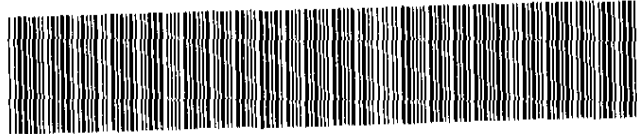


DEED 2005041297



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Date
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By <u>[Signature]</u>

Received - DIANE L. BATTIATO
Register of Deeds, Douglas County, NE
4/13/2005 09:44:51.51



2005041297

MASTER DEED AND DECLARATION

THIS MASTER DEED AND DECLARATION made effective the 1st day of January, 2005 by REVITALIZE OMAHA, LLC, a Nebraska Limited Liability Company (herein called "Declarant"), for itself, its successors, grantees and assigns.

WITNESSETH

- Purpose: The purpose of this Master Deed and Declaration is to submit the lands herein described and the improvements to be build thereon to the condominium form of ownership and use in the manner provided by Sections 76-809 and 76-810, R.R.S. Nebraska (under the Nebraska "Uniform Condominium Act").
- Memo: The name of the condominium is THE HILL RESIDENTIAL CONDOMINIUMS.
- Association: The Association which shall manage said condominium pursuant to Sections 76-859 through 76-877 R.R.S. Nebraska et seq. is THE HILL RESIDENTIAL CONDOMINIUM ASSOCIATION, INC., a Nebraska non profit corporation. All unit owners shall be members of the Association.
- Description: The lands owned by the Declarant which are hereby submitted to the condominium regime are described as follows:

The West 70 feet of Lot 8 , in Paxton Court, an addition to the City of Omaha; sometimes referred to as "The Douglas"; and

The West 70 Feet of Lot 9, in Paxton Court, an addition to the City of Omaha; sometimes referred to as "The Hudson"; and

04

[Signature]

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Lot 10, in Paxton Court, an addition to the City of Omaha; sometimes referred to as "The Athelone", and all as surveyed, platted and recorded in Douglas County, Nebraska.

5. Boundaries and Units: The condominium will consist of three (3) buildings with a height of not more than three (3) stories plus basement. The buildings will contain a total of twenty-six (26) units which may only be used for residential purposes. The condominiums will also include parking areas initially to be leased from adjoining land owners, steel gated fencing and landscaping. The condominiums will be various one-two and three bedroom condominiums ranging in price from approximately \$72,500 to \$200,000. The boundaries of each unit and identifying number are as more particularly described in the Plat and Plans which is attached hereto as Exhibit "A", incorporated herein by this reference.
6. Common Elements and Exterior Maintenance:
 - (a) The common element of the condominium is Paxton Court as delineated on Exhibit "A".
 - (b) The exterior of the residences constructed within the unit boundaries, except exterior screening, window glass, storm doors, exterior decks, patios and doors shall be maintained by the Association. The Association shall likewise provide trash removal, all landscaping care and snow removal for the condominium. The repair, maintenance and replacement of all other items within the unit boundaries but outside of the physical structure of the residence, such as air conditioning compressor units, driveways, sanitary sewer, water and utility lines and the items included in the first sentence of this sub paragraph b. shall be the responsibility of the unit owner. The Association shall, at all reasonable times, have a limited easement for access within the unit boundaries for the purposes as hereinbefore stated.
7. Allocated Interests: Each unit shall have one vote in the Association and share in the expenses and the rights in the same percentage as said unit bears to the total number of condominium units.
8. Declarant Control: Declarant shall control the Association and may appoint and remove the officers and members of the Executive Board until the earlier of:
 - (a) Sixty days after conveyance of 90% of the units which may be created to unit owners other than a Declarant; or

(b) Two years after Declarant has ceased to offer units for sale in the ordinary course of business.

Not later than sixty days after conveyance of 25% of the units which may be created to Unit Owners other than the Declarant, a special meeting of the then Board shall elect at least one additional member to the Executive Board which election shall be made by Unit Owners other than the Declarant. Not later than sixty days after conveyance of 50% of the units which may be created to Unit Owners other than a Declarant, a special meeting of the then Board shall elect at least one additional member to the Executive Board so that not less than 33 1/3% of the members of the Executive Board shall be elected exclusively by the Unit Owners other than the Declarant.

Not later than the termination of the period of Declarant control, the Unit Owners shall elect an Executive Board of at least three members, at least a majority of whom shall be Unit Owners. The Executive Board shall elect the officers. The Executive Board members and officers shall take office upon election.

9. Insurance, Damage and Liability: The Association shall insure the condominium and the Association against risk, including tort liability, in the manner set forth in the By Laws. Each policy shall be issued in the name of the Association for the benefit of the unit owners. The limits of coverage shall be established by resolution of the Executive Board. Premiums for such insurance shall be a common expense. Any damage to the condominium caused by fire or other casualty shall be promptly repaired by the Association in the manner set forth in the By Laws, unless (1) the condominium is terminated; (2) repair or replacement would be illegal under any state or local health or safety statute or ordinance; or (3) 80% of the votes in the Association, including the votes of every unit which will be rebuilt vote not to rebuild. The cost of repair or replacement in excess of insurance proceeds and reserves is a common expense. If the entire condominium is not repaired or replaced, (1) the insurance proceeds attributable to the damaged common elements must be used to restore the damaged area to a condition compatible with the remainder of the condominium; (2) the insurance proceeds attributable to units which are not rebuilt must be distributed to the owners of those units or the lien holders, as their interest may appear, and (3) the remainder of the proceeds must be distributed to all the unit owners or lien holders, as their interest may appear, in proportion

to the allocated interests of all the units. If the unit owners vote not to rebuild any unit, that unit's allocated interest shall be automatically reallocated. Any tort liability arising from the use of common elements shall be a common expense. Any deficiency in insurance coverage of such liability shall be borne by all unit owners in proportion to their allocated interests.

10. Covenants, Conditions and Restrictions: A complete DECLARATION OF COVENANTS for the condominium regime will be recorded in the offices of the Douglas County Register of Deeds and shall run with the land and shall include, but not limited to, among other things, the following general covenants, conditions and restrictions relating to this condominium regime that will bind all co-owners, tenants of such owners, employees and any other persons who use the property, including the persons who acquire the interest of any owner through foreclosure, enforcement of any lien or otherwise:

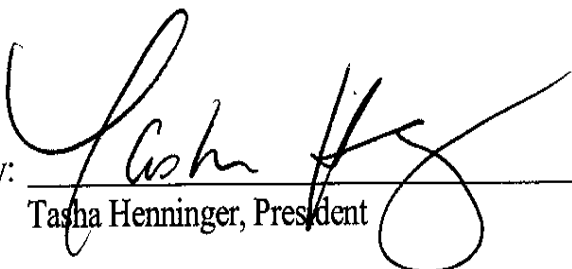
- (a) The Hill Residential Condominium Association, Inc. a Nebraska Non Profit Corporation, has been incorporated to provide a vehicle for the management of the condominium pursuant to Section 76-859 R.R.S. Nebraska 1943 et seq.. Each owner shall automatically be deemed a member of said Association. The Bylaws of said Association are also the Bylaws of this condominium regime.
- (b) The common elements are for the use and enjoyment of all owners. The ownership of the common elements shall remain undivided, and no person or owner shall bring any action for the partition or division of the common elements. The Association shall from time to time establish rules and regulations for the use of the common elements and all owners and users shall be bound thereby. The Association shall have the sole jurisdiction over and responsibility for making alterations, improvements, repairs and maintenance to the common elements and it's areas of responsibility as set forth in paragraph 6.(b). The share of an owner in the common elements is appurtenant to his/her unit and inseparable from unit ownership. Assessments against owners for insurance, common element and paragraph 6.(b) expenses and reserves and for other expenses incurred by the Association shall be made pursuant to the Bylaws. Assessments paid within ten days after the date when due shall not bear interest, but all sums not paid within said ten day period shall bear interest at the highest legal contract rate from due date until paid. If any owner shall fail or refuse to make any payment of such assessment when due, the amount thereof plus interest shall constitute a lien upon the owner's interest in his/her unit and in the property, and upon the recording of such lien by the Association in the Register of Deeds of the County wherein the condominium is located, such amount shall constitute a lien prior and preferred over all other liens and encumbrances except assessments, liens and charges for taxes past due and unpaid on the unit and except prior duly recorded mortgage and lien instruments.

- (c) Each owner shall be responsible:
- i. To maintain, repair and replace at his/her expense all portions of his/her unit which are not the responsibility of the Association as set forth in paragraph 6.(b).
 - ii. To refrain from painting, decorating or changing the appearance of any portion of the exterior of the unit building unless approved by the Association in writing.
 - iii. To promptly report to the Association any defect or need for repairs which are the responsibility of the Association.
- (d) Each unit shall be used and occupied only by one family, its servants and guests as a residence and for no other purpose. No unit may be subdivided into a smaller unit nor any portion thereof sold or transferred without first amending this Master Deed to show the change in the units to be subdivided.
- (e) No practice or use shall be permitted on the condominium property or in any unit which shall be an annoyance to other owners or residents of the area or which shall interfere with their peaceful use and enjoyment of their property. All portions of the property and of the unit shall be kept clean and sanitary and no use thereof shall be made which constitutes a violation of any laws, zoning ordinances, governmental regulations or regulations of the Association.
- (f) No owner may sell or lease his/her unit or any interest therein unless he/she shall have given to the Association, at least five days prior to closing of such sale or lease, a written notice specifying the names and current address of such buyers or lessees and the terms and price of such sale or lease together with a copy of the proposed sale agreement or lease. The above provisions regarding approval of transfers shall not apply to acquisition of ownership through foreclosure of a mortgage upon a unit.
- (g) Unless a greater number is required by law, owners representing two-thirds or more of the votes in the Association may at any time in writing duly acknowledge and recorded effect an amendment to the Bylaws of said condominium; and unless a greater number is required by law, owners representing three-fourths or more of the units which may be created may at any time in writing duly acknowledged and recorded effect any alteration, deletion or amendment to this Master Deed; provided that such changes shall not bind any then existing mortgage holders of record unless they likewise consent to such change in writing.
- (h) This condominium regime may be terminated or waived by written agreement of owners representing eighty percent (80%) or more of the units which may be created and by all lien holders of record; which agreement shall be acknowledged and recorded in the Register of Deeds and termination shall be effective as of recording date. Following termination, the property may be judicially partitioned and sold upon the partition of any owner; but if owners representing eighty percent (80%) of the units which may be created agree in writing to sell or otherwise dispose of the condominium property, then

all owners shall be bound to execute such deeds or other documents reasonably necessary to effectuate such sale or disposition when and as required by the Board of Directors of the Association. In such case, any pending partition action shall be dismissed in order to permit completion of such sale or disposition. In no event may the condominium property be sold or otherwise disposed of without the prior termination or waiver of the regime, unless such sale or disposition is approved in writing by owners representing one hundred percent (100%) of the units which may be created and by the holders of all mortgages of record covering any apartments within the condominium. Notwithstanding any provision in the Bylaws, there shall be no reduction or deletion or conveyance of the common elements without the prior written consent of the holders of all mortgages of record against any apartments within the condominium.

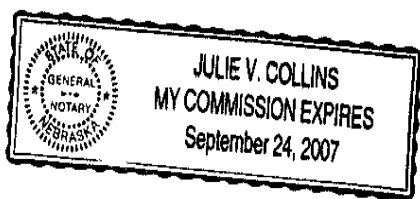
- (i) No pets or other nonhuman animals shall be raised, bred or kept in any Unit or in the Common Elements unless a Unit Owner obtains the prior written consent of the Association. In all events any Unit Owner may keep no more than two (2) licensed and vaccinated animals per Unit. Such pet may not be kept outside of the unit for any extended period of time. In addition, any such pet will be subject to regulations, restrictions, exclusions and special assessments as may be determined by the Association from time to time. No garbage cans or trash receptacles are to be permitted outside unless fully screened from view in a manner approved in writing by the Association. Outside use or storage of barbecue grills will be subject to regulation, restriction or exclusion by the Association. Automobile parking will be subject to regulation and restriction by the Association.
- (j) All notices required hereby shall be in writing and sent by certified or registered mail, return receipt requested;
 - i. To an owner at his/her last known address on the books of the Association.
 - ii. To the condominium or the Association at the registered office of the Association.
- k. Declarant reserves the right to use any units owned by it as a model home and as sales closing facilities until completion of sales of all units to be constructed by Declarant within this Condominium Regime.

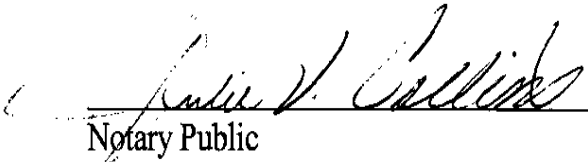
DECLARANT:
REVITALIZE OMAHA, LLC, A Nebraska
Limited Liability Company

By: 
Tasha Henninger, President

STATE OF NEBRASKA)
) ss.
COUNTY OF DOUGLAS)

On this 25 day of March, 2005 before me, a Notary Public within and for the said County and State, personally appeared Tasha Henninger, authorized representative of REVITALIZE OMAHA, LLC, a Nebraska Limited Liability Company known to me to be the identical person whose name is affixed to the foregoing instrument and acknowledges the execution thereof to be her voluntary act and deed and the voluntary act and deed of the Company.





Notary Public

THIRD LEVEL
UNITS 3 AND 6

ELEVATION=1190.86

SECOND LEVEL
UNITS 2 AND 5

ELEVATION=1180.98

FIRST LEVEL
UNITS 1 AND 4

ELEVATION=1171.08

STREET ELEVATION=1164.42

LOWER LEVEL
UNIT 7

ELEVATION=1162.13

The West 70 feet of Lot 8, in Paxton Court, an addition to the city of Omaha;
sometimes referred to as "The Douglas"

THIRD LEVEL
UNITS 3 AND 6

ELEVATION=1188.39

SECOND LEVEL
UNITS 2 AND 5

ELEVATION=1178.52

FIRST LEVEL
UNITS 1 AND 4

ELEVATION=1168.51

STREET ELEVATION=1162.12

LOWER LEVEL
UNIT 7

ELEVATION=1156.93

The West 70 feet of Lot 9, in Paxton Court, an addition to the City of Omaha;
sometimes referred to as "The Hudson"

THIRD LEVEL
UNITS 5, 6, 9, AND 12

ELEVATION=1184.92

SECOND LEVEL
UNITS 3, 4, 8, AND 11

ELEVATION=1175.03

FIRST LEVEL
UNITS 1, 2, 7, AND 10

ELEVATION=1165.02

STREET ELEVATION=1160.02

LOWER LEVEL

ELEVATION=1156.19

Lot 10, in Paxton Court, an addition to the City of Omaha;
sometimes referred to as "The Athelone"

DECLARATION OF CONDOMINIUM

OF

THE HILL RESIDENTIAL CONDOMINIUM ASSOCIATION

DATED: December 2, 2004

City of Omaha, Douglas County, Nebraska

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DECLARATION OF CONDOMINIUM
OF
THE HILL RESIDENTIAL CONDOMINIUM ASSOCIATION, INC.

ARTICLE I
SUBMISSIONS; DEFINITIONS

Section 1.1. Declarant; Premises; County; Name. Revitalize Omaha, LLC, (“Declarant”) owner in fee simple of the Real Estate described in Exhibit “A” attached hereto, located in the City of Omaha; Douglas County, Nebraska, hereby submits the Real Estate, including all easements, rights and appurtenances thereto belonging and the building and improvements erected thereon. (collectively, the “Premises”) to the provisions of the Nebraska Uniform Condominium Act; §76-825 et seq. (“Act”) and hereby creates with respect to the premises a condominium to be know as The Hill Residential Condominiums (the “Condominium”).

Section 1.2. Easements and Restrictions of Record. Included among the easements, rights and appurtenances referred to in Section 1.1 above is that certain grant and reservation of easement by the Declarant, Revitalize Omaha, LLC recorded in Book _____, Page _____ of the Miscellaneous Record of the Register of Deeds office of Douglas County, Nebraska.

Section 1.3. Definitions.

- (a) Capitalized terms not otherwise defined in this Declaration shall have the meanings specified or used in the Act.
- (b) The following terms are used or defined in general terms in the Act and shall have specific meanings herein as follows:
 - (1) “Association” means the Unit Owners’ Association of the Condominium and shall be known as The Hill Residential Condominium Association, Inc.

- (2) "Bylaws" means the document providing for the governance of the Association, as the same may be amended from time to time.
 - (3) "Common Elements" means all portions of the Condominium other than the Units.
 - (4) "Common Expense" means expenditures made by or financial liabilities of the Association, together with all allocations to reserves.
 - (5) "Common Expense Liability" means the liability for common expenses allocated to each Unit in accordance with respective percentage interest of each Unit.
 - (6) "Condominium" means the Condominium described in Section 1.1 above.
 - (7) "Declarant" means the Declarant described in Section 1.1 above.
 - (8) "Declaration" means this document, as the same may be amended from time to time.
 - (9) "Executive Board" means the Executive board of the Association.
 - (10) "Limited Common Elements" means the Common Elements described as such in the Act or this Declaration, or as shown on the Plats and Plans.
 - (11) "Limited Expense" means the Common Expenses described as such in §76-873 of the Act.
 - (12) "Master Association" means an organization described in §76-857 of the Act.
 - (13) "Plats and Plans" means the Plats and Plans attached hereto as Exhibit "B", as the same may be amended from time to time.
 - (14) "Rules and Regulations" means such rules and regulations as are promulgated by the Executive Board from time to time with respect to the use and enjoyment of the Premises.
 - (15) "Unit" means a portion of the Condominium designated for separate ownership, the boundaries of which are situated as shown on the Plats and Plans and are described in Section 2.4 thereof
 - (16) "Unit Owner" means a person who owns a Unit, including the Declarant.
- (c) The following terms when used herein shall have the meanings set forth below:
- (1) "Alteration(s)" means the combination or separation of units permitted by this Declaration and the Act which entails one or more of:

- (i) the construction of all or a portion of one or more intervening partitions, walls, floors or ceilings (each of which will then become part of the Common Elements) to form separate Units;
 - (ii) the removal or alteration of all or a portion of one or more partitions, walls, floors or ceilings (each of which is part of the Common Elements) between Units; or
 - (iii) the creation, alteration or removal of one or more apertures in one or more intervening partitions, walls, floors or ceiling (each of which is part of the Common Elements) between Units.
- (2) "Condominium Documents" means this Declaration, the Plats and Plans, Bylaws and Rules and Regulations.
 - (3) "Date of First Conveyance" means the date of the first conveyance of a Unit to a Person other than the Declarant.
 - (4) "Date of Transfer" means the date upon which control of the Executive Board by Declarant is completely transferred to the Unit Owners under Section 11.3.
 - (5) "Eligible Insurer or Guarantor" means an insurer or governmental guarantor of a first mortgage or deed of trust on a Unit and who has requested notice of one or more certain matters in accordance with Section 6.3 hereof.
 - (6) "Eligible Mortgagee" means a lender who holds a first mortgage on a Unit and who has requested notice of one or more certain matters in accordance with Section 6.3 hereof.
 - (7) "Eligible Beneficiary" means a lender who holds a first deed of trust on a Unit and who has requested notice of one or more certain matters in accordance with Section 6.3 hereof.
 - (8) "Insurance Trust Agreement" means that certain agreement between the Association and the Insurance Trustee providing for the management and disbursement of insurance proceeds in accordance with Section 7.1 hereof
 - (9) "Insurance Trustee" means that certain entity responsible for the management of insurance proceeds pursuant to the Insurance Trust Agreement, which entity's deposits are insured by the Federal Deposit Insurance Corporation, Federal Savings and Loan Insurance Corporation or another federally constituted body serving in an equivalent function.
 - (10) "Party-Wall" means a common wall located between the boundaries of two or more Units.

- (11) "Percentage Interest" means the undivided ownership interests in the Common Elements appurtenant to each Unit as set forth in Exhibit "C" attached hereto, as the same may be amended from time to time

ARTICLE II

PERCENTAGE INTERESTS, VOTES AND COMMON EXPENSE LIABILITIES; UNIT BOUNDARIES; RELOCATION OF UNIT BOUNDARIES; MAINTENANCE RESPONSIBILITIES

Section 2.1 Percentage Interests. Attached as Exhibit "C" hereto is a list of all Units by their Identifying Numbers and the Percentage Interest appurtenant to each Unit, determined on the basis of the area, by dividing the area of each Unit by the aggregate area of all Units and then rounding the final percentages so that the sum of all Percentage Interests is one hundred percent (100%). The area of each Unit is the total number of square feet of floor space contained therein determined by reference to the dimensions shown on the Plat and Plans, exclusive of interior partitions.

Section 2.2 Votes. Each Unit shall be allocated one vote which shall be cast by the Unit Owner in any Association meetings. The vote allocated to a Unit shall not be divisible. In the event a Unit is owned by more than one owner, the provisions of Section 76-868(a) of the Act shall govern the casting of that Unit's single vote.

Section 2.3 Common Expense Liabilities. The Common Expense Liability of each Unit shall be assessed in accordance with the respective Percentage Interest of each Unit.

Section 2.4 Unit Boundaries.

- (a) The title lines or boundaries of each Unit are situated as shown on the Plat and Plans and are formed by the following planes:
- (1) The Unit-side surface of all doors, and their sills and hardware, leading from such Unit to interior corridors of the Building or directly to the outside of the Building and the Unit-side surface of the door frames in which such doors are set;
 - (2) The Unit-side surface of the sashes of windows which are set in the exterior walls of such Unit, the exterior surfaces of the panes of such windows and the Unit-side surface of the frames and sills for such windows;
 - (3) The Unit-side surface of the portion of the structure to which the plaster or plasterboard is attached, with respect to ceilings and perimeter walls located at the perimeter of such Unit that are not Party-walls;

- (4) The center line of Party-Walls;
 - (5) The Unit-side face of the subfloor of each such Unit;
 - (6) The Unit-side surface of the furring, as extended, around columns and “stacks” containing pipes, ducts, wires, conduits, chutes and flues that are either Common Elements or Limited Common Elements; and
 - (7) The exterior surface of through-wall air conditioner units which serve only one Unit, and Unit-side face of all air conditioning grilles which are attached to the outside face of the Building.
- (b) Each Unit consists of all portions of the Building within the aforesaid title lines, except the air space displaced by:
- (1) structural members and bearing columns within or passing through such Unit which are deemed to be Common Elements; and
 - (2) other Common Elements within such Unit including, without limitation, chutes, flues, ducts, wires, conduits and pipe runs which serve more than one Unit. With respect to such chutes, flues, ducts, wires, conduits and pipe runs, the provisions of Section 76-839(2) of the Act shall apply.
- (a) Those portions of any heat pump/air conditioning condensing units, water heaters, lighting devices, outlets, medicine cabinets, exhaust fans, ventilation ducts, registers, grilles and similar fixtures which serve only such Unit and which lie partially within and partially outside the title lines of a Unit shall be deemed to be a part of such Unit.

