

VALLEY VIEW CONDOMINIUM

MASTER DEED AND DECLARATION OF
COVENANTS, CONDITIONS, RESTRICTIONS,
AND RESERVATION OF EASEMENTS

THIS MASTER DEED AND DECLARATION, made this 14th day of AUGUST, 1985, by Valley View Limited Partnership, a Nebraska limited partnership, hereinafter called "Declarant", WITNESSETH:

P R E A M B L E:

A. The Land. Declarant is the record fee simple titleholder of real property located in Fremont, Saunders County, Nebraska, more particularly described in Exhibit "A" attached hereto and hereby made a part hereof.

B. Submission of the Property. Declarant desires to and by this Master Deed and Declaration does hereby submit the land described as Parcels 1, 2, 3 and 4 in Exhibit "B" hereto, and other improvements located thereon, to the provisions of Sections 76-825 to 76-894, R.R.S. (Neb.) 1943, as amended, known as the Nebraska Condominium Act, and pursuant thereto does hereby establish a condominium property regime for the aforesaid land, buildings and other improvements to be constructed hereafter, all to be known as Valley View Condominiums.

C. The Buildings. Building A, located on Parcel 1 described in Exhibit B and as depicted on Exhibit C, shall consist of 15,110 square feet, to be divided into 13 residential units described and shown on Exhibit D. Exhibits D, E and F show the area and dimensions of Units 1A through 13A.

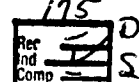
D. The Common Properties. The Common Properties means all portions of the condominium other than the Units.

E. The Limited Common Properties. The Limited Common Properties consist of all those common properties identified as limited common properties on Exhibit "C" attached hereto and hereby made a part hereof, limited to the use of one or more, but less than all Unit Owners or defined as a limited common element by Section 76-827(16) R.R.S. Neb. 1943, as amended.

F. Allocated Interest of the Respective Units. The percentage interest (herein "Allocated Interest") of each unit in the Common Properties, the common expense liability including taxes, and voting are shown in Exhibit G attached hereto and hereby made a part hereof.

G. Covenants, Conditions and Restrictions. The covenants, conditions and restrictions relating to the regime, and which will run with the property and bind all co-owners,

SAUNDERS CO. NE. Entered in NUM INDEX October 17
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REGISTER OF DEEDS
Jinda Lemura



tenants of such owners, employees and any other persons who use the property are as set out in Article 1 through Article 15 of this Master Deed and Declaration, and in the By-Laws of the Association attached hereto as Exhibit H.

H. Reserved Development Rights of Declarant.

(1) Declarant hereby reserves the right to construct additional buildings, and to create up to 24 additional Units upon Parcels 2 and 3 described on Exhibit B. If Declarant exercises its rights to build such additional Units, this Declaration shall be amended to reflect the added Units and to reallocate the Allocated Interest among all Units. The Allocated Interest of the Units, including those added pursuant to those reserved rights of Declarant, shall be calculated by reference to the number of square feet occupied by a Unit as a percentage of the number of square feet of all completed Units in the condominium.

(2) Declarant further reserves the right to subdivide or convert previously created Units 1A to 13A into additional Units or common elements.

(3) Declarant further reserves the right to withdraw all or any portion of the real estate described as Parcels 2 and 3 on Exhibit B from this Declaration.

(4) Declarant reserves the right to change the general configuration of the joint and non-exclusive access described as Parcel 4 on Exhibit B; or, alternatively, to withdraw Parcel 4 from this declaration and to substitute other joint, non-exclusive access somewhat as shown on Exhibit C.

ARTICLE 1
DEFINITIONS

Section 1. "Capital Improvement Assessment" shall mean a charge against each Owner and his Unit, representing a portion of the cost to the Association for installation or construction of any capital improvements on any portion of the Common Properties or Limited Common Properties which the Association may from time to time authorize, which charge shall be levied uniformly among all of the Owners in The Properties as provided herein.

Section 2. "Common Assessment" shall mean a charge against each Owner and his Unit, representing a portion of the total cost to the Association of maintaining, improving, repairing and managing the Common Properties and Limited Common Properties, and a portion of all other Common Expenses and Limited Common Expenses, which are to be paid uniformly by each Owner to the Association, as provided herein.

Section 3. "Reconstruction Assessment" shall mean a charge against each Owner and his Unit, representing a portion of the cost of the Association for reconstruction of any portion or portions of the Common Properties or Limited Common Properties pursuant to the provisions of Article 4 and and Article 11. Said charge shall be levied uniformly among all of the Owners in the Properties, as provided herein.

Section 4. "Special Assessment" shall mean a charge against a particular Owner and his Unit, or Limited Common Properties restricted for the use of such Unit, directly attributable to, and reimbursable by, the Owner, equal to the cost incurred by the Association for corrective or other action performed pursuant to the provisions of this Master Deed and Declaration, plus interest and other amounts thereon as provided for in this Master Deed and Declaration.

Section 5. "Association" shall mean Valley View Owners Association, Inc., a Nebraska corporation, formed pursuant to the Nebraska Nonprofit Corporation Act, its successors and assigns, which Association shall be subject to control by the Declarant as provided in the By-Laws of the Association.

Section 6. "Board of Directors" or "Board" shall mean the Board of Directors of the Association.

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Section 7. "Common Properties" shall mean that portion of the Properties described in Exhibit B attached hereto and made a part hereof other than the Units or the Limited Common Properties.

Section 8. "Limited Common Properties" shall mean and include those Common Properties as described above which are reserved for the use of a certain number of units to the exclusion of the other units, such as certain parking facilities and yard space common to the units of one particular building or a portion thereof.

Section 9. "Common Expenses" shall mean the actual and estimated costs of: maintenance, management, operation, repair and replacement of the Common Properties and Limited Common Properties (including unpaid Special Assessments, Reconstruction Assessments and Capital Improvement Assessments); the costs of maintaining any and all utilities located in the Common Properties and Limited Common Properties; the costs of furnishing utilities to the Common Properties and Limited Common Properties, and to the Units to the extent such utilities may not be separately metered to the Units; the costs of all cable or master television charges, and any other commonly metered master charges to The Properties; the costs of any trash collection and removal for the benefit of The Properties; costs of management and administration of the Association including, but not limited to, compensation paid by the Association to managers, accountants, attorneys and other employees; the costs of all utilities,

gardening and other services benefiting the Common Properties and Limited Common Properties and all recreational facilities thereon; the costs of fire, casualty and liability insurance, workmen's compensation insurance, and other insurance covering The Properties (but not insurance for tangible personal property of Owners); the costs of bonding of the members of the management body; any and all taxes paid by the Association; amounts paid by the Association for discharge of any lien or encumbrance levied against The Properties in their entirety or the Common Properties; and the costs of any other item or items designated by, or in accordance with other expenses incurred by, the Association for any reason whatsoever in connection with The Properties for the benefit of all of the Owners.

Section 10. "Limited Common Expenses" shall mean the actual and estimated cost of: maintenance, management, operation, repair and replacement of the Limited Common Properties; and such other costs as described above in the definition of "Common Expenses" which shall affect the Limited Common Properties.

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Section 11. "The Properties" shall mean all the real property described in Exhibit B attached hereto and made a part hereof, and any additions which may be annexed thereto.

Section 12. "Declarant" shall mean and refer to Valley View Limited Partnership, its successors and assigns.

Section 13. "Master Deed and Declaration" shall mean and refer to the within Master Deed and Declaration of Covenants, Conditions, Restrictions and Reservation of Easements, and any and all amendments thereto.

Section 14. "Member" shall mean and refer to every person or entity who or which holds a membership in the Association, as provided in Article 3, Section 2 hereof.

Section 15. "Mortgage - Mortgagee - Mortgagor". Reference in this Master Deed and Declaration to a mortgage shall be deemed to include a deed of trust; reference to a mortgagee shall be deemed to include the beneficiary of a deed of trust; reference to a mortgagor shall be deemed to include the trustor of the deed of trust.

Section 16. "Owner" shall mean the record owner, whether one or more persons or entities, of a fee simple interest in a Unit, including Declarant with respect to each Unit owned by Declarant and including sellers under executory contracts of sale, but excluding those persons holding title as security for the performance of an obligation.

Section 17. "Person" shall mean a natural individual, a corporation or other entity with a legal right to hold title to real and personal property.

Section 18. "Unit" shall mean and include any room or group of rooms located within a structure and forming a single, usable unit with facilities that are used or intended to be used for a habitable, residential dwelling consistent with the ordinances, rules and regulations to which the Properties are subject. Units are identified on Exhibit C, as Building A, Units 1 through 13. The boundaries of each Unit are as follows: the horizontal plane of the undecorated finished ceiling; the horizontal plane of the undecorated finished floor; and the vertical planes of the undecorated finished interior walls extended to intersections with each other and with the upper and lower boundaries.

ARTICLE 2
RIGHTS OF OWNERS IN COMMON PROPERTIES

Section 1. Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment, including without limitation the right and easement of ingress, in, to and over the Common Properties and certain Limited Common Properties which shall be appurtenant to and shall pass with title to every Unit, subject to the following provisions:

175-5 (a) The right of the Association to reasonably limit the number of guests of Owners using the Common Properties and Limited Common Properties facilities.

(b) The right of the Association to establish uniform rules and regulations pertaining to the use of the Common Properties and Limited Common Properties and the facilities thereof, including, but not limited to, the right and obligation of the Association to enforce all parking restrictions within the Common Properties and Limited Common Properties.

(c) The right of the Association, in accordance with its Articles of Incorporation, By-Laws and this Master Deed and Declaration, to borrow money for the purpose of improving the Common Properties and Limited Common Properties; and, with the assent of the votes of at least two-thirds (2/3) of members of the Association, mortgage, pledge, deed in trust, or hypothecate any or all the Common Properties or Limited Common Properties as security for money borrowed or debts incurred.

(d) The right of the Association to suspend the voting rights and right to use the facilities of an Owner, for any period during which any assessment against his Unit remains unpaid and delinquent; and for a period not to exceed sixty (60) days for any single infraction of the published rules and regulations of the Association. Any suspension of such voting rights or right to use the recreational facilities, shall be made only by the Board of Directors of the

Association or a duly appointed committee thereof, after an opportunity for notice and hearing has been afforded in accordance with the By-Laws of the Association.

(e) The right of the Declarant (and its sales agents and representatives) to the nonexclusive use of the Common Properties and Limited Common Properties) and the facilities thereof, for sales, display and exhibit purposes, which right Declarant hereby reserves; provided, however, that such use shall not be for a period lasting beyond the sale of the last Unit.

Section 2. Delegation of Use. Any Owner may delegate, in accordance with the By-laws, his right of enjoyment to the Common Properties and Limited Common Properties and facilities to the members of his family, his tenants, or contract purchasers who use his Unit, subject to reasonable regulation by the Board of Directors.

Section 3. Easements for Parking. Parking shall be permitted for each unit within the Common Properties for the particular building and only within spaces and areas clearly marked for this purpose. Spaces shall be shown by signs or markings on the paved areas. The Association, through its officers, committees and agents, are hereby empowered to establish "parking" and "no parking" areas in accordance with the law, as well as to enforce these parking limitations by all means lawful for such enforcement including the removal of any violating vehicle by those so empowered and the right of the police to ticket a violating vehicle.

Section 4. Easements for Vehicular Traffic. In addition to the general easements for use of the Common Properties reserved herein, there shall be, and Declarant hereby reserves and covenants for itself and all future Owners, nonexclusive easements appurtenant for vehicular traffic over all Common Properties streets and Limited Common Properties reserved for parking or streets within the Community necessary for ingress and egress, subject to the parking provisions set forth herein.

Section 5. Easements for City Public Service Use. In addition to the foregoing easements over the Common Properties and Limited Common Properties, there shall be, and Declarant hereby reserves and covenants for itself and all future Owners, easements for public service use, including but not limited to, the right of the police to enter upon any part of the Common Properties or Limited Common Properties for the purpose of enforcing the law.

Section 6. Waiver of Use. No Owner may exempt himself from personal liability for assessments duly levied by the Association, nor release the Unit owned by him from the liens and charges hereof, by waiver of the use and enjoyment of the Common

Properties and Limited Common Properties and the facilities thereon or by abandonment of his Unit.

Section 7. Partition Forbidden. The Common Properties and Limited Common Properties and facilities shall remain undivided; and no Owner shall bring any action for partition, it being agreed that this restriction is necessary in order to preserve the rights of the Owners with respect to the operation and management of The Properties.

ARTICLE 3
OPERATION OF THE ASSOCIATION

Section 1. Organization. The Association is organized as a Nebraska corporation under the Nebraska Non-profit Corporation Law. The association is charged with the duties and invested with the powers prescribed by law and set forth in the Articles of Incorporation and By-Laws of the Association and this Master Deed and Declaration. Neither the Articles of Incorporation nor the By-Laws of the Association shall, for any reason, be amended or otherwise changed or interpreted so as to be inconsistent with this Master Deed and Declaration.

