DECLARATION

OF

VAN DORN VILLA CONDOMINIUM

3001 SOUTH 51ST STREET

LINCOLN, NEBRASKA

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VAN DORN VILLA CONDOMINIUM

DECLARATION ESTABLISHING
A PLAN FOR CONDOMINIUM OWNERSHIP OF
PREMISES LOCATED IN THE CITY OF LINCOLN,
LANCASTER COUNTY, NEBRASKA
PURSUANT TO THE NEBRASKA CONDOMINIUM ACT

THIS DECLARATION is made this 22nd day of October , 1986, by LARRY PRICE AND ASSOCIATES, INC. (herein called the "Developer"), as owner of the real estate hereinafter described, for himself, his heirs, personal representative and assigns. This Declaration shall supercede the Master Deed and Declaration of Van Dorn Villa Condominium dated July 21, 1986 and recorded July 23, 1986 as instrument no. 86-23960 in the office of the Register of Deeds of Lancaster County, Nebraska. It is the intent hereof that instrument no. 86-23960 be terminated.

WITNESSETH:

Declaration of Purpose. The Developer hereby submits the Land described below under "Description of Land," in this Declaration, owned by the Developer in fee simple absolute (hereinafter called the "Property"), to the provisions of the Nebraska Condominium Act of the State of Nebraska [Sections 76-825 to 76-894, Neb. Rev. Stat. (Cum. Supp. 1984)].

<u>Description of Land.</u> The land owned by the Developer which is hereby submitted to the condominium regime is described as follows:

Part of Lots 2, 3, 4, 5, and 6, City Real Estate Company's Subdivision of Lot 11, Irregular Tract, in the NE 1/4 of Section 5, Township 9 North, Range 7 East, of the 6th P.M., Lincoln, Lancaster County, Nebraska more particularly described as follows:

Commencing at the northeast corner of Outlot C of South Glenn Addition and extending thence N.90 $^{\circ}$ -00 $^{\circ}$ -00 $^{\circ}$ West, 110.00 feet;

thence S. 0°-00'-00" East, 50.00 feet;

thence N.90°-00'-00" West, 40.00 feet to the point of curvature of a circular curve to the left having a central angle of $12^\circ-15^\circ-00$ ", a radius of 307.52 feet, and whose chord bears S. 6°-07'-30" East;

thence along the arc of said circular curve, 65.75 feet to the point of tangency;

thence $\rm S.12^{o}-15'-00"$ East, 61.25 feet to the point of curvature of a circular curve to the right having a central angle of $12^{o}-15'-00"$, a radius of 307.52 feet, and whose chord bears S. $6^{o}-07'-30"$ East;

thence along the arc of said circular curve, 19.55 feet to the point of beginning;

thence continuing along the arc of said circular curve, 46.20 feet to the point of tangency;

thence S. 0° -00'-00" East, 280.00 feet to the point of curvature of a circular curve to the right having a central angle of 75°-00'-00", a radius of 125.00 feet, and whose chord bears S.37°-30'-00", West;

thence along the arc of said circular curve 163.62 feet to the point of tangency;

thence 5.75° -00'-00" West, 52.89 feet to the point of curvature of a circular curve to the left having a central angle of 4° -49'-26", a radius of 600.00 feet, and whose chord bears 5.72° -35'-17" West;

thence along the arc of said circular curve, 50.51 feet to the point of tangency;

thence S.10°-12'-40" East, 129.68 feet;

thence S.89°-58'-19" West, 362.99 feet;

thence N. 0° -18'-02" West, 223.99 feet;

thence N.89°-56'-02" West, 130.00 feet;

thence N. 0° -18'-02" West, 20.32 feet;

thence S.89°-55'-58" East, 130.00 feet;

thence N. 0° -18'-02" West, 104.00 feet;

thence S.89°-55'-38" East, 227.33 feet;

thence N. 0° -18'-29" West, 255.39 feet;

thence N.90 $^{\rm o}$ -00'-00" East, 304.33 feet to the point of beginning, containing an area of 5.43 acres, more or less.

Name of Condominium. This condominium is know as "Van Dorn Villa" Condominium (hereinafter called the "Condominium").

ARTICLE I

Definitions

- 1.1 "Association of Co-Owners" means all of the Co-Owners as defined in 1.8 acting as a group in accordance with the By-Laws.
- 1.2 "Board of Administrators" means the person(s) who are the executive board of the Condominium. elected as such in accordance with the By-Laws.
- 1.3 "Building" means the building and other improvements located on the Land.
- 1.4 "By-Laws" means those attached hereto and as amended from time to time.

1.5 "Common Elements", general and limited, means all parts of the Property other than the Units, as more fully set forth in 2.5 of this Declaration.

1.6 "Common Expenses" mean and includes:

- (i) all sums lawfully assessed against the Co-Owners;
- (ii) expenses of administration, operation, maintenance, repair or replacement of the Common Elements (including, but not limited to, the cost of furnishing water, electricity, heat, gas and trash removal) and replacement of reserves as may be established;
- (iii) expenses agreed upon as Common Expenses by the Association of Co-Owners;
- (iv) expenses declared Common Expenses by the provisions of the Nebraska Condominium Act or by this Master Deed and Declaration or the By-Laws
- (v) premiums for insurance policies required to be purchased by the Board of Administrators of the Condominium pursuant to the Declaration and Declaration, which premiums shall be assessed to each Co-Owner in the manner provided hereafter.
- 1.7 "Nebraska Condominium Act" means Sections 76-825 to 76-894 Neb. Rev. Stat, (Cum. Supp. 1984).
- 1.8 "Co-Owner" means any person, firm, corporation, partnership, association, trust or other legal entity, or any combination thereof, which owns fee simple title to a Unit.
- 1.9 "Land" means the real property described above under "Description of Land" in this Declaration.
- 1.10 "Majority of the Co-Owners" means the Co-Owners of more than fifty percent (50%) of the aggregate percentage interests. Any specified percentage or proportion of the Co-Owners means the Co-Owners of such number of percentage interests in the aggregate.
- 1.11 "Managing Agent" means a professional managing agent employed by the Board of Administrators to perform such duties and services as the Board of Administrators shall authorize in conformance with this Declaration and the By-Laws.
- 1.12 "Mortgage" shall mean and include deeds of trust and "mortgage" shall mean and include trustees and beneficiaries of deeds of trust.
- 1.13 "Percentage Interest" The Percentage Interest applies to common expenses and votes in the association and is calculated by dividing the area of each Unit by the total area of all Units as set forth in Schedule A attached hereto.

1.14 "Map of Condominium" means the plat of the entire Property and building plan described in this Declaration and recorded simultaneously with this Declaration.

- 1.15 "Property" means the Land and all easements, rights and appurtenances belonging thereto, and all articles of personal property intended for use in connection with said Common Elements.
- 1.17 "Unit" means a physical portion of the condominium designated for separate ownership or occupancy as defined by the Nebraska Condominium Act and consists of any one of those parts of the Building which is separately described on the Map of Condominium.

ARTICLE II

Condominium Units and Common Elements

 $2.1~\underline{\text{Creation}}$ of $\underline{\text{Condominium}}$ $\underline{\text{Units.}}$ There is one building being constructed on the land referred to here which it is anticipated will contain 160 Units, the boundaries of which are shown on the attached Map of Condominium.