Section 2.5 Relocation of Unit Boundaries by Combination or Subdivision of Units.

- (a) Upon compliance with the requirements of Section 2.5(d) hereof, two or more entire adjacent Units may be combined into a larger Unit, provided that both of the combined Units are under common ownership at the time of effecting such combination, whereupon the Percentage Interest appertaining to such combined Unit shall be the sum of the respective Percentage Interests appertaining to each of the Units that have been combined. The Identifying Number on the combined Units shall consist of the numbers of the Unit having the lowest numbered Identifying Number, followed by a hyphen and the last digit of the Identifying Number of each other combined Unit, arranged in numerical order. By way of illustration, if Units with Identifying Numbers of 35 and 36 were to be combined, the Identifying Number of the combined Unit would be 35-6.
- (b) No Unit may be divided or subdivided by any Unit owner, including the Declarant, into a smaller Unit nor may any portion thereof less than the entire Unit be sold or otherwise transferred, unless all Mortgagees or Deed of Trust Beneficiaries give their prior written consent thereto. Any subdivision of Units carried out pursuant to this Section 2.5(b) is also required to meet the requirements of Section 2.5(d) hereof. The respective

Percentage Interests appertaining to such separate Units shall be determined on the basis of size pursuant to Section 2.1 hereof. The respective Identifying Numbers of the subdivided Units shall be determined by the Executive Board.

(c) Other than the twenty-six (26) Units created initially under this Declaration, no additional Units may be created by subdivision or conversion of Units owned by Declarant.

(d) Any Unit Owner who wishes to perform any alteration to his/her Unit or Units shall:

(1) Refrain from making any alteration that will:

(i) impair the structural integrity of the Building or any mechanical or electrical system therein;

(ii) adversely affect either the fire retardant or sound absorbent quality of the Building;

(iii) lessen the support of any portion of the Building; or

(iv) violate any applicable law, ordinance or governmental rule, regulation or order;

(2) Obtain the approval of the Executive Board (which approval shall not be unreasonable withheld or delayed) for any Alteration to the Building prior to the commencement of any such alteration;

(3) Expeditiously complete all Alterations:

(i) in accordance with the plans and specifications therefore which have been prepared at such Unit Owner's expense and which have been approved by the Executive Board prior to the commencement of such Alterations; and

(ii) without incurring any mechanics; or construction liens; or materialmen's liens;

(4) Pay the full cost of performing all such Alterations; and

(5) Pay all costs and expenses incurred in connection with the preparation, review, execution and recording of any amendment to this Declaration (including the Plats and Plans) needed in order to reflect the condition of a Building after completion of such Alterations, which amendment shall be recorded by the Executive Board if such Amendment conforms to the requirements of the Act and if such amendment is approved in writing by

(i) all Owner(s) of all Units the appearances of which on such amendment differ from their respective appearances on the Plats and Plans prior to such amendment; and

- (ii) all Mortgages or Deed of Trust Beneficiaries, in connection with a proposed division or subdivision of any Unit.

Section 2.6 Maintenance Responsibilities. Notwithstanding the ownership of the various portions of the Common Elements and the Units by virtue of the foregoing boundary descriptions, the Units and Common Elements shall be maintained and repaired by each Unit Owner and by the Association in accordance with the provisions of Section 76-865 of the Act, except as expressly set forth to the contrary herein. All Common Expenses associated with the maintenance, repair and replacement of a Limited Common Element shall be assessed as Limited Expenses against the Units to which such Limited Common Element was assigned at the time the expense was incurred.

ARTICLE III

DESCRIPTION AND ALLOCATION OF LIMITED COMMON ELEMENTS

Section 3.1 Description of Limited Common Elements. Limited Common Elements shall include those portions of a Building defined as such pursuant to Sections 76-839(2) and (4) of the Act or as identified and designated as Limited Common Elements in the Plats and Plans, Section 3.2 hereof, or both. Those portions of the Limited Common Elements serving only the Unit above, below or adjacent to such Limited Common Elements as the case may be are Limited Common Elements allocated only to the Unit they serve. Those Limited Common Elements (if any) shown and identified as such on the Plats and Plans shall be allocated to the Unit indicated therein.

Section 3.2. Specified Limited Common Elements. The following portions of the Building are hereby designated as Limited Common Elements:

- (a) Heat pump/air conditioning condensing units, hot water heater and window and door sills, frames and hardware which are not part of the Unit but which are adjacent to and serve only such Unit.

ARTICLE IV

EASEMENTS; DECLARANT'S OFFICES AND MODELS

Section 4.1. Easements. In addition to the easements specifically granted by the Act, the Condominium shall be subject to the following easements and restrictions:

- (a) An easement to the Declarant to maintain the sales offices, management offices, and models as provided in Section 4.2 hereof and to maintain one or more advertising signs on the Common Elements while the Declarant is selling Units in the Condominium, pursuant to Section 76-852 of the Act.

- (b) An easement in favor of the appropriate utility companies for such services as are desirable or necessary to adequately serve the Premises and all appurtenances thereto; including (by way of illustration and not limitation) the right to install, lay, maintain, repair, relocate, and replace water mains and pipes, steam lines, gas mains and pipes, sewer and drain lines, telephone and other communication wires, cables and equipment, electrical wires and conduits, and associated equipment, over, under, through, in, along and on the Premises (including, without limitation, one or more Units therein).
- (c) The Common Elements (other than the Limited Common Elements) shall be and hereby are made subject to an easement in favor of the Unit Owners and their invitees, employees, tenants and servants, the Association and the agents and employees of the Association for access, egress and ingress over, through and across each portion thereof, pursuant to such requirements and subject to such charges as the Executive Board may from time to time prescribe; provided that nothing contained herein shall create any access easement in favor of Unit Owners with respect to such portions of the Common Elements which are not needed in order to gain access to one or more Units and as to which the Executive Board may from time to time determine it to be necessary or desirable to limit or control access by Unit Owners or the occupants of Units, or both (including, by way of illustration and not limitation, machinery and equipment rooms, any management agent's office and any portions of the Premises occupied by agents or employees of the Association as a residence).
- (d) The Common Elements (including, but not limited to the Limited Common Elements) shall be and hereby are made subject to an easement in favor of the Association and the agents, employees and independent contractors thereof for the purpose of the inspection, upkeep, maintenance, repair and replacement of the Common Elements (including, but not limited to, the Limited Common Elements), and in connection therewith, the Association may grant easements, licenses or permits over the Common Elements for utilities or other purposes reasonably necessary or useful for the proper maintenance and operation of the Condominium.
- (e) The Common Elements (including, but not limited to, the Limited Common Elements) shall be and are hereby made subject to the following easements in favor of the Units benefited:
- (1) For the installation, repair, maintenance, use, removal, and/or replacement of pipes, ducts, heating and air-conditioning systems, electrical, other utility lines and conduits which are a part of or exclusively serve a single Unit and which pass across or through a portion of the Common Elements.
 - (2) For the installation, repair, maintenance, use, removal and/or replacement of overhead lighting fixtures, electrical receptacles and the like which are located in a portion of the ceiling, wall or floor adjacent to a Unit which is a part of the Common Elements; provided that the installation, repair maintenance, use, removal or replacement of such fixtures, receptacles and the like does not unreasonably interfere with the

common use of any part of the Common Elements of impair or structurally weaken the Building.

- (3) For driving and removing nails, screws, bolts and the like into the Unit-side surface of walls, ceilings and floors which are part of the Common Elements; provided that such action will not unreasonably interfere with the common use of any part of the Common Elements or impair or structurally weaken the building.
- (4) For the maintenance of the encroachment of any lighting devices, outlets, medicine cabinets, heat pump/air conditioning condensing units, hot water heaters, exhaust fans, ventilation ducts, registers, grilles and similar fixtures which serve only one Unit but which encroach into any part of any Common Element or Limited Common Elements on the date this Declaration is recorded.
- (f) To the extent necessary, each Unit shall have an easement for structural support over every other Unit in the Building, the Common Elements and the Limited Common Elements, and each Unit and the Common Elements shall be subject to an easement for structural support in favor of every other Unit in the Building, the Common Elements and the Limited Common Elements.
- (g) The Units and the Limited Common Elements are hereby made subject to the following easements:
 - (1) In favor of the Association and its agents, employees and independent contractors,
 - (i) for inspection of the Units and Limited Common Elements in order to verify the performance by Unit Owners of all items of maintenance and repair for which they are responsible,
 - (ii) for the inspection, maintenance, repair, and replacement of the Common Elements or the Limited Common Elements situated in or accessible from such Units or Limited Common Elements, or both,
 - (iii) for correction of emergency conditions in one or more Units of Limited Common Elements, or both, or casualties to the Common Elements, the Limited Common Elements and/or the Units, and
 - (iv) for any of the purposes set forth in Section 4.1(i) or Section 4.1(j) hereof, it being understood and agreed that the Association and its agents, employees and independent contractors shall take reasonable steps to minimize any interference with a Unit Owner's use of his/her Unit resulting from the Association's exercise of any rights it may have pursuant to this Section 4.1(g)(1), Section 4.1(g)(2) hereof, or both; and
 - (2) In favor of the Unit Owner benefited thereby and the Association and its agents, employees and independent contractors, for the installation, repair, maintenance, use,

removal and/or replacement of pipes, ducts, electrical, telephone, cable, telegraph or other communication systems and all other utility lines and conduits which are part of the Common Elements and which pass across or through a portion of one or more Units.

- (h) The exclusive easement for use of the building Limited Common Elements by the Unit Owner and lawful occupants of the Building (and their invitees, employees, tenants and servants) shall be limited to lawful uses normally associated with such Limited Common Elements. The Executive Board shall have the right to promulgate Rules and Regulations regarding the use of the Building's Limited Common Elements that are consistent with the provisions of the immediately preceding sentence.
- (i) Whenever in this Declaration and the Plats and Plans a title line of a Unit is described as being the upper surface of the subfloor, it is intended thereby, and it is hereby declared, that the owner of such Unit shall have an easement for the purpose of affixing and removing carpeting, parquet flooring and other floor coverings; and otherwise decorating, cleaning and maintaining such surface, all at the costs and expense of the Owner of such Unit; it being understood and agreed that the Association, acting by its Executive Board on behalf of all Unit Owners, shall, at all times while this Declaration is in effect, retain the right and duty to maintain, repair and/or replace the structural subfloors of which said surfaces are a part, notwithstanding the fact that such maintenance, cleaning, repair or replacement may temporarily adversely affect the Unit Owner's aforesaid easement and right to use the unit-side surface of said structural subfloor.
- (j) Wherever in this Declaration and the Plats and Plans a title line of a Unit is described as being the Unit-side surface of a designated portion of the Premises, it is intended thereby, and it is hereby declared, that the Owner of such Unit shall have an easement for the purpose of decorating such surfaces and affixing thereto and removing therefrom paint, wallpaper, other decorative material, pictures, mirrors, wall systems and decorative articles, and (with respect to all such portions of the Premises) cleaning and maintaining such surfaces, all at the cost and expense of the Owner of such Unit. Thus, by way of illustration and not limitation, the Owner of a Unit has an easement to paint the Unit-side surface of door and window sills. It is understood and agreed that the Association, acting by its Executive Board on behalf of all Unit Owners, shall, at all times while this Declaration is in effect, retain the right and duty to maintain, repair and/or replace the portions of the Premises of which said surfaces are a part, notwithstanding the fact that such maintenance, cleaning, repair or replacement may temporarily adversely affect the Unit Owner's aforesaid easement and right to use the Unit-side surface of such portion of the Premises.
- (k) In the event any portion of any Unit or Common Element encroaches on any other Unit or Common Element, as a result of the construction, reconstruction, repair, shifting, settlement or movement of any portion of the Condominium or for any other reason, a valid easement for the encroachment and for the maintenance of the same shall exist so long as the encroachment exists.

- (l) All easements, rights and restrictions described and mentioned in this Declaration are easements appurtenant, running with the land and the Real Estate, including (by way of illustration but not limitation) the Units and the Common Elements, and (except as may be expressly otherwise provided in the instrument creating the same) shall continue in full force and effect until the termination of this Declaration, as it may be amended from time to time.
- (m) Until the Date of Transfer the Declarant shall have an easement through the Units to provide for modifications and additions to the air conditioning, television antenna, cable lines and cable equipment, security/intercom systems and kitchen appliances and any other portion of the Unit necessary to complete planned upgrades.

Section 4.2. Declarant's Offices and Models. The Declarant may maintain advertising signs, sale offices, management offices and models in the Condominium pursuant to Section 76-852 of the Act. Such offices and models shall be limited to a maximum of one (1) Unit of each floor plan, there being six (6) different floor plans available. Initially, Declarant intends to locate sales and management offices and model in Units Seven (7) and Four (4) of "The Douglas". The Declarant reserves the right to relocate such offices and models to any other Units.

ARTICLE V

RESTRICTION ON USE; SALE, LEASING OR OTHER ALIENATION OF A UNIT

Section 5.1. Residential Uses. The following restrictions shall apply to the use of Condominium, in addition to any restrictions that may be set forth in the Rules and Regulations referred to in Section 5.1(i) hereof:

- (a) The Units in the Condominium (with the exception of any Units during the time period when they are being used by the Declarant as a sample, model or sales office) are restricted to residential use and may not be used for any other purposes by the Unit Owner or any future Unit Owner. Notwithstanding the foregoing, Units may also be used for accessory uses which are customarily incidental to the foregoing use; provided that any such use conforms with the applicable zoning regulations of the City of Omaha as same may be amended from time to time. No Unit Owner shall permit his/her Unit to be used or occupied for any prohibited purpose.
- (b) No Unit Owner may obstruct the Common Elements in any way. No Unit Owner may store anything in or on the Common Elements without the prior written consent of the Executive Board.
- (c) The Common Elements (other than the Limited Common Elements and such other portions of the Premises as to which the Executive Board may, from time to time, limit or control access by the Unit Owners or other occupants of Units, or both), shall be used only for the benefit or enjoyment of the Unit Owners and the occupants of all Units. No Unit Owner may carry on any practice, or permit any practice to be carried on, which

unreasonably interferes with the quiet enjoyment by the occupants of any other Unit. The Premises shall be maintained in a clean and sanitary condition, and no Unit Owner may place any garbage, trash or rubbish anywhere in the Premises other than in his/her own Unit and in or on such parts of the Common Elements as may be designated for such purpose by the Executive Board.

- (d) No Unit shall be used, occupied or kept in a manner which in any way increases the fire insurance premiums for the Premises without the prior written permission of the Executive Board, which permission may be conditioned upon the Unit Owner of such Unit being required to bear the full cost of such increase. No Unit of any part of the Common Elements shall be used, occupied or kept in a manner which violates any law, statute, ordinance or regulations of any governmental body or which leads to the cancellation of any hazard insurance policy or policies on the Premises.
- (e) Except for a simple small standard non-illuminated name sign on the door to his/her Unit, no Unit Owner (other than the Declarant in connection with its marketing and sale of the Units) may erect any sign on or in his/her Unit or any Limited Common Element which is visible from outside his/her Unit or from the Common Element, without in each instance having obtained the prior written permission of the Executive Board. This provision is not intended to prevent the Executive Board from maintaining on the Common Elements a register of Unit occupants, or owners, or both.
- (f) Nothing shall be done or be permitted to be done which would jeopardize the soundness or safety of the Building or impair any easement or hereditament therein without the consent of all Unit Owners and all Mortgages or Deed of Trust Beneficiaries.
- (g) Installation, removal, reconstruction or repair of any electrical lighting, signal transmission and/or power circuit or electric outlet box or terminal device included in such outlet box, or any item of heating duct or related equipment, any of which is located within an interior partition of a Unit or within the ceiling above a Unit, may be undertaken by the Unit Owner of such Unit only after application has been made to and written approval has been received from the Executive Board. Such approval shall be granted only if the work performed shall be of similar or superior quality to that then prevailing in the Building and installation, removal, reconstruction or repair, whether undertaken by a Unit Owner or by the Association (under procedures to be established by the Executive Board) shall be borne by the Unit Owner of the Unit benefited thereby.
- (h) No pets or other nonhuman animals shall be raised, bred or kept in any Unit or in the Common Elements unless a Unit Owner obtains the prior written consent of the Association. The maximum number of said pet(s) allowed shall be limited to two (2) licensed and vaccinated animals per Unit.
- (i) Reasonable Rules and Regulations, not in conflict with the provisions of this Declaration, concerning the use and enjoyment of Premises may be promulgated from time to time by the Executive Board, subject to the right of a majority of Unit Owners to change such Rules and Regulations. Copies of the then current Rules and Regulations and any

amendments thereto shall be furnished to all Unit Owners by the Association promptly after the adoption of such Rules and Regulations or any amendments thereto.

- (j) The owner of a Unit shall be responsible for maintaining such Unit in good order and repair, at the expense of such owner, including (but not limited to) cleaning and replacing glass panes in any window serving such Unit.
- (k) The owner of a Unit shall be responsible at his sole expense for the cleanliness of any Limited Common Element serving his/her Unit.
- (l) Unit Owners may not install window air-conditioners, exhaust fans or any other item which protrudes through any window serving the Unit without the prior written approval of the Executive Board.
- (m) Unit Owners may not install or replace, or have installed or replaced, any locks on any doors to any Unit without the prior written approval of the Executive Board.
- (n) Unit Owners may not install or have in view any satellite dish or any such receiver of T.V. or any other communicable devices.

Section 5.2. Sale or Lease. In the event:

- (a) a Unit Owner (other than Declarant) desires to sell, transfer, assign or lease his Unit Ownership, or any interest therein; or
- (b) a beneficiary of a trust (other than the beneficiary of Developer) which is a Unit Owner desires to sell, transfer or assign his or her beneficial interest in said trust, or any interest therein (other than a collateral assignment thereof as security of the payment of a loan);
or
- (c) any lessee or sublessee of any Unit desires to assign his/her lease or sublet the Unit; the Unit Owner of such Unit Ownership shall give to the Executive Board written notice of the proposed terms of such contemplated sale, transfer, assignment, lease or sublease, together with a copy of the sale, lease or other agreement and the name, address and financial and character references of the proposed purchaser, transferee, assignee, lessee or sublessee, and such other information concerning such person as the Executive Board may reasonably require. Such notice shall be given to the Executive Board at least thirty (30) days prior to the proposed consummation of said sale, transfer, assignment, lease or sublease. The Executive Board acting on behalf of the other Unit Owners shall then have the right of first refusal to purchase, acquire, lease or sublease such Unit Ownership or beneficial interest, upon the same terms, which right may be exercised within fifteen (15) days after the date of receipt of the aforesaid notice. If said right is not exercised by the Executive Board within said 15-day period, the Unit Owner (or beneficiary, lessee or sublessee) may, at the expiration of said 15-day period and at any time within ninety (90) days after the expiration of said period, sell, transfer, assign, lease or sublease such Unit Ownership, beneficial interest or interest therein. If such Owner (or beneficiary, lessee,

sublessee) fails to close said proposed sale, assignment, lease or sublease transaction or desires to change the terms thereof within said 90-day period, the Unit Ownership shall again become subject to the right of first refusal of the Executive Board as herein provided.

Section 5.3. Involuntary Sale. In the event any Unit Ownership, or beneficial interest under a trust which owns any Unit Ownership, or any interest therein, is sold at a judicial or execution sale (other than a mortgage foreclosure sale or deed of trust liquidation) the Person acquiring title through such sale shall, before taking possession of such Unit Ownership, give written notice to the Executive Board at least thirty (30) days prior to his/her taking possession of such Unit Ownership, which notice shall expressly certify the price for which the Unit Ownership, beneficial interest or interest therein, was sold at said sale. The Executive Board acting on behalf of the Unit Owners shall then have an option to purchase such Unit Ownership, beneficial interest or interest therein, for cash at the same price for which it was sold at said sale, which option may be exercised by the Executive Board by giving written notice thereof to said purchaser within fifteen (15) days after receipt of the aforesaid notice by the Executive Board. The closing of the sale of the Unit Ownership shall be consummated within thirty (30) days after the Executive Board exercises said option.

Section 5.4. Notice of Disposition. Each Unit Owner shall notify the Executive Board of any sale, lease, devise, gift or other transfer of conveyance of his/her Unit Ownership (i) prior to the commencement date of any such lease and deliver a copy of such lease and all amendments thereto within ten (10) days after the execution thereof by the parties, and (ii) prior to the anticipated closing date of any such transfer other than by a lease, indicating in such notice and name and current address of the prospective Unit Owner of such Unit Ownership and the anticipated closing date. The foregoing provisions shall be and remain in full force and effect until the Property as a whole shall be sold or removed from the provisions of the Act, as provided in the Act, unless sooner rescinded or amended by the Unit Owners in the manner herein provided for amendments to this Declaration. Any lease of a Unit Ownership shall contain the following provision:

“This lease shall be subject to the terms of the Declaration of Condominium Ownership for The Hill Residential Condominium recorded as Document _____, as amended from time to time, and any failure of the lessee, any sub-lessee or their respective successors and assigns to comply with the terms of said Declaration, Bylaws or any Rules and Regulations promulgated by the Executive Board thereunder shall be a default under this lease entitling the Executive Board to seek relief, in law or equity, against the Unit Owner and/or lessee, any sub-lessee or their respective successors and assigns as the Executive Board deems necessary to enforce the terms of the Declaration. In any suit brought by the Executive Board which is predicated upon the failure of lessee to observe, perform and comply with the provisions of said Declaration, Bylaws or any such Rules and Regulations, the Unit Owner shall be deemed to have been served if a copy of the summons and petition is deposited under the door of his/her Unit in the building and a copy thereof is sent to such Unit Owner by certified or regular mail to his/her address as appears in the books and records of the Association.”

Section 5.5 Consent of Voting Member. The Executive Board shall not exercise any option or right of first refusal provided herein to purchase or lease any Unit Ownership, beneficial interest or interest therein without the prior consent of the Voting Members in accordance with the Bylaws of the Association.