Section 2. Membership Eligibility. Every Owner, including Declarant, shall automatically upon becoming the Owner of a Unit be a Member of the Association. Such Owner shall remain a Member of the Association until such time as his ownership of his Unit ceases for any reason, at which time his membership in the Association shall automatically cease. Ownership of a Unit shall be the sole qualification for membership in the Association. If title to a unit is held by more than one person the membership appurtenant to that unit shall be shared by all such persons in the same proportionate interests and by the same type of tenancy in which title to the unit is held. An owner shall be entitled to one membership for each unit owned by him, and such membership shall have voting rights equivalent to the percentage allocated to his Unit.

Section 3. Transfer of Membership. The membership held by any Owner in the Association shall not be transferred, pledged or alienated in any way, except upon the sale or encumbrance of his Unit, and then only to the purchaser or Mortgagee of such Unit. Any attempt to make a prohibited transfer is void, and will not be reflected upon the books and records of the Association. In the event the Owner of any Unit should fail or refuse to transfer the membership registered in his name to the purchaser of such Unit, upon transfer of fee title thereto, the Board of Directors shall have the right to record the transfer upon the books of the Association. The Board of Directors shall have the right to charge a reasonable Special Assessment against any Owner, and his Unit, equal to the cost to the Association of effectuating any such transfer of his membership upon the books of the Association.

Section 4. Duties and Powers. The duties and powers of the Association are those set forth in its Articles of Incorporation and By-Laws, together with its general and implied powers of a non-profit corporation, generally to do any and all things that a corporation organized under the laws of the State of Nebraska may lawfully do in operating for the benefit of its Members, subject only the limitations upon the exercise of such powers as are expressly set forth in its Articles or Incorporation, its By-Laws and in this Master Deed and Declaration..

Section 5. Association Actions. All agreements and determinations lawfully made by the Association in accordance with the voting percentages established in this Master Deed and Declaration, or in the By-Laws, shall be deemed to be binding on all Owners of Units, their successors and assigns.

Section 6. Limitation on Association's Liability. Notwithstanding the duty of the Association to maintain and repair parts of the condominium properties, the Association shall not be liable for any failure of water service or other service to be obtained and paid for by the Association hereunder, or for injury or damage to person or property caused by the elements or by another owner or person in the condominium, or resulting from electricity, water, rain, snow, or ice which may leak or flow from outside or from any parts of the condominium, or from any of its pipes, drains, conduits, appliances, or equipment, or from any other place, unless caused by the gross negligence of the Association. No diminution or abatement of any assessments under this Declaration shall be claimed or allowed for inconvenience or discomfort arising from the making of repairs, maintenance, or improvements to the condominium or any part thereof, or from any action taken to comply with any law, ordinance, or orders of a governmental authority.

ARTICLE 4 COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. Declarant, for each Unit owned by it, hereby covenants and agrees to pay, and each Owner, by acceptance of a deed of a Unit, whether or not it shall be so expressed in any such deed, is deemed to covenant and agree to pay to the Association (1) annual Common Assessments for Common Expenses and Limited Common Expenses, (2) Reconstruction Assessments, (3) Capital Improvement Assessments and (4) Special Assessments; such assessments to be established and collected as hereinafter provided. Such assessments, together with interest, costs, and reasonable attorneys' fees, shall be a separate, distinct and personal obligation of the person who was the Owner of such Unit at the time when the assessment fell due, and shall bind his heirs, devisees, personal representatives and assigns. This personal obligation cannot be avoided by abandonment of the Unit

or by an offer to waive use of the Common Properties and Limited Common Properties or any facilities thereon.

Section 2. Maintenance Funds of the Association. The Board of Directors shall establish no fewer than two (2) separate accounts into which shall be deposited all monies paid to the Association, and from which disbursements shall be made, as provided herein, in the performance of functions by the Association under this Master Deed and Declaration. Each of the accounts shall be established as separate, irrevocable trust savings or trust checking accounts at a banking or savings institution. The accounts shall include: (1) an Operating Fund Account for current Common Expenses and Limited Common Expenses of the Association, (2) a Reserve Fund Account for capital improvements, replacements, painting and repairs of the Common Properties and Limited Common Properties, and (3) any other funds or accounts which the Board of Directors may establish to the extent necessary under the provisions of this Master Deed and Declaration. The Board of Directors shall not commingle any amounts deposited into any of the Funds with one another. Nothing contained herein shall limit, preclude or impair the establishment of additional Funds by the Association, so long as the amounts assessed to, deposited into, and disbursed from any such Fund are earmarked for specified purposes authorized by this Master Deed and Declaration.

Section 3. Purpose of Assessments. The assessments levied by the Board of Directors on behalf of the Association shall be used exclusively to promote the convenience, health, safety and welfare of the Owners of the Units and for the operation, replacement, improvement and maintenance of The Properties. All amounts deposited into the Operating Fund Account must be used solely for the common benefit of all of the Owners for purposes authorized by this Master Deed and Declaration, as may be amended from time to time. Disbursements from the Operating Fund Account shall be made by the Board of Directors for such purposes as may be necessary for the discharge of its responsibilities herein for the common benefit of all of the Owners, other than those purposes for which disbursements from the Reserve Fund Account are to be used. Disbursements from the Reserve Fund Account shall be made by the Board of Directors for the respective purposes specified in this Article.

Section 4. Determination of Common Assessments. The Board of Directors shall authorize and levy the amount of Common Assessment upon each Unit, as provided herein, by majority vote of the Board. All Common Assessments shall be borne by the Owners in proportion to their Allocated Interest; provided, however,

(1) any Common Expense associated with the maintenance, repair, or replacement or a limited common element must be assessed against the units to which that limited common element is assigned, equally;

(2) any Common Expense or portion thereof benefiting fewer than all of the Units shall be assessed exclusively against the Units benefited; and

(3) the costs of insurance may at the discretion of the Association be assessed in proportion to risk and, if reasonably determined, the costs of utilities not separately metered shall be assessed in proportion to usage.

If any Common Expense is caused by the misconduct of any Unit Owner, the Association may assess that expense exclusively against such Unit.

Not later than thirty (30) days prior to the beginning of each fiscal year, the Board of Directors shall prepare and distribute to the membership of the Association, a written, itemized estimate (budget) of the total Common Expenses and Limited Common Expenses to be incurred by the Association during such year in performing its functions under this Master Deed and Declaration. The estimate should include a reasonable provision for contingencies and deposits into the Reserve Fund Account, less any expected income, and should also account for any surplus from previous years. Written notice of the annual Common Assessment shall be sent to every Member subject thereto.

Written notice of any change in the amount of Common Assessments levied by the Association through the Board of Directors shall be given to all Members not less than thirty (30) days prior to the effective date of such change.

Each Member shall thereafter pay to the Board of Directors his annual Common Assessment in installments at such frequency and in such amounts as established by the Board of Directors. Each Common Assessment may be paid by the Member to the Association in one check or in separate checks as payments attributable to the deposits under the Operating Fund and the Reserve Fund. In the event that any installment of an annual Common Assessment payment is less than the amount assessed and the payment does not specify the Fund or Funds into which it should be deposited, the receipt by the Association from that Owner shall be credited in order of priority first to the Operating Fund Account, until that portion of the Common Assessment has been satisfied, second to the Reserve Fund Account, until that portion of the Common Assessment has been satisfied, and finally to any other funds created by the Board of Directors.

Section 5. Collection of Common Assessments. From and after the first day of the first month following the date of recordation of a deed to the first purchaser of a Unit, the Board of Directors shall fix and collect from each Member his pro rata share of the Common Assessments. Common Assessments for fractions of any month involved shall be prorated. Declarant shall pay its full pro rata share of the Common Assessments on

all unsold Units. The Board of Directors shall present to the Members, and to any and every institutional holder of a first Mortgage on a Unit who has filed a written request with the Board, a written financial statement, reflecting income and expenditures of the Association, including deposits in and withdrawals from the Reserve Fund Account from the date of establishment thereof, as further provided in the By-Laws of the Association. The Board of Directors may cause such statement to be distributed to all Members in such greater frequency and at such further intervals as deemed appropriate by the Board of Directors. At the end of any fiscal year of the Association, the membership may determine that all excess funds remaining in the Operating Fund Account, over and above the amounts used for the operation of the Association, may be returned to the Members in a proportion equal to their individual contributions or may be retained by the Association and used to reduce the following year's Common Assessments. In a voluntary or involuntary conveyance of a Unit, the new Owner ("purchaser") shall be jointly and severally liable with the previous Owner ("seller") for all unpaid assessments levied by the Board of Directors against the seller for his share of the Common Expenses and Limited Common Expenses until the date on which the deed of the Unit is recorded, without prejudice to the right of the purchaser to recover from the seller the amounts paid by the purchaser therefor. However, any such purchaser shall be entitled to a statement from the Board of Directors or the Management Agent of the Association, as the case may be, setting forth the amount of the unpaid assessments against the seller due the Association; and such purchaser shall not be liable for, nor shall the Unit conveyed be liable for any unpaid assessments levied by the Board of Directors against the seller in excess of the amount set forth in the statement; provided, however, that the purchaser shall be liable for any such assessment becoming due after the date of any such statement. Notwithstanding the foregoing, any first Mortgagee or other good faith purchaser for value who obtains title to a Unit pursuant to the remedies provided in a Mortgage or foreclosure of a Mortgage, shall not be liable for unpaid assessments or charges against the mortgaged Unit which accrue prior to the time such Mortgagee acquires title to the Unit. Such unpaid assessments or charges shall be deemed to be Common Expenses collectible from all of the Unit Owners, including such acquirer, his successors and assigns.

Section 6. Capital Improvement Assessments. Should the Board of Directors determine the need for a capital improvement or other such expenditure, the cost of which is in excess of Five Thousand Dollars (\$5,000.00), then a vote of the Members representing at least a majority of each class of membership of the Association shall be required to approve and render effective a Capital Improvement Assessment levied by the Board of Directors to cover the cost of such expenditure.

ARTICLE 5
NONPAYMENT OF ASSESSMENTS

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Section 1. Delinquency. Any installment of an assessment provided for in this Master Deed and Declaration shall become delinquent if not paid on the due date as established by the Board of Directors of the Association. With respect to each installment of an assessment not paid within ten (10) days after its due date, the Board of Directors may, at its election, require the delinquent Owner to pay a late charge of not to exceed Five Dollars (\$5.00), or five percent (5%) of the amount of the delinquent installment, whichever is greater, together with interest at the maximum rate permitted by law on such delinquent sums, calculated from the date of delinquency to and including the date full payment is received by the Association. If any installment of an assessment is not paid within thirty (30) days after its due date, the Board may mail a notice to the Owner and to each first Mortgagee of a Unit which has requested a copy of the notice. Such notice shall specify (1) the fact that the installment is delinquent; (2) the action required to cure the default; (3) a date, not less than thirty (30) days from the date the notice is mailed to the Owner, by which such default must be cured; and (4) that failure to cure the default on or before the date specified in the notice may result in acceleration of the balance of the installments of the assessment for the then current fiscal year and sale of the Unit. The notice shall further inform the Owner of his right to cure after acceleration and to bring a court action to assert the nonexistence of a default or any defense of the Owner to acceleration and sale. If the delinquent installments of the assessment and any charges thereon are not paid in full on or before the date specified in the notice, the Board at its option may declare all of the unpaid balance of the annual assessment for the then current fiscal year, attributable to that Owner and his Unit, to be immediately due and payable without further demand and may enforce the collection of the full assessment and all charges thereon in any manner authorized by law, this Master Deed and Declaration, and the By-Laws.

Section 2. Liens, Enforcement. All sums assessed by the Association but unpaid for the share of the Common Expenses or Limited Common Expenses chargeable to any Unit shall constitute a lien on such Unit prior to all other liens except only (1) tax liens on the Unit in favor of any governmental assessing unit or special district, and (2) all sums unpaid on the first Mortgage of record. Such assessment liens may be foreclosed by suit by the Manager or Board of Directors of the Association, acting on behalf of the Owners of the other Units, in like manner as a Mortgage of real property. In any such foreclosure the Unit Owner shall be required to pay a reasonable rental for the Unit, if so provided in the By-laws, and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same. The Manager or Board of Directors, acting on behalf of the Owners of the other

Units, shall have the power to bid in the Unit at a foreclosure sale, and to acquire and hold, lease, mortgage and convey the same. Suit to recover a money judgment for unpaid Common Expenses or Limited Common Expenses shall be maintainable without foreclosing or waiving the lien securing the same. Any recovery resulting from a suit in law or equity initiated pursuant to this Article may include reasonable attorneys' fees as fixed by the court.

ARTICLE 6
EASEMENTS AND RIGHT OF ENTRY

Section 1. Easements in General. All easements and rights described herein are easements appurtenant, running with the land, and shall inure to the benefit of and be binding on the undersigned, its successors and assigns, and any owner, purchaser, mortgagee and other person having an interest in said land, or any part or portion thereof.