The dimensions of the construction are as follows:

GROSS DIMENSIONS IN SQUARE FEET

Residential Building footprint	71,337.6	71337.57	
Garages footprint	17,080.8	17080.8	
Sidewalks	14,580.0	12036	
Grassed landscaping	69,442.9	79056	
Paving and other	64,089.5	57020.43	
TOTAL LAND AREA	236,530.8	236530.8	

RESIDENTIAL BUILDING AREA IN SQUARE FEET

BUILDING	LIVING	COMMON	TOTAL AREA 6,922.19 43,835.16 61,977.48 56,127.79 25,189.76
LEVEL	AREA	AREA	
FIRST	5,577.5	1,344.7	
SECOND	25,188.5	18,646.7	
THIRD	52,324.5	9,653.0	
FOURTH	47,086.0	9,041.8	
FIFTH	20,777.0	4,412.8	
TOTAL	150,953.5	43,098.9	194,052.38

- $2.2 \ \underline{\text{Schedule of Units.}}$ Annexed hereto and made part hereof as Schedule A is a list of all Units in the Building, the unit number, square footage area of each unit and the Percentage Interests of each Unit in the Common Elements.
- 2.3 <u>Dimensions of Units</u>. Each Unit consists of the space measured horizontally between the unpainted surface of the Unit side or inside of the drywall enclosing such Unit (all as shown more fully on the Map of Condominium), and the space measured, vertically from the surface of the floor of such Unit to the plane of the bottom of the joists above. In addition, included as part of a Unit are: (a) the sliding glass door to the patio or balcaony of a Unit if any; (b) the front entrance door and any other entrance door of a Unit, and locks and other fixtures to such doors; (c) all windows of a Unit: (d) the individually-controlled heating and air conditioner condenser unit if located within such Unit; (e) inner partitions, unless they are load-bearing walls; and (f) sinks, bathtubs and other plumbing fixtures, disposal, ovens, and other appliances located in the Unit and serving solely the Unit.
- 2.4 <u>Title to Units</u>. Title to Units may be taken in the name of an individual or in the names of two or more persons, as tenants in common or as joint tenants, or in any other real estate tenancy relationship recognized under the laws of the State of Nebraska, or in the name of one or more corporations(s) or partnership(s), or in the name of a fiduciary.
- 2.5 Common Elements. The general Common Elements consist of the entire Property (including all parts of the Building) other than the Units and include the following, with exceptions noted:
- 2.5.1 the Land described in the preamble of the Declaration.
- 2.5.2 all foundations, main walls, load-bearing walls, roof, halls, lobbies, stairways, and entrances and exits of the Building;
 - 2.5.3 the yards and gardens;
- 2.5.4 the compartments or installations of central services, equipment and systems, such as power, light, gas, heating, cold and hot

water, water tanks and pumps, all trash receptacles (including those located in the corridors or outside), and, in addition, air conditioning systems and equipment serving the Building.

- 2.5.5 the elevators, and, in general, all deveices or installation existing for common;
 - 2.5.6 designated parking stalls as shown on plot plan;
- $2.5.7 \ \mbox{all general Common Elements shown on the Map of Condominium; and,$
- $2.5.8\ all$ other elements of the Building rationally of common use or necessary for its existence, upkeep and safety.
- 2.7 <u>Taxation</u>. Developer shall give written notice to the Assessor of Lancaster County, Nebraska, of the creation of condominium real property ownership interests, so that each Unit and the undivided interest in the Common Elements appurtenant thereto, shall be deemed a separate parcel subject to separate assessment, taxation, and other charges imposed by any governmental entity having jurisdiction over the Property. For the purpose of such assessment, the valuation of the Common Elements shall be apportioned among the Units in proportion to their Percentage Interest. No sale or forfeiture of any Unit for delinquent taxes, assessments or other government charges shall divest or in any way affect the title to any other Unit.
- 2.8 Encroachments. If any portion of the Common Elements encroaches upon any Unit, or if any Unit now encroaches upon any other Unit or upon any portion of the Common Elements, or if any such ecroachment shall occur after the recording of this Declaration as a result of settling or shifting of the Building, a valid easement for such encroachment and for the maintenance of the same shall exist so long as the Building shall stand. In the event the Building, the Unit, any adjoining Unit, or any adjoining Common Elements shall be partially or totally destroyed as a result of fire or other casualty or as a result of condemnation or eminent domain proceedings, and then rebuilt, encroachments of parts of the Common Elements upon any Unit or of elements, due to such rebuilding, shall be permitted, and valid easements for such encroachments and for the maintenance of the same shall exist so long as such reconstructed Building shall stand.
- 2.9 Easements. Each Co-Onwer shall have an easement in common with the Co-Owners of all other Units to use all pipes, wires, ducts, cables, conduits, public utility lines and other Common Elements located in any of the other Units and serving his Unit. Each Unit shall be subject to an easement in favor of the Co-Owners of all other Units to use the pipes, ducts, cables, serving such other Units and located in such Unit. All such easements are clearly shown on the Map of

Condominium. The Board of Administrators shall have a right of access to each Unit to repair or replace the Common Elements contained therein or elsewhere in the building. Every portion of a Unit which contributes to the structural support of the Building shall be burdened with an easement of structural support for the benefit of all other Units and the Common Elements.

Provided, however, the exercise of the easements reserved in this Section shall be subject to the following terms and conditions:

- 2.9.1 If, in order to maintain, repair or replace a utility line which serves only one Unit, it becomes necessary to break through walls, excavate or otherwise damage a Unit or Association property entered, the damages caused by such entry shall be repaired to its former condition at the expense of the Co-Owner whose Unit is served by such utility line.
- 2.9.2 If it becomes necessary to maintain, repair or replace a utility line which serves more than one Unit, the cost of such maintenance, repair or replacement, and the cost to repair and restore to its former condition any Unit or Association property entered, shall be shared equally by the Co-Owners of the Units served by such utility line, except, where serving two or more Units is made necessary by the negligent or willful act of a single Co-Owner, his family, licensees or invitee, then the full cost to repair and restore to its former condition the Unit or Association property entered shall be borne by such Co-Owner.
- Regulations. All present and future Co-Owners, lessees, tenants and occupants of Units shall be subject to, and shall comply with, the provisions of this Declaration, the By-Laws and the Rules and Regulations as they may be amended from time to time. The acceptance of a deed or conveyance or the entering into of a lease or the entering into occupancy of any Unit shall constitute an agreement that the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time, are accepted and ratified by such Co-Owners, lessee, tenant or occupant, and all of such provisions shall be deemed and taken to be enforceable, equitable servitudes and 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 agreement pertaining thereto.
- 2.11 Additions, Alterations or Improvements by Co-Owners. No Co-Owner shall make any non-structural or structural addition, alteration or improvement in or to his Unit without the prior written consent thereto of the Board of Administrators of the Association of Co-Owners. The Co-Owner shall submit to the Board written plans and specifications showing the nature, kind, shape, height, materials, exterior color scheme, and location of any proposed non-structural or structural addition, alteration or improvement. The Board of Administrators shall be obligated to answer any written request by a Co-Owner for approval of a proposed structural addition, alteration or improvement in such Co-Owner's Unit within thirty (30) days after such

request, and its failure to do so within the stipulated time shall constitute a consent by the Board of Administrators to the proposed addition, alteration or improvement. Any application to any governmental authority for a permit to make an addition, alteration or improvement in or to any Unit shall be executed by the Board of Administrators only, without however incurring any liability on the part of the Board of Administrators or any of them to any claim for injury to person or damage to property arising therefrom. Any contractor shall furnish liability coverage in an amount determnined by the Board of Administrators as is reasonable under the circumstances. The provisions of this Seciton shall not apply to Units owned by the Developer until such Units shall have been initially sold or leased by the Developer and the purchaser or lessee has the authority to occupy said Unit.

