of Directors shall have the right to take any action in the absence of a meeting which could have been taken at a meeting by obtaining the written consent of a majority of all of the Board of Directors. Any action so approved shall have the same effect as though taken at a meeting of the Board of Directors.

Section 6. Director as Employee. Nothing herein contained shall prevent a Director from also being an employee or a contractor of the Villas of Hawthorne Association or under contract by the Villas of Hawthorne Association to perform any budgeted service(s).

Section 7. Quorum. A majority of the Directors shall constitute a quorum at any meeting of the Directors; but in no event shall a quorum consist of less than one-half (1/2) of the number of directors so fixed or stated in the Articles of Incorporation. Any action taken by a majority vote of the Board of Directors present at any such meeting which has a quorum shall constitute an official act of the Board of Directors.

Section 8. Election. At each annual General Membership Meeting of the owners/members of the Villas of Hawthorne Association, each owner/member of the Board of Directors who has not served their full term shall continue to serve as a member of the Board of Directors for the remainder of their two (2) year term or until their successor shall have been duly elected and qualified. The Board of Directors is encouraged to seek nominees in advance of each annual General Membership Meeting, however all nominations shall be made at such annual General Membership Meetings. Cumulative voting is not permitted. Each owner/member voting may cast as many votes as such owner/member shall be entitled to exercise under the

provisions of the Declarations of Covenants, Restrictions, and Conditions, for each Director to be elected. Persons receiving the most votes shall be elected.

ARTICLE V.
DIRECTORS' MEETINGS

Section 1. Annual Meeting. The annual meeting of the Board of Directors shall follow the annual General Membership Meeting of the owners/members at which time such Directors shall elect new members to fill positions on the Board of Directors when a position on the Board of Directors has not been completed to full term. Nominations to fill an expired term Board of Directors position shall consist of those taken from those proposed at the annual General Membership Meeting as well as other nominations submitted by the current owners/members of the Board of Directors.

The Board of Directors may fill vacated positions on the Board of Directors during a fiscal year should an officer resign or be asked to resign from the Board of Director without completing their full term of office. Such action does not require approval by the owner/members of the Association.

Section 2. Special Meetings. Special meetings of the Board of Directors may be called by the President, or by a majority of such Board of Directors, upon three (3) days prior notice of the meeting given personally (verbally), by mail, by e-mail, or by telephone.

Section 3. Regular Meetings. Quarterly meetings of the Board of Directors may be held as needed in addition to the annual Board of Directors meeting.

ARTICLE VI.
POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have, in addition to those powers under Nebraska law, the power to:

- (a) Adopt and publish rules and regulations governing the personal conduct of the owners/members and their guests and invitees, and to establish penalties for the infraction thereof.
- (b) Suspend any owner's/member's voting rights and right to receive Villas of Hawthorne Association benefits during any period in which such owner/member shall be in default in the payment of any monthly Association Dues or assessment levied by the Villas of Hawthorne Association. Such rights may also be suspended, after notice and hearing,

for a period not to exceed sixty (60) days, for infraction of published rules and regulations.

(c) Exercise for the Villas of Hawthorne Association all powers, duties and authority vested in or delegated to this association and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration of Covenants, Restrictions and Conditions.

(d) Retain an Association's Administrator as an independent contractor, who shall be a non-voting member of the Board of Directors. In addition, the Board of Directors may retain other independent contractors which may also be a member of the Board of Directors, as the Board may deem necessary, and to prescribe their duties and set their compensation.

Section 2. Duties. It shall be the duty, in addition to those duties under Nebraska law, of the Board of Directors to:

(a) Cause to be kept a complete record of all of its acts and of the Villas of Hawthorne Association's affairs at the registered office and to present a statement thereof to the owners/members at the annual General Membership Meeting of the owners/members or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the owner/members who are entitled to vote. In addition, owners/members will be provided an Income and Expense Statement quarterly or when deemed necessary or appropriate by e-mail if used by owners/members or by mail for those who don't use e-mail.

(b) Supervise all officers, agents and contractors of the Villas of Hawthorne Association; and see that their duties are properly performed.

(c) As more fully provided in the Declaration of Covenants, Restrictions and Conditions, to:

(1) Fix the amount of the periodic assessments against each Lot at least thirty (30) days in advance of each assessment period.