Section 2. Easements, Common Properties. Declarant expressly reserves for the benefit of Owners, reciprocal, non-exclusive easements of access, ingress and egress over all of the Common Properties and certain Limited Common Properties. Such easements may be used by Declarant, its successors and purchasers and all Owners, their guests, tenants and invitees, residing on or temporarily visiting The Properties, for walkways, vehicular access, use of all facilities as the same from time to time may exist upon the Common Properties and Limited Common Properties, and such other purposes reasonably necessary for use and enjoyment of a Unit in The Properties. Declarant expressly reserves for the benefit of the Board of Directors and all agents, officers and employees of the Association, nonexclusive easements over the Common Properties and Limited Common Properties as necessary to maintain and repair the Common Properties and Limited Common Properties and to perform all other tasks in accordance with the provisions of this Master Deed and Declaration. Declarant expressly reserves for the benefit of the Association the right to grant additional easements and rights of way over the Common Properties and Limited Common Properties to utility companies and public agencies, as necessary. The Board of Directors of the Association, with prior approval by a majority of the votes of the entire membership of the Association, shall have the right to grant such other easements and rights of way over the Common Properties and Limited Common Properties as necessary or desirable.

Section 3. Easements, Encroachment. The Owners of the respective Units agree that if any portion of the Common Properties or Limited Common Properties and facilities encroaches upon the Units, a valid easement for the encroachment and for the maintenance of same, so long as it stands, shall and does exist. In the event a multiunit structure is partially or totally destroyed, and then rebuilt, the Owners of the respective Units agree that minor encroachment of parts of the Common Properties

or Limited Common Properties and facilities due to construction shall be permitted and that valid easements for said encroachment and the maintenance thereof shall exist.

Section 4. Easement of Unintentional and Nonnegligent Encroachments. If a unit shall encroach upon any Common Property or Limited Common Property, or upon any other unit by reason of original construction or by the nonpurposeful or nonnegligent act of the unit owner, then an easement appurtenant to such encroaching unit, to the extent of such encroachment, shall exist so long as such encroachment shall exist. If any original construction or the nonpurposeful or nonnegligent act of the Association, then an easement appurtenant to such Common Property or Limited Common Property, to the extent of such encroachment shall exist so long as such encroachment shall exist.

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Section 5. Easement, Party Walls. Every wall which is located partly in one Unit and partly in an adjacent Unit is a party wall, and the Owner of each Unit shall have the right to use and enjoy the party wall jointly with the Owner of the adjacent Unit. Each such Unit shall have the benefit of, and be burdened with, a perpetual easement to the extent that such party wall shall deviate from the vertical by reason of any shifting of the building, or any part thereof; and that should such party wall be injured or damaged by any cause other than the deliberate or negligent conduct of either such Unit Owner, it shall be repaired at the joint expense of such adjacent Owners.

Section 6. Easements, Maintenance. Every Unit Owner shall have a perpetual easement in, upon, through and over the land of The Properties, to keep, maintain, use, operate, repair and replace: (a) his Unit, in its original position, and in every subsequent position to which it changes by reason of the gradual forces of nature and of the elements, whether such subsequent position be, in whole or in part, adjacent, subjacent, or superjacent to said original position; (b) every chimney, cupola, weathervane, stack, or vent, if originally installed by the Declarant; (c) every threshold, screen door, storm window, shutter, hood, awning and all hardware pertaining thereto; (d) every exterior wall fixture, if originally installed by the Declarant.

Section 7. Easements, Utilities. Every Unit Owner shall have a perpetual easement in the land of The Properties for the subterranean installation, maintenance and repair of any pipe, cable, wire, or other conduit of liquids or energy supplying water, sewerage, telephone, radio, television, electricity, heat, steam, or other similar service to the Unit owned by him, subject, however, to the provision that the work of installation or repair shall be performed by the Association or the agent of the Association.

Section 8. Rights of Entry. The Board of Directors shall have a limited right of entry in and upon the exterior of all Units for the purpose of inspecting The Properties, and taking whatever corrective action may be deemed necessary or proper by the Board of Directors, consistent with the provisions of this Master Deed and Declaration. However, nothing herein shall be construed to impose any obligation upon the Association to maintain or repair any property to be maintained or repaired by the Owner. Nothing in this Article shall in any manner limit the right of the Owner to exclusive occupancy and control over the interior of his Unit. However, each Owner hereby grants a right of entry to the Board of Directors or any other person authorized by the Board of Directors in case of any emergency originating in or threatening his Unit, whether the Owner is present or not. Furthermore, an Owner shall permit other Owners, or their representatives, to enter his Unit for the purpose of performing required installation, alterations or repair to the mechanical, electrical, or other utility services to a Unit, provided that such requests for entry are made in advance and that such entry is at a time reasonably convenient to the Owner whose Unit is to be entered. In case of an emergency, such right of entry shall be immediate.

ARTICLE 7
OCCUPANCY AND USE RESTRICTIONS

Section 1. Use and Occupancy. The Units shall be occupied and used by their respective Owners only as residential dwellings, and for no other purpose.

Section 2. Rentals. The Owners of the respective Units shall have the absolute right to lease same provided that said lease is made subject to the covenants and restrictions contained in this Master Deed and Declaration and subject to the By-Laws attached hereto.

Section 3. Obstructions and Maintenance. There shall be no obstruction of the Common Properties or Limited Common Properties nor shall anything be stored in or on the Common Properties or Limited Common Properties without the prior consent of the Board of Directors except as herein expressly provided. No waste shall be committed in the Common Properties or Limited Common Properties. Each Unit Owner shall be obligated to maintain and keep his own Unit, its windows and doors, and the patio or balcony which he has the exclusive right to use and occupy, in good, clean order and repair. The use of and the covering of the interior surfaces of windows, whether by draperies, shades or other items visible on the exterior of the buildings, shall be subject to the rules and regulations of the Board of Directors.

Section 4. Insurance Rates. Nothing shall be done or kept in any Unit or in the Common Properties or Limited Common Properties which will increase the rate of insurance on the

buildings, or contents thereof, applicable for residential use, or without the prior written consent of the Board of Directors. No Unit Owner shall permit anything to be done or kept in his Unit or in the Common Properties or Limited Common Properties which will result in the cancellation of insurance on the buildings, or contents thereof, or which would be in violation of any law.

Section 5. Machinery and Appliances. No Unit Owner shall overload the electric wiring in the buildings, or operate any machines, appliances, accessories or equipment in such manner as to cause, in the judgment of the Board of Directors, an unreasonable disturbance to others, or connect any machines, appliances, accessories or equipment to the heating system or plumbing system, without the prior written consent of the Board of Directors.

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Section 6. Signs and Sales Activities. No "For Sale" or "For Rent" signs, advertising or other displays shall be maintained or permitted on any part of The Properties except at such location and in such form as shall be determined by the Board of Directors. The right is reserved by the Declarant or its agent or agents, to place "For Sale" or "For Rent" signs on any unsold or unoccupied Units, and on any part of the Common Properties or Limited Common Properties, and the right is hereby given to any Mortgagee, who may become the Owner of any Unit, to place such signs on any Unit owned by such Mortgagee. Until all the Units are sold, the Declarant shall be entitled to access, ingress and egress to the buildings and The Properties as it shall deem necessary in connection with the construction or sale of the buildings or any Unit. The Declarant shall have the right to use any unsold Unit or Units as a model for sales or display purposes and to maintain on The Properties, until the sale of the last Unit, all models, sales offices and advertising signs or banners, if any, and lighting in connection therewith.

Section 7. Unit Exteriors. Unit Owners shall not cause or permit anything to be hung or displayed on the outside of windows or placed on the outside walls of the buildings and no sign, awning, canopy, shutter, radio or television antenna (except as constructed by the Declarant) shall be affixed to or placed upon the exterior walls or roof of any part thereof, without the prior consent of the Board of Directors.

Section 8. Animals. No animals, rabbits, livestock, fowl or poultry of any kind shall be raised, bred, or kept in any Unit or in the Common Properties or Limited Common Properties, for any commercial purpose.

Section 9. Noxious Activities. No noxious or offensive activity shall be carried on in any Unit or in or on the Common Properties or Limited Common Properties, nor shall anything be done therein, either willfully or negligently, which

may be or become an annoyance or nuisance to the other Unit Owners or occupants.

Section 10. Structural Integrity. Nothing shall be done in any Unit or in, on or to the Common Properties or Limited Common Properties which will impair the structural integrity of the buildings or which would structurally change the buildings except as otherwise provided herein.

Section 11. Common Properties and Limited Common Properties. The Common Properties and Limited Common Properties shall be used only for the purposes for which they are intended in the furnishing of services and facilities for the enjoyment of the units.

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Section 12. Mortgage. No unit owner may mortgage his unit nor any interest in it without the approval of the Association except to a bank, life insurance company, a savings and loan association or institution regulated by the Nebraska Department of Banking or to a vendor to secure a portion or all of the purchase price. The approval of any other mortgagee may be upon conditions determined by the Association or may be arbitrarily withheld.

Section 13. Limitation on Mortgagee Liabilities. Where the mortgagee of the first mortgage of record, or the purchaser or purchasers of a condominium unit obtains title to the condominium parcel or unit as a result of foreclosure of the first mortgage, or by voluntary conveyance in lieu of such foreclosure, said mortgagee shall not be liable for the shares of Common Expenses or assessments by the Association pertaining to such condominium unit or chargeable to former owner of such condominium unit which became due prior to acquisition of title by said mortgagee or purchaser as a result of the foreclosure or voluntary conveyance in lieu of said foreclosure. Such unpaid share of Common Expenses or assessments shall be deemed to be Common Expenses collectible from all of the owners of condominium units, including a successor or assign of the mortgagee. The waiver of liability granted herein for the payment of past due assessments shall not apply to the owner who takes back a purchase money mortgage.

Section 14. Unauthorized Transactions. Any sale or mortgage not authorized pursuant to the terms of this Declaration shall be void unless subsequently approved by the Association.

Section 15. Alteration of Units; Subdivision. Notwithstanding anything to the contrary in this Declaration, a Unit Owner:

(1) may make any improvements or alterations to the Unit that do not impair the structural integrity or mechanical systems or lessen the support of any portion of the condominium;

(2) may not change the appearance of the Common Properties, or the exterior appearance of a unit or any other portion of the condominium, without permission of the Association; and

(3) after acquiring an adjoining unit or an adjoining part of an adjoining unit, may remove or alter any intervening partition or create apertures therein, even if the partition in whole or in part is a common element, if those acts do not impair the structural integrity or mechanical systems or lessen the support of any portion of the condominium. Removal of partitions or creation of apertures under this paragraph is not an alteration of boundaries;

(4) may subdivide his Unit into two or more units, subject to other provisions of law, and upon application of a Unit Owner, the Association shall prepare, execute, and record an amendment to the Declaration, including the plats and plans, subdividing that unit, at the Owner's cost and expense.

ARTICLE 8

ARCHITECTURAL AND LANDSCAPING PROVISIONS

Except as otherwise specifically provided for in this Master Deed and Declaration, and excepting the interiors of a Unit, no replacement, addition or alteration of a building, structure, fence, drainage facility, landscaping, or planting on any portion of The Properties shall be carried out, other than by Declarant or the Board of Directors, except upon the prior written consent of the Board of Directors.

ARTICLE 9

REPAIR AND MAINTENANCE

Section 1. Duties of the Association. Subject to Article 12 pertaining to eminent domain, to Article 11 pertaining to destruction of improvements, and to Article 7 pertaining to an Owner's duties, the Association shall paint, maintain, repair and make necessary improvements to the Common Properties and Limited Common Properties, or shall contract for such maintenance, repair and improvements, to assure the maintenance of the Common Properties and Limited Common Properties in first class condition and repair. Such maintenance, repairs and improvements shall include, without limitation, all corrective architectural, janitorial and landscaping work; repair and payment for all master, centrally metered utilities and mechanical and electrical equipment in the Common or Limited Common Properties; payment of all charges for any and all utilities, which serve individual Units but which are not separately metered to the separate Units; payment of all Common Expenses and charges for utilities serving recreational amenities in the Common and Limited Common Properties; and repair and maintenance of all common walks, streets and other means of ingress and egress within the Common Properties or Limited Common Properties. All such maintenance,

repairs and improvements to the Common Properties or Limited Common Properties shall be paid for as Common Expenses or Limited Common Expenses out of the funds as provided in this Master Deed and Declaration. All work performed for and on behalf of an Owner shall be charged to such Owner as a Special Assessment, as herein provided. To the extent not assessed to or paid by the Owners, the Association shall pay all real and personal property taxes and assessments levied upon any portion of the Common Properties or Limited Common Properties. It shall further be the affirmative duty of the Board of Directors to require strict compliance with all provisions of this Master Deed and Declaration.

Section 2. Duties of Owners. Each Owner shall maintain, repair, replace, paint, paper, plaster, tile, finish and restore or cause to be so maintained, repaired, replaced and restored, at his sole cost and expense, all portions of his Unit. Additionally, each Owner shall be further responsible as follows:

a. To maintain, repair and replace at his expense the air conditioning and heating equipment serving his unit, including any portion thereof which may be located upon the roof, and all appliances and fixtures located in his Unit.

b. Not to paint or otherwise decorate or change the appearance of any portion of the exterior of the building.

c. To promptly report to the Association any defect or need for repairs, the responsibility for the remedying of which is that of the Association. All such repairs shall be done without disturbing the rights of other unit owners.