Section 5.6. Release or Waiver. Upon the written consent of the Executive Board, any of the options or rights of first refusal contained in this Article may be released or waived and the Unit Ownership, beneficial interest or interest therein which is subject to an option or right of first refusal set forth herein may be sold, transferred, assigned, leased, subleased or passed free and clear of the provisions herein with respect to the transaction then pending.

Section 5.7. Proof of Termination of Option. A certificate executed and acknowledged by the acting Secretary of the Executive Board stating that the provisions of this Article as hereinabove set forth have been met with respect to a particular transaction by a Unit Owner, or duly waived by the Executive Board, and that the rights of the Executive Board hereunder have terminated, shall be conclusive upon the Executive Board and the Unit Owners in favor of all persons who rely thereon in good faith. Such certificate shall be furnished to any Unit Owner who has in fact complied with the provisions of this Article or in respect to whom the provisions of this Article have been waived, upon request at a reasonable fee.

Section 5.8. Financing of Purchase Under Option. Acquisition of any Unit Ownership, beneficial interest or interest therein under the provisions of this Article shall be made by special assessment by the Executive Board. The Executive Board shall levy an assessment against each Unit Owner in the ratio that his/her Undivided Interest bears to the total of Undivided Interests applicable to Unit Ownerships subject to said assessment. Notwithstanding the foregoing, the Executive Board, in its discretion, may borrow money to finance the acquisition of any Unit Ownership, beneficial interest or interest therein authorized by this Article; provided, however, that no financing may be secured by an encumbrance or hypothecation of any portion of the Property, other than the Unit Ownership, beneficial interest or interest therein to be acquired.

Section 5.9. Title to Acquired Interest. Each Unit Ownership, beneficial interest or interest therein acquired pursuant to the terms of this Article shall be held in the name of the Association. All proceeds of sale and/or leasing of Unit Ownerships, beneficial interest or interests therein acquired by the Association hereunder shall be credited to each Unit Owner in the same proportion in which the Executive Board could levy a special assessment under the terms hereof.

Section 5.10. Exceptions to Executive Board's Right of First Refusal. The options and rights of first refusal provided in Section 5.2 hereof shall not apply to any sale, lease, sublease or other transfer by Delarant or between Co-Unit Owners of the same, Unit Ownership, or to the spouse, or to any lawful children of the Unit Owner, or beneficiary of the Unit Owner, or any one or more of them, or to any trustee of a trust, the sole beneficiary or beneficiaries of which are, the Unit Owner, the spouse or lawful children of the Unit Owner, or any one or more of them.

Section 5.11. Sale or Lease by Declarant. Notwithstanding anything contained in this Declaration to the contrary, Declarant may at any time sell or lease a Unit Ownership upon terms satisfactory to Declarant, provided that any such sale or lease is otherwise made subject to the terms of this Declaration.

Section 5.12. Attempting Sales or Lease. Any attempted sale, transfer, assignment, lease or sublease of a Unit Ownership, beneficial interest in a trust which owns a Unit Ownership or any interest therein which is not in compliance with the provisions of this Article shall be void and of no force and effect.

ARTICLE VI

MORTGAGES AND DEEDS OF TRUST

Section 6.1 Unit Mortgages and Deeds of Trust.

- (a) Whether or not they expressly so state, all Unit mortgages, deeds of trust and other obligations secured thereby shall be deemed to provide, generally, that the mortgage or deed of trust, and the rights and obligations of the parties thereto, shall be subject to the terms and conditions of the Act, this Declaration, Bylaws, Plats and Plans and the Rules and Regulations, and shall be deemed to provide specifically, but without limitation, that the obligation secured by the mortgage or deed of trust shall be prepayable, without premium or penalty, upon the happenings of a termination of the condominium form of ownership of the Premises or determination not to restore or replace the affected Unit, and that no mortgages or deed of trust beneficiary shall have any right to:
- (1) Participate in the adjustment of losses with insurers or in the decisions as to whether or not or how to repair or restore damage to or destruction of the Premises, subject to Section 7.1(a)(v) hereof;
 - (2) Receive or apply the proceeds of insurance to the reduction of the mortgage or deed of trust debt or otherwise, except in the event and to the extent either of a distribution of such proceeds to Unit Owners pursuant to Section 76-871(h) of the Act or of insurance proceeds in excess of the cost of repair or restoration being received by the Owner of the Unit encumbered by a mortgage or deed of trust; or
 - (3) Accelerate the mortgage or deed of trust debt or be entitled to exercise any other remedies by virtue of waste or alleged waste or other conditions occurring anywhere in the Premises other than within the Unit encumbered by the mortgage or deed of trust.
- (b) No Unit Owner or prospective purchaser of a Unit shall deliver any mortgage or deed of trust, or any obligation to be secured thereby, unless it has first notified the Executive Board of the name and address of the proposed mortgagee or deed of trust beneficiary and of the amount of the debt proposed to be so secured. When a mortgage or deed of

trust is delivered to the mortgagee or deed of trust beneficiary, the Unit Owner shall simultaneously provide an executed or conformed copy thereof to the Executive Board. Upon receipt of any such copy of a mortgage or deed of trust, the Secretary of the Executive Board shall instruct the insurer of the Premises to add the name of the mortgagee or deed of trust beneficiary to the mortgagee loss payable provision of the hazard insurance policy covering the Premises and to provide such mortgagee or deed of trust beneficiary with a certificate of insurance showing that such mortgagee's or deed of trust beneficiary's name has been so added. The lien of any purported mortgage or deed of trust which does not comply with all the requirements of this Article VI shall not attach to or affect the Premises or any part thereof or interest therein and shall be of no force and effect as and to the extent that it purports to relate thereto. The Secretary shall maintain a register of mortgages and deeds of trust, showing the amount secured thereby and the names and addresses of the mortgagees and deed of trust beneficiaries.

Section 6.2. Rights of Eligible Mortgagees and Deed of Trust Beneficiaries.

- (a) Subject to the provisions of Section 76-855(a) of the Act, the Condominium may be terminated by agreement of Eligible Mortgagees and Deed of Trust Beneficiaries of Units which have at least
 - (1) fifty-one percent (51%) of the votes of Units subject to first mortgages and first deeds of trust in the event of a substantial destruction or substantial taking by eminent domain of the Premises, or
 - (2) sixty-seven percent (67%) of the votes of Units subject to first mortgages and first deeds of trust in any event other than a substantial destruction or substantial taking by eminent domain of the Premises.
- (b) The Association may terminate professional management and assume self-management of the Premises only by agreement of
 - (1) Unit Owners of Units to which at least sixty-seven percent (67%) of the votes in the Association are allocated and
 - (2) Eligible Mortgagees and Deed of Trust Beneficiaries of Units which have at least fifty-one percent (51%) of the votes of Units subject to first mortgages and first deeds of trust.

Section 6.3. Notice Requests. Upon written request to the Association, identifying the name and address of the Eligible Mortgagee or Deed of Trust Beneficiary, Insurer or Guarantor and the Unit encumbered by the first mortgage or first deed of trust, such Eligible Mortgagee or Deed of Trust Beneficiary, Insurer or Guarantor shall be entitled to receive one or more of the following:

- (a) An annual audited financial statement of the Association for the immediately preceding fiscal year, furnished free of charge and within a reasonable time following such request;

- (b) Timely written notice of substantial damage to or destruction of any part of the Common Elements (the repair of which would cost in excess of \$10,000) or any Unit (the repair of which would cost in excess of \$1,000) on which there exists a first mortgage or first deed of trust held, insured or guaranteed by such Eligible Mortgagee or Deed of Beneficiary, Insurer or Guarantor;
- (c) Timely written notice of any delinquency in the payment of assessments or charges owed by an Owner of the Unit subject to a first mortgage or first deed of trust held, insured or guaranteed by such Eligible Mortgagee or Deed of Trust Beneficiary, Insurer or Guarantor which delinquency remains uncured for a period of sixty (60) days;
- (d) Timely written notice of any lapse, cancellation or material modification of any insurance policy of fidelity bond maintained by the Association; and
- (e) Timely written notice of any proposed action which would require the consent of a specified percentage of Eligible Mortgagees or Deed of Trust Beneficiaries as specified in Section 6.2, 7.1(a)(v) or 12.2 hereof.

Any such requests made pursuant to this Section 6.3 shall specify which of the above items are requested, and shall indicate the address to which such documents or notices shall be sent by the Association. The Association need not inquire into the validity of any requests made under this Section 6.3. Failure to comply with the requirements set forth in this Section 6.3 in no way invalidate otherwise proper actions of the Association and the Executive Board.

Section 6.4. Books and Records. Any mortgagee and deed of trust beneficiary shall have the right, upon reasonable prior notice to the Executive Board, to examine the books and records of the Association at the office of the Association during its normal business hours.

ARTICLE VII

INSURANCE

Section 7.1. Types and Amounts. In addition to and in supplementation of the insurance required under Section 76-871 of the Act, the Association shall obtain the following types and amounts of insurance:

- (a) Hazard insurance, with an endorsement for extended coverage, or such other fire and casualty insurance as the Executive Board may determine provides equal or greater protection for the Unit Owners and their mortgagee or deed of trust beneficiaries, if any, in each case complying with the applicable requirements of Section 7.2 hereof. Such hazard insurance shall, if and to the extent reasonably available, provide coverage of at least all portions of the Premises outside of the Units, any Common Elements located within any Unit and any fixtures, equipment or other property within the Units which are financed using the proceeds of a first mortgage or first deed of trust on any Unit. Such

hazard insurance shall insure against all risks of direct physical loss commonly insured against. If such hazard insurance no longer becomes available in the future, the Association shall obtain such comparable insurance as is then available. The amount of any such hazard insurance obtained pursuant to this paragraph shall be equal to the full insurable replacement value of the insured property, without deduction or depreciation, (i.e., 100% of current "replacement cost" of the Condominium, exclusive of land, foundation, excavation and other items normally excluded from coverage, but including all Building service equipment and the like and any fixtures, equipment or other property within the Units which are financed using the proceeds of a first mortgage or first deed of trust on any Unit) with an "agreed amount endorsement" or its equivalent, if available, an "inflation guard endorsement," if available, and "steam boiler coverage," if applicable in an amount not less than One Hundred Thousand Dollars (\$100,000.00) per accident per location. Notwithstanding the foregoing, in no event shall the aggregate amount of the insurance obtained be less than the amount of the initial principal sum of all mortgages or deeds of trust in effect from time to time. Such hazard insurance shall afford protection against at least the following:

- (1) Loss or damage caused by fire and other hazards normally covered by the standard extended coverage endorsement, and all perils normally covered by the standard "all risk" endorsement, including, without limitation, mischief, wind storm and water and the costs of debris removal and the cost of demolition, in the event same is necessary following such loss and damage; and
- (2) Such other risks as the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation may require by reason of their holding one or more mortgages or deeds of trust; and
- (3) Such other risks as are customarily covered in similar projects.

Such hazard insurance policy may, at the option of the Association, contain a "deductible" provision in an amount to be determined by the Executive Board but not to exceed Twenty-Five Thousand Dollars (\$25,000.00). Such hazard insurance policy shall include a separate loss payable endorsement in favor of the mortgagees or deed of trust beneficiaries, if any, modified to make the loss payable provisions in favor of such mortgagees or deed of trust beneficiaries subject and subordinate to the loss payable provisions in favor of the Insurance Trustee under an Insurance Trust Agreement which shall provide, *inter alia*, that:

- (i) It shall be terminable by either party without cause and without penalty; upon not more than ninety (90) days' written notice;
- (ii) If the money paid to the Insurance Trustee in any one instance exceeds Fifty Thousand Dollars (\$50,000.00) such monies shall be held by the Insurance Trustee in escrow and shall be disbursed by the Insurance Trustee in accordance with the terms and conditions of the Insurance Trust Agreement, which terms and conditions shall be consistent with Section 76-871 of the Act;

- (iii) If the money paid to the Insurance Trustee in any one instance does not exceed Twenty-Five Thousand Dollars (\$25,000.00) but does not exceed Fifty Thousand Dollars (\$50,000.00), the Insurance Trustee shall have the option of holding and disbursing such monies as provided in the immediately preceding paragraph (ii) or disbursing such monies to the Association for further disbursement by the Executive Board as provided in the immediately following paragraph (iv);
- (iv) If the money paid to the Insurance Trustee in any one instance does not exceed Twenty-Five Thousand Dollars (\$25,000.00) the Insurance Trustee upon receipt thereof shall disburse such monies to the Association for further disbursement by the Executive Board as provided in Section 76-871 of the Act; and
- (v) Any restoration or repair of the Premises shall be performed substantially in accordance with this Declaration and the Plats and Plans, unless other action is approved by Eligible Mortgagees and Deed of Trust Beneficiaries of Units which have at least sixty-seven percent (67%) of the votes of Units subject to first mortgages and first deeds of trust, and such action is consistent with Section 76-871 of the Act.

If the Executive Board fails within sixty (60) days after the date of an insured loss to initiate a claim for damages recoverable under the policy or policies obtained pursuant to this subparagraph, any mortgagee or deed of trust beneficiary may initiate such a claim on behalf of the Association. At least once every three (3) years, but more frequently if in the Executive Board's judgment the condominium is unusually rapidly appreciating in value, the Executive Board shall cause an appraisal of the Condominium to be made for the purpose of determining the current full insurable replacement value of the insured property, without deduction for depreciation, and the Association shall change the amount of such insurance required to be carried pursuant to the provisions of the first subparagraph of this Section 7.1(a).

- (b) Comprehensive liability insurance policies, complying with the requirements of Section 7.2 hereof, insuring the Unit Owners, in their capacity as Unit Owners, and Association members and any managing agent retained by the Association, against any liability to the public or to other Unit Owners, their tenants or invitees, relating in any way to the ownership and/or use of the Common Elements and any part thereof. Such insurance policy shall contain a "severability of interest endorsement" or equivalent coverage which precludes the insurer from denying the claim of a Unit Owner because of the negligent act of the Association or another Unit Owner. Limits of liability shall be at least One Million Dollars (\$1,000,000.00) covering all claims for personal injury and/or property damage arising out of a single occurrence. Such insurance shall include protection against water damage liability, liability for non-owned and hired automobiles, liability for property of others, employers' liability, legal liability arising out of lawsuits related to employment contracts of the Association, contractual and all-written contract insurance, and if applicable: elevator coverage, garage-keeper's liability, host liquor liability and such other risks as are customarily covered in similar projects. The scope and amount of coverage of all liability insurance policies shall be reviewed at least once each year by the Executive Board and may be changed in its discretion provided that such

policies shall continue to comply with the requirements of this Section and Section 7.2 hereof.

- (c) A fidelity bond or insurance coverage against dishonest acts on the part of Persons (including, by way of illustration and not limitation, members, officers, directors, trustees, agents, employees and volunteers of the Association and its managing agent) responsible for handling funds belonging to or administered by the Association. Such fidelity bond or insurance shall name the Association as the named insured and shall be written in an amount sufficient to provide protection which is in no event less than a sum equal to three (3) months' aggregate common Expense Assessments on all Units plus reserve funds. In connection with such coverage, an appropriate endorsement to such policy or bond in order to cover any Persons who serve without compensation shall be added if the policy would not otherwise cover volunteers. Such fidelity bond or insurance shall also:
 - (1) Name the Association as an obligee; and
 - (2) Contain waivers of any defense based upon the exclusion of persons who serve without compensation from any definition of "employee" or similar terminology.
- (d) Such workmen's compensation insurance as applicable laws may require.
- (e) Insurance to satisfy the indemnification obligation of the Association and all Unit Owners set out in Section 9.3 hereof, if and to the extent available.
- (f) Such other insurance as the Executive Board may deem appropriate from time to time.
- (g) The Executive Board shall have the power to require all Unit Owners to carry such types of insurance on their Units as the Executive Board may reasonably require, including, without limitation, insurance on all portions of the Unit. All insurance carried by Unit Owners shall comply with the provisions of Section 7.2(c) and 7.2(d) hereof and shall be carried with insurance companies satisfying the requirements of Section 7.2(a) hereof.

Section 7.2. Required Provisions. Insurance obtained by the Association shall be in accordance with the following provisions:

- (a) All policies shall be written with a company licensed to do business in the State of Nebraska.
- (b) Exclusive authority to adjust losses under policies hereafter in force on the Premises shall be vested in the Executive Board or its authorized representative. Prior to the adjustment of any such loss the Executive Board shall decide whether, if the Association uses a public adjuster in connection therewith, the proceeds of any applicable insurance policy on the Premises are likely to be sufficiently increased through the efforts of such adjuster to warrant the additional expense of retaining such an adjuster. If such decision shall be in favor of using a public adjuster, the Executive Board shall cause the Association to

retain a public adjuster, which adjuster shall, at the Executive Board's option either act solely in the capacity of advisor to the Association with respect to such adjustment or also act as the Association's authorized representative with respect thereto.

- (c) Each Unit Owner may obtain additional insurance at his/her own expense; provided, however, that;
 - (1) such policies shall not be invalidated by the waivers of subrogation contained in this Declaration; and
 - (2) no Unit Owner shall be entitled to exercise his/her right to maintain insurance coverage in such a way as to decrease the amount which the Association may realize under any insurance policy which the Association may have in force on the Premises at any particular time.

- (d) Any Unit Owner who obtains individual insurance policies covering any portion of the Premises, other than:
 - (1) personal property belonging to such Owner; or
 - (2) the individual Unit of such Owner, shall be required to file a copy of such individual policy or policies with the Association within thirty (30) days after purchase of such insurance.

- (e) With respect to the insurance policies or fidelity bonds issued to the Association, the Association shall endeavor to cause such policies or bonds to provide that:
 - (1) The enforceability of such policies or bonds is not affected by any waiver of subrogation as to any and all claims against the Association, any managing agent, the Unit Owners and their respective tenants, employees, agents, customers and guests, such subrogation being hereby waived;
 - (2) Such policies or bonds cannot be cancelled, invalidated or suspended by means of the conduct of any one or more Unit Owners, all defenses based upon co-insurance or acts of the insured being waived by the insurer, and in no event can cancellation, material modification, invalidation or suspension for any reason be effected without at least thirty (30) days' prior written notice to the Association, such Unit Owner and all mortgagees and deed of trust beneficiaries whose names and addresses are on file with the insurer;
 - (3) Such policies or bonds cannot be cancelled, invalidated or suspended on account of the conduct of any officer or employee of the Association or any managing agent without a prior demand in writing that the Association or any managing agent, as the case may be, cure the defect and without providing a reasonable period of time thereafter in which to cure same; and

- (4) Any "no other insurance" clause in such policies shall not prohibit Unit Owners from obtaining insurance on their individual Unit provided such insurance policy conforms with the requirements of this Article VII.
- (f) The insurance reviews which the Executive Board is required to conduct by the provisions of the last paragraph of Section 7.1(a) hereof shall include an appraisal of the improvements in the Premises by a real estate appraiser acceptable to the insurance carrier or carriers writing the Association's hazard insurance policy or policies.
- (g) Each policy required pursuant to this Article VII shall be issued in the name of the Insurance Trustee for the use and benefit of the Unit Owners and their mortgagees and deed of trust beneficiaries. Each policy shall be endorsed to provide that any proceeds shall be payable to the Insurance Trustee, as Trustee for each Unit Owner and its mortgagees and deed of trust beneficiaries, if any, as their respective interests may appear.
- (h) Coverage may not be prejudiced by:
- (1) any act or negligence of one or more Owners of Units when such act or neglect is not within the control of the Association; or
 - (2) any failure of the Association to comply with any warranty or condition regarding any portion of the Premises over which the Association has no control.
- (i) All policies of property insurance shall provide that, despite any provisions giving the insurer the right to elect to restore damage in lieu of a cash settlement, such options shall not be exercisable
- (i) without the prior written approval of the Executive Board (or any Insurance Trustee) or
 - (ii) when in conflict with the provisions of any Insurance Trust Agreement to which the Association may be a party or with any requirement of law.
- (j) Each policy required pursuant to this Article VII shall contain a standard mortgagee clause, or equivalent endorsement, without contribution.
- (k) Insurance coverage obtained and maintained pursuant to the requirements of this Article VII may not be brought into contribution with insurance purchased by Unit Owners or their mortgagees and deed of trust beneficiaries.
- (l) Insurance coverage obtained and maintained pursuant to the requirements of this Article VII shall not provide that contributions or assessments may be made against any Unit Owners, Mortgagees, Deed of Trust Beneficiaries or the Association.

ARTICLE VIII

ASSESSMENTS; LIABILITY OF UNIT OWNERS

Section 8.1. Assessments; Monthly Payments. All assessments for Common Expenses and Limited Expenses made in order to meet the requirements of the Association's annual budget shall be

- (a) deemed to be adopted and assessed on a monthly basis (rather than on an annual basis payable in monthly installments),
- (b) made according to the Common Expense Liability of each Unit, and
- (c) due and payable in advance on the first day of each month by each Unit Owner. Such assessments shall first become due and payable upon the Date of First Conveyance. The Association shall temporarily establish a reasonably reduced assessment for all unoccupied Units owned by Declarant for a period of ninety (90) days immediately following the Date of First Conveyance.

Section 8.2. Reserve Fund. The Association shall establish an adequate reserve fund for maintenance, repair and replacement of those Common Elements (including without limitation Limited Common Elements) which are anticipated to require maintenance, repair or replacement on a periodic basis. The reserve fund shall be maintained out of the assessments described in Section 8.1 hereof.

Section 8.3. Working Capital Fund. Upon the initial transfer of title from the Declarant to the Purchaser of each Unit, the Association shall collect from such Purchasers an amount equal to a minimum of two (2) months' estimated Common Expense Liability, which monies shall be deposited into a segregated account for the use and benefit of the Association. The contribution to the working capital fund for each unsold Unit shall be paid to the Association within ninety (90) days after the date of the first conveyance of a Unit to a Person other than the Declarant. The purpose of this fund is to insure that the Association will have cash available to meet unforeseen expenditures, or to acquire additional equipment or services deemed necessary or desirable by the Executive Board. Amounts paid by Purchasers into the working capital fund are not refundable and are not to be considered as advance payments of the assessments described in Section 8.1 hereof. Amounts paid by Declarant into the working capital fund shall be refunded to Declarant by the Association upon the initial transfer of title from Declarant to a Purchaser of a previously unsold Unit and upon the receipt by the Association from such Purchaser of an amount equal to a minimum of three (3) months' estimated Common Expense Liability.