(2) Send written notice of each assessment to every owners/members subject thereto at least thirty (30) days in advance of each assessment period.

(3) Commence collection activities against any Lot or owners/members for unpaid assessments more than 30 days delinquent. If less severe collection procedures do not compel the payment of the delinquent assessments, the Board of Directors shall foreclose the lien against any Lot charged with the assessment or shall bring an action against the owner/member personally obligated for the assessment, as in the discretion of the Board is most effective and expedient.

The owner/member who is delinquent on a monthly Villas of Hawthorne Association's Association Dues shall pay all legal, professional and Villas of Hawthorne Association expenses associated with the collection of the delinquent dues plus Late and Fine Fees and interest accruing from due date of the monthly dues to the date of payment of the delinquent monthly dues.

- (d) Issue, or cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board of the issuance of any such certificate. If a certificate states that an assessment has been paid, such certificate shall be conclusive evidence of such payment.
- (e) Procure and maintain adequate liability and hazard insurance on the property owned by the Villas of Hawthorne Association and errors and omissions insurance and liability insurance for the Board of Directors.
- (f) Cause all officers and contractors having fiscal responsibilities to be bonded, as the Board may deem appropriate.
- (g) Perform any other acts necessary to carry out the obligations of the Villas of Hawthorne Association, including maintenance to properties owned by the Villas of Hawthorne Association.
- (h) Keep a record of the names and addresses of the owners/members entitled to vote.
- (I) All committees shall be chaired by a member of the Board of Directors.

ARTICLE VII.
OFFICERS AND THEIR DUTIES

Section 1. Officers. The Officers of the Villas of Hawthorne Association shall include a President, a Vice-President and a Secretary, and such other officers as may be elected in accordance with the provisions of this Article, and appointed by the Board of Directors as it shall deem appropriate.

Section 2. Election of Officers. The officers of the Villas of Hawthorne Association shall be elected by the Board of Directors at the regular annual meeting of the Board of Directors following the annual General Membership Meeting.

The annual meeting of the Board of Directors shall follow as the annual General Membership Meeting of the owners/members at which time such Directors shall elect new members to fill positions on the Board of Directors when a position on the Board of Directors has not completed a full term. Nominations to fill an expired term Board of Directors' position shall consist of those taken from those proposed at the annual General Membership Meeting as well as other nominations submitted by the current members of the Board of Directors. The Board of Directors may fill vacated positions on the Board of Directors during a fiscal year should an officer resign or be asked to resign from the Board of Director without completing their full term of office. Such action does not require approval by the owners/members of the Association.

Section 3. Term. Each officer of the Villas of Hawthorne Association shall be elected to hold office for a term of two(2) years or until such officer's successor shall have been elected and qualified, except as to the first elected officers.

Section 4. Resignation and Removal. Any officer may be removed from office with or without cause by the Board of Directors. Any officer may resign at any time by giving written notice to the Board, or to the President or to the Secretary of the Villas of Hawthorne Association. Such resignation shall take effect upon delivery thereof, or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. Such resignation or removal shall be without prejudice to the contract rights, if any, of the officer so removed, nor shall such resignation or removal adversely affect the officer's membership on the Board of Directors.

Section 5. Vacancies. A vacancy in any office may be filled by appointment by the Board of Directors of Villas of Hawthorne

Association. Any officer appointed to fill such vacancy shall serve for the remainder of the term of the replaced officer.

Section 6. Multiple Offices. Any person may hold two (2) or more offices, provided, however, that no person shall at the same time hold the offices of President and Secretary, or President and Vice-President.

Section 7. Duties of Officers:

(a) The President shall perform all duties as may be prescribed by the Board of Directors, and shall preside at all meetings of the owner/members and Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments on behalf of the Villas of Hawthorne Association as authorized by the Board of Directors.

(b) The Vice-President shall act in place of the President in the event of the President's absence, inability, or refusal to act, and shall exercise and discharge such other duties as may be required by the Board of Directors.

The Vice-President, in collaboration with the designated Villas of Hawthorne Association's Administrator, shall be custodian of the Association's records and maintain the corporate seal of the Villas of Hawthorne Association and affix it to all documents requiring said seal; shall maintain current records showing the Members of the Villas of Hawthorne Association together with their addresses; keep maintain each resident owner/member's Proxy form.