Section 3. Alteration and Improvement of Common Properties and Limited Common Properties. After the completion of the improvements included in the Common Properties and Limited Common Properties which are contemplated by this Master Deed, there shall be no alteration or further improvement of Common Properties or Limited Common Properties without prior approval in writing of the record owners of the units; provided, however, that any alteration or improvement of the Common Properties or Limited Common Properties bearing the approval in writing of the record owners of not less than 75% of the Common Properties and Limited Common Properties, and which does not interfere with the rights of any owners without their consent, may be done if the owners who do not approve are relieved from the initial cost thereof. The share of any cost not so assessed shall be assessed to the other unit owners in the same ratio as their shares in the Common Properties bear to each other. There shall be no adjustment in the shares and rights of a unit owner in the Common Properties or Limited Common Properties which are altered or further improved, whether or not the unit owner contributes to the cost thereof.

Section 4. Interior of Units. Each owner shall have the exclusive right to paint, repaint, tile, wax, paper, carpet, or otherwise decorate the interior surfaces of the walls, ceilings, floors, and doors forming the boundaries of his Unit and the surfaces of all walls, ceilings, floors, and doors within such boundaries.

ARTICLE 10
INSURANCE

Section 1. Duty to Obtain Insurance; Types. The Board of Directors or the Association shall maintain, to the extent reasonably available:

(1) Property insurance on the property including the common elements insuring against all risks of direct physical loss commonly insured against or, in the case of a conversion building, against fire and extended coverage perils. The total amount of insurance after application of any deductibles shall be not less than eighty percent of the actual cash value of the insured property at the time the insurance is purchased and at each renewal date, exclusive of land, excavations, foundations, and other items normally excluded from property policies; and

(2) Liability insurance, including medical payments insurance, in an amount determined by the Board, covering all occurrences commonly insured against for death, bodily injury, and property damage arising out of or in connection with the use, ownership, or maintenance of the common elements.

Section 2. Premiums. Insurance premiums for any blanket insurance coverage and any other insurance coverages, shall be a Common Expense to be paid by assessments levied by the Association; and such payments shall be held in a separate escrow account of the Association and used solely for the payment of the blanket property insurance premiums and other insurance premiums as such premiums become due.

Section 3. Proceeds; Deficiency. The proceeds of insurance policies shall be used to promptly repair or restore any property covered by insurance that is damaged or destroyed. In the event the insurance proceeds are insufficient to cover the cost of repair, restoration or reconstruction, then all Owners shall be liable for the assessment for any deficiency in proportion to the Allocation Interest of their respective Units, unless such damage or destruction is caused by the willful negligence of an Owner of the damaged or destroyed Unit, in which case such Owner shall alone bear the cost of such deficiency.

Section 4. Insurance Policies. Insurance policies carried pursuant to this Article 10 must provide that:

(1) Each Unit Owner is an insured person under the policy with respect to liability arising out of his or her interest in the common elements or membership in the Association;

(2) The insurer waives its right to subrogation under the policy against any Unit Owner;

(3) No act or omission by any Unit Owner, unless acting within the scope of his or her authority on behalf of the Association, will void the policy or be a condition to recovery under the policy; and

(4) If, at the time of a loss under the policy there is other insurance in the name of a Unit Owner covering the same risk covered by the policy, the association's policy provides primary insurance.

ARTICLE 11
DESTRUCTION OF IMPROVEMENTS

In the event the Property subject to this Master Deed and Declaration is totally or substantially damaged or destroyed, it shall be promptly repaired and restored by the Board of Directors, using proceeds of insurance for that purpose.

ARTICLE 12
EMINENT DOMAIN

Section 1. Definitions; Total Taking, Partial Taking, Special Partial Taking. The term "taking" as used in this Article shall mean condemnation by exercise of the power of eminent domain or by sale under threat of the exercise of the power of eminent domain. A "Total Taking" shall occur if there is a permanent taking by eminent domain of an interest in all or part of the Common Properties and Limited Common Properties, such that the operation and use of the Common Properties and Limited Common Properties in accordance with the provisions of this Master Deed and Declaration is substantially and adversely affected, and within one hundred twenty (120) days after the effective date of the taking the Owners do not by affirmative vote of a majority of their entire voting power approve the repair, restoration and replacement to the extent feasible of the Common Properties and Limited Common Properties not taken or only so partially taken. A "Partial Taking" shall occur if there is any other permanent taking of the Common Properties or Limited Common Properties. Following any taking which in the opinion of the Board of Directors would constitute a Total Taking in the absence of the affirmative vote of the Owners by the foregoing provisions, the Board of Directors shall call a special meeting of the Members to be held promptly, and in any event within sixty (60) days after the effective date of such taking, to determine if such Owners will, or will not, decide to repair the Common Properties or Limited Common Properties as provided herein.

Section 2. Awards; Repair, Restoration and Replacement.

a. In the event of a Total Taking, the Board of Directors shall, subject to the right of all first Mortgagees of record who have requested the right to join them in the proceedings, and except as provided in Section 3 of this Article, represent all of the Owners in an action to recover all awards remaining from the total award. The net proceeds thereof, after deducting incidental fees and expenses, shall be distributed by the Board of Directors to the Owners and Mortgagees as their interests shall then appear.

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b. In the event of a Partial Taking, the provisions of the first sentence of the preceding subparagraph (a) shall be applicable; provided, however, that the net proceeds of the awards, after deducting related fees and expenses and the portions of the awards attributable in the taking proceedings, or failing such attribution, attributable by the Board of Directors, shall be held by the Board of Directors. Such net proceeds shall be first applied to satisfy any first Mortgage of record (made in good faith and for value) with respect to any Units completely taken, then the first Mortgagees of record with respect to the remaining Units affected by such taking shall be paid severance damages to the extent such Mortgagees can prove that their security has been impaired by such taking. The balance of the net proceeds shall then be applied to repair, restoration and replacement of the Common Properties and Limited Common Properties to as nearly their condition prior to the taking as may be feasible, in the same manner and under the same provisions applicable to the proceeds of insurance as set forth in Article 10 hereof, except for any provisions relating to Owners' personal property. Any funds held for restoration by the Board of Directors following completion thereof shall be disposed of, in each case in the same manner as provided in Section 2(a) of this Article. In the event that the funds held for restoration by the Board of Directors are less than the cost of restoration and repair, a Reconstruction Assessment of the Owners, with each Owner contributing equally, may be levied by the Board of Directors to provide the necessary additional funds for such reconstruction. Following any Partial Taking, the Association shall continue, subject to and with the benefit of all the provisions of this Master Deed and Declaration, so far as applicable to the remaining Units and Common Properties and Limited Common Properties, and the voting interests of the Members shall be reduced to reflect the then current number of Units. In the event of a temporary taking of Common Properties or Limited Common Properties, the Board of Directors shall have exclusive rights to prosecute the proceedings for the respective taking awards

and shall apply the proceeds thereof to reduce Common Expenses and Limited Common Expenses.

Section 3. Awards for Owners' Personal Property and Relocation Allowances. Where all or part of The Properties is taken by eminent domain, each Owner shall have the exclusive right to claim all of the award made for such Owner's personal property, and any relocation or moving expense, or other allowance of a similar nature designed to facilitate relocation. Notwithstanding the foregoing provisions, however, or the provisions of Sections 1 and 2 of this Article, the Board of Directors shall represent each Owner in an action to recover all awards with respect to such portion, if any, of an Owner's personal property as is at the time of any taking, as a matter of law, part of the real estate comprising any Unit, and shall allocate to such Owner so much of any awards as is attributable in the taking proceedings, or failing such attribution, attributable by the Board of Directors to such portion of Owner's personal property. The amount so allocated shall be paid to the Owner entitled thereto, whether or not the Unit in which such Owner's personal property was located is to be restored by the Board of Directors. Notwithstanding restoration of the Unit, the Board of Directors shall have no responsibility for restoration of such Owner's personal property.

Section 4. Notice to Owners and Listed Mortgagees. The Board of Directors immediately upon having knowledge of any taking by eminent domain of The Properties, or any portion thereof, or any threat thereof, shall promptly notify all Owners and those Mortgagees who have filed a written request for such notice with the Board of Directors.

ARTICLE 13 RIGHTS OF MORTGAGEES

Section 1. First Mortgage Not Defeated. A breach of any of the provisions, covenants, restrictions or limitations hereof, or the recordation of any lien for assessment hereunder or the pursuit of any remedy hereunder, shall not defeat or render invalid the lien of any first mortgage of record (meaning any recorded mortgage taken in good faith and for value upon the Unit of such Owner). The Owners and their first mortgagees may examine the books and records of the Association at all normal business hours, upon serving written notice of such examination on the Board.

Section 2. Provisions Binding. All of the provisions herein shall also be binding upon and effective against any Owner whose title to a Unit is hereafter acquired through foreclosure or trustee's sale.

Section 3. Approval Required. Unless at least seventy-five percent (75%) of the first mortgagees (based upon one (1) vote for each mortgage owned) of the Units have given

their prior written approval, neither the Association nor the Owners shall by act or omission (a) abandon or terminate the regime, except for abandonment or termination provided by law in the case of substantial destruction by fire; or, (b) seek to abandon, partition, subdivide, encumber, sell, convey, transfer, deed in trust or mortgage any portion of the Common Properties or Limited Common Properties, including the improvements thereon; provided, however, that the granting of easements for public utilities or for other public purposes consistent with the intended use of The Properties by the Owners and the Association shall not be deemed a transfer within the meaning of the foregoing clause; or, (c) waive, abandon or change any scheme of regulations, or enforcement thereof, pertaining to the architectural design or the exterior appearance of The Properties, the exterior maintenance of The Properties, or the upkeep of lawns, plantings, driveways and other improvements in The Properties; or, (d) change the pro rata interest or method of determining the obligations of any Unit or Owner for purposes of (i) levying assessments, obligations, dues or other charges, or (ii) determining the pro rata share of ownership of the Common Properties or Limited Common Properties and proceeds of the Association.

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Section 4. Request for Notification. The holder of any first mortgage of record on a Unit may file with the Board a written request for written notification from the Association in the event of any default by the mortgagor of such Unit in the performance of such mortgagor's obligations under this Master Deed and Declarations which is not cured within thirty (30) days, and the Board shall give each such mortgagee notice thereof.

ARTICLE 14
AMENDMENT

Section 1. Amendment by Owners. Subject to the rights of Declarant reserved in this Declaration, notice of the subject matter of a proposed amendment to this Master Deed and Declaration in reasonably detailed form shall be included in the notice of any meeting of the Association at which a proposed amendment is to be considered. A resolution adopting a proposed amendment may be offered by a member at a meeting of the Association. Adoption of the resolution shall require approval by at least seventy-five percent (75%) of the votes of the entire membership of the Association. A copy of each amendment shall be certified by at least two (2) officers of the Association, and the amendment shall be effective when the Certificate of Amendment is recorded in the public records of Lancaster County, Nebraska.

Section 2. Proviso. Unless said amendment includes the retained development rights of Declarant, no amendment shall discriminate against any unit owner nor against any unit or class or group of units, unless the unit owners so affected shall consent, and no amendment shall change any unit or the share in

the Common Properties or the Limited Common Properties appurtenant to it, nor increase the owner's share of the Common Expenses or Limited Common Expenses unless the record owner of the unit concerned shall join in the execution of the amendment.

Section 3. Mortgagees' Agreement. Notwithstanding any other provision of this Master Deed and Declaration, any of the following amendments, to be effective, must be approved in writing by the record holders of seventy-five percent (75%) of the first mortgages on all of the Units at the time of such amendment, based upon one (1) vote for each mortgage owned:

a. Any amendment which affects or purports to affect the validity or priority of encumbrances or the rights or protection granted to mortgagees as provided in this Master Deed and Declaration, including without limitation, Article 13 hereof.

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b. Any amendment which would necessitate a mortgagee, after it has acquired a Unit through foreclosure, to pay more than its proportionate share of any unpaid assessment or assessments accruing after such foreclosure.

c. Any amendment which would or could result in an encumbrance being cancelled by forfeiture, or in the individual Units not being separately assessed for tax purposes.

d. Any amendment relating to the insurance provisions as set out in Article 10 hereof, or to the application of insurance proceeds as set out in Article 11 hereof, or to the disposition of any money received in any taking under condemnation proceedings.

e. Any amendment which would or could result in termination or abandonment of the regime or partition or subdivision of a Unit, in any manner inconsistent with the provisions of this Master Deed and Declaration.

f. Any amendment which would subject any Owner to a right of first refusal or other such restriction in favor of the Association, in the event such Owner exercises his right to sell, transfer or otherwise convey his Unit.

Section 3. Certification. A certificate, signed and sworn to by members representing at least seventy-five percent (75%) of the votes of the members have either voted for or consented in writing to any amendment adopted as above provided, when recorded, shall be conclusive evidence of such fact. The Association shall maintain in its files the record of all such votes or written consent of any of the record holders or mortgagees.

Section 4. Protection of Declarant. Notwithstanding any other provision in this Master Deed and Declaration, the prior written approval of Declarant will be required before any amendment which would impair or diminish the rights of Declarant to complete the development and sales of all of its Units.