- $2.12~\underline{\text{Combining Units.}}$ If any Co-Owner of two or more adjoining Units wishes to physically combine the two or more Units (either horizontally or vertically adjoining) into one, he shall submit his written request to the Board of Administrators of the Association of Co-Owners along with detailed drawings of the proposed alterations necessary to the Units and Common Elements. The prior written consent of the Board of Administrators for any such combination of Units shall be required. The Board of Administrators shall be obligated to answer any such written request by a Co-Owner for approval within thirty (30) days after such request, and its failure to do so within the stipulated time shall constitute consent by the Board of such request. If the Board of Aministrators approves such request, it shall grant an easement for any encroachment by such Co-Owner on the Common Elements caused by the alterations. purposes of the Declaration and these By-Laws, the Units shall continue to be treated as separate Units, e.g. for the purposes of assessment of Common Expenses, voting by Co-Owners and conveyancing. Any application to any governmental authority for a permit to make any alterations to the Units or the Common Elements shall be executed by the Board of Aministrators only, without however incurring any liability on the part of the Board of Aministrators, or any of them, to any contractor, sub-contractor or materialman on account of such alteration, or to any person having any claim for injury to person or damage to property arising therefrom. contractor shall furnish liability coverage in an amount determined by the Board of Administrators as is reasonable under the circumstances. The provisions of this Section shall not apply to Units owned by the Developer until such Units shall have been initially sold or leased by the Developer and the purchaser or lessee has the authority to occupy said Unit.
- 2.13 Partition. Except as hereinafter provided in 13.2, neither an Owner, a group of Owners, nor the Association shall have the right to divide or partition any Unit or Units, and in taking title to any Unit, the Owner thereof shall be deemed to have waived any and all rights to divide or partition said Unit. The Common Elements shall be owned in common by all of the Owners and shall remain undivided and neither an Owner, a group of Owners, nor the Association shall bring any action for partition or division of the Common Elements. A violation of the provisions contained herein shall entitle the Association to collect from the parties violation the same, jointly and severally,

reasonable attorney's fees, costs, and such other damages as may be incurred by the Association or the Owners as a result thereof.

2.14 Owner's Maintenance Responsibility for Unit.

- 2.14.1 Except for the portions of the Unit required to be maintained, repaired and replaced by the Association of Co-Owners or the Board of Administrators, each Co-Owner shall be responsible for the maintenance, repair and replacement, at his own expense, of everything contained within his Unit, including the following: any interior walls, kitchen and bathroom fixtures and equipment, refrigerator and range, washer/drier, microwave, disposal, lighting, heating and air conditioning unit, those parts of the plumbing system which are wholly contained within the Unit, windows and sliding glass. Each Co-Owner shall keep the interior of his Unit and its equipment and appurtenances in good order, condition and repair and in a clean and sanitary condition, and shall do all redecorating, painting and varnishing which may at any time be necessary to maintain the good appearance of his Unit. Each Co-Owner shall keep his windows and balcony in a clean and sanitary condition, including snow removal therefrom. In addition, each Co-Owner shall be responsible for all damages to any and all other Units or to the Common Elements resulting from failure to make any of the Repairs required to be made by him by this Seciton. Each Co-Owner shall perform his reponsibility in such manner as shall not unreasonably disturb or interfere with the other Co-Owners. Each Co-Owner shall promptly report to the Board of Administrators or the Managing Agent any defect or need for repairs for which the Association of Co-Owners is reponsible. Each Co-Owner shall promptly report to the Board of Administrators evidence of termites or other bugs, pests or rodents.
- 2.14.2 Each Co-Owner shall carry out at his sole expense any works of modification, repair, cleaning, safety, and improvement of his Unit without disturbing the legal use and enjoyment of the rights of the other Co-Owners. The Board of Administrators shall have the exclusive authority to change the exterior form of the facades, or paint exterior walls, doors or windows in colors or hues as they shall select, without jeopardizing the soundness or safety of the Property, reducing its value or impairing any easement or access to or use of Common Elements. If such outside portion of any Unit is damaged and such damage is caused by the negligence or carelessness of the Co-Owner of said Unit or his licesees, guests or invitees, such Co-Owner shall pay for the cost incurred by the Board of Administrators; otherwise, it shall be assessed against the Co-Owners of all Units according to their Percentage Interest.
- 2.15 Mechanic's Liens. No labor performed or materials furnished for use in connection with a Unit with the consent or at the request of a Co-Owner or his agent, contractor or subcontractor, shall create any right to file a statement of mechanic's lien against the Unit of any other Co-Owner not expressly consenting to or requesting same, or against any interest in the Common Elements except as to the undivided interest therein appurtenant to the Unit of the Co-Owner for whom such labor shall have been performed or such materials shall have been furnished. Each Co-Owner shall indemnify and hold harmless each of the other Co-Owners from and against all liability, loss or damage arising from the claim of any lien against the Unit, or any part thereof, of any

other Co-Owner for labor performed or for materials furnished in work on the requesting Co-Owner's Unit. At the written request of any Co-Owner, the Association shall enforce such indemnification by collecting from the Co-Owner of the Unit on which the labor was performed and materials furnished, the amount necessary to discharge any such lien, all costs incidental thereto, including reasonable attorney's fees and costs, and obtain a release of such lien. Such collection shall be made by a non-compliance assessment, as hereinafter provided for.

2.16 Parking Spaces and Garages.

2.16.1 Parking The Common Parking area is platted to accommodate over 90 parking stalls. The Homeowners Association shall make the decision as to the proper assignment of parking stalls. At each entrance, three or more stalls should be signed as 15 minute parking for the purpose of loading and unloading groceries or other short term needs. Parking stalls can be assigned only to Residents having a car that do not have a garage. Only one parking stall or one garage should be assigned to a Resident owner. In addition to the over 90 parking stalls on the common area there are 78 garages platted. It is recommended that only owners having vehicles be assigned a parking stall or garage.

 $2.16.2~\underline{Garages}$ Garages will be built by the developer and sold to qualified owners of condominium apartments in the Van Dorn Villa. It shall be that:

1. Garages are purchased from the Developer.

2. Garage sites are leased from the Homeowners Association for a one time lease fee of \$200.00. This fee is to be placed in an outside maintenance escrow fund for repair of the garages.

3. Only resident owners of Van Dorn Villa are qualified to purchase

a garage from the developer.

4. When the owner wishes to sell his garage, the Homeowners Association has the first right of refusal. The owner of the garage is free to set his price. The Homeowners Association shall keep a priority list of those that are next in line to purchase a garage but the homeowner can sell to anyone he wishes as long as the buyer is a condominium owner in the Van Dorn Villa.

5. Any new owner is required to pay the one time \$200.00 lease fee

to the Homeowners Association.

6. Homeowners Association will keep a blanket insurance policy for fire and extended coverage in force at all times. Each year the cost of insurance will be prorated among all garage owners and they shall pay their proportionate share.

7. Taxes shall be levied on all garages as a single total entity, and each garage owner shall pay his proportionate share to the Homeowners Association on billing.

8. The electricity usage shall be prorated, and each garage owner will pay his equal share when billed.

- 9. If the developer has not built upon all approved garage sites the Homeowners Association can give permission to a qualified apartment owner to build. Plans and specifications approved by the Homeowners Association must be strictly followed.
 - 10. Each garage owner is required to keep the garage in good

repair and appearance. Garage doors must not be left open. If garage owners do not cooperate in good housekeeping and good repair, the Homeowners Association has the right and the obligation to repair, fix, paint or correct the default and charge back against the owner all such necessary costs.

11. The Homeowners Association is not liable in any way for personal property on the leased common area or inside any of the

garages.

ARTICLE III

Owner and Occupancy Requirements

- 3.1 All Units shall be occupied by no more than three (3) persons all being members of one family. A guardian's ward and the guardian shall be considered family members for the purpose of this provision.
- 3.2 One owner or occupant must be fifty-five (55) years of age and other occupants may be of a lesser age.
- 3.3 The Association shall be permitted to bring legal action to compel the removal of any person violating the age restriction, and the Association shall be entitled to collect reasonable attorney's fees from the Co-Owner of any Unit who permits a violation of the age restriction.

ARTICLE IV

Sales and Other Alienation of Units

- 4.1 No Severance of Ownership. No Co-Owner shall execute any deed, mortgage or other instrument conveying or mortgaging the title to his Unit without including therein the undivided interest of such Unit in the Common Elements, it being the intention hereof to prevent any severance of such combined ownership. Any such deed, mortgage, or other instrument purporting to affect one or more of such interests, without including all such interests, shall be deemed and taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein. No part of the interests in the Common Elements of any Unit may be sold, transferred, given, devised, or otherwise disposed of, except as part of a sale, transfer, gift, devise or other disposition of the Unit to which such interests are appurtenent, or as part of a sale, transfer, gift, devise or other disposition of such part of the interests in the Common elements of all Units.
- 4.2 Right of First Refusal. In the event that any Co-Owner of a Unit, other than the Developer, wishes to sell his Unit and receives a bona fide offer therefore from a prospective purchaser, such Co-Owner shall give written notice thereof to the Association, together with an executed copy of such offer. The Association shall have the right to purchase the Unit upon the same terms and conditions set forth in the offer; provided, however, that the Association's right of first refusal shall only be exercised upon a concurrence of a majority of the

members of the Board of Administrators. No right of first refusal shall be exercised by the Board of Administrators later than seven (7) days immediately following receipt of the executed copy of the bona fide offer.