Section 8.4. Failure to Fix New Assessments. If the Executive Board shall fail to fix new assessments for the subsequent fiscal year before the expiration of any fiscal year, the Unit Owners shall continue to pay the same sums they were paying for such assessments during the fiscal year just ended and such sums shall be deemed to be the new assessments for the succeeding fiscal year, and further deemed to be adopted and assessed on a monthly basis (rather

than on an annual basis payable in monthly installments) and shall be due and payable in advance on the first day of each month. If the Executive Board shall change the assessment at a later date, such new assessment shall be treated as if it were an additional assessment under Section 8.5 hereof.

Section 8.5. Additional Assessments. If the annual budget shall prove to be insufficient to cover the actual Common Expenses for such fiscal year for any reason (including, by way of illustration and not limitation, any Unit Owner's nonpayment of his assessment), the Executive Board shall have power, at any time (and from time to time) it deems necessary and proper, to levy one or more additional assessments against each Unit Owner, which assessments shall be deemed adopted and assessed on a monthly basis and shall be due and payable in advance on the first day of each month.

Section 8.6. No Exemption by Waiver. No Unit Owner may exempt himself from liability with respect to Common Expenses or Limited Expenses by waiver of the enjoyment of the right to use any of the Common Elements of by the abandonment of his Unit or otherwise.

Section 8.7. Personal Liability of Unit Owners. All sums assessed by the Association under this Article VIII, together with such interest thereon as may be established by the Association, shall constitute the personal liability of the Owner of the Unit so assessed and also shall, until fully paid, constitute a lien against such Unit pursuant to Section 76-874 of the Act. The Association may take action for failure to pay any assessment or other charges pursuant to Section 76-874 of the Act and may assess a late charge for failure to pay any assessment or other charge on the date on which it is due. In addition, the delinquent Owner shall be obligated to pay

- (a) all expenses of the Executive Board including reasonable attorneys' fees incurred in the collection of the delinquent assessment by legal proceedings or otherwise, and
- (b) any amounts paid by the Executive Board for taxes or on account of superior liens or otherwise to protect its lien, which expenses and amounts, together with accrued interest and late charges, if any, shall be deemed to constitute part of the delinquent assessment and shall be collectible as such.

Section 8.8. Subordination of Certain Charges. Any fees, charges, late charges, fines and interest that may be levied by the Association pursuant to Section 76-860(a) (10), (11) and (12) of the Act shall be subordinate to the lien of any mortgage or deed of trust.

Section 8.9. Unpaid Assessments. Any unpaid assessments which cannot be promptly collected from the former Unit Owner may be reassessed by the Executive Board as a Common Expense to be collected from all of the Unit Owners, including (by way of illustration and not limitation) the purchaser who acquired title to the Unit at the sheriff's sale, his successors and assigns and any mortgagee or deed of trust beneficiary who comes into possession of a Unit by deed in lieu of foreclosure or assignment in lieu of foreclosure.

Section 8.10. Liability of Purchaser of Unit for Unpaid Assessments.

- (a) Notwithstanding the provisions of Section 8.9 hereof (but subject to the provisions of Section 76-884(c) of the Act), upon the voluntary sale, conveyance or transfer of a Unit or any interest therein, the grantee thereof shall be jointly and severally liable with the grantor thereof for all unpaid assessments for Common Expenses which are a charge against the Unit as of the date of consummation of the sale, conveyance or transfer, but such joint and several liability shall be without prejudice to such grantee's right to recover from such grantor the amount of any such unpaid assessments which such grantee may have paid, and until any such assessments are paid, they shall continue to be a lien against the Unit which may be enforced in the manner set forth in Section 76-874 of the Act.
- (b) Upon any involuntary sale, conveyance or transfer of a Unit or any interest therein, the grantee thereof shall be liable for any and all assessments for Common Expenses which are charged against the Unit after the date of consummation of the sale, conveyance or transfer.

Section 8.11. Separate Metering of Certain Utility Charges. Electricity shall be separately submetered for each Unit.

ARTICLE IX

REMEDIES; LIMITATION OF LIABILITY

Section 9.1. Remedies. Subject to the provisions of Section 76-869 of the Act, the Association and any aggrieved Unit Owner shall have an appropriate right of action, together with any and all appropriate remedies under the Act, in law or equity, against any of the Unit Owners or the Association for failure to comply with any provision of any Condominium Document or with any decision of the Association made pursuant thereto.

Section 9.2. Limited Liability of the Executive Board. The Executive Board, and its members in their capacity as members, officers and employees:

- (a) Shall not be liable for the failure of any service to be obtained by the Executive Board and paid for by the Association, or for the injury or damage to Persons or property caused by the elements or by another Unit Owner or Person on the premises, or resulting from electricity, gas, water, rain, dust or sand which may leak or flow from the outside or from any part of the Building, or from any of its pipes, drains, conduits, appliances, or equipment, or from any other place unless in each such instance such injury or damage has been caused by the willful misconduct or gross negligence of the Association or the Executive Board;

- (b) Shall not be liable to the Unit Owners as a result of the performance of the Executive Board members' duties for any mistake of judgment, negligent or otherwise, except for the Executive Board members' own willful misconduct or gross negligence;
- (c) Shall have no personal liability in contract to a Unit Owner or any other Person under any agreement, check, contract, deed, lease, mortgage, instrument or transaction entered into by them on behalf of the Executive Board or the Association in the performance of the Executive Board members' duties;
- (d) Shall not be liable to a Unit Owner, or such Unit Owner's tenants, employees, agents, customers or guests, for loss or damage caused by theft of or damage to personal property left by such Unit Owner or his tenants, employees, agents, customers or guests in a Unit, or in or on the Common Elements or Limited Common Elements, except for the Executive Board members' own willful misconduct or gross negligence;
- (e) Shall have no personal liability in tort to a Unit Owner or any other Person, direct or imputed, by virtue of acts performed by or for them, except for the Executive Board members' own willful misconduct or gross negligence in the performance of their duties; and
- (f) Shall have no personal Liability arising out of the use, misuse or condition of the Buildings, or might in any other way be assessed against or imputed to the Executive Board members as a result of or by virtue of their performance of their duties, except for the Executive Board members' own willful misconduct or gross negligence.

Section 9.3. Indemnification. Each Executive Board member, officer, or both shall be indemnified by the Association against all expenses and liabilities, including attorneys' fees, reasonably incurred by or imposed upon him or her in connection with any proceeding in which he or she may become involved by reason of his or her being a member and/or officer of the Executive Board, or any settlement of any such proceeding, whether or not he or she is an Executive Board member, officer or both at the time such expenses are incurred, except in such cases wherein such Executive Board member and/or officer is adjudged guilty of willful misconduct or gross negligence in the performance of his or her duties; provided that, in the event of a settlement, this indemnification shall apply only if and when the Executive Board (with the affected member abstaining if he or she is then an Executive Board member) approves such settlement and reimbursement as being in the best interests of the Association. The indemnification by the Unit Owners set forth in this Section 9.3 shall be paid by the Association on behalf of the Unit Owners and shall constitute a Common Expense and shall be assessed and collectible as such. Such right of indemnification shall not be deemed exclusive of any other rights to which such Executive Board member and/or officer may be entitled as a matter of law or agreement or by vote of the Unit Owners or otherwise.

Section 9.4. Joint and Several Liability of Unit Owners and Lessees. Each Unit Owners shall be jointly and severally liable with any lessees or sublessees of the Unit owned by such Unit Owner for all liabilities arising out of the ownership, occupancy, use, misuse or condition of such Unit or any portion of the Common Elements or Limited Common Elements.

Section 9.5. Defense of Claims. Complaints brought against the Association, the Executive Board or the officers, employees or agents thereof in their respective capacities as such, or the Condominium as a whole, shall be directed to the Executive Board, which shall promptly give written notice thereof to the Unit Owners and mortgagees and deed of trust beneficiaries, such complaints shall be defended by the Association. Unit Owners and mortgagees and deed of trust beneficiaries shall have no right to participate other than through the Association in such defense. Complaints of a nature specified in Section 9.4 hereof against one or more but less than all Unit Owners or Units shall be defended by such Unit Owners who are defendants themselves and such Unit Owners shall promptly give written notice of the institution of any such suit to the Association and to the mortgagees and deed of trust beneficiaries of their Units.

ARTICLE X

UNITS SUBJECT TO CONDOMINIUM DOCUMENTS; EMINENT DOMAIN

Section 10.1. Applicability of Condominium Documents. Each present and future owner, lessee, sublessee, occupant, mortgagee and deed of trust beneficiary of a Unit shall be subject to and shall comply with the provisions of the Act, this Declaration, Plats and Plans, Bylaws and Rules and Regulations and with the covenants, conditions and restrictions as set forth in this Declaration, Plats and Plans, Bylaws, Rules and Regulations and deed to such Unit; provided that nothing contained herein shall impose upon any lessee, sublessee, mortgagee or deed of trust beneficiary of a Unit any obligation which the Act or one or more of such documents, or both, make applicable only to Unit Owners (including without limitation, the obligation to pay assessments for Common Expense). The acceptance of a deed, mortgage or deed of trust to any Unit, or the entering into of a lease or the entering into occupancy of any Unit shall constitute an agreement that the provisions of the Act, this Declaration, Plats and Plans, Bylaws, Rules and Regulations and the covenants, conditions and restrictions set forth in the deed to such Unit are accepted and ratified by such grantee, lessee, sublessee, mortgagee or deed of trust beneficiary. All of such provisions shall be covenants running with the land and shall bind any Person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed, conveyance, mortgage, deed of trust or lease thereof.

Section 10.2. Eminent Domain. The Association shall represent the Unit Owners in any condemnation proceedings or in negotiations, settlements and agreements with the condemning authority for the acquisition of the Common Elements or any portion thereof, the award or proceeds of settlement shall be paid to the Association, for the use and benefit of the Unit Owners and their respective mortgagees and deed of trust beneficiaries, if any, as their interest may appear, subject to Section 76-831 of the Act.

ARTICLE XI

TRANSFER OF CONTROL

Section 11.1. Initial Control. Declarant shall initially appoint the first three (3) members of the Executive Board and any successors thereto until control of the Executive Board has been completely transferred to the Unit Owners pursuant to Section 11.3 thereof.

Section 11.2. Interim Control. Not later than sixty (60) days after conveyance of twenty-five percent (25%) of the units to Unit Owners other than the Declarant a special meeting of the Board of the Association shall be held for the purpose of electing one additional member to the Executive Board which election shall be made by Unit Owners other than the Declarant. Not later than sixty (60) days after conveyance of fifty percent (50%) of the Units to Unit Owners other than the Declarant, a special meeting of the Association shall be held for the purpose of electing one additional member to the Executive Board, which election shall be made by the Unit Owners other than the Declarant.

Section 11.3. Final Control. Not later than the earlier to occur of:

- (a) sixty (60) days after conveyance of ninety percent (90%) of the Units to Unit Owners other than the Declarant or
- (b) two (2) years after the Declarant has ceased to offer Units for sale in the ordinary course of business, a special meeting of the Association shall be held for the purpose of electing members to the Executive Board to replace those members of the Executive Board appointed by the Declarant.

Section 11.4. Master Association. The Association, may, pursuant to its Bylaws, provide that any of its power may be exercised by or may be delegated to a profit or non-profit corporation, or unincorporated association, which exercises those or other powers on behalf of one or more condominiums or for the benefit of the Unit owners of one or more condominiums and which is defined as a Master Association pursuant to Section 76-857 of the Act.

ARTICLE XII

AMENDMENT OF DECLARATION

Section 12.1. Amendment Generally. This Declaration may be amended only in accordance with the procedures specified in Section 76-854 of the Act, the other Sections of the Act referred to in Section 76-854 thereof and the express provisions of this Declaration.

Section 12.2. Rights of Eligible Mortgagees.

- (a) Subject to the limitations imposed by Section 76-856 of the Act, and except as set forth below, no amendment of this Declaration may be made without the prior written approval

of all Unit Owners and the approval of Eligible Mortgagees and Deed of Trust Beneficiaries of Units which have at least fifty-one percent (51%) of the votes of units subject to first mortgages and first deeds of trust, if and to the extent that any such amendment would add or amend any material provision of the Declaration relating to any of the following:

- (1) voting;
 - (2) assessments, assessment liens or subordination of such liens;
 - (3) Unit boundaries; or
 - (4) interest in the Common Elements or Limited Common Elements.
- (b) Subject to the limitations imposed by Section 76-856 of the Act and except as set forth below, no amendment of the Declaration may be made without the prior written approval of the Unit Owners of Units to which at least sixty-seven percent (67%) of the votes in the Association are allocated and Eligible Mortgagees and Deed of Trust Beneficiaries of Units which have to least fifty-one percent (51%) of the votes of Units subject to first mortgages, if and to the extent that such amendment would add or amend any material provision of the Declaration in connection with any of the following:
- (1) reserves or responsibility for maintenance, repair and replacement of the Common Elements or Units;
 - (2) insurance or fidelity bonds;
 - (3) rights to the use of the Common Elements;
 - (4) expansion or contraction of the Condominium or the addition, annexation or withdrawal of property to or from the Condominium;
 - (5) convertibility of Units into Common Elements or of Common Elements into Units;
 - (6) leasing of Units;
 - (7) imposition of any other right of first refusal or similar restriction on the right of a Unit Owner to sell, transfer or otherwise convey his or her Unit; or
 - (8) any provisions which are for the express benefit of Eligible Mortgagees, Deed of Trust Beneficiaries, Insurers or Guarantors.
- (c) Any Eligible Mortgagee or Deed of Trust Beneficiary who received a written request to approve any amendments to this Declaration, and fails to deliver or mail a negative response to the Association within thirty (30) days of the date of such request shall be deemed to have approved such request.

Section 12.3. Corrective Amendments. If any amendment is necessary in the judgment of the Executive Board to cure any ambiguity or to correct or supplement any provision of this Declaration that is defective, missing or inconsistent with any other provision hereof or with the Act, or if such amendment is necessary to conform to the requirements of the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation with respect to condominium projects, then at any time and from time to time the Executive Board may effect an appropriate corrective amendment without the approval of the Unit Owners or Eligible Mortgagees or Deed of Trust Beneficiaries, upon receipt by the Executive Board of an opinion from independent legal counsel to the effect that the proposed amendment is permitted by the terms of this sentence. Each amendment of the type described in this Section 12.3 shall be effective upon the recording of an appropriate instrument setting forth the amendment and its due adoption, which instrument has been executed and acknowledged by one or more officers of the Executive Board.

ARTICLE XIII

MISCELLANEOUS

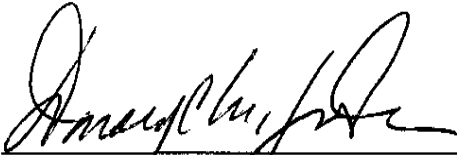
Section 13.1. Interpretation. The provisions of this Declaration shall be liberally construed in order to effectuate Declarant's desire to create a uniform plan for development and operation of a condominium project. The table of contents and captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Declaration or the intent of any provision hereof.

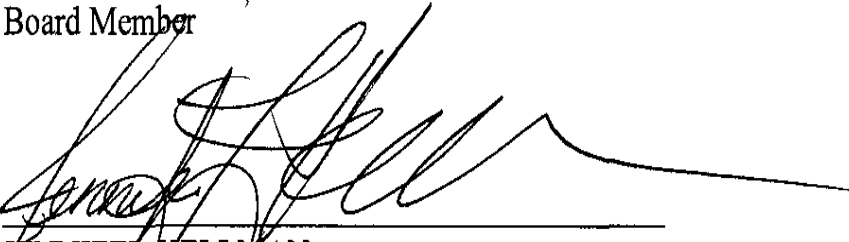
Section 13.2. Gender; Number. The use of the masculine gender in this Declaration shall be deemed to include the feminine and neuter genders, and the use of singular shall be deemed to include the plural, and vice versa, whenever the context so requires.

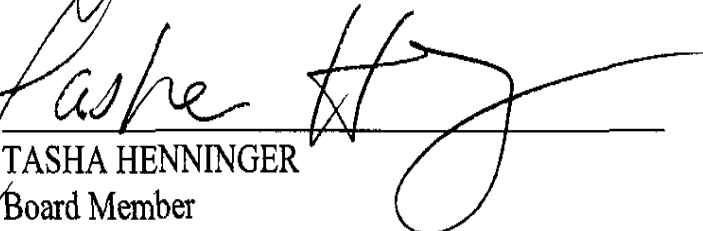
Section 13.3. Effective Date. This Declaration shall become effective when it and the Plats and Plans have been recorded.

IN WITNESS WHEREOF, Declarant, intending to be legally bound hereby, has duly executed this Declaration to be made effective on the 1st day of January, 2005.

THE HILL RESIDENTIAL CONDOMINIUM
ASSOCIATION, INC.,
A Nebraska Non-Profit Corporation

By: 
DONALD C. McCRODEN
Board Member

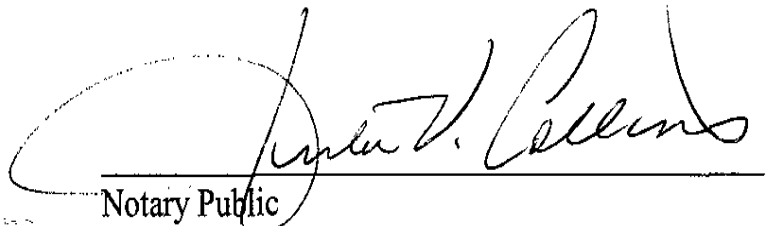
By: 
JENNIFER HELLMAN
Board Member

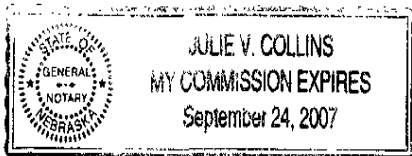
By: 
TASHA HENNINGER
Board Member

STATE OF NEBRASKA)
) ss.
COUNTY OF DOUGLAS)

On this 25 day of March, 2005, before me a Notary Public in and for the above state and county, personally appeared Donald C. McCroden and who acknowledges that he is one of the members of the Board of Directors of The Hill Condominium Association, Inc. and that he executed the foregoing Declaration of Condominium for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal the day and year first above written.

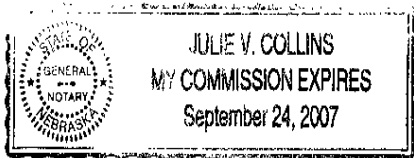

Notary Public

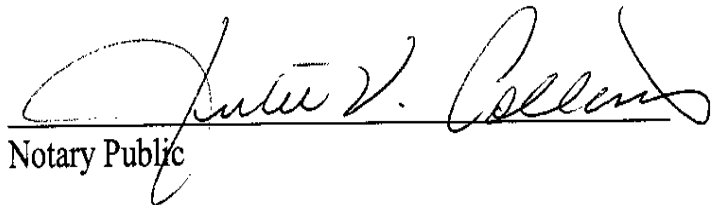


STATE OF NEBRASKA)
) ss.
COUNTY OF DOUGLAS)

On this 25 day of March, 2005, before me a Notary Public in and for the above state and county, personally appeared Jennifer Hellman and who acknowledges that he is one of the members of the Board of Directors of The Hill Condominium Association, Inc. and that he executed the foregoing Declaration of Condominium for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal the day and year first above written.

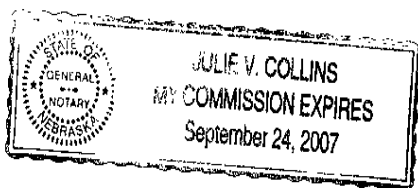


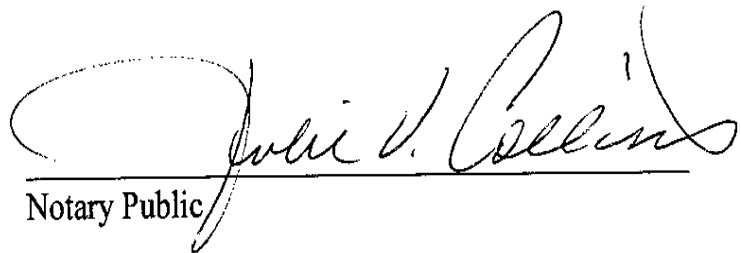

Notary Public

STATE OF NEBRASKA)
) ss.
COUNTY OF DOUGLAS)

On this ____ day of March, 2005, before me a Notary Public in and for the above state and county, personally appeared Tasha Henninger and who acknowledges that he is one of the members of the Board of Directors of The Hill Condominium Association, Inc. and that he executed the foregoing Declaration of Condominium for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal the day and year first above written.




Notary Public

**BYLAWS OF
THE HILL RESIDENTIAL CONDOMINIUM ASSOCIATION, INC.**

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BYLAWS OF
THE HILL RESIDENTIAL CONDOMINIUM ASSOCIATION, INC.

Section 1. Offices:

a. Principal Office. The principal office, initially located at 517 South 13th Street, Omaha, Douglas County, Nebraska, may be located or, from time to time, relocated in Nebraska as the Board of Directors may direct. The registered office may be, but need not be, identical to the principal office of the corporation.

b. Registered Agent. The registered office, initially located in Douglas County, Nebraska, shall continue to be located in Douglas County, Nebraska; and other offices may be located or from time to time relocated in Nebraska or elsewhere as the Board of Directors may direct or business may require.