Section 5. Amendment by Declarant. Notwithstanding the foregoing, until the close of the sale of the first Unit, Declarant shall have the right to terminate or modify this Master Deed and Declaration by recordation of a supplement hereto setting forth such termination or modification. For purposes of this Master Deed and Declaration, the close of the sale of the first Unit shall be deemed to be the date upon which a deed conveying said Unit is recorded in the office of the Lancaster County Register of Deeds.

ARTICLE 15
GENERAL PROVISIONS

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Section 1. Legal Proceedings. Failure to comply with any of the terms of this Master Deed and Declaration, the Articles of Incorporation, or the By-Laws of the Association and regulations adopted pursuant thereto by an Owner, his family, guests, employees, invitees or tenants, after compliance with the administrative procedure and remedies set forth herein and in the By-Laws of the Association (except for the nonpayment of any assessments as provided for herein), shall be grounds for relief which may include, without limitation, an action to recover sums due for damages, injunctive relief, foreclosure of lien, or any combination thereof, which relief may be sought by Declarant, the Board of Directors, or, if appropriate by an aggrieved Owner. Any Owner (not at the time in default hereunder), or Declarant shall be entitled to bring an action for damages against any defaulting Owner, and in addition may enjoin any violation of this Master Deed and Declaration. Any judgment rendered in any action or proceedings pursuant hereto shall include a sum for attorneys' fees, in such amount as the court may deem reasonable, in favor of the prevailing party, as well as the amount of any delinquent payment, interest thereon, costs of collection and court costs. Each remedy provided for in this Master Deed and Declaration shall be cumulative and not exclusive or exhaustive.

Section 2. Failure to Enforce. No terms, obligations, covenants, conditions, restrictions or provisions imposed hereby or contained herein shall be abrogated or waived by any failure to enforce the same, no matter how many violations or breaches may occur.

Section 3. Hold Harmless and Indemnification. Each Owner shall be liable to the Association for any damage to the Common Properties or Limited Common Properties of any type or to any equipment or facilities thereon which may be sustained by reason of the negligence of said Owner, his guests or invitees,

to the extent that any such damage shall not be covered by insurance.

Section 4. Use of Facilities. The Board of Directors shall have the right to establish reasonable restrictions on the time and manner of use of facilities available for use by the Owners, their guests or invitees.

Section 5. No Representations or Warranties. No representations or warranties of any kind, express or implied, have been given or made by Declarant, or its agents or employees in connection with The Properties or any portion thereof, its physical condition, zoning, compliance with applicable laws, fitness for intended use, or in connection with the subdivision, sale, operation, maintenance, cost of maintenance, taxes or regulation thereof as an integrated development, or otherwise, except as specifically and expressly set forth in this Master Deed and Declaration.

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Section 6. Nonliabilities and Indemnification. No right or power conferred on the Board of Directors, by virtue of this Master Deed and Declaration or by the Articles of Incorporation or By-Laws of the Association shall be construed as a duty, obligation or disability charged upon the Board of Directors or upon any individual member thereof, and except for injuries arising out of malicious acts of any director, no such director or member shall be liable to any person for his decisions or failure to act in making decisions as a director. The Association shall pay all expenses incurred by, and satisfy any judgment or fine rendered or levied against, any person who is or has been a director, officer, employee or committee member of the Association in any action brought by a third party against such person (whether or not the Association is joined as a party defendant) to impose a liability or penalty on such person while a director, officer, employee or committee member of the Association; provided that the Board of Directors of the Association determines in good faith that such director, officer, employee or committee member was acting in good faith within what he reasonably believed to be the scope of his employment or authority and for a purpose which he reasonably believed to be in the best interests of the Association or its Members. Payments include amounts paid and expenses incurred in settling any such action or threatened actions. This provision shall be construed to provide for such payments and indemnification to the fullest extent permitted by the provisions of the applicable laws.

Section 7. Notices. Notices required or permitted to be given to the Board of Directors or any Unit Owner may be delivered to any member of the Board or such Unit Owner either personally or by mail addressed to such Board member or Unit Owner at his Unit. Notices required to be given to any devisee or personal representative of a deceased Unit Owner may be delivered either personally or by mail to such party at his or

its address appearing in the records of the court wherein the estate of such deceased Owner is being administered.

Section 8. Severability. The provisions hereof shall be deemed independent and severable, and the invalidity or partial invalidity or unenforceability of any one provision or portion thereof as may be determined by a court of competent jurisdiction shall not affect the validity or enforceability of any other provisions hereof.

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Section 9. Termination. The condominium may be terminated in the following manner, in addition to the manner provided by The Nebraska Condominium Act: The condominium may be terminated at any time by approval in writing of all record owners of units and all record owners of mortgages on units. If the proposed termination is submitted to a meeting of the members of the Association, the notice of the meeting giving notice of the proposed termination, and if the approval of the owners of not less than seventy-five percent (75%) of the Common Properties, and of the record owners of all mortgages upon the units, are obtained in writing not later than 30 days from the date of such meeting, then the approving owners shall have an option to buy all of the units of the other owners for the period ending on the 60th day from the date of such meeting. Such approvals shall be irrevocable until the expiration of the option, and if the option is exercised, the approvals shall be irrevocable. The option shall be upon the following terms:

a. Exercise of Option. The option shall be exercised by delivery or mailing by registered mail to each of the record owners of the units to be purchased an agreement to purchase signed by the record owners of units who will participate in the purchase. Such agreement shall indicate which units will be purchased by each participating owner and shall require the purchase of all units owned by owners not approving the termination, but the agreement shall effect a separate contract between each seller and purchaser.

b. Price. The sale price for each unit shall be the fair market value determined by agreement between the seller and purchaser within 30 days from the delivery or mailing of such agreement, and in the absence of agreement as to price it shall be determined by arbitration in accordance with the then existing rules of the American Arbitration Association, except that the arbitrators shall be two appraisers appointed by the American Arbitration Association who shall base their determination upon an average of their appraisal of the unit; and a judgment of specific performance of the sale upon the award rendered by the arbitrators may be entered in any court of competent jurisdiction. The expense of the arbitration shall be paid by the purchaser.

c. Payment. The purchase price shall be paid in cash.

d. Closing. The sale shall be closed within ten days following the determination of the sale price.

The termination of the condominium in either of the foregoing manners shall be evidenced by a certificate of the Association executed by its president and secretary certifying as to facts effecting the termination, which certificate shall become effective upon being recorded in the public records of Lancaster County, Nebraska.

After termination of the condominium, the unit owners shall own the condominium property and all assets of the Association as tenants in common in undivided shares that shall be the same as the undivided shares in the Common Properties and Limited Common Properties appurtenant to the owners' units prior to the termination.

This action concerning termination cannot be amended without consent of all unit owners and of all record owners of mortgages upon the units.

IN WITNESS WHEREOF, the undersigned being the Declarant herein, has hereunto set his hand this 7th day of AUGUST, 1985.

VALLEY VIEW LIMITED PARTNERSHIP,
a Nebraska general partnership,
Declarant,

By: _____
Partner

Doug Simonson
Doug Simonson

Alan Seagren
Alan Seagren

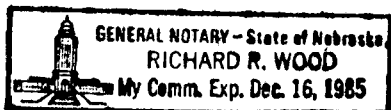
Allan Quick
Allan Quick

STATE OF NEBRASKA)
) ss.
COUNTY OF LANCASTER)

On this 7th day of August, 1985
before me, the undersigned, a Notary Public, personally came
Alan T. Sager, general partner of Valley View Limited
Partnership, to me personally known to be a general partner and
the identical person whose name is affixed to the above
instrument, and acknowledged the execution thereof to be his
voluntary act and deed as such partner and the voluntary act and
deed of the said Partnership.

WITNESS my hand and Notarial Seal at Lincoln,
in said County the day and year last above written.

Richard R. Wood
Notary Public



STATE OF NEBRASKA)
COUNTY OF DODGE) ss

Before me, the undersigned, a Notary Public, in and
for said County, personally came Doug Simonson, to me personally
known to be the identical person who executed the above and
foregoing ~~Articles of Incorporation as incorporation thereof~~, instrument,
and acknowledged the execution thereof to be his voluntary act
and deed as such partner and the voluntary act and deed of the
said Partnership.

IN WITNESS WHEREOF, I have hereunto set my hand and
notarial seal this 27th day of August, 1985.

Alyce Marie Kubr
Notary Public

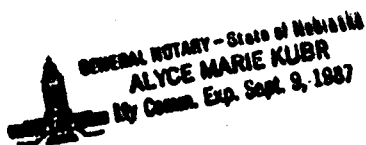


EXHIBIT B

Parcel 1

COMMENCE FROM THE SOUTH 1/4 CORNER OF SECTION 34, T17N, R8E OF THE 6TH P.M., SAUNDERS COUNTY, NEBRASKA, THENCE ON AN ASSUMED BEARING OF N0°00'00"E ALONG THE WEST LINE ON THE SE½ OF SAID SECTION 34 A DISTANCE OF 80.90' TO A POINT ON THE NORTH ROW LINE OF STATE HIGHWAY NO. 109; THENCE S89°18'26"E ALONG THE SAID ROW LINE A DISTANCE OF 958.33', THENCE N2°42'43"W A DISTANCE OF 366.44' TO THE TRUE POINT OF BEGINNING, THENCE S49°54'36"E A DISTANCE OF 138.00', THENCE S40°05'24"W A DISTANCE OF 58.00', THENCE S49°54'36"E A DISTANCE OF 105.00', THENCE N40°05'24"E A DISTANCE OF 58.00', THENCE S49°54'36"E A DISTANCE OF 154.66', THENCE N40°05'24"E A DISTANCE OF 69.19', THENCE N0°42'02"W A DISTANCE OF 103.02', THENCE N30°00'21"W A DISTANCE OF 111.05', THENCE N49°54'36"W A DISTANCE OF 225.94', THENCE S40°05'24"W A DISTANCE OF 185.00' TO THE POINT OF BEGINNING. SAID PARCEL CONTAINS A CALCULATED AREA OF 1.66 ACRES MORE OR LESS.

Parcel 2

COMMENCING FROM THE SW CORNER OF LOT 45 VALLEY VIEW ESTATES SAID POINT ALSO BEING THE TRUE POINT OF BEGINNING, LOCATED IN THE SE½ OF SECTION 34, T17N, R8E OF THE 6TH P.M., SAUNDERS COUNTY, NEBRASKA, THENCE N4°26'16"W ALONG THE WEST LINE OF SAID LOT 45 A DISTANCE OF 115.00', THENCE S85°33'44"W A DISTANCE OF 82.45', THENCE S0°42'02"E A DISTANCE OF 103.02', THENCE S86°39'00"E A DISTANCE OF 90.00' TO THE POINT OF BEGINNING. SAID PARCEL CONTAINS A CALCULATED AREA OF 0.22 ACRES MORE OR LESS.

Parcel 3

COMMENCING FROM THE SOUTH 1/4 CORNER OF SECTION 34, T17N, R8E OF THE 6TH P.M., SAUNDERS COUNTY, NEBRASKA, THENCE ON AN ASSUMED BEARING OF N0°00'00"E ALONG THE WEST LINE OF THE SE½ OF SAID SECTION 34 A DISTANCE OF 80.90' TO A POINT ON THE NORTH ROW LINE OF STATE HIGHWAY 109; THENCE S89°18'26"E ALONG THE SAID ROW LINE A DISTANCE OF 91.93', THENCE N0°41'34"E A DISTANCE OF 50.00' TO THE TRUE POINT OF BEGINNING, THENCE S89°18'26"E ALONG A LINE 50.00' NORTH OF AND PARALLEL TO THE NORTH ROW LINE OF STATE HIGHWAY NO. 109, A DISTANCE OF 53.90', THENCE S89°34'07"E ALONG A LINE 50.00' NORTH OF AND PARALLEL TO THE NORTH ROW LINE OF STATE HIGHWAY NO. 109, A DISTANCE OF 69.30', THENCE N40°05'24"E A DISTANCE OF 108.96', THENCE N49°54'36"W A DISTANCE OF 95.00', THENCE S40°05'24"W A DISTANCE OF 187.39' TO THE POINT OF BEGINNING. SAID PARCEL CONTAINS A CALCULATED AREA OF 0.32 ACRES MORE OR LESS.

Parcel 4

JOINT, NON-EXCLUSIVE ACCESS EASEMENT OVER AND ACROSS
THE PROPERTY DESCRIBED ON EXHIBIT A, AND APPROXIMATELY
AS SHOWN ON EXHIBIT C.