4.3 Payment of Assessments. No Co-Owner shall be permitted to convey, mortgage, hypothecate, sell, lease, give or devise his Unit unless and until he (or his personal representative) shall have paid in full to the Board of Administrators of the Association of Co-Owners all unpaid Common Expenses theretofore assessed by the Board of Administrators against his Unit, except permitted mortgages.

4.4 Mortgage of Units.

- 4.4.1 Notice to Notify. The Board of Administrators has the authority to request that a Co-Owner who mortgages his Unit shall notify the Board of Administrators of the name and address of his mortgagee and shall file a conformed copy of the note and mortgage with the Board of Administrators.
- 4.4.2 <u>Notice of Unpaid Assessments for Common Expenses.</u>
 The Board of Administrators, whenever so requested in writing by a mortgagee of a Unit, shall promptly report any then unpaid assessments for Common Expenses due from, or any other default by, the Co-Owner of the mortgaged Unit.
- 4.4.3 <u>Notice of Default</u>. The Board of Administrators, when giving notice to a Co-Owner of a default in paying an assessment for Common Expenses or any other default, shall send a copy of such notice to each holder of a mortgage covering such Co-Owner's Unit whose name and address has theretofore been furnished to the Board of Administrators.

ARTICLE V

Administration of Van Dorn Villa Condominium

- 5.1 The Association of Co-Owners. The membership of the Association of Co-Owners of the Condominium shall consist of all Co-Owners as defined above in 1.8. No person or entity shall be a member solely virtue of holding a lease, lien, license or security interest, such as a mortgage in a Unit.
- 5.2 Responsibilities of the Association of Co-Owners. The Association of Co-Owners shall have the responsibility of administering the Property, establishing the means and methods of collecting the contributions to the Common Expenses, arranging for the management of the Property, and performing all other acts that may be required to be performed by the Association of Co-Owners by the Nebraska Condominium Act and this Declaration.
- 5.3 <u>Board of Administrators</u>. Except as to those matters which the Nebraska Condominium Act specifically provides are to be performed by the vote of the Co-Owners of the Units, and except as provided in 5.1 above, the administration of the responsibilities of the Association of Co-Owners shall be performed by a Board of

Administrators, as more particularly set forth in this Declaration and the $\mbox{\sc By-Laws}$ of Van Dorn Villa Condominium.

ARTICLE VI

Operation of the Property

- $\underline{6.1}$ Determination of Common Expenses and Assessments Against Co-Owners.
- $6.1.1~\underline{\text{Fiscal Year.}}$ The fiscal year of the Condominiums shall consist of the twelve-month period commencing on January 1 of each year and terminating on December 31 of such year.
- $6.1.2 \ \underline{Preparation} \ \underline{and} \ \underline{Approval} \ \underline{of} \ \underline{Budget.} \ \underline{Each} \ year \ on \ or \\ before \ \underline{December} \ \underline{Ist,} \ the \ \underline{Board} \ of \ \underline{Administrators} \ of \ the \ \underline{Association}$ of Co-Owners shall adopt a budget for the Condominium containing an estimate of the total amount which it considers necessary to pay the cost of maintenance, management, operation, repair and replacement of the Common Elements and those parts of the Units as to which it is the responsibility of the Board of Administrators to maintain, repair and replace, and the cost of wages, materials, insurance premiums, services, supplies and other expenses that may be declared to be Common Expenses by the Nebraska Condominium Act, the Declaration, the By-Laws or a resolution of the Association of Co-Owners, and which will be required during the ensuing fiscal year for the administration, operation, maintenance and repair of the Property and the rendering to the Co-Owners of all related services. Such budget shall also include such reasonable amounts as the Board of Administrators considers necessary to provide working capital for the Condominium, a general operating reserve, and reserves for contingencies and replacements. The Board of Administrators shall send to each Co-Owner a copy of the budget, in a reasonably itemized form, which sets forth the amount of the Common Expenses payable by each Co-Owner on or before thirty (30)days preceding the fiscal year to which the budget applies. The said budget shall constitute the basis for determining each Co-Owner's contribution for the Common Expenses of the Condominium.
- 6.1.3 Assessment and Payment of Common Expenses. The total amount of the estimated funds required for the operation of the Property set forth in the budget for the fiscal year adopted by the Board of Administrators shall be assessed against each Co-Owner in proportion to his respective Percentage Interest, and shall be a lien against each Co-Owner's Unit as of the first day of the fiscal year to which such budget applies. On or before the first day of each fiscal year, and the first day of each of the succeeding eleven (11) months in such fiscal year, each Co-Owner shall be obligated to pay to the Board of Administrators or to the Managing Agent (as determined by the Board of Administrators), one-twelfth (1/12th) of the assessment for such fiscal year made pursuant to the foregoing provisions. Within sixty (60) days after the end of each fiscal year, the Board of Administrators shall supply to all Co-Owners an itemized accounting of the Common Expenses for such fiscal year actually incurred and paid, the budget adopted by the Board of Administrators for such fiscal year, and showing the net

amount over or short of the actual expenditures plus reserves. Any amount accumulated in excess of the amount required for actual expenses and reserves shall, if the Board of Administrators deems it advisable, be credited according to each Co-Owners's Percentage Interest to the next monthly installments due from Co-Owners under the current fiscal year's budget.

- 6.1.4 <u>Reserves.</u> The Board of Administrators shall build up and maintain reasonable reserves for working capital, operation, contingencies and replacements. Extraordinary expenditures not originally included in the annual budget which may become necessary during the year shall be charged first against such reserves.
- 6.1.5 <u>Initial Assessment by Board of Administrators.</u> When the first Board of Administrators elected under the By-Laws takes office, it shall determine the budget, as defined in this section, for the period commencing thirty (30) days after their election and ending on December 31 of the fiscal year in which their election occurs. Assessments shall be levied against the Co-Owners during said period as provided in 6.1.3 above.
- 6.1.6 Effect of Failure to Prepare or Adopt Budget. The failure or delay of the Board of Administrators to prepare or adopt the annual budget for any fiscal year shall not constitute a waiver or release in any manner of a Co-Owner's obligation to pay his allocable share of the Common Expenses as herein provided, whenever the same shall be determined, and in the absence of any annual budget or adjusted budget, each Co-Owner shall continue to pay the monthly charge at the then existing monthly rate established for the previous fiscal period until the monthly payment which is due not more than ten (10) days after such new annual or adjusted budget shall have been mailed or delivered.
- $6.1.7\ \underline{Accounts}$ All sums collected by the Board of Administrators with respect to assessments against the Co-Owners may be commingled into a single fund but shall be held for each Co-Owner in accordance with his Percentage Interest.
- 6.2 Payment of Common Expenses. All Co-Owners shall be obligated to pay the Common Expenses assessed by the Board of Administrators pursuant to the provisions of 6.1 above and cannot relieve himself for any reason. Upon the sale or conveyance of a Unit, all unpaid assessments against a Co-Owner for his proportionate share of the Common Expenses shall first be paid out of the sales price or by the acquirer in preference over any other assessments or charges of whatever nature except: (i) assessments, liens and charges for taxes past due and unpaid on the Unit, and (ii) payments due under duly recorded mortgage and lien instruments.
- $6.3~\underline{\text{Collection}}~\underline{\text{of}}~\underline{\text{Assessments.}}$ The Board of Administrators shall take prompt action to collect any assessments for Common Expenses due from any Co-Owner which remain unpaid for more than thirty (30) days from the due date for payment thereof.
- $6.4\ \underline{Penalties}\ \underline{and}\ \underline{Interest.}$ In the event of a default by a Co-Owner which continues for a period in excess of fifteen (15) days, the Board of Administrators may impose a penalty not to exceed twenty

percent (20%) per annum from the due date. In addition, each unpaid fee or assessment shall bear interest at the rate of twelve percent (12%) per annum from the due date thereof. In addition to foreclosing the lien for any amount due to the Board of Administrators for any duties or liabilities owed by any Co-Owner of any Unit, the Board of Administrators may elect to pursue any claim or cause of action against the Co-Owner in any court having jurisdiction over said cause.

