

DECLARATION

THIS DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR WALNUT GROVE HILLSIDE TOWNHOMES CONDOMINIUM PROPERTY REGIME NO. 3 (hereinafter referred to as the "Declaration") is made this 1st day of MAY, 1986 by Kopecky Construction, Inc., a Nebraska corporation (hereinafter referred to as the "Declarant"), for itself, its successors, grantees and assigns.

W I T N E S S E T H :

SECTION 1.
DECLARATIONS

A. Declaration of Condominium Regime. Declarant declares that from and after the date set forth above, the property described in SECTION 3, all of which is located in Douglas County, Nebraska, and all present and future improvements and fixtures of every kind constructed, attached or placed thereon (hereinafter referred to as the "Property") shall be submitted to a condominium regime as provided by Section 76-825 through 76-894 of the Revised Statutes of Nebraska, 1943 (1984 Cumulative Supplement), herein referred to as the "Nebraska Condominium Act".

B. Declaration of Covenants, Etc. Declarant further declares that the Property and Unit (as defined in SECTION 4) shall be held, leased, transferred, sold, conveyed, encumbered and occupied subject to the covenants, conditions and restrictions contained herein which shall be deemed to run with the land and shall bind all Unit Owners, tenants and other persons or entities (as such terms and phrases are defined in SECTION 4) claiming any interest in any Unit and their agents, employees, servants, invitees, licensees, heirs, successors, and assigns, including all persons or entities holding any lien upon any Unit or acquiring any interest in any Unit through foreclosure or the enforcement of any lien.

SECTION 2.
NAME OF CONDOMINIUM REGIME

The name of the condominium regime established by this Declaration shall be:

WALNUT GROVE HILLSIDE TOWNHOMES
CONDOMINIUM PROPERTY REGIME NO. 3

Said condominium property regime shall hereinafter be referred to as the "Condominium Regime".

SECTION 3.
DESCRIPTION OF PROPERTY

The Property which is submitted to the Condominium Regime is described as follows:



That part of Lot 296, Walnut Grove, a subdivision as surveyed, platted and recorded in Douglas County, Nebraska, described as follows: Commencing at the S.E. corner of said Lot 296; thence N89°54'20"W (assumed bearing) on the South line of said Lot 296, a distance of 486.20 feet to the point of beginning, said point also being the S.W. corner of a tract of land described in Deed Book 1645, Page 1 of the Douglas County records and hereinafter called Tract "A"; thence continuing N89°54'20"W on the South line of said Lot 296, a distance of 233.40 feet to the S.E. corner of a tract of land described in Deed Book 1520 at Page 193 of the Douglas County records and hereinafter called Regime No. 1; thence Northerly on the Easterly line of said Regime No. 1 on the following described courses; thence North 224.82 feet; thence N04°56'00" W, 158.46 feet; thence N00°02'50"E, 169.93 feet; thence N59°47'20"W, 76.06 feet; thence N18°38'40"W, 84.00 feet thence N17°33'40"W, 155.77 feet to the South line of a tract of land described in Deed Book 1646 at Page 560 of the Douglas County Records and hereinafter called Regime No. 2; thence Easterly on the Southerly line of said Regime No. 2 on the following described courses; thence N89°56'00"E, 88.65 feet; thence N00°04'00"W, 48.64 feet; thence N80°44'00"E, 117.36 feet to the Easterly line of said Lot 296; thence S00°44'00"W on the Easterly line of said Lot 296, a distance of 38.00 feet; thence S43°20'20"E on the Easterly line of said Lot 296, a distance of 384.20 feet; thence S31°01'50"W on the Easterly line of said Lot 296 a distance of 203.11 feet; thence S58°59'40"E on the Easterly line of said Lot 296, a distance of 26.80 feet to the N.W. corner of said Tract "A"; thence S00°06'30"E on the West line of said Tract "A", 381.77 feet to the point of beginning.

SECTION 4 DEFINITION OF TERMS

The following definitions shall apply to the terms and phrases used in this Declaration and in the Plans and By-Laws described below:

A. Unit. The term "Unit" shall mean an enclosed space in the building shown on Exhibit "A" attached hereto and incorporated herein by reference with two (2) Units per building in each of the 13 buildings shown on Exhibit "A", or a total of 26 Units, and one (1) Unit per building in the five (5) buildings also shown on Exhibit "A", or a total five (5) Units in five (5) buildings. In total there are 18 buildings and 31 Units shown on Exhibit "A". The Units are numbered consecutively 1 through 31. Also, Exhibit "A" shows three (3) different types of Units, labeled R, J, and K. The definition of Unit shall not include structural walls, common walls between Units, or roofs, but shall include the interior walls inside of an Unit, and the inside surface of all wood doors, screens and exterior door surfaces. The term Unit shall also mean that undivided interest in the general common elements and limited common elements as set forth herein and in the Nebraska Condominium Act which are appurtenant thereto.