Section 2. Board of Directors.

a. Management. The business and affairs of the nonprofit corporation shall be managed by and under the supervision of the Board of Directors. The day-to-day operating decisions of the nonprofit corporation shall be made by the Chairman of the Board of Directors who shall also serve as the President of the Nonprofit Corporation in the absence of action by the directors. All long-term operating policies shall be established and altered by the directors. Any decision substantially affecting the nonprofit corporation or its business and purpose(s) shall be made by unanimous approval of all of the members.

b. Number, Tenure and Qualification. The Board of Directors shall be comprised of three (3) individuals or any other number of individuals determined and fixed by the Board. The directors shall be elected annually at each annual meeting of the Board, to serve for a term of office of one year and to hold office until the election and qualification of a successor, unless their service is sooner terminated because of death, resignation, removal or otherwise. Board of Directors shall not be required to be officers EXCEPT THAT, the Chairman of the Board shall also serve as President of the nonprofit corporation.

c. Vacancy. Any vacancy among the directors caused by any increase of their number shall be filled until the next annual meeting of the Board by election by the Board at any annual or special meeting of Board; and any other vacancy among the directors may be filled for the remainder of the unexpired term of office by appointment by the remaining directors or a majority of the remaining directors.

d. Annual Meetings. Annual meetings of the Board of Directors for the election of a chairman and of officers or assistants or committee chairpersons and for such other purpose or purposes as may be pursued by the Board of Directors shall be held with notice at the time and place as set out therein.

e. Regular and Special Meetings. Regular meetings of the Board of Directors for such purpose or purposes as may be pursued by it may be held without notice on such dates, at such times, and at such place or places in Nebraska or elsewhere as the Board of Directors may direct by duly adopted resolution or resolutions. Special meetings of the Board of Directors for such purpose or purposes as may be pursued by it may be held upon call by the Chairman of the Board of Directors and shall be held upon call by the Chairman of the Board of Directors at the request of any two or more directors on such date, at such time, and at such place or places in Nebraska or elsewhere as may be designated by the person or persons entitled to call or to request the call and as may be stated in the notice of such meeting.

f. Presiding and Recording Officers. The Chairman elected annually by the Board of Directors at each annual meeting to serve for a term of office of one year or a substitute shall preside at, and the Secretary, an Assistant Secretary or a substitute shall record the minutes of all meetings of the Board of Directors; and the Chairman shall have such powers and rights and be charged with such duties and obligations as usually are vested in and appertain to such office or as may be directed at any time or from time to time by the Board of Directors.

g. Quorum. Not fewer than a majority of the entire authorized number of directors shall constitute a quorum for any meeting of the Board of Directors; and any meeting of the Board of Directors commenced without a quorum may be adjourned from time to time without further notice by action of not fewer than a majority of all directors present until finally commenced with a quorum.

h. Votes. Each director shall be entitled on each question voted upon by the Board of Directors to cast in person one vote.

i. Mode of Action. Unless otherwise controlled or prescribed by law, by the Articles of Incorporation, or by other provisions of these Bylaws, the act of not fewer than a majority of directors present at any meeting of the Board of Directors attended by a quorum shall be the act of the Board of Directors and the corporation; and all or any one or more directors may participate in any meeting of the Board of Directors, with the same effect as presence in person, by means of conference telephone or similar communications equipment through use of which all participants may simultaneously hear and be heard by each other.

j. Action Without Meeting. Any action otherwise permitted or required to be taken by or at any meeting of the Board of Directors may be taken in place of and without a meeting of the Board of Directors by a written consent with such action stated therein duly executed in an original or one or more counterparts by ALL of the directors.

k. Committees. Such committee or committees of the Board of Directors as it may authorize or direct by duly adopted resolution or resolutions may be appointed and maintained by the Board of Directors and shall each have such respective powers and rights and be charged with such respective duties and obligation as usually are vested in and appertain to such committee and as may be further or otherwise authorized or directed at any time or from time to time by the Board of Directors by any such resolution or resolutions; but no such committee shall have any authority supervening that of the Board of Directors as to the amendment of the Articles of Incorporation or

these Bylaws, the adoption of any plan of consolidation, dissolution, liquidation, merger, reorganization, or other organic corporate change, or the exchange, lease, mortgage, pledge, sale or other disposition not in the ordinary course of its business of all or substantially all of the assets and property of the nonprofit corporation.

Section 3. Officers, Agents and Employees.

a. Principal Officers. The principal officers shall be a President, one or more Vice Presidents, the number thereof to be determined by the Board of Directors, a Secretary and a Treasurer who shall be elected annually by the Board of Directors at each annual meeting of the directors. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently possible. Each officer shall hold office until his/her successor shall have been duly elected and shall have qualified or until his/her death or until he/she shall resign or shall have been removed in the manner hereinafter provided. Officers shall not be required to be directors EXCEPT in the case of the President, who shall also serve as the Chairman of the Board of Directors, and may hold two or more such offices (other than those of President and of Vice President), and may succeed themselves in office, and shall each have such respective powers and rights and be charged with such respective duties and obligations in addition to or alteration of those otherwise specified by other provisions of these Bylaws or as may be directed at any time or from time to time by the Board of Directors.

b. President. The President shall be the chief executive officer of the nonprofit corporation with responsibility for the active daily management and general supervision of the affairs and business of the nonprofit corporation. The President shall, when present, preside at all meetings of the members and of the Board of Directors. The President may, for the nonprofit corporation, grant any proxy for, vote as to, or otherwise act on any stocks or other securities of other corporations and entities held by the nonprofit corporation, may sign independently of or jointly or severally with the Secretary or any other proper officer of the nonprofit corporation thereunto authorized by the Board of Directors, any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws to some other officer or agent of the nonprofit corporation, or shall be required by law to be otherwise signed or executed; and shall otherwise under the authorization or direction of the Board of Directors act for or on behalf of the nonprofit corporation in a manner and to the extent as appropriate, convenient, or necessary for effectuation of its purposes.

c. Vice President. The Vice President shall be the principal executive assistant to the President with responsibility for internal operation of the nonprofit corporation, and shall, in the absence or upon the incapacitation or death of the President, or in the event of his inability or refusal to act (or in the event there be more than one Vice President, the Vice Presidents in the order designated at the time of their election, or in the absence of any designation, then in the order of their election), shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. Any Vice President shall perform such other duties as from time to time may be assigned to him by the President or by the Board of Directors, and shall otherwise, under the authorization or direction of the Board of Directors, act for and on behalf of the nonprofit corporation.

d. Secretary. The Secretary shall be the principal clerical supervisor of the corporation with responsibility for attendance at and maintenance of minutes for all meetings of the Board of Directors and for maintenance of records for the Board of Directors and its committees; be custodian of the corporate seal and see that the seal of the corporation is affixed to all documents, the execution of which on behalf of the corporation under its seal is duly authorized; keep a register of the post office address of each Director which shall be furnished to the Secretary by such Directors; and shall give or cause to be given all required notices of meetings, shall control operation of meetings or, in the absence of appointment thereof, maintain or supervise maintenance of a voting list for each meeting of the Directors, and shall otherwise, under the authorization or direction of the Board of Directors, act for and on behalf of the nonprofit corporation.

e. Treasurer. The Treasurer shall be the principal financial and fiscal supervisor of the nonprofit corporation with responsibility for safe custody of all funds, securities and other valuable effects, proper disbursement and receipt of funds; receive and give receipts for monies due and payable to the nonprofit corporation from any source whatsoever, and deposit all such monies in the name of the nonprofit corporation in such banks, trust companies, credit unions or other depositories as shall be selected in accordance with the provisions of Section 6 of these Bylaws; maintenance of accurate and complete accounts for and records of all such transactions, and preparation and submission of financial reports and tax returns; shall consult with the independent auditor and with the Audit Committee (if any) on all matters and questions within their mutual concern; and shall otherwise, under the authorization or direction of the President or the Board of Directors, act for and on behalf of the nonprofit corporation. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his or her duties in such sum and with such surety or sureties as the Board of Directors shall determine.

f. Removal. Any officer or agent elected or appointed by the Board of Directors may be removed by the Board of Directors whenever, in its judgment, the best interests of the nonprofit corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

g. Vacancy. Any vacancy among the principal officers shall be filled for the remainder of the unexpired term of office by election by the Board of Directors.

h. Subordinate Officials. The Board of Directors may at any time or from time to time appoint, discharge, engage or remove any one or more additional Vice Presidents, Assistant or Second Vice Presidents, Assistant Secretaries, or Assistant Treasurers, with or without further qualification of the title of any one or more of such offices, who shall not be required to be directors, officers or members, who may hold two or more such offices, who may succeed themselves in office, and who shall each have such respective powers and rights and be charged with such respective duties and obligations as usually are vested in and appertain to such position and as may be further or otherwise authorized or directed at any time or from time to time by the Board of Directors; and the Board of Directors or the principal officers may at any time or from time to time appoint, discharge, engage, or remove such agents and employees as may be appropriate, convenient or necessary to the affairs and business of the corporation.

i. Contractual Engagement. The Board of Directors may authorize or enter into contractual arrangements for the services of any one or more officers without abrogation of any obligation or right conferred or reserved by other provisions of these Bylaws; but any provision or provisions of any such contractual arrangement may specify enforceable consequences conditioned upon or otherwise connected with the discharge or nondischarge of any such obligation or the exercise or nonexercise of any such right.

j. Confidentiality. All officers, agents and employees of the nonprofit corporation shall be required as a condition and term of such office or position to maintain and preserve confidentiality as to all business techniques, commercial data, formulas, good will, operational methods, product identifications, service marks, trademarks, trade names, and trade secrets of the nonprofit corporation (if any).

Section 4. Conflict, Indemnification and Limitation of Liability.

a. Conflict. No transaction of the nonprofit corporation shall be void or voidable solely by reason of the appearance or existence of any actual or potential and direct or indirect conflict of interest or other adversity or divergence of position between the corporation and any one or more members, directors, officers, employees or agents of the nonprofit corporation; and no such person who before the conclusion of such transaction possesses no knowledge of or has disclosed to the nonprofit corporation to the extent known the appearance or existence of such interest or position shall be accountable or liable to the corporation for any expense, gain, loss or profit connected with such transaction.

b. Indemnification.

(1) The nonprofit corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, other than an action by or in the right of the nonprofit corporation, by reason of the fact that he or she is or was a director, officer, employee or agent of the nonprofit corporation, or is or was serving at the request of the nonprofit corporation as a director, officer, employee or agent of another nonprofit corporation, partnership, joint venture, trust or other enterprise, against expenses, including attorneys' fees, judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding, if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the nonprofit corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interests of the nonprofit corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was lawful.

(2) The nonprofit corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the nonprofit corporation to procure a judgment in its favor by reason of the fact that he

or she is or was a director, officer, employee or agent of the nonprofit corporation, or is or was serving at the request of the nonprofit corporation as a director, officer, employee or agent of another nonprofit corporation, partnership, joint venture, trust or other enterprise against expenses, including attorneys' fees, actually and reasonably incurred by him or her in connection with the defense or settlement of such action or suit if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the nonprofit corporation, except that no indemnification shall be made in respect of any claim, issue, or matter as to which such person shall have been adjudged to be liable for any negligence or misconduct in the performance of his or her duty to the nonprofit corporation unless and only to the extent that the court in which such action or suit was brought shall determine upon application that despite the adjudication of liability, but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which such court shall deem proper.

(3) To the extent that a director, officer, employee or agent of the nonprofit corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Sections 1 and 2 of this Article, or in defense of any claim, issue or matter therein, he or she shall be indemnified against expenses, including attorneys' fees, actually and reasonably incurred by him or her in connection therewith.

(4) Any indemnification under Sections 1 and 2 of this Article, unless ordered by a court, shall be made by the nonprofit corporation only as authorized in the specific case upon a determination that indemnification of the director, officer, employee or agent is proper in the circumstances because he or she has met the applicable standard of conduct set forth in Sections 1 and 2 of this Article. Such determination shall be made by the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding, or if such a quorum is not obtainable, or even if obtainable, a quorum of disinterested directors so directs, by independent legal counsel in a written opinion, or by the members of the nonprofit corporation.

(5) Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the nonprofit corporation in advance of the final disposition of such action, suit or proceeding as authorized in the manner provided in Section 4 of this Article upon receipt of an undertaking by or on behalf of the director, officer, employee or agent to repay such amount unless it shall ultimately be determined that he or she is entitled to be indemnified by the nonprofit corporation as authorized in this Article.

(6) Nothing contained in this Article shall limit the nonprofit corporation's ability to reimburse expenses incurred by a director, officer, employee or agent of the nonprofit corporation in connection with his or her appearance as a witness in a proceeding at a time when he or she has not been made a named defendant or respondent in the proceeding.

(7) Any indemnification of a director in accordance with this Article, including any payment or reimbursement of expenses, shall be reported in writing to the members with the notice of the next member's meeting or prior to such meeting.

c. Insurance. The Board of Directors may procure and maintain liability or similar insurance for any one or more agents, employees, directors, officers or other persons whom the nonprofit corporation is permitted or required by law to indemnify.

Section 5. Financial and Related Matters.

a. Fees, Expenses and Remuneration. The Board of Directors may fix a reasonable fee for the services of the directors, as directors, and may provide for the advancement or reimbursement of expenses incurred by them as directors without effect upon remuneration for or expenses incurred in any other service or services rendered to the nonprofit corporation; and the Board of Directors or the principal officers shall fix respectively the salaries or other remuneration for the services of the principal officers and the wages or other compensation for the services of all other agents and employee of the nonprofit corporation.

b. Employment Compensation. Establishment of, continuation of, and any change in the compensation arrangement for any employee who shall also be a Director or a member of the immediate family of a Director shall require unanimous approval of the remaining Directors.

c. Receipts and Disbursements. Funds and monies of the nonprofit corporation not otherwise invested or used may be deposited by the agents, employees or officers from time to time in such financial institution in Nebraska or elsewhere as authorized or directed by the Board of Directors; and all checks, drafts and other orders upon the nonprofit corporation and all notes or other evidences of indebtedness of the nonprofit corporation shall be signed by the Treasurer or such one or more other agents, employees or officers as the Board of Directors may authorize or direct.

d. Contracts and Loans. The Chairman of the Board of Directors, who will also be the President, the Vice President or any one or more other officers as the Board of Directors may authorize or direct and either generally or specifically authorize by duly adopted resolution or resolutions may negotiate and consummate for the nonprofit corporation all arrangements as may be appropriate, convenient or necessary for any loan to the nonprofit corporation and may execute and deliver in the name of and for the nonprofit corporation any contract, instrument or other document as may be appropriate, convenient or necessary to the business of the corporation.

e. Fiscal Year. The fiscal year of the nonprofit corporation shall begin with the 1st day of January of each calendar year and end with the 31st day of December of each calendar year; but the Board of Directors may from time to time direct otherwise by duly adopted resolution or resolutions.

Section 6. Books, Notices, Records and Reports.

a. Books and Records. The books and records of the nonprofit corporation shall be maintained at the principal office or elsewhere as the Board of Directors may authorize or direct.

b. Reports. The nonprofit corporation shall provide copies or accurate summaries of the annual audit and report and may provide copies or accurate summaries of the unaudited interim

quarterly accounts to the Board of Directors and the Board of Directors shall at each annual meeting of the Board of Directors present or direct the presentation of a clear and reasonably complete report of the condition of the affairs and business of the nonprofit corporation.

c. Notice of Meeting of Board of Directors. Notice, effected by telephonic communication in person, or by written statement delivered in person, or sent by prepaid mail or telegram, addressed or delivered to the address of record, or the business address, if known, of each director, of the date, time and place of each special meeting of the Board of Directors shall be given not more than ten days after call therefore and not more than twenty days nor fewer than twenty-four hours before such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed, with postage thereon prepaid. If notice be given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company.

d. Waiver of Notice. A Waiver of Notice signed by all members entitled to vote at a meeting may designate any place, either within or without the State of Nebraska, as the place for the holding of such meeting. If no designation is made, or if the special meeting be otherwise called, the place of meeting shall be the registered office of the nonprofit corporation. Attendance by any member in person or by proxy at any meeting of the members and attendance by any director at any meeting of the Board of Directors shall, unless such attendance is solely for the purpose of objection to the adequacy or efficacy of notice required for such meeting, constitute a complete waiver of any notice permitted or required for such meeting, unless his dissent shall be entered in the minutes of the meeting or unless he shall file his written dissent to such action with the person acting as the Secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the Secretary of the nonprofit corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favor of such action; and any notice permitted or required by law or the provisions of these Bylaws, the Articles of Incorporation or the Nebraska Nonprofit Corporation Act may be waived by written instrument, or otherwise by any director, member, or other person entitled to such notice at any time after, at or before the meeting or other event for which such notice is permitted or required and shall be deemed equivalent to the giving of such notice. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need to be specified in the Notice or Waiver of Notice of such meeting.

Section 7. Seal.

a. Form. Unless changed by the Board of Directors, the seal of the nonprofit corporation shall be of conveniently small circular form with the name of the nonprofit corporation and the words, "Corporate Seal" and the name of the state of the corporation inscribed upon its face; and the Board of Directors may at any time or from time to time change the seal of the nonprofit corporation.

b. Use. The seal of the nonprofit corporation may be used by manual impression upon or reproduction in facsimile on any certificate, deed, document or other instrument permitted or required to be sealed by or for the nonprofit corporation.

Section 8. Adoption and Amendment.

a. Adoption and Effective Date. These Bylaws shall take effect from and after their adoption by the members of the nonprofit corporation on the 6th day of December, 2004.

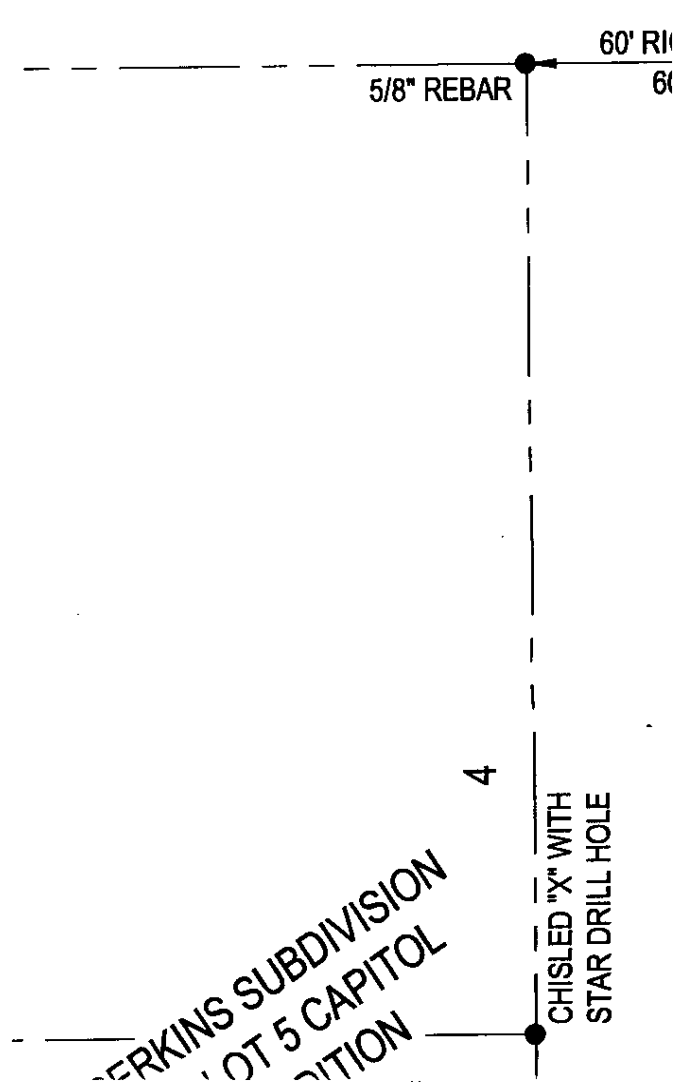
b. Amendment. Unless otherwise controlled or prescribed by law or by provisions of the Articles of Incorporation, all or any part or parts of these Bylaws may be at any time or from time to time altered, amended or revoked by the Board of Directors.

CERTIFICATE

I hereby certify that the foregoing text of Bylaws comprises an accurate and complete copy thereof as adopted for the nonprofit corporation by action of its members on the 29th day of March, 2005.

DATED this 29th day of March, 2005.


Jennifer Hellman, Secretary



5 SUBDIVISION
AT 5 CAPITOL
TION

4

CHISLED "X" WITH
STAR DRILL HOLE

26TH STREET

PAXTON
COURT

LOT 8
LOT 9

BLOC
PERKINS SUBDIVISION

LOT 7

LOT 8

LOT 9

3/4" OPEN

RAILROAD SPIKE

0.4' BRICK FACING IS 0.3' NORTH
OF NORTH PROPERTY LINE AND
BUILDING LINE IS 0.1' SOUTH
OF NORTH PROPERTY LINE

DOUGLAS STREET

0.4' BRICK
OF NORTH
BUILDING
PROPERTY

N89°57'20"E

132.30' (P) 132.44' (A)

5/8" REBAR

60' RIGHT-OF-WAY

60.15' (A)

70' RIGHT-OF-WAY

69.95' (A)

N00°00'09"E
47.00' (P&A) 3.7'

N00°00'09"E
50.00' (P&A)

N00°00'09"E
47' (P) 47.02' (A)

S89°55'56"W 132.30' (P) 132.43' (A)

N89°54'38"E 70.00' (L&A)

N89°54'38"E 62.42' (A)

S89°52'54"W
70.00' (L&A)

S89°52'54"W 62.42' (A)

16.0'

44.0'

40.0'

2.9'

47' (P) 47.02' (A)

47' (P) 46.98' (A)

47' (P) 46.95' (A)

40.0'

1.1'

5.5'

30.0'

21.9'

33.5'

21.9'

5.5'

30.0'

1.1'

40.0'

44.0'

44.0'

44.0'

44.0'

0.0'