- $6.5~\underline{\text{Statement of Common Expenses.}}$ The Board of Administrators shall promptly provide any Co-Owner so requesting the same in writing, with a written statement of all unpaid assessments for Common Expenses due from such Co-Owner.
- 6.6 Right of Access. A Co-Owner shall grant a right of access to his Unit to the Board of Administrators of the Managing Agent, or any other person authorized by the Board of Administrators or the Managing Agent, or any group of the foregoing, for the purpose of making sanitation inspections or for the purpose of correcting any condition originating in his Unit and threatening another Unit or the Common Elements, or for the purpose of performing installations alterations or repairs to the mechanical or electrical services or the Common Elements in his Unit or elsewhere in the Property, or to correct any condition which violates the provisions of any mortgage covering another Unit, provided that requests for entry are made in advance and that any such entry is at a time reasonably convenient to the Co-Owner. In case of an emergency, such right of entry shall be immediate, whether the Co-Owner is present at the time or not.
- 6.7 Rules and Regulations. Rules and Regulations concerning the operation and use of the Common Elements may be changed or amended by the Board of Administrators, provided that such Rules and Regulations are not contrary to or inconsistent with the Nebraska Condominium Act, the Declaration or the By-Laws. Copies of the Rules and Regulations shall be furnished by the Board of Administrators to each Co-Owner prior to the time when the same shall become effective.
- 6.8 Electricity, Water, Gas Charges and Sewer Use Fee and Cable Television. Electricity shall be supplied by the public utility company serving the area directly to each Unit through separate meters, and each Co-Owner shall be required to pay the bills for electricity consumed or used in his Unit. The gas, water, sewer fee and electricity serving the Common Elements shall be separately measured, and the Board of Administrators shall pay all bills for the Services consumed in such portions of the Common Elements as a Common Expense.

ARTICLE VII

Insurance

7.1 Authority to Purchase Except as otherwise provided in 7.3 below, all insurance policies relating to the Property shall be purchased by the Board of Administrators as trustee for the Co-Owners of the Units and their respective mortgagees, as their interests may appear. All policies of insurance shall be written with a company

licensed to do business in the State of Nebraska and holding a rating of most favorable or equivalent by Best's Insurance Reports. The Board of Administrators, shall make every reasonable effort to obtain insurance with the following provisions or endorsements:

- 7.1.1 Exclusive authority to adjust losses shall be vested in the Board of Administrators as insurance trustee;
- 7.1.2 The net proceeds of such policies shall be payable to the Board of Administrators as insurance trustee;
- 7.1.3 Each Co-Owner of a Unit may obtain additional insurance covering his real property interest at his own expense;
- 7.1.4 The insurance coverage shall not be brought into contribution with insurance purchased by individual Co-Owners;
- 7.1.5 The insurer waives its right of subrogation against any insured.
- 7.1.6 That the insurance coverage cannot be canceled or substantially modified without at least ten (10) days prior written notice to the Board of Administrators.

7.2 <u>Insurance Coverage.</u>

- 7.2.1 The Board of Administrators, for the benefit of the Property and the Co-Owners, shall maintain a policy or policies of casualty and multi-peril, "all risk" insurance on the property with provisions and endorsements, for the actual cash value or for the full insurable replacement value of the Units (including fixtures, installations or additions comprising a part of the Building within the unfinished interior surfaces of the perimeter walls, floors and ceilings of the individual units initially installed, or replacements thereof, in accordance with the original plans and specifications, or installed by or at the expense of a Co-Owner) and the Common Elements (including common areas and facilities, items of common personal property and fixtures) payable to the Board of Administrators as insurance trustee to be disbursed in accordance with this Declaration. The policy or policies shall contain an "Inflation Guard" endorsement, or an agreed amount clause, or determinable cash adjustment clause, or similar clause to permit a cash settlement covering specified value in the event of destruction and a decision not to rebuild. Said policy or policies shall provide for a separate loss payable endorsement in favor of the mortgagee or mortgagees, in any, of each Unit.
- 7.2.1.1 A certificate of insurance of said policy or policies of casualty and multiperil insurance and all renewals thereof shall be delivered by the insurance carrier to all mortgagees of Units at least ten (ten) days prior to expiration of then current policies.
- 7.2.2 The Board of Administrators shall also be required to obtain and maintain public liability and property damage insurance for all persons for whom coverage can be written in such limits as the Board of Administrators may from time to time determine, insuring the

Association of Co-Owners, the Board of Administrators the individual Co-Owners and their respective lessees and employees against any liability to the public or to the Co-Owners of Units, and the individual Co-Owners and their respective lessees and employees against any liability to the public or to the Co-Owners of Units, and the individual Co-Owners of the Units incident to the ownership and/or use of the building, other than an individual Unit, and including all of the Common Elements, both real and personal. Limits of liability under such insurance shall not be less than One Million Dollars (\$1,000,000) for any one person injured in any one occurrence [and is to include Five Thousand Dollars (\$5,000) medical payments coverage] and coverage shall not be less than One Million Dollars (\$1,000,000) for property damage in each ocurrence. The limits of coverage in said liability policy shall be reviewed at least annually by the Board of Administrators and increased at its discretion. Said policy or policies shall be issued on a broad form comprehensive general liability basis and, if possible, shall provide cross-liability endorsements for possible claims of any one or more or group of insureds, without prejudice to the right of a named insured under the policies to maintain an action against another named insured.

7.2.3 The Board of Administrators shall also be required to obtain and maintain, to the extent maintainable, coverage for the Association of Co-Owners itself, and for the individual members of the Board of Administrators and the officers of the Association in an amount of not less than One Million Dollars (\$1,000,000), protecting against negligent acts, errors, omissions or breaches of duty on the part of any person acting in the capacity of a member of the Board of Administrators or as an officer.

7.2.4 The board of Administrators shall obtain and maintain Workmen's Compensation insurance as required by law.

7.2.5 The Board of Administrators shall obtain such other insurance as it deems, in its sole discretion, to be in the best interests of the Association and the Co-Owners.

7.3 Separate Insurance.

7.3.1 Co-Owner or Occupant Personal Property and Personal Liability Coverage. All Co-Owners, agents, lessees and tenants occupying any Unit are required to obtain and maintain casualty and liability insurance covering their Unit and contents, and including coverage for their personal property, Three Hundred Thousand Dollars (\$300,000) for comprehensive personal liability and Five Thousand Dollars (\$5,000) medical payments. All such policies shall contain a standard loss of use and additional expenses provision. The Board of Administrators shall review these coverage limits annually and may require such increased coverage as they see fit. Nothing above shall be construed to limit acquisition by a Co-Owner, agent, lessee or tenant of such additional coverage as he may desire including, but not limited to, coverage for scheduled items of personal property. All policies so purchased shall waive subrogation and contribution clauses and provision. Each Co-Owner, agent, lessee or tenant shall provide the Board of Administrators, with certificates of insurance providing evidence of the initial coverage as outlined above and all renewals

thereof.

7.3.2 Co-Owners' Additional Coverage on Real Property
Interest. Each Co-Owner shall have the right at his own expense to
obtain additional insurance to cover his real property interest in his
Unit, provided that no Co-Owner shall be entitled to exercise his right
to acquire or maintain such additional insurance coverage so as to
decrease the amount which the Board of Administrators, on behalf of the
Co-Owners, may realize under any insurance policy which it may have in
force on the Property at any particular time or to cause any insurance
coverage maintained by the Board of Administrators to be brought into
contribution with such additional insurance coverage obtained by the
Co-Owner. All such additional policies shall contain waivers of
subrogation. Any Co-Owner who obtains individual insurance policies
covering any portion of the Property, other than personal property
belonging to such Co-Owner, shall be required to file a copy of such
indidivual policy or policies with the Board of Administrators within
thirty (30) days after the purchase of such insurance.