B. Unit Owner. The term "Unit Owner" shall mean a person, firm, corporation, partnership, association, trust or other legal entity, or any combination thereof, owning an interest in a Unit sufficient for membership in the Association described in SECTION 10. If more than one person or entity owns an interest in any Unit, then the term "Unit Owner" shall apply to each such person or entity jointly and severally unless otherwise expressly stated.

C. Majority of Unit Owners. The phrase "majority of Unit Owners" shall mean Unit Owners of Units representing more than fifty percent (50%) of the Basic Value and Votes of the Condominium Regime, in accordance with the percentages set forth in SECTION 9.

D. Tenant. The term "tenant" shall mean any person or entity having a leasehold in any Unit or claiming any other right of possession therein.

E. Person or Entity. The phrase "person or entity" shall mean an individual, firm, corporation, partnership, association, trust, or other legal entity, or any combination thereof, capable of holding or having any interest in real property.

F. Plans. The term "Plans" shall mean the plans attached hereto as Exhibit "A".

G. By-Laws. The term "By-Laws" shall mean the By-Laws of the Walnut Grove Hillside Condominium Regime No. 3, Inc., a Nebraska non-profit corporation.

H. Section. The term "Section" shall refer to sections in this Declaration unless otherwise specified.

I. Consensual Lien. The phrase "consensual lien" shall mean a mortgage, trust deed or other interest in a Unit which has been voluntarily given by a Unit Owner to secure the future performance of any duty or obligation.

J. General and Limited Common Elements. The phrase "general common element" shall have the same meaning as "common element" in Section 76-827(4) of the Nebraska Condominium Act (but shall not include limited common element) and "limited common element" shall have the same definition as outlined in Section 76-827(16) of the Nebraska Condominium Act.

K. Basic Value. The phrase "basic value" shall mean the basic value of each Unit as shown in SECTION 9.

L. Total Basic Value. The phrase "total basic value" shall mean the total basic value of the Condominium Regime as shown in SECTION 9.

SECTION 5.
DESCRIPTION OF REGIME

The Condominium Regime shall consist of the Property, 13 buildings containing a total of 26 Units, and five (5) buildings containing five (5) Units, all as shown on Exhibit "A". There are three types of Units, Units "J" (containing 1,408 square feet), Units "K" (containing 1,170 square feet), and Units "R" (containing 1,555 square feet), with elevations of all three types of Units, first floor plans of all three types of Units, and the basement floor plans (which include two car garages in the basements) of all three types of Units are shown on Exhibit "A". The total square feet in the Property described SECTION 3 is 225,670 square feet.

SECTION 6.
UNIT AND UNIT DIMENSIONS

Units in the Condominium Regime are specifically described and shown in relation to one another and the general and limited common elements in the Plans. Each Unit is measured horizontally to the interior of the interior walls which divide Units and to the interior of the exterior walls. Each Unit is measured vertically from the top of the concrete slab in the basement of the Unit to the inside of the ceiling surface facing into the Unit on the first floor (the floor above the basement).

As provided in Section 76-839 of the Nebraska Condominium Act, the walls, floors, or ceilings are designated as boundaries of a Unit. Therefore, all lath, furring, wallboard, plasterboard, plaster, paneling, tiles, wallpaper, paint, finished flooring, and other materials constituting any part of the finished surfaces thereof are a part of the Unit and all other portions of the walls, floors or ceilings are a part of the common elements.

SECTION 7.
GENERAL AND LIMITED COMMON ELEMENTS

A. General Common Elements. General common elements consist are the following whether presently existing or at any time hereafter placed, installed or constructed on the Property:

- (i) The land on which the Units stand, including all surrounding lands embraced within the legal description of the Property specified in SECTION 3;
- (ii) The foundations, footing, girders, supports, support columns, beams, roof and concrete floor which are not located within the boundaries of a Unit.