S00°00'43"W

S00°00'43"W

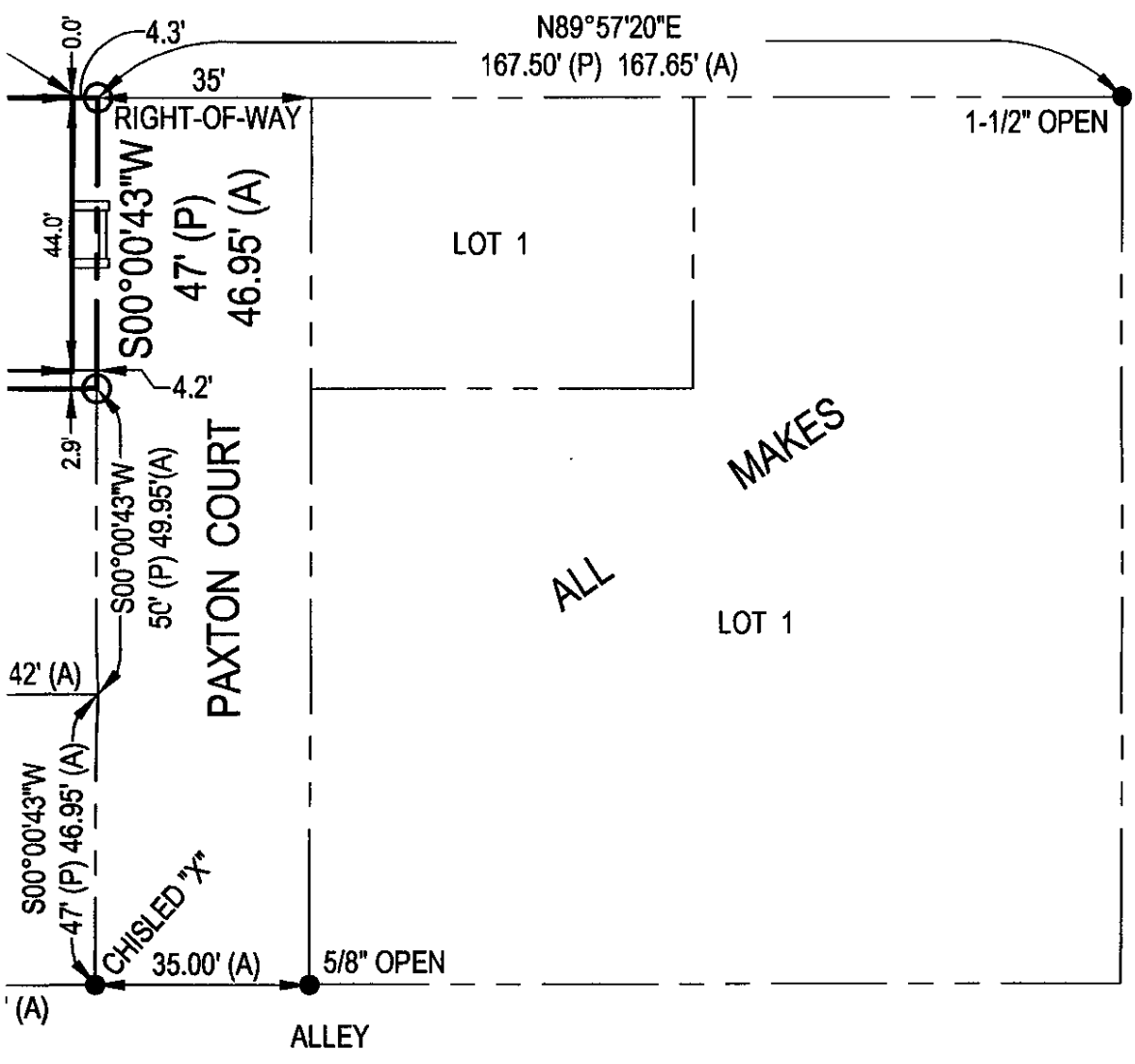
S00°00'43"W

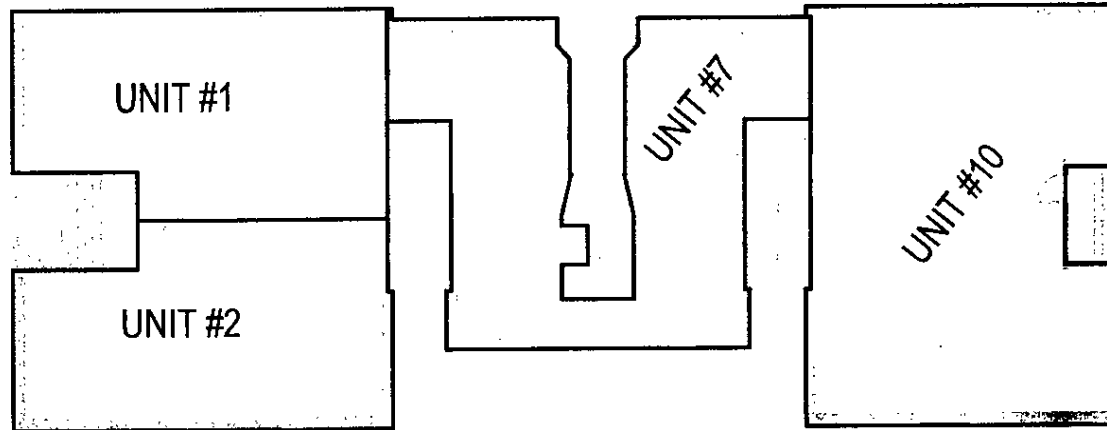
S00°00'43"W

CH1/6

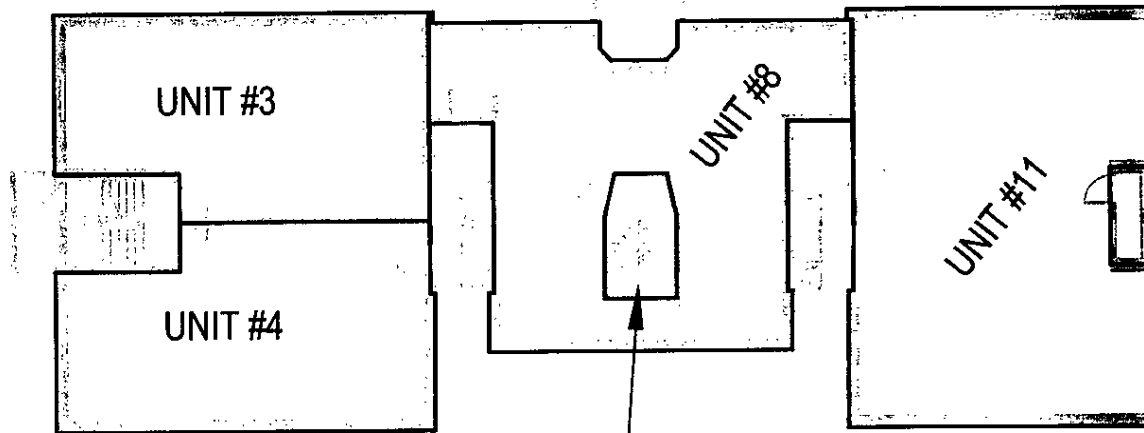
BLOCK 2			
DIVISION OF LOT 5 CAPITOL ADDITION			
LOT 9 AD SPIKE	LOT 10	LOT 11	LOT 12

-0.4' BRICK FACING IS 0.4' NORTH OF NORTH PROPERTY LINE AND BUILDING LINE IS ON NORTH PROPERTY LINE



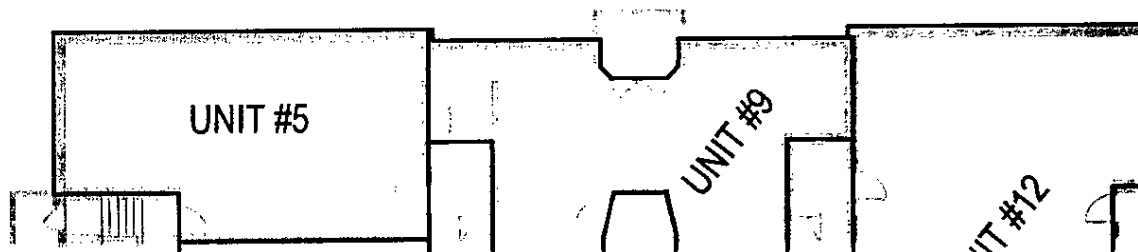


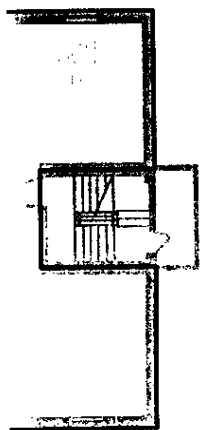
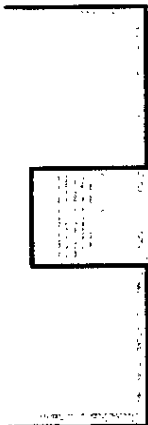
MAIN LEVEL FLOOR PLAN
SCALE: NONE



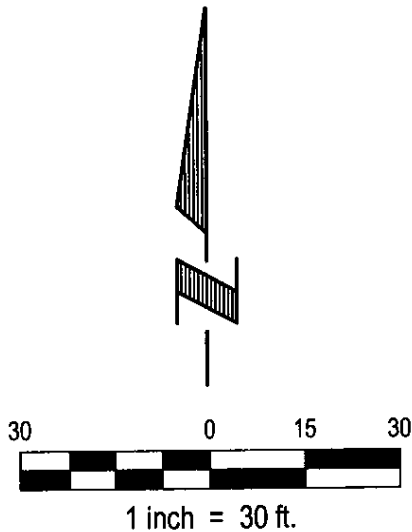
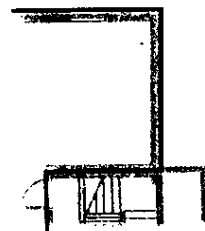
AREA NOT INCLUDED IN UNIT #8

SECOND LEVEL FLOOR PLAN
SCALE: NONE





INIT #8



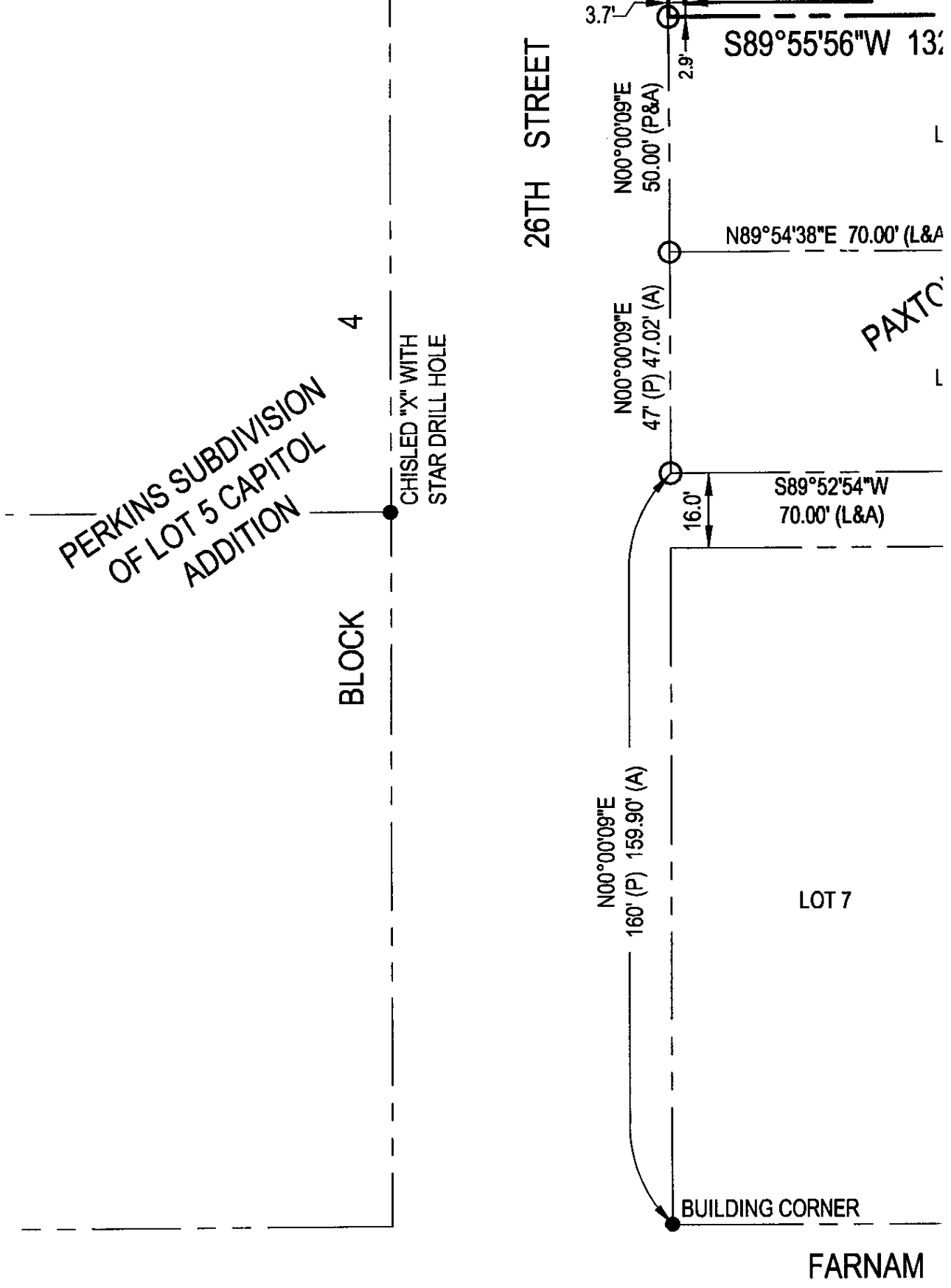
E&A CONSULTING GROUP, INC.
ENGINEERS • PLANNERS • SURVEYORS

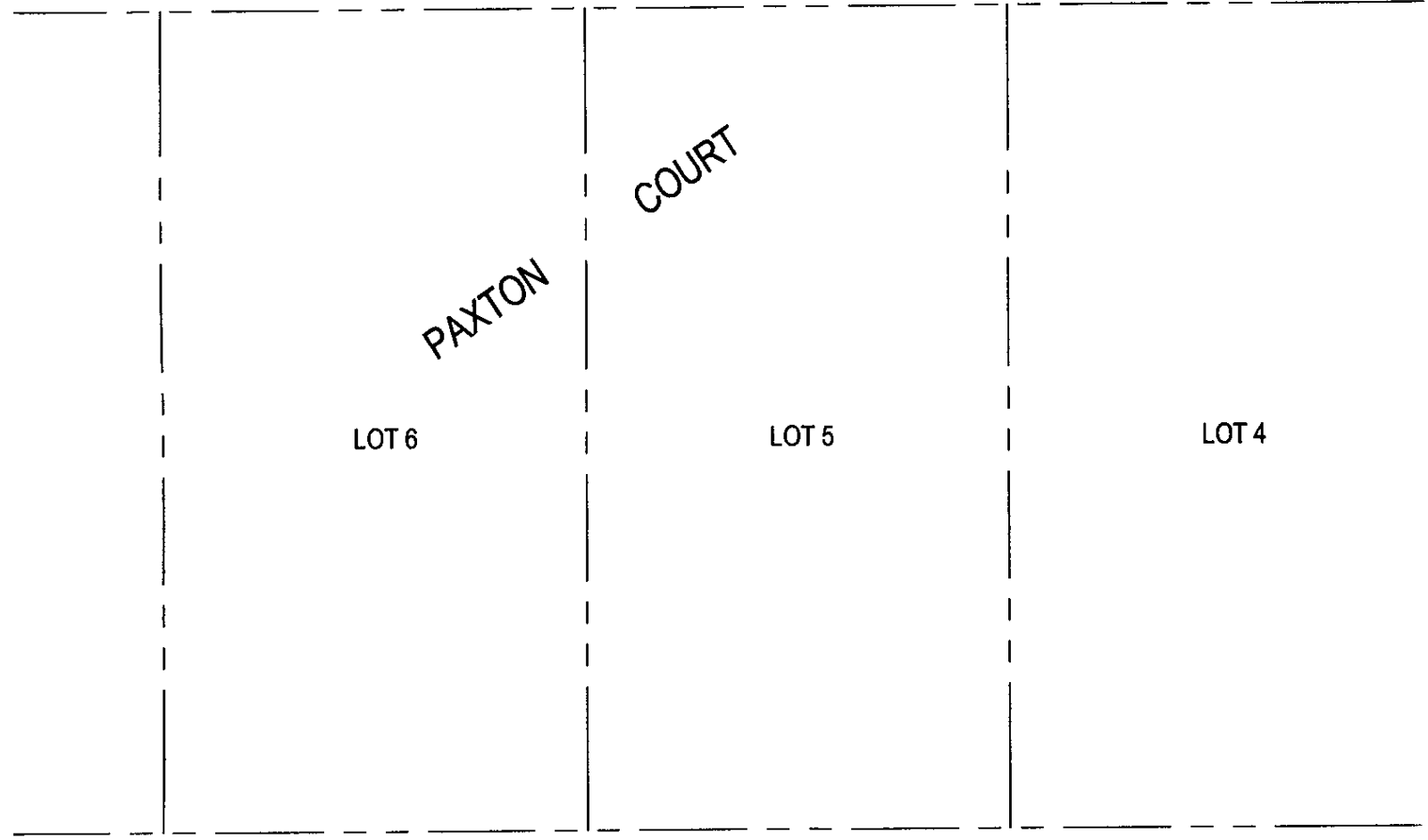
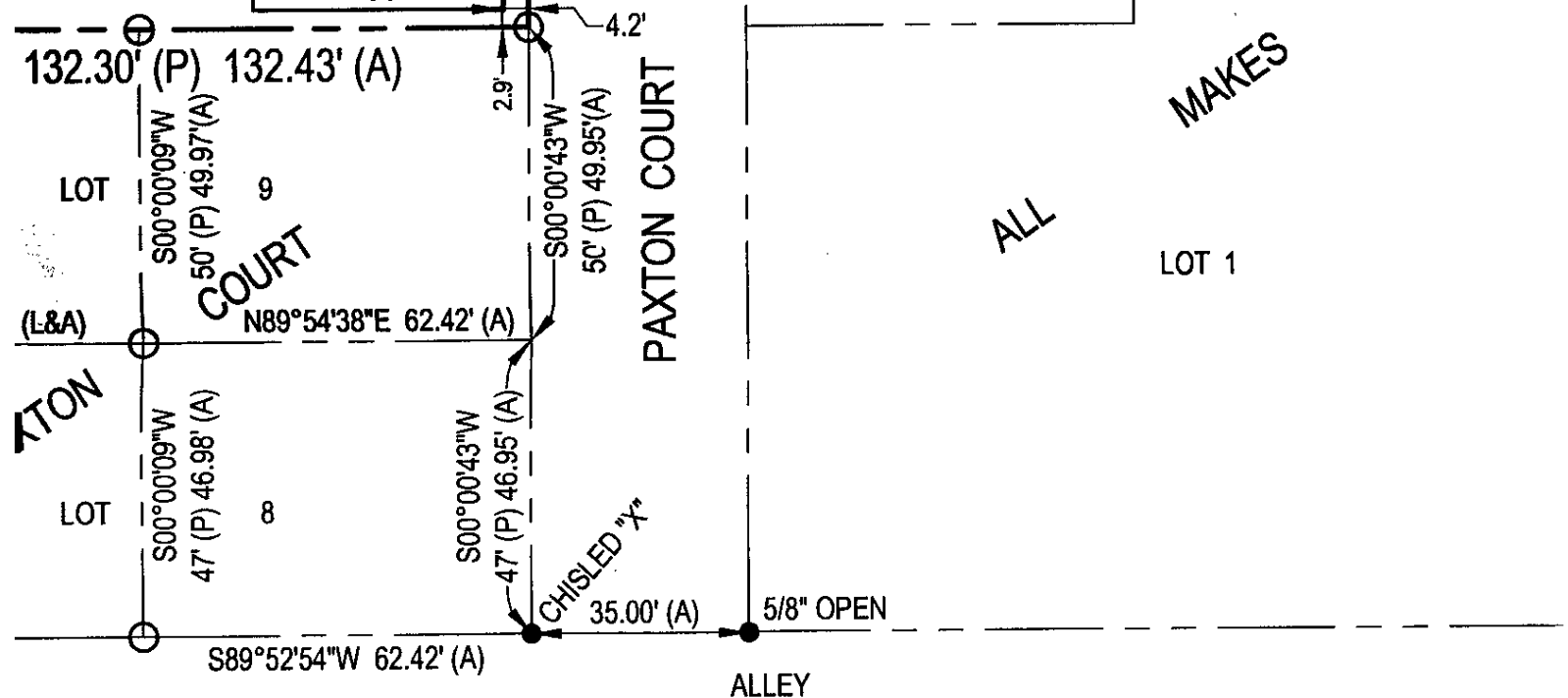


12001 Q STREET
OMAHA, NE 68137
PHONE: (402) 895-4700

7130 SOUTH 29TH STREET, SUITE D
LINCOLN, NE 68516-5841
PHONE: (402) 420-7217
E.A.V. 1/10/01 400 7040

LOT 10, PAXTON COURT
DOUGLAS COUNTY, NEBRASKA



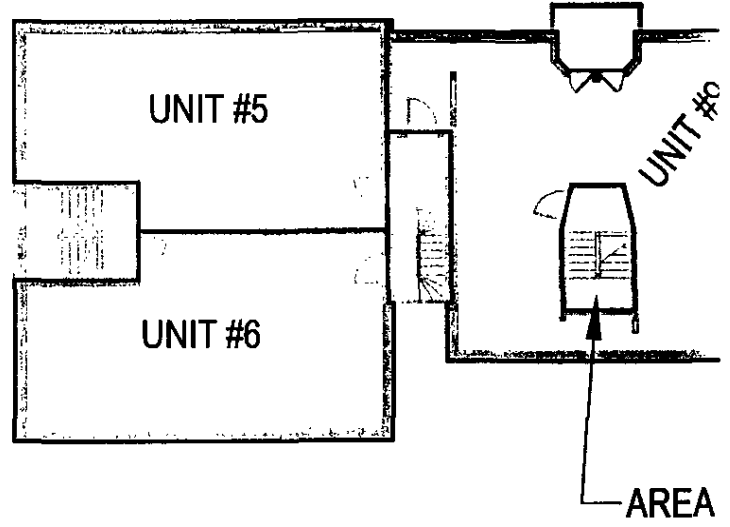


M STREET

25TH AVENUE

SECOND LEVEL FLOOR

SCALE: NONE

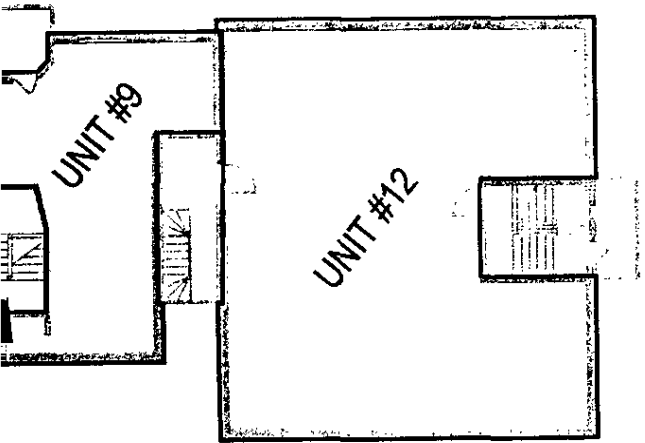


THIRD LEVEL FLOOR

SCALE: NONE

AREA NOT INCLUDED IN UNIT #9

L FLOOR PLAN



— AREA NOT INCLUDED IN UNIT #9

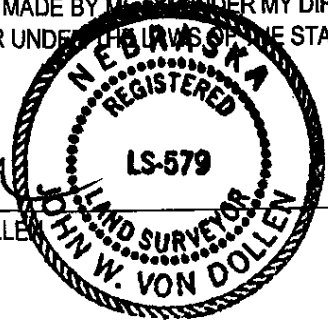
L FLOOR PLAN

LAND SURVEYOR'S CERTIFICATE

I HEREBY CERTIFY THAT THIS PLAT, MAP, SURVEY OR REPORT WAS MADE BY ME OR UNDER MY DIRECT PERSONAL SUPERVISION AND THAT I AM A DULY REGISTERED LAND SURVEYOR UNDER THE LAWS OF THE STATE OF NEBRASKA.