ARTICLE VIII

Repair and Reconstruction after Fire or Other Casualty

8.1 When Repair and Reconstruction are Required. In the event of damage to or destruction of all or any part of the Building as a result of fire or other causalty [unless more than three-fourths (3/4) of the Building is destroyed and three fourths (3/4) of the Co-Owners fail to vote in favor of reconstruction and repair of the Building at a meeting called within thirty (30) days thereafter], the Board of Administrators shall arrange for the supervision of and the prompt repair and restoration of the Building (including any damaged Units, and any floor covering initially required to be located therein upon the creation of the Condominium and replacemeants thereof installed by the Co-Owners; but not including any furniture, furnishings, fixtures or equipment installed by the Co-Owners in the Units). Notwithstanding the foregoing, each Co-Owner shall have the right to supervise the redecorating of his own Unit.

8.2 Procedure for Reconstruction and Repair

- 8.2.1 Cost Estimates. Immediately after a fire or other casualty causing damage to any Building, the Board of Administrators shall obtain reliable and detailed estimates of the cost of repairing and restoring the Building and all Common Elements, and replacements thereof installed by the Co-Owner, but not including any other furniture, furnishings, fixtures or equipment installed by the Co-Owner in the Unit, to a condition as good as that existing before such casualty. Such costs may also include professional fees and premiums for such bonds as the Board of Administrators determines to be necessary.
- 8.2.2 <u>Assessments.</u> If the proceeds of insurance are not sufficient to defray the said estimated costs of reconstruction and repair as determined by the Board of Administrators, or if at any time during reconstruction and repair or upon completion of reconstruction

and repair the funds for the payment of the costs thereof are insufficient, assessments shall be made against the Co-Owners who own the damaged Units and against all Co-Owners in the case of damage to the Common Elements in sufficient amounts to provide payment of such costs. Such Assessments against Co-Owners for damage to Units shall be in proportion to the cost of reconstruction and repair of their respective Units. Such assessments, on account of damage to Common Elements shall be in proportion to the Co-Owners' respective Percentage Interests.

- 8.2.3 \underline{Plans} and $\underline{Specifications}$ Any such reconstruction or repair shall be substantially in accordance with the plans and specifications under which the Property was originally constructed.
- 8.2.4 Encroachments. Encroachments upon or in favor of Units which may be created as a result of such reconstruction or repair shall not constitute a claim or basis for any proceeding or action by the Co-Owner upon whose property such encroachment exists, provided that such reconstruction was substantially in accordance with the Map of Condominium under which the Property was originally constructed. Such encroachment shall be allowed to continue in existence for so long as the reconstructed Building shall stand.

8.3 Disbursements of Construction Funds.

- 8.3.1 <u>Construction Fund</u>. The net proceeds of insurance collected on account of a casualty and the funds collected by the Board of Administrators from assessments against Co-Owners on account of such casualty shall constitute a construction fund which shall be held by the Administrators and disbursed in payments of the cost of reconstruction and repair in the manner set forth below.
- $8.3.2\ \underline{\text{Method}}$ of <u>Disbursement.</u> The construction fund shall be paid by the Board of Administrators in appropriate progress payments to such contractors, suppliers and personnel engaged in performing the work or supplying materials or services designated by the Board of Administrators.
- 8.3.3 <u>Surplus.</u> It shall be presumed that the first monies disbursed in payment of the cost of reconstruction and repair shall be from insurance proceeds; and if there is a balance in a construction fund after the payment of all of the costs of the reconstruction and repair for which the fund is established, such balance shall be distributed jointly to the Co-Owners and their mortgagees who are the beneficial owners of the fund; provided, however, that the part of a distribution to a beneficial owner which is not in excess of assessments paid by the Co-Owner into the construction fund shall not be made payable to any mortgagee.
- $8.3.4 \ \underline{\text{Common Elements.}}$ When the damage is to both the Common Elements and Units, the insurance proceeds shall be applied first to the cost of repairing the Common Elements and the balance to the cost of repairing the Units in the shares set forth above.
- 8.4 When Reconstruction is not Required. If more than three-fourths (3/4) of the Building is destroyed by fire or other casualty and three-fourths (3/4) of the Co-Owners fail to vote in favor

of repair or restoration within the period of time prescribed by 8.2, the Board of Administrators shall record with the Register of Deeds a notice setting forth facts, and upon the recording of such notice:

- 8.4.1 The property shall be deemed to be owned in common by the Co-Owners.
- 8.4.2 The undivided interest in the Property owned in common which shall appertain to each Co-Owner shall be the percentage of undivided interest previously owned by such Co-Owner in the Common Elements.
- 8.4.3 Any liens affecting any of the Units shall be deemed to be transferred in accordance with the existing priorities to the undivided interest of the Co-Owner in the Property.
- 8.4.4 The Property shall be subject to an action for partition at the suit of any Co-Owner, in which event the net proceeds of sale, together with the net proceeds of the insurance on the Property, shall be considered as one fund and shall be divided among all the Co-Own ers in a percentage equal to the Percentage Interest of each Co-Owner, after first paying out of the respective shares of the Co-Owners to the extent sufficient for such purpose all liens on the undivided interest in the Property owned by each Co-Owner.

ARTICLE IX

Condemnation

- 9.1 <u>Procedure in Response to a Taking.</u> In the event of a taking in condemnation or by eminent domain of part or all of the Property, the award made for such taking shall be payable to the Board of Administrators. Such award shall be disbursed as follows:
- 9.1.1 If (i) less than three-fourths (3/4) of the Building is destroyed by such taking, or (ii) if more than three-fourths (3/4) of the Co-Owners vote in favor of the repair and reconstruction of the Property at a meeting which shall be called within thirty (30) days after the taking, then in either case such reconstruction or repair shall be accomplished in the same manner as set forth in Article VIII of this Declaration in the case of damage by fire or other causalty.
- 9.1.2 If more than three-fourths (3/4) of the Building is destroyed by such taking and three-fourths (3/4) of the Co-Owners fail to vote in favor of reconstruction or repair of the Property within thirty (30) days after the taking, the Board of Administrators shall record with the Register of Deeds a notice setting forth such facts and, upon the recording of such notice:
- 9.1.2.1 The Property shall be deemed to be owned in common by the Co-Owners.
- 9.1.2.2 The undivided interest in the Property owned in common which shall appertain to each Co-Owner shall be the percentage of

undivided interest previously owned by such Co-Owner in the Common Elements.

9.1.2.3 Any liens affecting any of the Units shall be deemed to be transferred in accordance with the existing priorities to the undivided interest of the Co-Owner in the Property.

9.1.2.4 The Property shall be subject to any action for partition at the suit of any Co-Owner, in which event the net proceeds of sale, together with the net proceeds of the insurance on the Property, shall be considered as one fund and shall be divided among all the Co-Owners in a percentage equal to the Percentage Interest of each Co-Owner, after the first paying out of the respective shares of the Co-Owners to the extent sufficient for such purpose all liens on the undivided interest in the Property owned by each Co-Owner.

ARTICLE X

Restrictive Covenants and Obligations

- $10.1~\underline{\text{General}}~\underline{\text{Restrictions}}~\underline{\text{on}}~\underline{\text{Use}}~\underline{\text{of}}~\underline{\text{Units.}}$ Each Unit and the Common Elements shall be occupied and used as follows:
- 10.1.1 No part of the property shall be used for other than housing and the related common purpose for which the property was designed except as to the All Purpose Room which in addition to Food Service, Receptions, and Parties will also carry on various recreational, educational and craft activities, all which must be acceptable under the proper zoning of the property. The right is reserved by the Developer or its agent to use any unsold Unit or Units for sales or display purposes.
- 10.1.2 Nothing shall be done or kept in any Unit or in the Common Elements which will increase the rate of insurance for the Property, or the contents thereof, applicable for residential or professional use without the prior written consent of the Board of Administrators. No Co-Owner shall permit anything to be done or kept in his Unit or in the Common Elements which shall result in the cancellation of insurance on the Property, or the contents thereof, or which would be in violation of any law.
- 10.1.3 No immoral, improper, abnormal, offensive or unlawful use shall be made of the Property or any part thereof and all valid laws, zoning ordinances and regulations of all governmental agencies having jurisdiction thereof shall be observed. All laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction thereof relating to any portion of the Property shall be complied with by and at the sole expense of the Co-Owner or the Board of Administrators, whichever shall have the obligation to maintain or repair such portion of the Property.
- 10.1.4 Nothing shall be done in any Unit or in, on or to the Common Elements which will impair the structural integrity of the Property or which would structurally change the Building except as is otherwise provided in the Declaration.