175-32

EXHIBIT A

Legal Description

COMMENCING FROM THE SOUTH 1/4 CORNER OF SECTION 34, T17N, R8E OF THE 6TH P.M., SAUNDERS COUNTY, NEBRASKA, THENCE ON AN ASSUMED BEARING OF N0°00'00"E ALONG THE WEST LINE OF THE SE¼ OF SAID SECTION 34 A DISTANCE OF 80.90' TO A POINT ON THE NORTH R.O.W. LINE OF STATE HIGHWAY NO. 109; THENCE S89°18'26"E ALONG THE SAID R.O.W. LINE A DISTANCE OF 958.33' TO THE TRUE POINT OF BEGINNING, THENCE CONTINUING S89°18'26"E ALONG THE SAID R.O.W. LINE A DISTANCE OF 145.92' TO THE SOUTH CORNER OF LOT 46, VALLEY VIEW ESTATES. THENCE S89°34'07"E ALONG SAID R.O.W. LINE A DISTANCE OF 288.57' TO THE SOUTHEAST CORNER OF SAID LOT 46, THENCE N4°26'16"W ALONG THE EAST LINE OF SAID LOT 46 A DISTANCE OF 306.23' TO THE NORTHEAST CORNER OF SAID LOT 46 THENCE N2°42'43"W ALONG THE WEST LINE OF LOTS 43, 42 AND 41 OF SAID VALLEY VIEW ESTATES A DISTANCE OF 262.01' TO THE NORTHWEST CORNER OF SAID LOT 41, THENCE S87°17'17"W A DISTANCE OF 424.57' THENCE S2°42'43"E A DISTANCE OF 543.61' TO THE POINT OF BEGINNING. SAID PARCEL CONTAINS A CALCULATED AREA OF 5.45 ACRES MORE OR LESS.

EXHIBIT C

VALLEY VIEW ESTATES

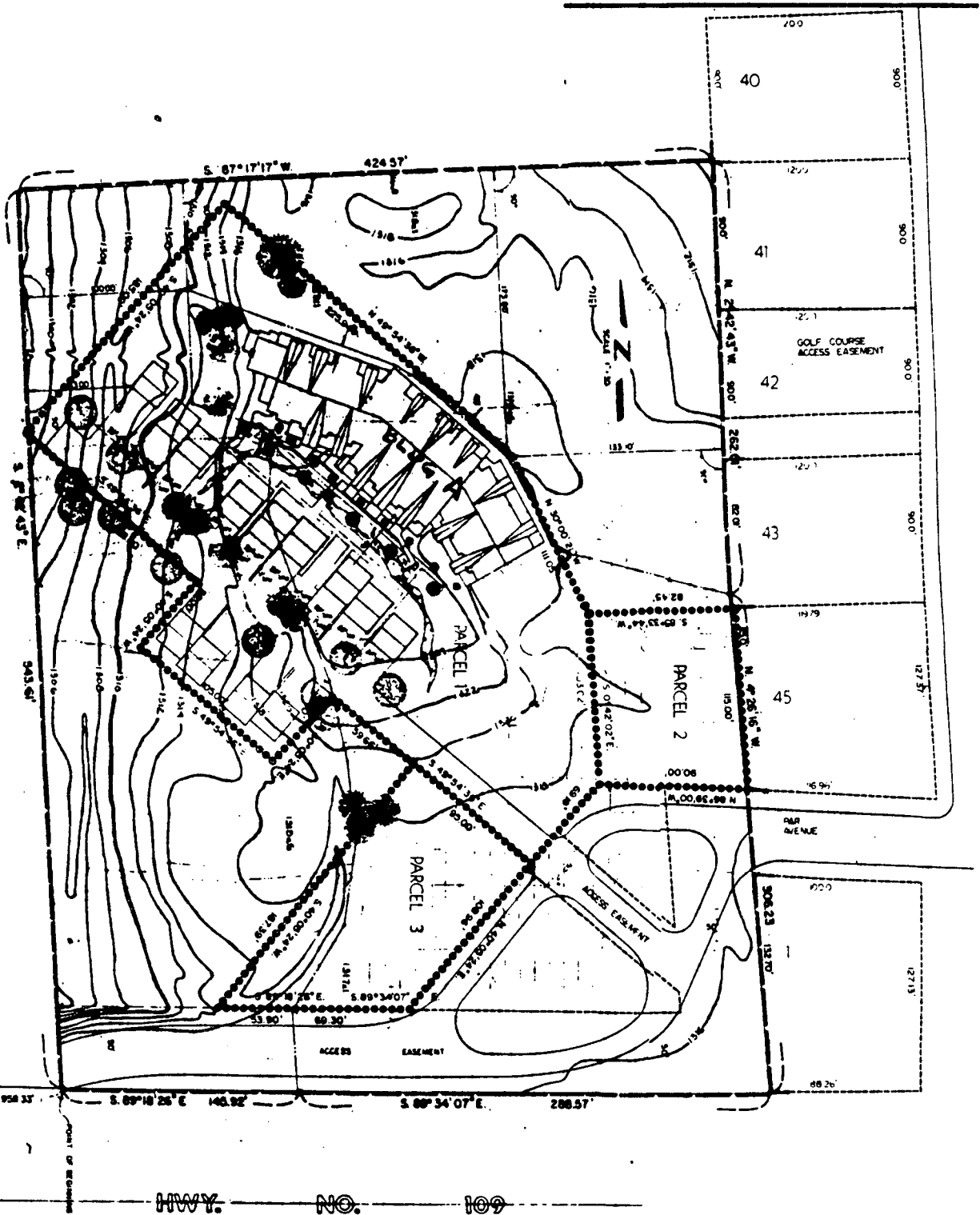


EXHIBIT C

I. DESCRIPTION OF COMMON ELEMENTS

A. Common Elements shall mean all portions of the Valley View Condominiums other than the Units, but such Common Elements are subject to being allocated to the exclusive use of one or more (but less than all) Units as described in II below. Unless located solely within a Unit and serving only such Unit, Common Elements shall always include the property and equipment necessary to provide essential utility services to the exterior of the Units; namely: plumbing, sewer, water, electrical, gas, telephone, tele-communications, and cable T.V.

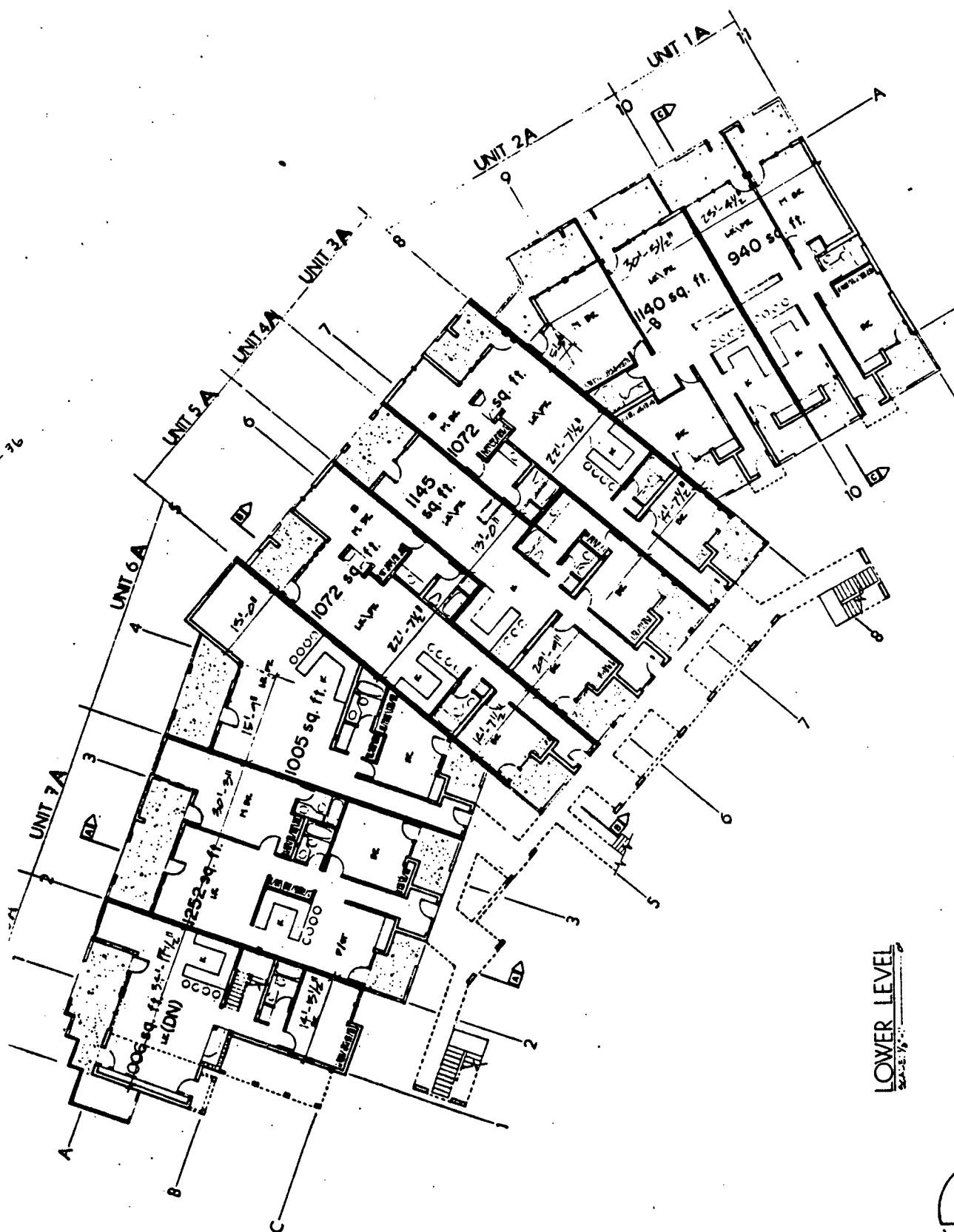
B. Common Elements shall also specifically include the joint, non-exclusive access easements shown on Exhibit C, page 1, and the responsibility of Valley View Condominiums to share in the cost of repairing and maintaining said access.

II. DESCRIPTION OF LIMITED COMMON ELEMENTS

Limited Common Elements shall mean:

- 1) Those Common Elements designated on Exhibit C, page 1, as limited to the use of one or more Units;
- 2) Any chute, flue, duct, wire, conduit, pipe, walls, column, or any fixture that is partially within and partially outside the designated boundaries of a Unit shall, if it serves only one Unit be a Limited Common Element allocated exclusively to the Unit it serves, and if it serves more than one Unit be a Common Element;
- 3) Shutters, awnings, window boxes, doorsteps, porches, stoops, balconies, patios, and all exterior doors, windows, or other fixtures designed to serve a single Unit, but located outside the Unit's boundaries, are Limited Common Elements allocated exclusively to that Unit.