DATE: 2-12-2005

John W. Von Dolle
JOHN W. VON DOLLE



L.S. 579

LOT 10, PAXTON COURT
DOUGLAS COUNTY, NEBRASKA

CONDOMINIUM PROPERTY

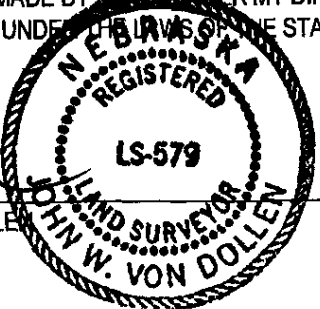
Revisions

No	Date
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Proj No: 2004267.01
 Date: 1/18/2005
 Drawn By: EDF
 Checked By (Srvy): _____
 Checked By (Cad Mgr): _____
 Scale: 1" = 30'
 Sheet 1 of 3

REPORT WAS MADE BY ME OR UNDER MY DIRECT PERSONAL
 AND SURVEYOR UNDER THE LAWS OF THE STATE OF NEBRASKA.

J. von Dolle
 JOHN W. VON DOLLEN



L.S. 579

5/8" REBAR

4

ERKINS SUBDIVISION
LOT 5 CAPITOL
ATION

PERKINS SUBDIVISION
LOT 5 CAPITOL
SECTION

4

CHISELED "X" WITH
STAR DRILL HOLE

26TH STREET

5/8" REBAR

60' RIGHT-OF-WAY

60.15' (A)

70' RIGHT-OF-WAY

69.95' (A)

3/4" OPEN

LOT 7

LOT 8

LOT

RAILROAD SPIII

PERKINS SUBDIVIS

BL

DOUGLAS STREET

N89°57'20"E 132.30' (P) 132.44' (A)

LOT 10

N89°55'56"E

70.00' (L&A)

N89°55'56"E 62.43' (A)

N00°00'09"E
47.00' (P&A)

N00°00'09"E
50.00' (P&A)

N00°00'09"E
47' (P) 47.02' (A)

S00°00'09"W
50' (P) 49.97' (A)

S00°00'09"W
47' (P) 46.98' (A)

S00°00'43"W
47' (P) 46.95' (A)

S89°54'38"W

70.00' (L&A)

N89°54'38"E

62.42' (A)

S89°52'54"W

70.00' (L&A)

S89°52'54"W 62.42' (A)

PAXTON

LOT

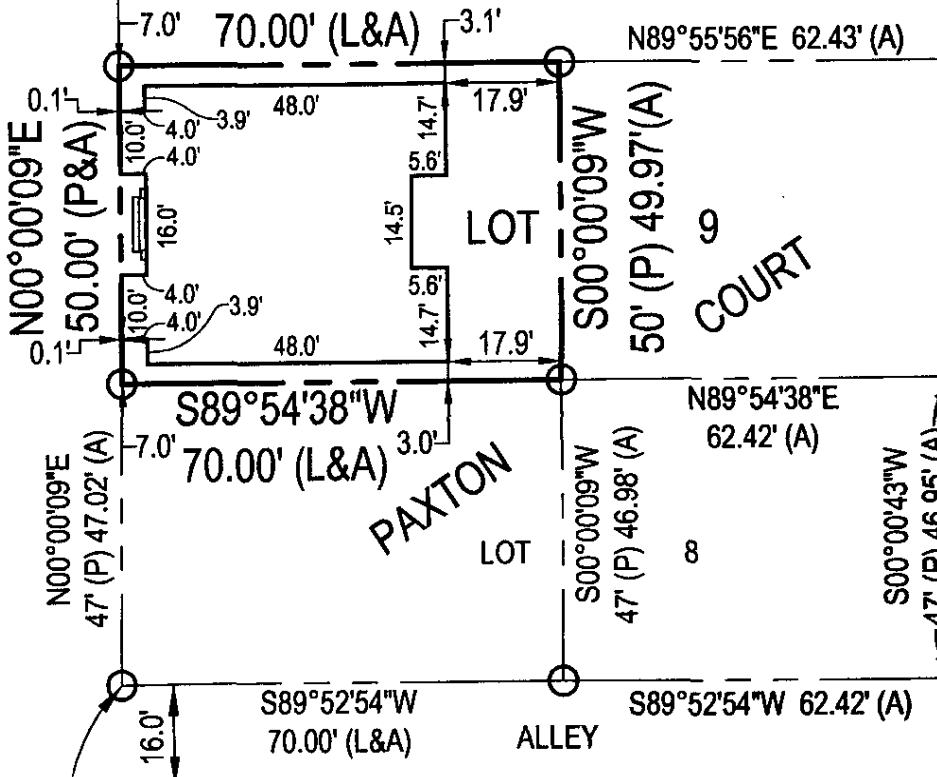
ALLEY

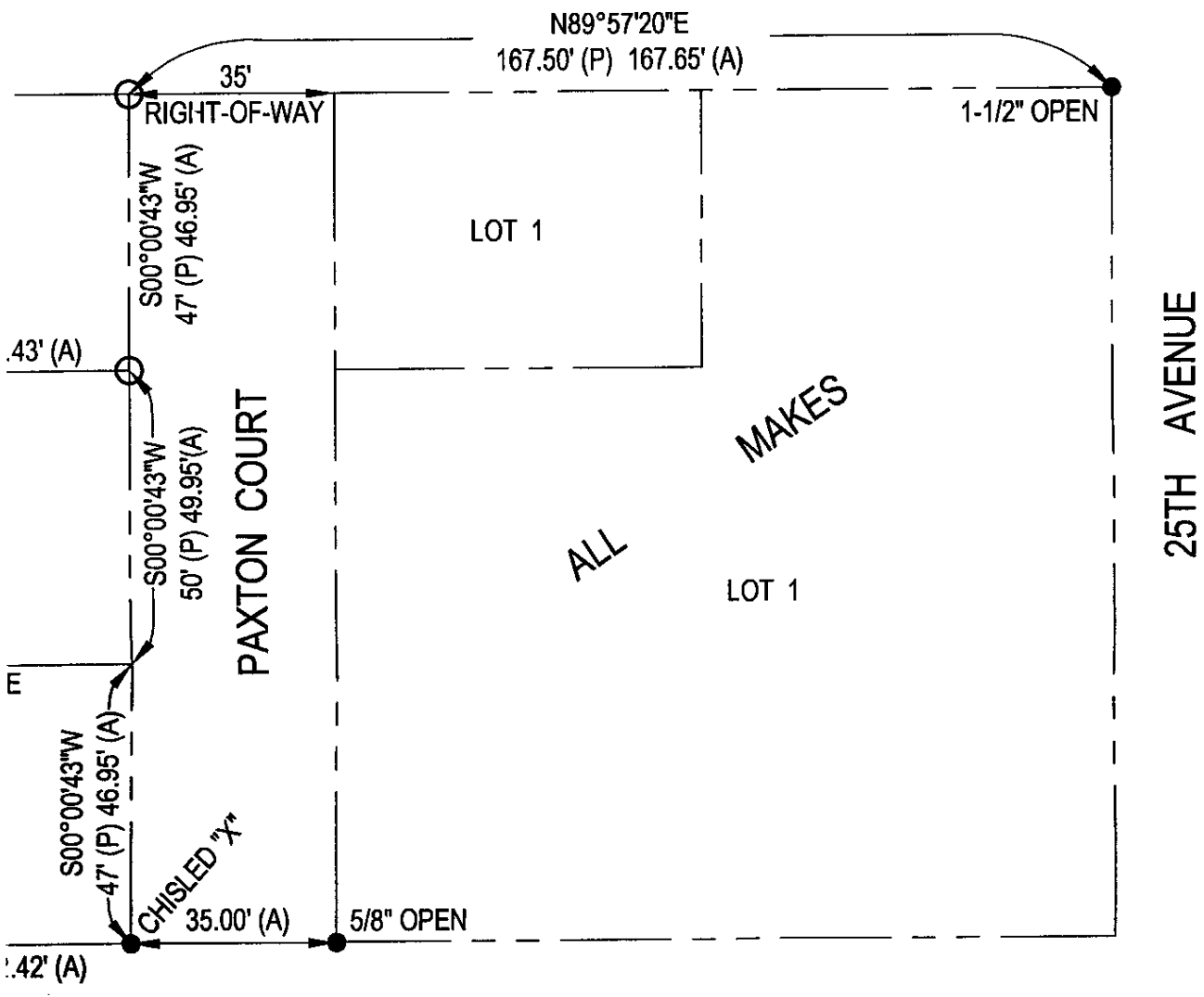
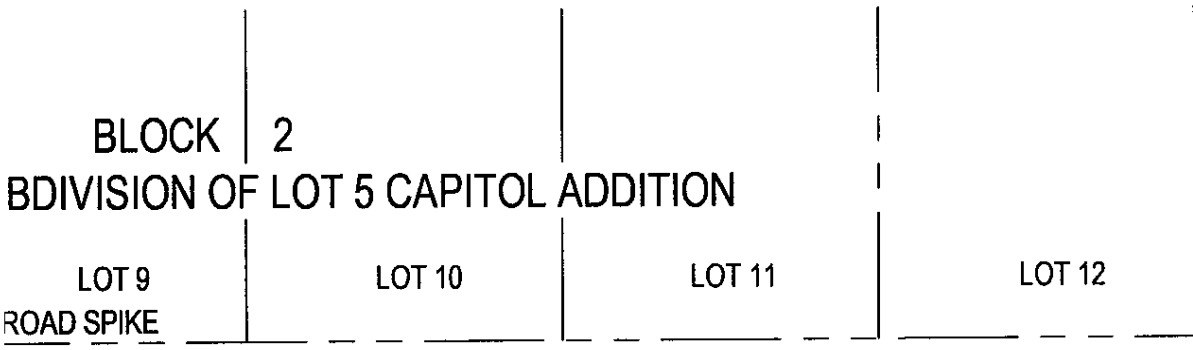
8

LOT

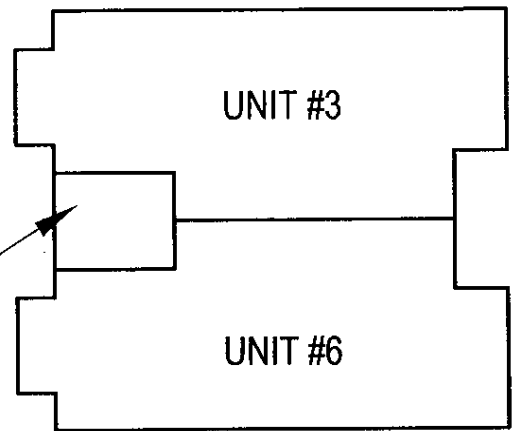
COURT

9



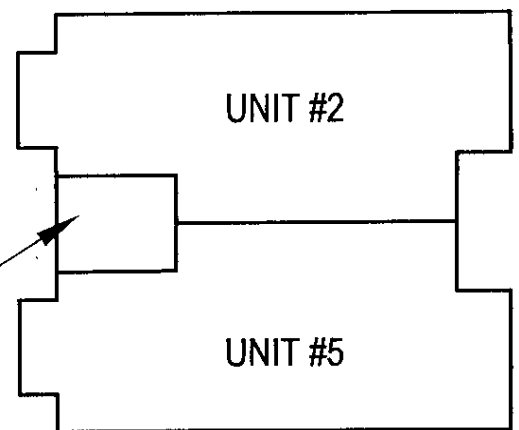


AREA NOT INCLUDED
IN UNITS #3 AND #6



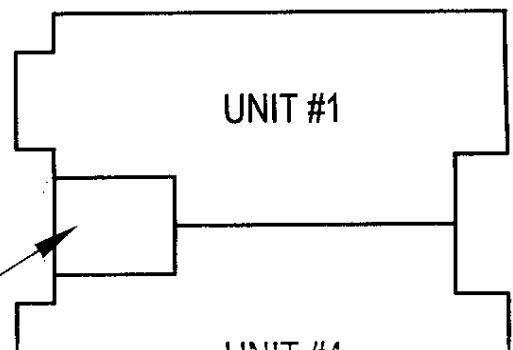
THIRD LEVEL FLOOR PLAN
SCALE: NONE

AREA NOT INCLUDED
IN UNITS #2 AND #5

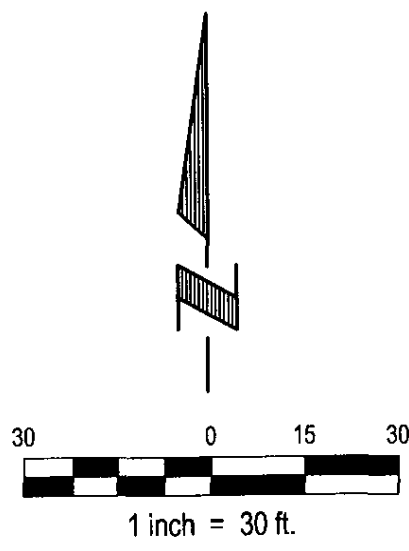


SECOND LEVEL FLOOR PLAN
SCALE: NONE

AREA NOT INCLUDED



←



LOT 9, PAXTON COURT
DOUGLAS COUNTY, NEBRASKA



E&A CONSULTING GROUP, INC.
ENGINEERS • PLANNERS • SURVEYORS

12001 Q STREET
OMAHA, NE 68137
PHONE: (402) 895-4700

7130 SOUTH 29TH STREET, SUITE D
LINCOLN, NE 68516-5841
PHONE: (402) 420-7217
FAX: (402) 420-7040

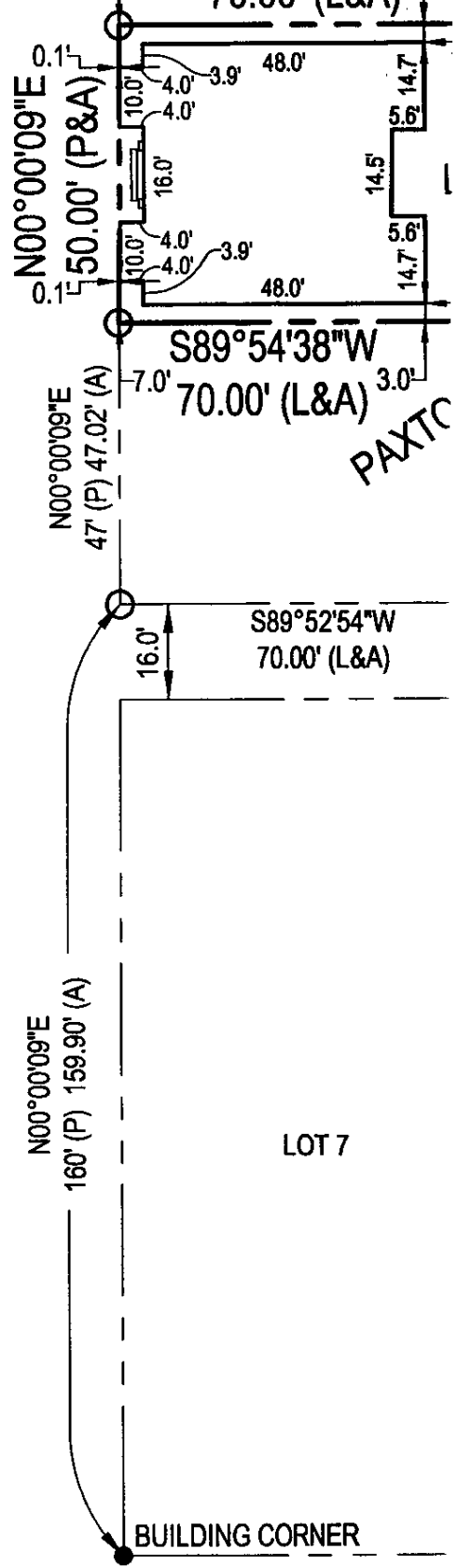
PERKINS SUBDIVISION
OF LOT 5 CAPITOL
ADDITION

BLOCK

4

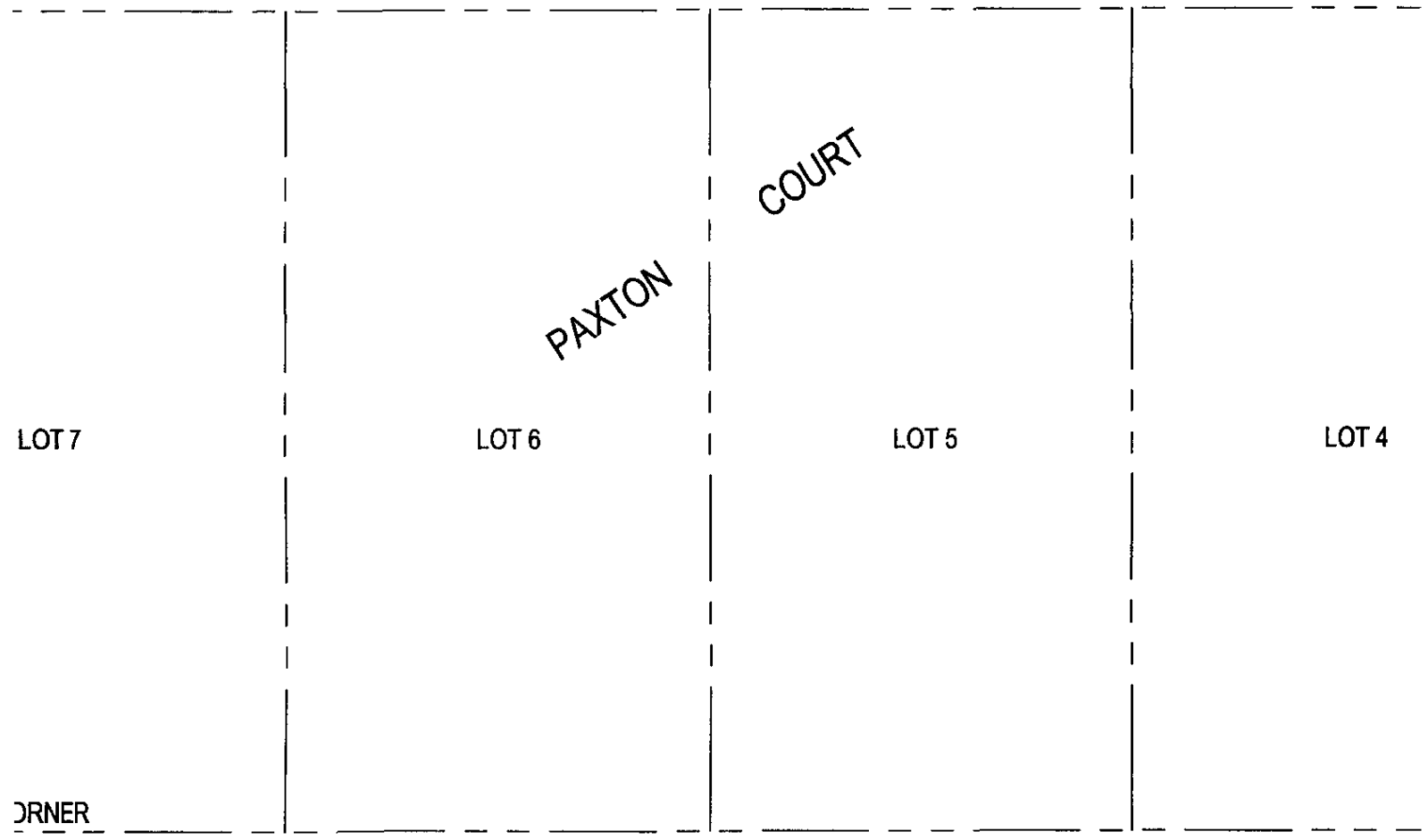
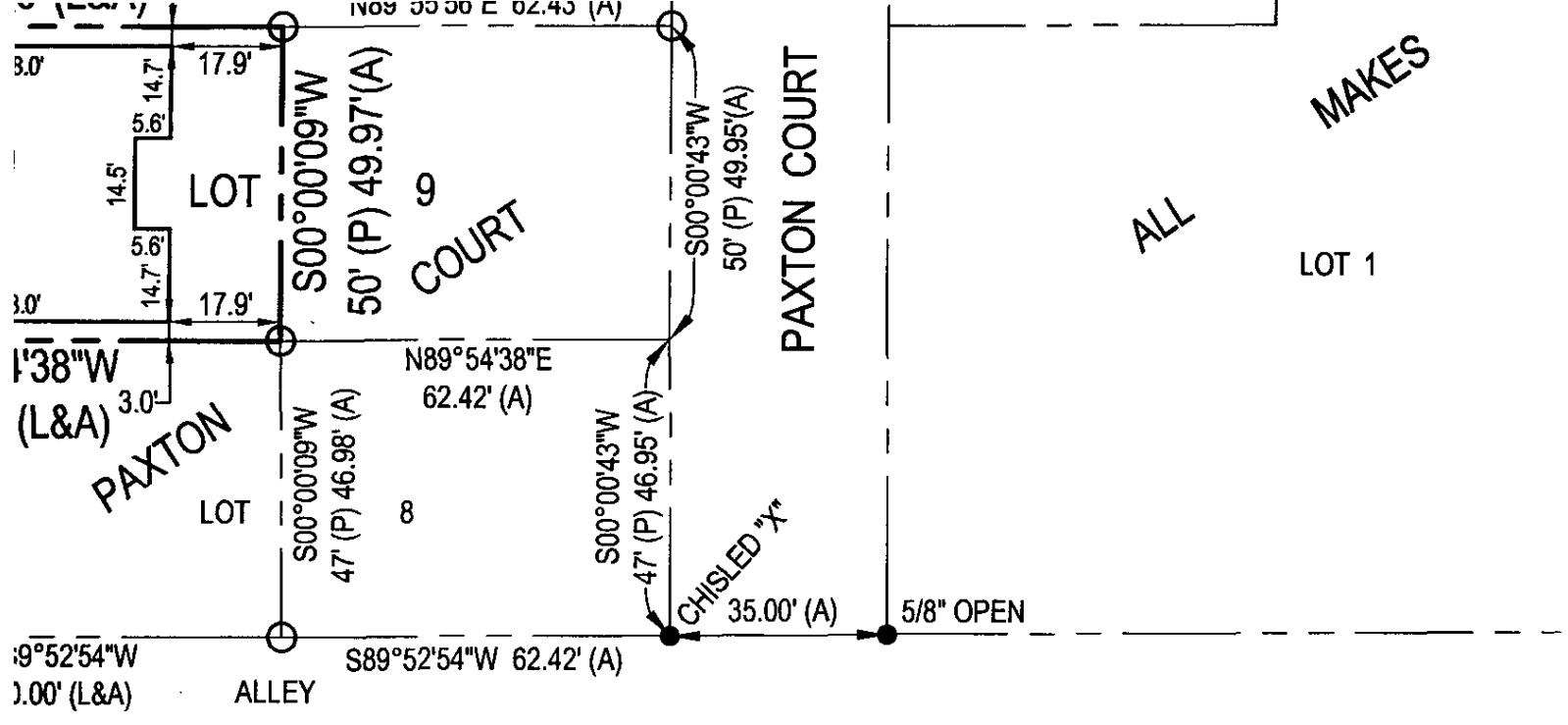
CHISLED "X" WITH
STAR DRILL HOLE

26TH STREET



LOT 7

FARNAM



FARNAM STREET

ALL MAKES

LOT 1

PAXTON COURT

COURT

LOT

LOT

ALLEY

COURT

PAXTON

LOT 7

LOT 6

LOT 5

LOT 4

CORNER

25TH AVENUE

AREA NOT INCLUDED
IN UNITS #2 AND #5

SEC
SCALI

AREA NOT INCLUDED
IN UNITS #1 AND #4

FII
SC.