The Vice-President, in collaboration with the designated Villas of Hawthorne Association's Administrator, shall receive and deposit in Villas of Hawthorne appropriate bank accounts all monies of the Villas of Hawthorne Association; shall disburse such funds as directed by the Board of Directors; shall sign all checks and promissory notes of the Villas of Hawthorne Association, along with any other person designated to sign the same by the Board of Directors; shall keep proper records (electronic or written) of account; shall prepare an annual budget, and a statement of income and expenditures of the Villas of Hawthorne Association; and shall perform such other duties as

may be required by the Board of Directors. The Vice-President, collaborating with the designated Villas of Hawthorne Association's Administrator, shall also ensure that the books of the Villas of Hawthorne Association are reviewed annually by a certified public accountant for tax return purposes and compliance with all applicable state revenue statutes.

- (c) The Secretary shall record the votes and keep minutes of all meetings and proceedings of the Board of Directors and of the owners/members; shall serve notice of meetings of the Board of Directors and of the owners/members; shall prepare and distribute agendas for Board of Directors meetings and the annual General Membership Meeting and special membership meetings; and shall perform such other duties as may be required by the Board of Directors.
- (d) The Social Director shall establish a schedule identifying the date, time and place of all social gatherings sponsored by the Villas of Hawthorne Association. The duties and responsibilities of the Social Director are outlined in the Practice and Procedures of the VHA's Procedural Guide.
- (e) The Newsletter Director shall establish a yearly schedule that outlines the timeline for the release of the Villas of Hawthorne Association's quarterly Newsletter. The duties and responsibilities of the Newsletter Director are outlined in the Practice and Procedures of the VHA's Procedural Guide.
- (f) The Voluntary Services Director shall coordinate all Voluntary Service Programs sponsored by the Villas of Hawthorne Association. The duties and responsibilities of the Voluntary Services Director are outlined in the Practice and Procedures of the VHA's Procedural Guide.

ARTICLE VIII.
COMMITTEES

The Board of Directors, by majority vote, may designate and appoint one or more committees to provide assistance to the Board of Directors in carrying out the purposes of the Villas of Hawthorne. The Board shall appoint an architectural control committee, as provided in the Declarations. No committee, however, shall operate to relieve the Board of any responsibility imposed upon it by law, nor have and exercise the

authority of the Board of Directors in the management of the corporation. Each committee shall consist of one or more members of the Board of Directors as well as owners/members of the Villas of Hawthorne Association.

These committees are as follows:

- (a) Architectural control: To enforce all published rules and regulations of the Villas of Hawthorne Association and to insure compliance with the Declarations of Covenants, Conditions, and Restrictions and the Bylaws.
- (b) Nomination: To select and nominate appropriate and suitable candidates for the Board of Directors.
- (c) Budget: To prepare an annual budget and review the previous years' budget and to review expenditures.
- (d) Maintenance: To monitor and follow-through with the lawn care, landscaping matters and snow removal.
- (e) Insurance: To periodically review the insurance coverages to be provided by the Villas of Hawthorne Association as identified in Article X and to periodically solicit bids for such insurance coverages.
- (f) Social: To provide the Social Director with support and coordination to carry out the tasks, activities and events associated with a social gathering, the annual General Membership Meeting or special membership meetings sponsored by the Villas of Hawthorne Association.
- (g) Safety and Grievance: To review, receive and channel to the proper authorities all inquiries concerning the general operation of the Villas of Hawthorne Association.
- (h) Newsletter: To provide the Newsletter Director with support and assistance with the tasks, activities and events associated with the preparation, edification and assembly of the quarterly Villas of Hawthorne Association's Newsletter.
- (i) Voluntary Services: To provide the Voluntary Services Director support and coordination assistance in carrying out of the tasks, activities and events associated with any Voluntary Service Program sponsored by the Villas of Hawthorne Association.

ARTICLE IX.
BOOKS AND RECORDS

The accounting records, records of account and minutes of the proceedings of its annual General Membership Meeting and Board of Directors meetings and committee meetings having the authority of the Board of Directors and paper documents of the Villas of Hawthorne Association shall be kept and retained at all times by Vice-President entrusted with the Association's Administrator, during reasonable business hours, subject to inspection by any owner/member. The Declaration, the Articles of Incorporation, Covenants and the Bylaws of the Villas of Hawthorne Association shall be available for inspection by any owner/member at the principal office of the Villas of Hawthorne Association, where copies may be purchased at a reasonable cost.