EXHIBIT D



LOWER LEVEL

EXHIBIT D

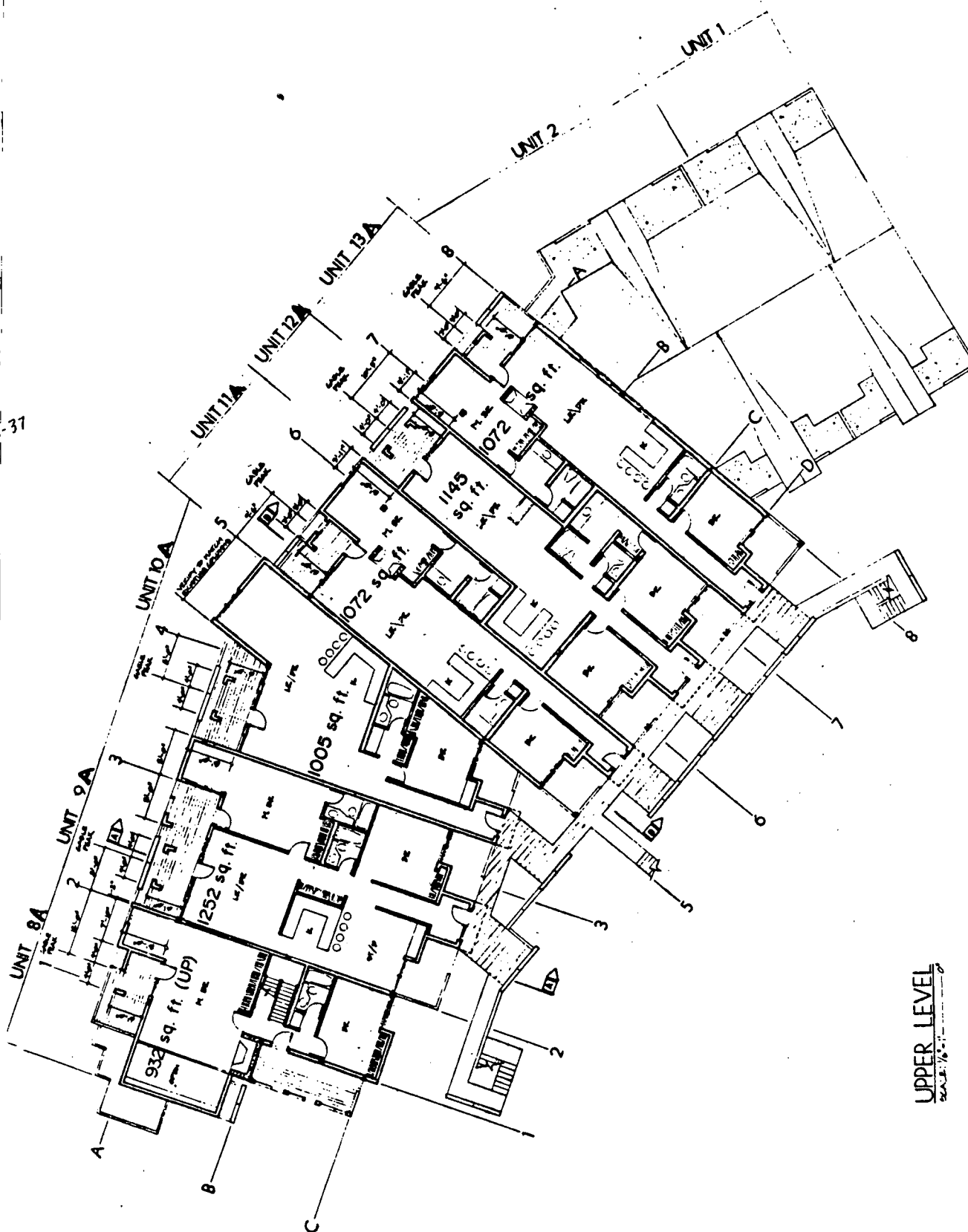
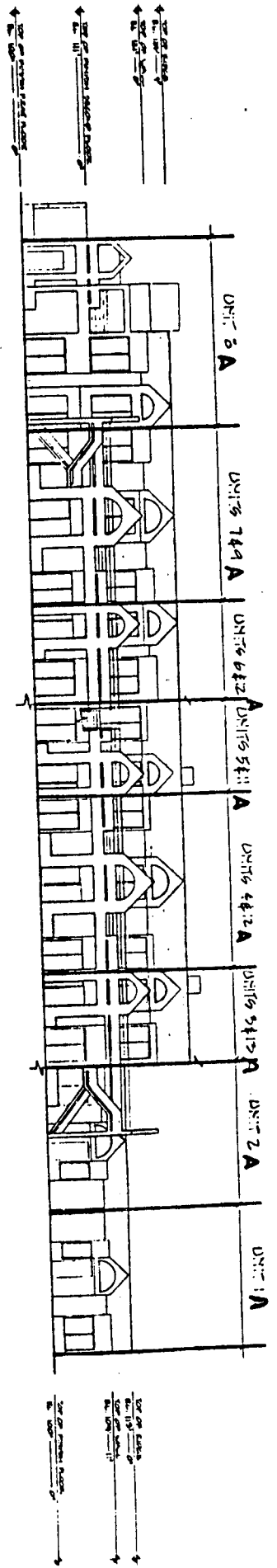
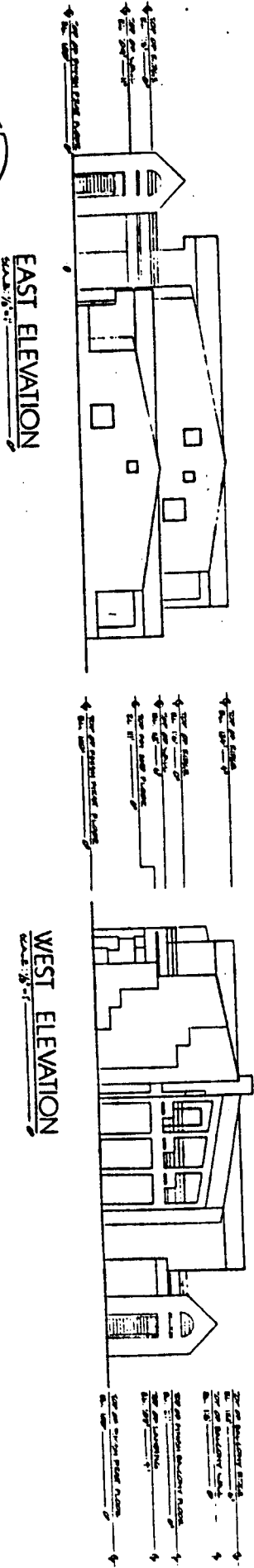
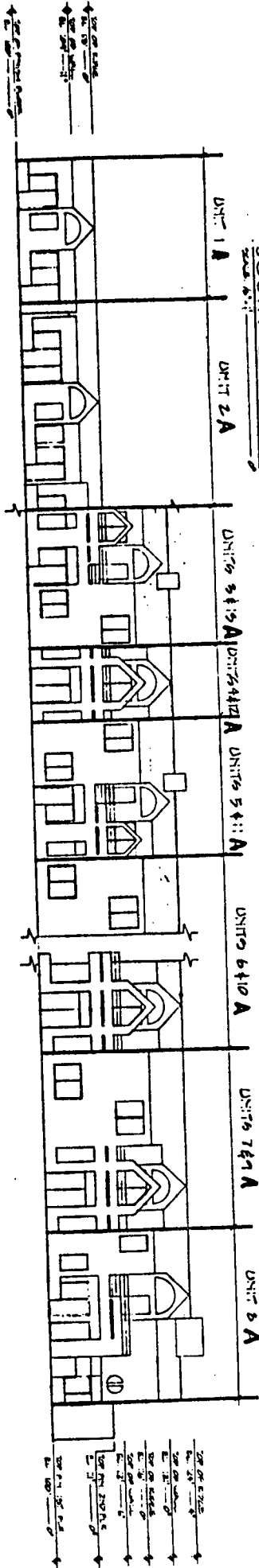


EXHIBIT B

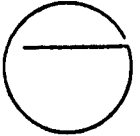


SOUTH ELEVATION

NORTH ELEVATION



WEST ELEVATION



EAST ELEVATION

EXHIBIT F

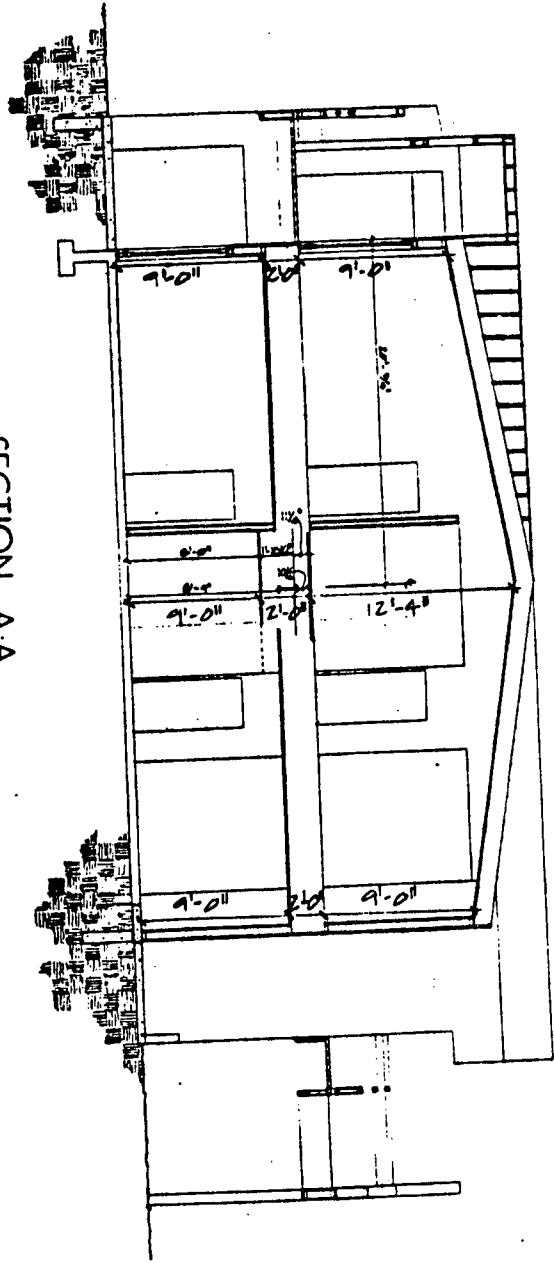
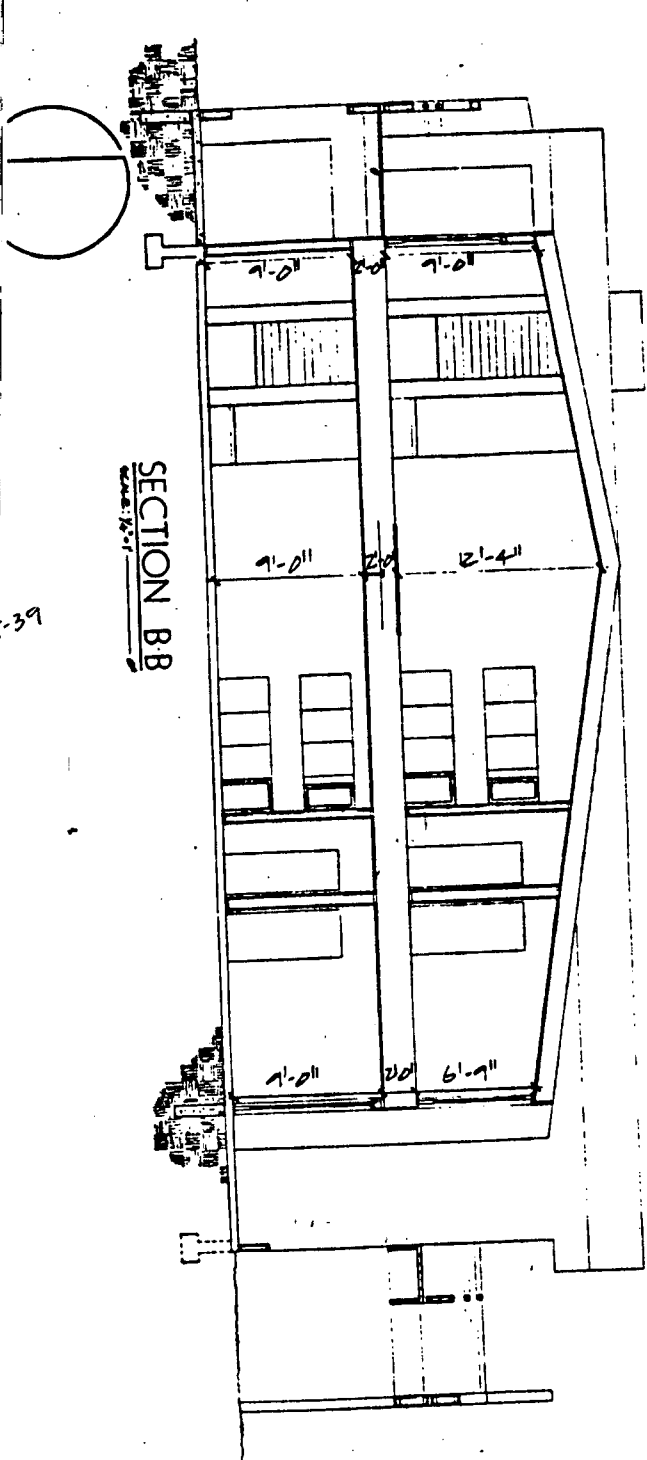
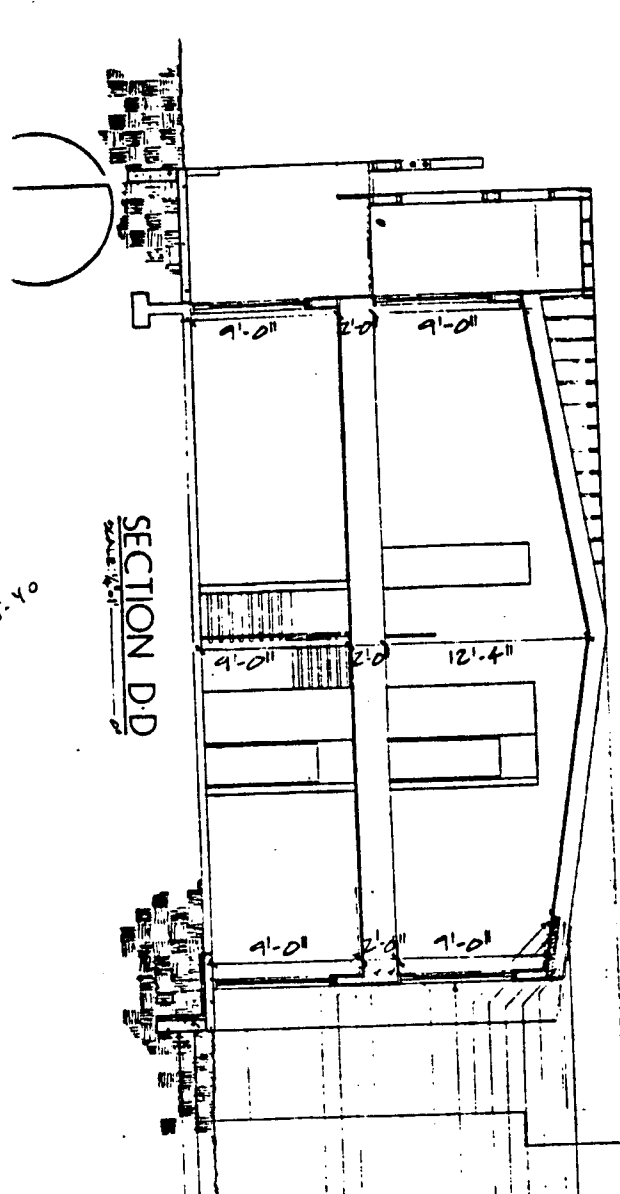
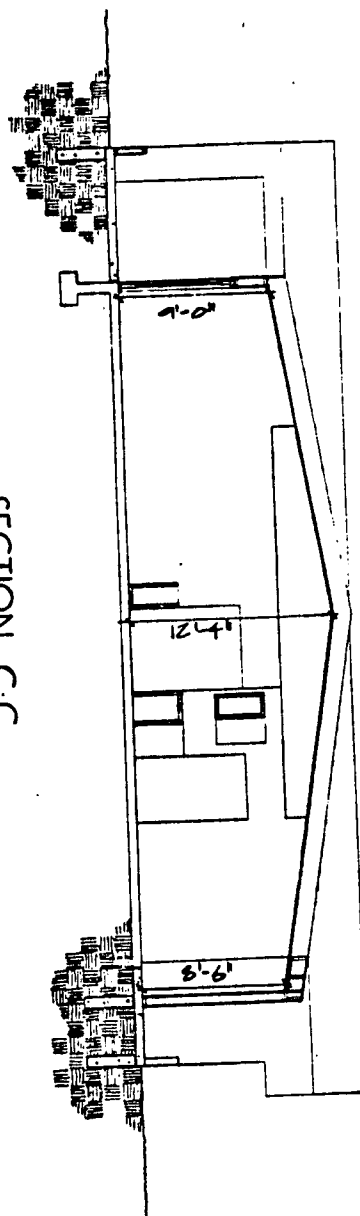