LOI
SCAI

.OT 4

UNIT #5

SECOND LEVEL FLOOR PLAN

SCALE: NONE

UNIT #1

UNIT #4

FIRST LEVEL FLOOR PLAN

SCALE: NONE

UNIT #7

LOWER LEVEL FLOOR PLAN

SCALE: NONE

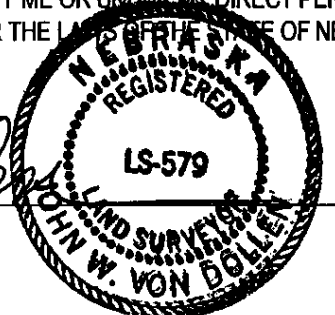
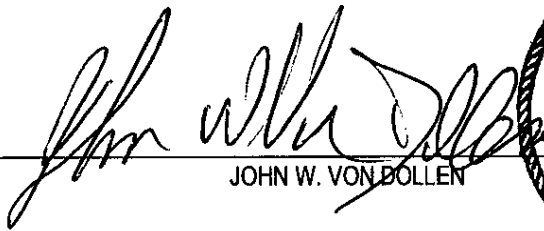
LAND SURVEYOR'S CERTIFICATE

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2-12-2005

DATE:

JOHN W. VON DOLLEN



L.S.

LOT 9, PAXTON COURT
DOUGLAS COUNTY, NEBRASKA

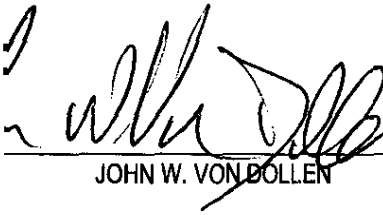
CONDOMINIUM PROPERTY

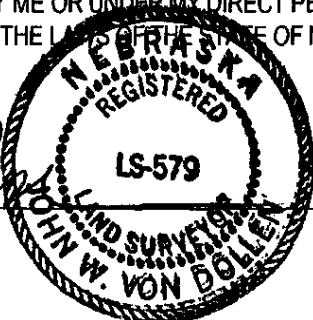
Revisions

No	Date
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Proj No: 2004267.01
Date: 2/3/2005
Drawn By: EDF
Checked By (Srvy): _____
Checked By (Cad Mgr): _____
Scale: 1" = 30'

SURVEY OR REPORT WAS MADE BY ME OR UNDER MY DIRECT PERSONAL
REGISTERED LAND SURVEYOR UNDER THE LAWS OF THE STATE OF NEBRASKA.


JOHN W. VON DOLLEN



L.S. 579

PERKINS SUBDIVISION
LOT 5 CAPITOL
ITION

4

CHISELED "X" WITH
STAR DRILL HOLE

5/8" REBAR

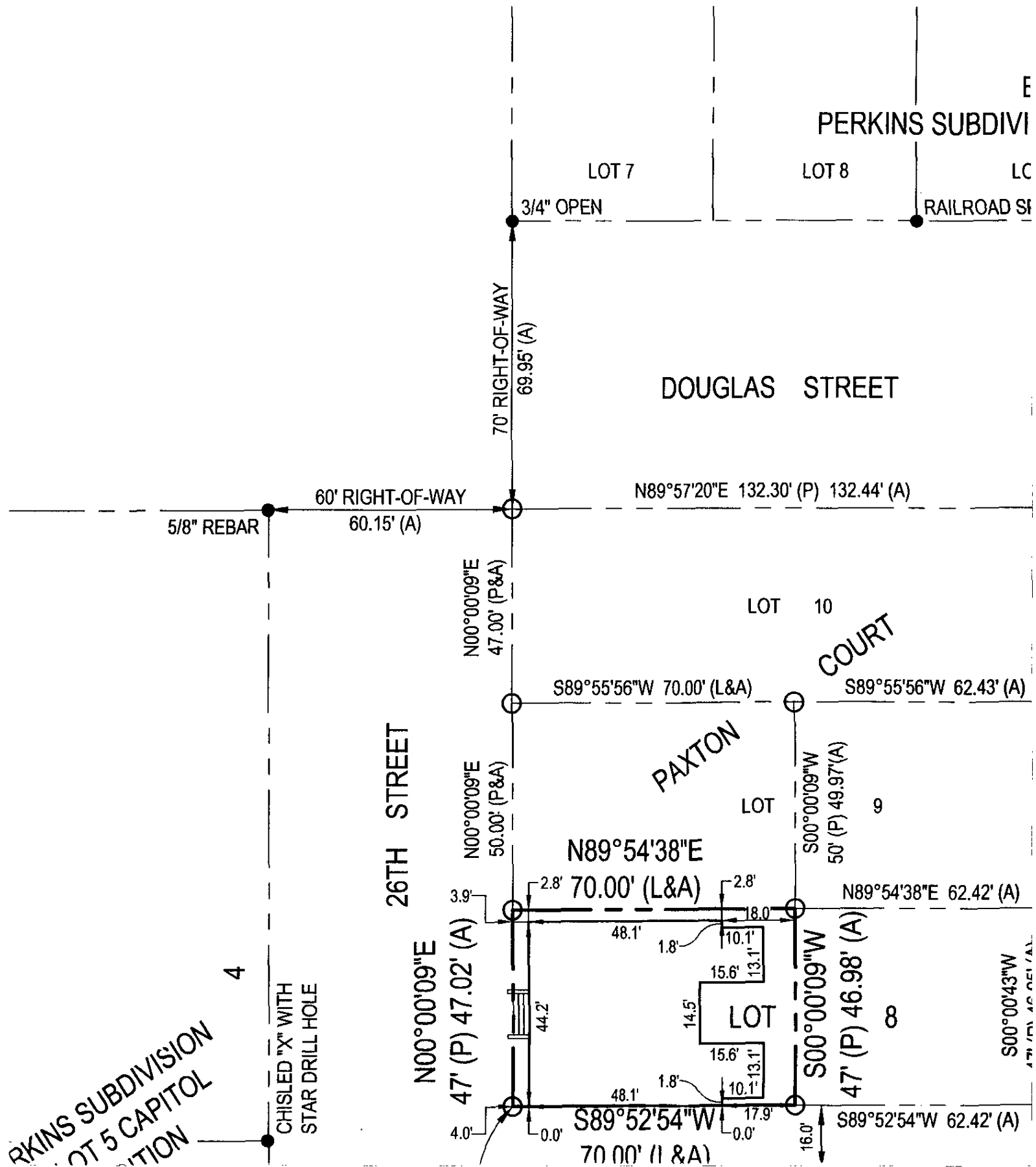
60' RIGHT-O
60.15' (A)

26TH STREET

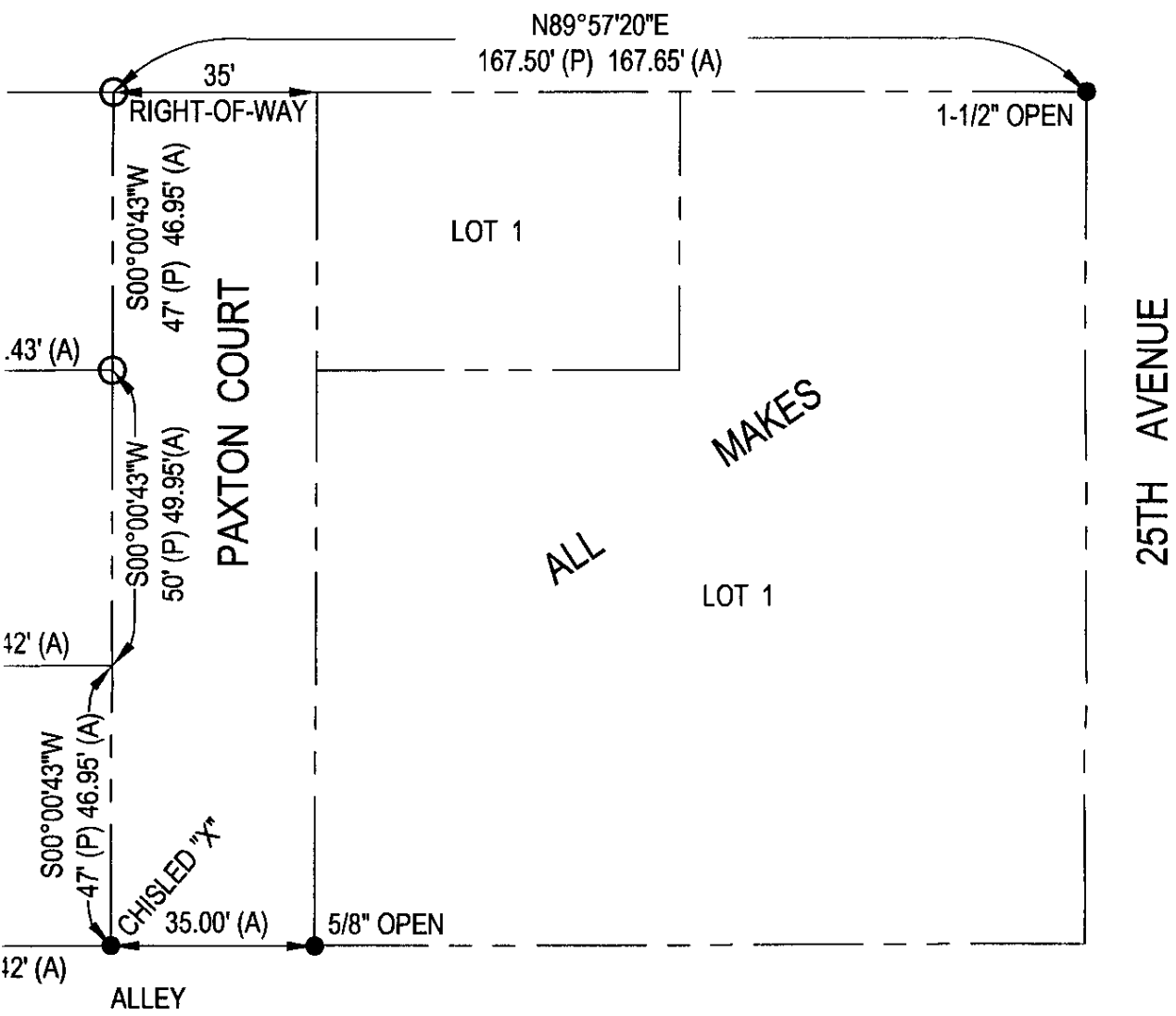
PERKINS SUBDIVISION
LOT 5 CAPITOL
SECTION

4

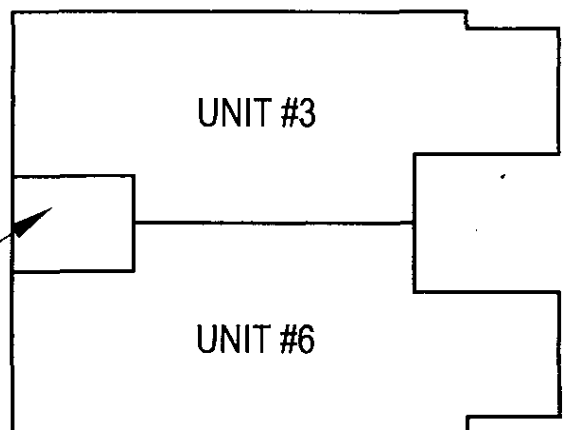
CHISELED "X" WITH
STAR DRILL HOLE



BLOCK 2			
DIVISION OF LOT 5 CAPITOL ADDITION			
LOT 9	LOT 10	LOT 11	LOT 12
ROAD SPIKE			

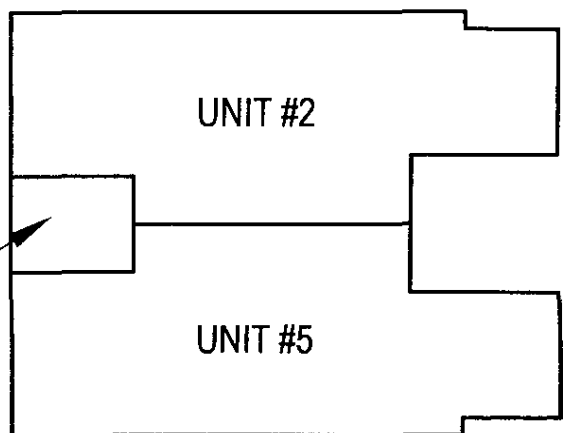


AREA NOT INCLUDED
IN UNITS #3 AND #6

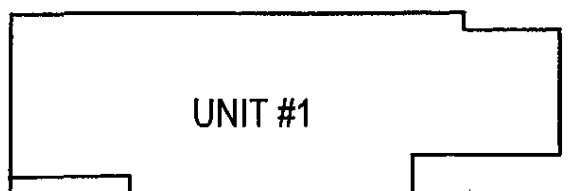


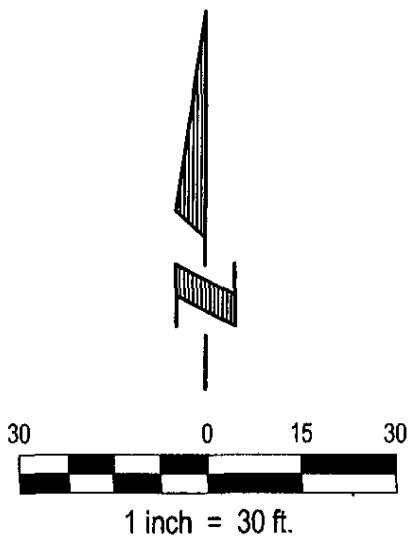
THIRD LEVEL FLOOR PLAN
SCALE: NONE

AREA NOT INCLUDED
IN UNITS #2 AND #5

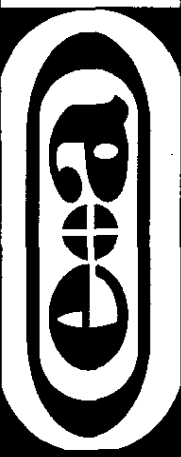


SECOND LEVEL FLOOR PLAN
SCALE: NONE





LOT 8, PAXTON COURT
DOUGLAS COUNTY, NEBRASKA



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7130 SOUTH 29TH STREET, SUITE D
LINCOLN, NE 68516-5841
PHONE: (402) 420-7217
FAX: (402) 420-7218

PERKINS SUBDIVISION
OF LOT 5 CAPITOL
ADDITION

BLOCK

4

CHISLED "X" WITH
STAR DRILL HOLE

26TH STREET

N00°00'09"E
160' (P) 159.90' (A)

N00°00'09"E
47' (P) 47.02' (A)

N00°00'09"E
50.00' (P&A)

N89°54'38"E

70.00' (L&A)

S89°52'54"W

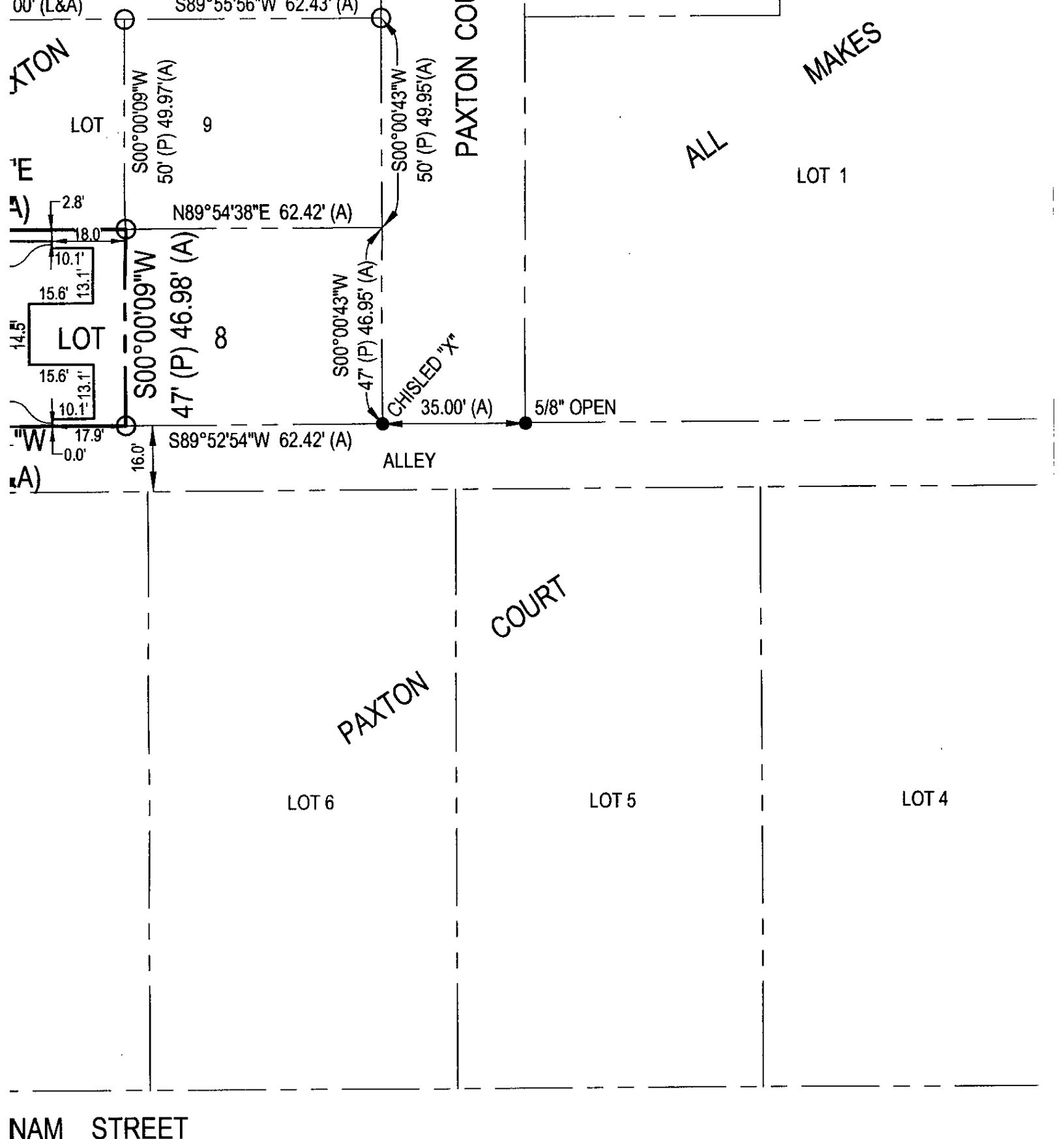
70.00' (L&A)

LOT 7

BUILDING CORNER

FARNAM

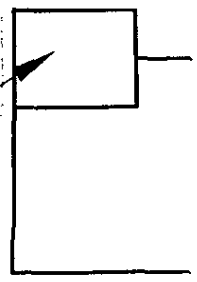
PAXTON



NAM STREET

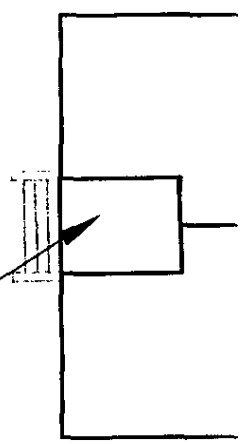
25TH AVENUE

AREA NOT INCLUDED
IN UNITS #2 AND #5

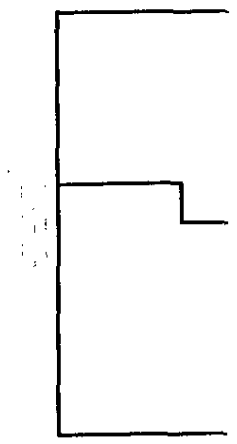


SECOND LEVEL
SCALE: NONE

AREA NOT INCLUDED
IN UNITS #1 AND #4



FIRST LEVEL
SCALE: NONE



LOWER LEVEL
SCALE: NONE

UNIT #5

SECOND LEVEL FLOOR PLAN

SCALE: NONE

UNIT #1

UNIT #4

FIRST LEVEL FLOOR PLAN

SCALE: NONE

UNIT #7

THIRD LEVEL FLOOR PLAN

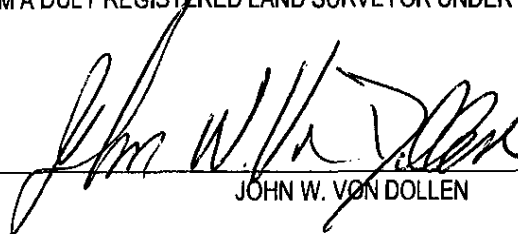
SCALE: NONE

LAND SURVEYOR'S CERTIFICATE

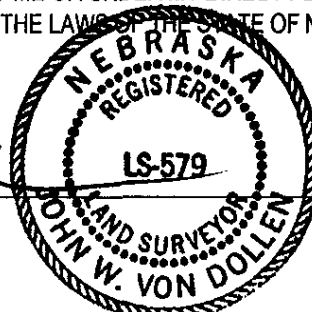
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2-12-2005

DATE:



JOHN W. VON DOLLEN



L.S. 579

L.S. 579



VON DOLLE
[Handwritten Signature]

DRY WAS MADE BY ME OR UNDER MY DIRECT PERSONAL
SURVEYOR UNDER THE LAWS OF THE STATE OF NEBRASKA.

Sheet 3 of 3
Scale: 1" = 30'
Checked By (Cad Mgr):
Checked By (Srvy):
Drawn By: EDF
Date: 2/3/2005
Proj No: 2004267.01

No	Date	Revisions

CONDOMINIUM PROPERTY

LOT 8, PAXTON COURT
DOUGLAS COUNTY, NEBRASKA