- 10.1.5 No tenant of a Unit may make any excessive noise or cause any annoyance or do any act that may disturb the peace of the other Co-owners or tenants.
- $10.1.6\ Nothing$ shall be altered or constructed in or removed from the Common Elements except upon the written consent of the Board of Administrators.
- 10.1.7 The Common Elements shall be used only for the furnishing of the services and facilities for which they are reasonably suited and which are incident to the use and occupancy of the Units.
 - 10.1.8 No antennas may be erected by any Co-Owner.
- 10.1.9 No portion of a Unit (other than the entire Unit) may be rented.
- 10.1.10 No fireplace can be constructed after the building has been completed by the developer without written approval from the Board of Administrators and plans have been accepted by the Lincoln City Codes Department.
- 10.1.11 Each Co-Owner shall maintain the physical security of the Building, inleuding keeping locks on exterior Unit doors, sliding glass doors, and windows in good repair.
 - 10.1.12 No items may be stored on baconies or patios.
- $10.1.13\ Patios$ and balconies may not be totally or paritally enclosed without the permission of the Board of Administrators.
- 10.1.14 No pets are allowed other than in the designated section of the Condominium. Each resident wishing to have a pet must agree to the terms and conditions of "Housing a Pet in the Van Dorn Villa." The Board of Administrators has the authority to take what ever action necessary to remove the Pet in case that the Rules and Regulations are not followed and the Pet becomes a problem for other owners. An Agreement to House Pets shall be signed by the pet owner and filed with the Board of Administrators.
- 10.1.15 Each Co-Owner shall be responsible for the control of cooking odors within his unit by appropriate use of kitchen vents provided for such purpose.

ARTICLE XI

Compliance and Default

- 11.1 Relief. Each Co-Owner of a Unit shall be governed by and shall comply with all of the terms of the Declaration, the By-laws and the Rules and Regulations, and any amendments of the same. A default by a Co-Owner shall entitle the Association of Co-Owners, acting through its Board of Administrators or through the Managing Agent to the following relief:
- 11.1.1 Legal Proceedings. Failure to comply with any of the terms of this Declaration, the By-Laws and the Rules and Regulations shall be grounds for relief which may include, without limiting the same, an action to recover any sums due for money damages, injunctive relief, foreclosure of the lien for payment of all assessments, any other relief provided for in the By-Laws, or any combination thereof, and any other relief afforded by a court of competent jurisdiction, all of which relief may be sought by the Association of Co-Owners, the Board of Administrators, the Managing Agent, or, if appropriate, by an aggrieved Co-Owner.
- 11.1.2 Additional Liability. Each Co-Owner shall be liable for the expense of all maintenance, repair or replacement rendered necessary by his act, neglect or carelessness or the act, neglect or carelessness of any member of his family or his employees, agents or licensees, but only to the extent that such expense is not covered by the proceeds of insurance carried by the Board of Administators. Such liability shall include any occupancy or abandonment of any Unit or its appurtenances. Nothing contained herein, however, shall be construed as modifying any waiver by any insurance company of its rights of subrogation.
- 11.1.3 Costs and Attorney's Fees. In any proceeding arising out of any alleged default by a Co-Owner, the prevailing party shall be entitled to recover the costs of the proceeding and such reasonable attorney's fees as may be determined by the court.
- Association of Co-Owners, the Board of Administrators or of a Co-Owner to enforce any right, provision, covenant or condition which may be granted by the Declaration, Bylaws or the Rules and Regulations shall not constitute a waiver of the right of the Association of Co-Owners, the Board of Administrators or the Co-Owner to enforce such right, provision, covenant or condition in the future. All rights, remedies and privileges granted to the Association of Co-Owners, the Board of Administrators or any Co-Owner pursuant to any term, provision, covenant or condition of the Declaration, By-Laws or the Rules and Regulations shall be deemed to be cumulative, and the exercise of any one or more thereof shall not be deemed to constitute an election of remedies, nor shall it preclude the party exercising the same from exercising such privileges as may be granted to such party by the Declaration, By-Laws or the Rules and Regulations, or at law or in equity.

11.1.5 <u>Interest.</u> In the event of a default by any Co-Owner in paying any Common Expenses or other sum assessed against him which continues for a period in excess of fifteen (15) days, such Owner shall be obligated to pay interest on the amount due at the rate of twelve percent (12%) per annum from the due date thereof and may be subject to pay a penalty not to exceed twenty percent (20%) at the discretion of the Board of Administrators as provided under 6.4 above.

The violation of any rule or regulation adopted by the Board of Administrators or the breach of any By-Law or the breach of any provision of this Declaration shall give the Board of Administrators the right, in addition to any other rights set forth in the By-Laws: (a) to enter the Unit in which, or as to which, such violation or breach exists and summarily to abate and remove, at the expense of the defaulting Co-Owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions hereof, and the Board of Administrators shall not thereby be deemed guilty in any manner of trespass; or (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach; or (c) to temporarily suspend the rights of such Co-Owner, members of his family and invitees from using any of the Common Elements.

11.2 Lien for Contributions.

11.2.1 The total annual contribution for each Co-Owner is hereby declared to be a lien levied against the Unit of such Co-Owner within the purview of the Nebraska Condominium Act [Sections 76-825 to 76-894, Neb. Rev. Stat. (Cum. Supp. 1984)], which lien shall be effective as of the first day of each such year and shall be subject to any prior recorded mortgage. The Board of Administrators or the Managing Agent may file or record such other or further notice of lien or such other or further documents as may be required by the then laws of the State of Nebraska to confirm the establishment of such lien. Neither the Board of Administrators nor any person filing said notice on behalf of the Board shall incur any liability whatsoever for the filing of said notice. Failure to file said lien notice shall in no way affect the validity of the assessment or fee.

11.2.2 In any case where an assessment against a Co-Owner is payable in installments, upon a default by such Co-Owner in the payment of any single installment, which continues for ten (10) days after written notice of such default has been sent to the Co-Owner, the maturity of the remaining total of the unpaid installments of such assessments may be accelerated, at the option of the Board of Administrators, and the then balance owing may be declared due and payble in full by the service or notice of such effect upon the defaulting Co-Owner by the Board of Administrators or the Managing Agent.

11.2.3 The lien for contribution may be foreclosed in the manner provided by the laws of the State of Nebraska by suit brought in the name of the Board of Administrators or the Managing Agent acting on behalf of the Association of Co-Owners. During the pendency of such suit

the Co-Owner shall be required to pay a reasonable rental for the Unit for any period prior to sale pursuant to any judgement or order of any court having jurisdiction over such sale. The Plaintiff in such proceeding shall have the right to the appointment of a receiver, if available under the laws of the State of Nebraska.

11.2.4 Suit to recover a money judgement for unpaid contributions shall be maintainable without foreclosing or waiving the lien securing the same, and foreclosure shall be maintainable notwithstanding the pendency of any suit to recover a money judgement.

ARTICLE XII

<u>Developer's</u> <u>Reservations</u>

- 12.1 <u>Disputes.</u> In the event of a dispute arising between the Developer and the Association of Co-Owners, the Developer shall appoint one person as a representative, the Association of Co-Owners shall appoint one person as a representative, and the two of them shall appoint a third person and, together, the three shall resolve the dispute. A decision by the majority of those appointed shall be binding upon both the Developer and the Association of Co-Owners.
- 12.2 $\underline{\text{Other Reservations.}}$ The Developer reserves all other rights and powers as are specified elsewhere in this Declaration and in the By-Laws.