EXHIBIT F



SECTION C.C
TRANSVERSE



- [illegible]

EXHIBIT G

ALLOCATED INTEREST

<u>Unit Designation</u>	<u>Square Feet</u>	<u>Percentage</u>
1A	940	6.20%
2A	1140	7.50%
3A	1072	7.10%
4A	1145	7.6 %
5A	1072	7.10%
6A	1005	6.65%
7A	1252	8.30%
8A	1938	12.80%
9A	1252	8.30%
10A	1005	6.65%
11A	1072	7.10%
12A	1145	7.6 %
13A	1072	7.10%
		<u>100.00</u>

175-41

The above percentage has been determined by reference to the amount of total square feet allocated to Building A (in the amount of 15,110 square feet) and the portion of Building A occupied by a Unit, subject to "rounding."

The above Allocated Interests shall be adjusted, by reference to square feet, if Declarant exercises its rights to add additional Units.

EXHIBIT B

BY-LAWS
OF
VALLEY VIEW OWNERS ASSOCIATION, INC.ARTICLE I
NAME AND LOCATION

The name of the corporation is Valley View Owners Association, Inc., hereinafter referred to as the "Association". The principal office of the corporation shall be located in Fremont, Nebraska, but meetings of members and directors may be held at such places within the State of Nebraska, as may be designated by the Board of Directors.

ARTICLE II
DEFINITIONS

175-42
Section 1. "Association" shall mean and refer to Valley View Owners Association, Inc., its successors and assigns.

Section 2. "Common Properties" shall mean all real property and personal property owned by the Association for the common use and enjoyment of the Owners.

Section 3. "Declarant" shall mean and refer to Valley View Limited Partnership and its successors and assigns.

Section 4. "Master Deed and Declaration" shall mean and refer to the Master Deed and Declaration applicable to The Properties recorded in the office of the Register of Deeds of Saunders County, Nebraska.

Section 5. "Member" shall mean and refer to those persons entitled to membership in the Association as provided in the Master Deed and Declaration.

Section 6. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title of any Unit included within The Properties but, notwithstanding any applicable theory of mortgage, shall not mean or refer to the mortgagee of any Unit unless and until such mortgagee shall have acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure.

Section 7. "The Properties" shall mean and refer to all existing properties, and additions thereto, defined and described in the Master Deed and Declaration, including "Common Properties", as therein defined, and including such additions as may hereafter be brought within the jurisdiction of the Association.

Section 8. "Unit" shall mean and refer to any residential living unit shown and identified in the Master Deed and Declaration, including such additions as may hereafter be brought within the jurisdiction of the Association.

ARTICLE III
MEETING OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the members shall be held within one year from the date of incorporation of the Association, and each subsequent regular annual meeting of the members shall be held on the same day of the same month of each year thereafter, at the hour of 8 o'clock P.M. If the day for the annual meeting of the members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

175-43
Section 2. Special Meetings. Special meetings of the members may be called at any time by the President or by the Board of Directors, or upon written request of the members who are entitled to vote one-fifth (1/5) of all of the votes of the membership.

Section 3. Notice of Meetings. Written notice of each meeting of the members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least 10 days but not more than 50 days, before such meeting to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice unless other or different notice is provided for in the Articles of Incorporation, the Master Deed and Declaration, or these By-Laws in which case such other or different notice shall be given. Such notice shall specify the place, day and hour of the meeting, and the agenda of the meeting, including a general description of any proposed amendment to the Declaration, these By-Laws, any budget changes, and any proposal to remove a director or officer.

Section 4. Quorum. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, 20% of the votes shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Master Deed and Declaration, or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in

writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his Unit.

ARTICLE IV
BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of three (3) directors. Until the earlier of 60 days after 25% of the Units have been conveyed to owners other than Declarant, or two (2) years after Declarant has ceased to offer Units for sale, the Board shall be appointed by Declarant. Thereafter, the Board shall consist of at least two (2) persons who are unit owners or designated representatives thereof, at least one of which shall be selected by the Unit Owners.

Section 2. Term of Office. At the first annual meeting the members shall elect one director for a term of one year; one directors for a term of two years and one director for a term of three years; and at each annual meeting thereafter the members shall elect one director as required for a term of three years.

175-44
Section 3. Removal. Any director may be removed from the Board, with or without cause, with the assent of 67% of the votes of the membership of the Association present at any meeting of the Owners at which a quorum is present. In the event of death, resignation or removal of a director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No director shall receive compensation for any service he may render to the Association as director. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties. A director may contract with the Association to supply goods or services not otherwise part of his duties as a director.

Section 5. Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

ARTICLE V
NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual

meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among members or non-members.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. At such election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Articles of Incorporation. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VI
MEETINGS OF DIRECTORS

175-45
Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two directors, after not less than three (3) days notice to each director.

Section 3. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VII
POWERS AND DUTIES OF DIRECTORS

Section 1. Powers. The Board of Directors shall have power to:

(a) Adopt and publish rules and regulations governing the use of the Common Properties and the personal conduct of members and their guests thereon, and establish penalties for the infraction thereof;

(b) Suspend the voting rights and right to use the facilities of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed 60 days for infraction of published rules and regulations;

(c) Exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation, or the Master Deed and Declaration;

(d) Declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and

(e) Employ a manager, an independent contractor, or such other employees as they deem necessary, and prescribe their duties, which duties may include delegation of the powers of this Article VII, Section 1 or the duties of Section 2.

175-46
Section 2. Duties. It shall be the duty of the Board of Directors to:

(a) Cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is required in writing by 20% of the members who are entitled to vote;

(b) Supervise all officers, agents and employees of this Association, and see that their duties are properly performed;

(c) As more fully provided in the Master Deed and Declaration:

(1) Fix the amount of the annual assessment against each Unit at least thirty (30) days in advance of each annual assessment period;

(2) Send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period;

(3) Foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date, or bring an action at law against the Owner personally obligated to pay the same; and

(4) Fulfill all the duties, responsibilities and obligations of the Association as set forth in the Master Deed and Declaration, and any other act permitted by statute.

(d) Issue, or cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

(e) Procure and maintain adequate liability and hazard insurance on The Properties as required by the Master Deed and Declaration;

(f) Cause all directors, officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate; and

(g) Cause the Common Properties to be maintained.

ARTICLE VIII INDEMNITY AND LIABILITY OF DIRECTORS

Each agreement made by the Board of Directors or officers thereof shall be executed by the directors or officers as agents for the Owners. The members of the Board of Directors and the officers thereof shall not be liable to the Owners for any mistake of judgment, or any acts or omissions made in good faith as such directors or officers. The Owners shall indemnify and hold harmless each of such directors or officers against all contractual liability to others arising out of contracts made by such directors or officers on behalf of the Owners unless any such contract shall have been made in bad faith or contrary to the provisions of these By-Laws. The liability of any Owner arising out of any contract made by such directors or officers or out of the aforesaid indemnity shall be limited to such proportion of the total liability thereunder as the Owner's percentage interest in the Common Properties bears to the total percentage interest of all the Owners in the Common Properties.

ARTICLE IX OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of this Association shall be a president and vice-president, who shall at all times be members of the Board of Directors, a secretary, and a treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.

Section 3. Term. The officers of this Association shall be elected annually by the Board of Directors and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The Board of Directors may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board of Directors. Any officer may resign at any time giving written notice to the Board of Directors, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board of Directors. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

President

(a) The President shall preside at all meetings of the Board of Directors and at all meetings of the members; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments; shall co-sign all checks and promissory notes; and shall prepare, execute, certify and record amendments to the Declaration.

Vice-President

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

Secretary

(c) The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board of Directors and of the members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board of Directors and of the members; keep appropriate current records showing the members of the Association together with their addresses; and shall perform such other duties as required by the Board of Directors.

Treasurer

(d) The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall co-sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of said budget and statement to each member.

ARTICLE X
COMMITTEES

The Board of Directors shall appoint a Nominating Committee, as provided in these By-Laws. In addition, the Board of Directors shall appoint such other committees as it deems appropriate in carrying out its purpose.

ARTICLE XI
BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member. The Master Deed and Declaration, the Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XII
ASSESSMENTS

Section 1. Lien. As more fully provided in the Master Deed and Declaration, and except as provided in the Master Deed and Declaration, each member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be

delinquent. If an assessment is not paid within ten (10) days after the due date, the delinquent Owner shall pay a late charge of Five Dollars (\$5.00) or five percent (5%) of the amount of the delinquent installment, whichever is greater, and the assessment shall bear interest from the date of delinquency at the maximum rate permitted by law on such delinquent sums, and the Association may bring an action at law against the Owner personally obligated to pay the same or the Association may foreclose the lien against the property, and interest, costs, and reasonable attorney's fees of any such actions shall be added to the amount of such assessment.

Section 2. Monthly Payment. The Board of Directors may require that annual and special assessments be paid in monthly installments and failure to pay a monthly installment may be treated by the Board as non-payment of an assessment as provided in Section 1 of this Article.

Section 3. Separate Real Estate Taxes. It is understood that real estate taxes are to be separately taxed to each Owner for his Unit and his corresponding percentage of ownership in the Common Properties, as provided in the Condominium Property Act. In the event that for any years such taxes are not separately taxed to each Owner, but are taxed on The Properties as a whole, then each Owner shall pay his proportionate share thereof in accordance with his respective percentage of ownership interest in the Common Properties.

Section 4. Continuing Liability. No Owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Properties or abandonment of his Unit.

ARTICLE XIII MISCELLANEOUS

Section 1. Common Properties.

(a) No clothes, sheets, blankets, laundry of any kind or other articles shall be hung out or exposed on any part of the Common Properties. The Common Properties shall be kept free and clear of rubbish, debris and other unsightly materials.

(b) There shall be no parking or storage of vehicles, or other personal property on any part of the Common Properties, without the prior consent of, and subject to any regulations of, the Board of Directors.

(c) Nothing shall be altered or constructed in or removed from the Common Properties, except upon the written consent of the Board of Directors.

Section 2. Waiver of Claims. Each unit owner hereby waives and releases any and all claims which he may have against any other unit owner, the officers and members of the Board of Directors, and the Declarant, and their respective employees and agents, for damage to the Common Properties, the Units, or to any personal property located in the Units or Common Properties caused by fire or other casualty, to the extent that such damage is covered by fire or other form of casualty insurance.

Section 3. Damage to Common Properties. If, due to the act or neglect of a unit owner, or of a guest or other authorized occupant or visitor of such unit owner, damage shall be caused to the Common Properties or to a Unit or Units owned by others, or maintenance, repairs or replacements shall be required which would otherwise be at the common expense, then such unit owner shall pay for such damage and such maintenance, repairs and replacements, as may be determined by the Board of Directors, to the extent not covered by insurance.

ARTICLE XIV
NOTICES

Unless otherwise provided herein or in the Master Deed and Declaration, notices required or permitted to be given to the Board of Directors or any unit owner may be delivered to any member of the Board or such unit owner either personally or by mail addressed to such Board member or unit owner at his Unit. Notices required to be given to any devisee or personal representative of a deceased unit owner may be delivered either personally or by mail to such party at his or its address appearing in the records of the court wherein the estate of such deceased owner is being administered.

ARTICLE XV
CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words: Valley View Owners Association, Inc.

ARTICLE XVI
AMENDMENTS

These By-Laws may be amended, at a regular or special meeting of the members, by the assent of 67% of the votes of a quorum of members present in person or by proxy.

ARTICLE XVII
CONFLICTS

In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and

in the case of any conflict between the Master Deed and Declaration and these By-Laws, the Master Deed and Declaration shall control.

ARTICLE XVIII
FISCAL YEAR

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

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