ARTICLE X.
INSURANCE

Section 1. The Villas of Hawthorne Association shall procure and maintain adequate liability and hazard insurance on the property owned by the Villas of Hawthorne Association and errors and omissions insurance and liability insurance for the Board of Directors. Should the Villas of Hawthorne Association have any employees of any nature, the Villas of Hawthorne Association shall purchase and provide Worker's Compensation Insurance for all employees who may come within the scope of Nebraska Worker's Compensation laws.

Section 2. Each owner/member shall, at their sole cost and expense, procure and maintain in full force and effect a policy or policies of insurance insuring such owners/members and the as an additional insured, against loss or damage by fire and such or risks as may be included within an extended coverage endorsement covering the full replacement cost of the buildings and other improvements from time to time erected upon or under such Owner's Lot. Each owner/member may obtain additional insurance for such owner's/member's benefit and at such owner's/member's expense as may be deemed necessary by the owner/member including coverage for personal property damage or personal liability.

Section 3. In the event that any building on the Properties shall be damaged or destroyed (partially or totally) by fire, the elements, or any other casualty, the owners/members of such building shall, at their expense, promptly and with due diligence repair, rebuild, and restore the same as nearly as practical to the condition existing just prior to such damage or destruction; or alternatively, the owners/members of such building shall be required to clear, clean and raze the damaged building and landscape the entire Lot.

ARTICLE XI.
ASSESSMENTS

As more fully provided in the Declaration, each owner/member is obligated to pay the Villas of Hawthorne Association monthly assessments and special assessments which are secured on the owner's/member's property against which the assessment is made. Any assessment which is not paid when due shall be considered delinquent. If any assessment is not paid within thirty (30) days after the due date, such assessment shall bear interest from the date of delinquency at the highest legal rate allowable by Nebraska statutes, and the Villas of Hawthorne Association may bring an action at law against the owners/members personally obligated to pay the same, or may foreclose the lien of such assessment against the property through proceedings in any Court having jurisdiction of actions for the enforcement of such liens. Should any part of any assessment remain unpaid for more than sixty (60) days after the due date, the Villas of Hawthorne Association may declare the entire unpaid portion of such assessment for said year to be immediately due and thereafter is delinquent. No owner/member may waive or otherwise escape liability for the assessments provided herein by abandonment or transfer of such owner's/member's Lot or parcel except as set forth in writing by the Board of Directors.

ARTICLE XII.
CORPORATE SEAL

The Villas of Hawthorne Association shall have a corporate seal in circular form having its name incorporated therein, and showing that the corporation is a Nebraska nonprofit corporation.

ARTICLE XIII.
AMENDMENTS

Section 1. These Bylaws may be amended at any regular or special meeting of the owners/members by a vote of a majority of a quorum of owner/members present in person or by proxy.


Section 2. In case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control. In the case of any conflict between the Declarations of Covenants, Conditions, and Restrictions, and these Bylaws, the Declarations shall control.

Section 3. The Articles of Incorporation may be amended with the approval of at least 2/3 of the Villas of Hawthorne Association's owners/members.

ARTICLE XIV.
FISCAL YEAR

The fiscal year of the Villas of Hawthorne Association shall begin on the 1st day of January and end on the 31st day of December of each year, except that the first fiscal year of the Villas of Hawthorne Association shall begin with the date of incorporation.

Villas of Hawthorne Association, Inc. by



Richard A. Dierkhising
Vice-President

All-purpose Acknowledgment

STATE OF Nebraska, COUNTY OF Douglas

On 04-01-2014 before me, the undersigned, a Notary Public
in and for said State, personally appeared

Richard A Dierkhizing

personally known to me -OR- proved to me on the basis of satisfactory evidence/ to be the person(s)
whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they
executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the
instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature Syeda Rashid
Name (type or printed) Syeda Rashid
My commission expires: July 26, 2015

Richard A. Dierkhizing
5019 S 178th Street
Omaha, NE 68135