ARTICLE XIII

General and Miscellaneous Provisions

- 13.1 Amendment of Declaration. This Declaration may be amended and additional Land and Units added thereto at any time by vote of at least seventy-five percent (75%) of the Co-Owners, cast in person or by proxy at a meeting duly held in accordance with the provisions of the By-Laws, provided, however, that any such amendment shall have been approved in writing by the mortgagee or mortgagees holding mortgages or deeds of trust constituting first liens on all of the Units subject to mortgages. No such amendment shall be effective until recorded among the land records of Lancaster County, Nebraska. Provided however, the Percentage Interests shall not be changed except by unanimous consent of all the Co-Owners, which change shall be evidenced by an appropriate amendatory declaration to such effect recorded among the land records of Lancaster County, Nebraska.
- 13.2 No Revocation or Partition. The Common Elements shall remain undivided and no Co-Owner or any other person shall bring any action for partition or division thereof, except in the event of the destruction or condemnation of more than three-fourths (3/4) of the Building. Except in the event of condemnation or destruction of more than three-fourths (3/4) of the Building, the dedication of the Property to the Condominium Property Regime shall not be waived or revoked unless three-fourths (3/4) of the Co-Owners and the mortgagees of all of the mortgages covering the units agree to such revocaiton or waiver.

- 13.3 Sale of Property or Waiver of Condominium Regime. By an affirmative vote of at least eighty percent (80 %) of the Co-Owners, they may elect to sell or otherwise dispose of the property, or to waive the condominium property regime. Provided, that the individual Units are unencumbered or, if encumbered, that the creditors in whose behalf the encumbrances are recorded agree to accept as security the undivided portions of the Property owned by debtors. Upon waiver of the regime, the Co-Owners shall own the property as tenants in common in accordance with their interest as determined under this Declaration and as expressed in Schedule A attached hereto. Any such action shall be binding upon all Co-Owners as it shall thereupon be the duty of every Co-Owner to execute and deliver such instruments and to perform all acts as may be necessary.
- 13.4 <u>Invalidity</u>. The invalidity of any provisions of this Declaration shall not be deemed to impair or affect in any manner the validity, enforceability or effect of the remainder of this Declaration, and, in such ration shall continue in full force and effect as if such invalid provision had never been included herein.
- $13.5 \ \underline{\text{Conflict.}}$ In the event of any conflict between this Declaration and provisions of the laws of the State of Nebraska, the latter shall govern and apply.
- $13.6~\underline{\text{Exemption.}}$ No Co-Owner of a Unit may exempt himself from liability for his contribution towards the Common Expenses by waiver of the use or enjoyment of any of the general Common Elements and facilities or by the abandonment of his Unit.
- $13.7\ \underline{\text{Waiver.}}$ No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.
- $13.8 \ \underline{\text{Captions.}}$ The captions 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 thereof.
- $13.9 \ \underline{\text{Gender.}}$ The use of the masculine gender in this Declaration shall be deemed to refer to the feminine gender and the use of the singular shall be deemed to refer to the plural, and vice versa, whenever the context so requires.

IN WITNESS WHEREOF, Larry Price and Associates, Inc. (herein called "Developer") has caused this Declaration to be executed this _______ day of ________, 1986.

LARRY PRICE AND ASSOCIATES, INC.

Larry Price, President

STATE OF NEBRASKA)

COUNTY OF LANCASTER)

On the Da day of October, 1986, before me, a Notary Public, came Larry Price, known to me to be the President of LARRY PRICE AND ASSOCIATES, INC., and known to be the identical person who executed the above instrument and acknowledged the execution thereof to be his voluntary act and deed.

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

MARY L FRANCKS

GENERAL RESTABLIAL

STATE OF DECLARATION

NOV. 10, 10, 7

May 2) ranchi Notary Public

VAN DORN VILLA CONDOMINIUM

SCHEDULE A

APARTMENT NUMBER	APARTMENT AREA (sq. ft.)	PERCENTAGE INTEREST
101	758.5	0.005024
102	935	0.006193
103	935	0.006193
175	1067	0.007068
176	935	0.006193
177	947	0.006273
201	758.5	0.005024
202	935	0.006193
203	935	0.006193
204	935	0.006193
205	935	0.006193
206	935	0.006193
207	935	0.006193
208	792	0.005246
212	1067	0.007068
213	935	0.006193
214	935	0.006193
215	935	0.006193
216	935	0.006193
259	685	0.004537
260	808.5	0.005355
262	1067	0.007068
263	935	0.006193
264	758.5	0.005024
265	947	0.006273
266	935	0.006193
267	1067	0.007068
271	1067	0.007068
272	935	0.006193
273	. 1067	0.007068
275	1067	0.007068
276	935	0.006193
277	947	0.006273
301	758.5	0.005024
302	935	0.006193
303	935	0.006193
304	935	0.006193
305	935	0.006193
306 307	935	0.006193
	935 703	0.006193
308	792	0.005246
312 313	1067	0.007068
314	935 085	0.006193
314	935 935	0.006193
	933	0.006193

	A Company of the Comp	
316	935	0.006100
317	1085	0.006193
320	685	0.007187
321	685	0.004537
322	612	0.004537
323		0.004054
324	612	0.004054
325	935	0.006193
329	. 1067	0.007068
330	792 [.]	0.005246
331	660	0.004372
332	660	0.004372
	935	0.006193
333	935	0.006193
334	935	0.006193
335	810	0.005365
336	935	0.006193
337	612	0.004054
338	1250	0.008280
340	935	0.006193
341	1067	0.007068
343	1067	0.007068
344	1067	0.007068
346	1067	0.007068
349	1300	0.007068
350	1200	0.007949
352	1067	0.007949
355	1019	0.007068
356	887	0.005875
357	947	0.005873
358	1308	0.008664
359	685	0.004537
360	808.5	0.004337
362	1067	0.007068
363	935	
364	758.5	0.006193 0.005024
365	947	0.006273
366	935	
367	1067	0.006193
371	1067	0.007068
372	935	0.007068
373	1067	0.006193 0.007068
375	1067	
376	935	0.007068
377	947	0.006193
404	935	0.006273
405	935	0.006193
406	935	0.006193
407	935	0.006193
408	792	0.006193
412	1067	0.005246
413	935	0.007068
414	935	0.006193
415	935	0.006193
416	935	0.006193
417	1085	0.006193
420	685	0.007187
	005	0.004537

421	685	0.004537
422	669	0.004431
423	669	0.004431
424	935	0.004431
425	1067	0.007068
429	792	0.005246
430	660	0.004372
431 .	660	0.004372
432	935 .	0.006193
433	935	0.006193
434	935	0.006193
435	935	0.006193
436	935	0.006193
437	612	0.004054
438	1250	0.008280
440	935	0.006193
441	1067	0.007068
443	1067	
		0.007068
444	1067	0.007068
446	1067	0.007068
449	1300	0.008611
450	1200	0.007949
452	1067	0.007068
455	1019	0.006750
456	928	0.006147
457	988	0.006545
458	1308	0.008664
459	6 85	0.004537
460	808.5	0.005355
462	1067	0.007068
463	935	0.006193
464	758.5	0.005024
465	947	0.006273
466	935	0.006193
467	1067	0.007068
471	1067	0.007068
472	935	0.006193
473	1085	
522	669	0.007187 0.004431
523	669	
524		0.004431
	935	0.006193
525	1067	0.007068
529	792	0.005246
530	660	0.004372
531	660	0.004372
532	935	0.006193
533	935	0.006193
534	935	0.006193
535	935	0.006193
536	935	0.006193
537	612	0.004054
538	1250	0.008280
540	935	0.006193
541	1067	0.007068
543	1067	0.007068
544	1067	0.007068
•	200,	0.007000

0.007068	1067	546
0.008611	1300	549
0.007949	1200	550
0.007187	1085	552
1	150953.5	TOTALS

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