- (iii) All exterior walls and siding of the Units and all dividing walls between the Units;
- (iv) All areas, studs, fasteners, apparatus, wires, pipes, cables, chutes, flues, ducts, public utility lines, plumbing and electrical lines between walls, conduits and other improvements of every kind located between each Unit and any exterior building surface, and between the top of the roof surface and the back side of the ceiling tile, drywall or other ceiling surface facing into the Unit;
- (v) The yard areas, sidewalks, landscaping, parking areas and driving lanes, driveways, walkways, retaining walls, street returns and other areas of the Property and improvements which are not located in the boundaries of a Unit;
- (vi) All central or appurtenant installations for power, light, telephone, gas, hot and cold water, heat, refrigeration, air conditioning, television, mechanical rooms, and other mechanical equipment and mechanical equipment areas, and similar services including without limitation all pipes, wires, cables, ducts, lines and other conduits used in connection therewith and located within the general common elements to the point where they first enter the boundaries of a Unit;
- (vii) All tanks, pumps, motors, fans, compressors, controls, control equipment, and other mechanical devices or apparatus of every kind located within the general common elements to the point where they first enter the boundaries of a Unit;
- (viii) All sanitary and storm drainage pipes;
- (ix) All exterior water taps and power outlets; and
- (x) If any chute, flue, duct, wire, conduit, bearing wall, bearing column or any other fixture lies

partially within and partially outside the designated boundaries of a Unit, any portion thereof serving more than one Unit or any portion of the general common elements is a part of the general common elements and any portion thereof serving only that Unit is a limited common element as defined in subparagraph C. of this Section 7 allocated solely to that Unit.

- (xi) All other parts of the Condominium Regime and all apparatus and installations existing or hereafter to exist in the unit or on the Property for common use, or which are necessary or convenient to the existence, maintenance or safety of the Condominium Regime.

B. Use of General Common Elements. The general common elements shall be for the use and enjoyment of all Unit Owners. The ownership of the general common elements shall remain undivided, and no Unit Owner or other person shall have the right to partition or division of the general common elements of the Condominium Regime. Each Unit Owner, its tenants, and their respective agents, employees, servants, invitees, and licensees, may use the general common elements. The general common elements and easements set forth in this Declaration may not be separated from the Units to which they appertain and shall be deemed to be conveyed, leased or encumbered with such Unit, even though such interest or easement are not expressly mentioned or described in the conveyance or other instrument, and even though they may not be expressly reserved.

C. Limited Common Elements. Limited common elements shall consist of the following, whether presently existing or at any time hereafter placed, installed or constructed on the Property: (i) Screen, windows, exterior doors (including sliding glass doors, if any), the storm doors, shutters, awnings, window boxes, doorsteps, stoops, air conditioning units or heat pumps or other fixtures and garage doors designed to serve a single Unit, but located outside the Units boundaries. (ii) The deck and privacy fence adjoining the Unit and all of the structure and foundation for the structure which supports the deck (excluding the wall of the Unit and its foundation which support one side of the deck which is a general common element and excluding the siding on the deck which is also a general common element). (iii) Such other limited common elements as are specified in Section 76-825 to 76-890 of the Nebraska Condominium Act.

D. Use of Limited Common Elements. The limited common elements shall be for the exclusive use and enjoyment of those Unit Owners owning Units served by such limited common elements. Each Unit Owner of a Unit served by a limited common element, their tenants and their respective agents, employees, servants,

invitees, licensees, may use such limited common elements in accordance with the purpose for which they are intended without hindering or encroaching upon the lawful rights of their Unit Owners. The limited common elements set forth in this Declaration may not be separated from the Units to which they appertain and shall be deemed to be conveyed, leased or encumbered with such Unit, even though such interest or easements are not expressly mentioned or described in the conveyance or other instrument, and even though they may be expressly reserved.

SECTION 8.
REPAIR OF EXTERIOR APPURTENANT TO UNIT

Each Unit Owner shall be responsible for the repair, maintenance and replacement of all screens, windows, exterior doors (including sliding glass doors, if any), storm doors, shutters, awnings, window boxes, doorsteps, stoops, air conditioning units or heat pumps or other fixtures, garage doors, and the inside of the deck and the structure and foundation supporting the deck (except as provided in SECTION 7). If any Unit Owner fails to repair, paint, finish or replace any such item as necessary to keep such item in good condition, repair and appearance, the Association described in SECTION 10 may perform such work, and invoice any Unit Owner of such Unit for the cost thereof. The cost of such work, plus interest thereon at the highest rate which may be charged individuals in the State of Nebraska at the time such work is performed, shall constitute a claim enforceable against the Unit Owner of such Unit, and shall constitute a lien upon such Unit enforceable in the manner set forth in SECTION 10.

SECTION 9.
VALUES

The total basic value of the entire Condominium Regime is \$2,766,500.00. The Unit number, the basic value of each Unit in the Condominium Regime, the percentage which each Unit shall share in the assessments for general common element expenses, the percentage of ownership in the general common elements, and the aggregate number of votes the Unit Owners of the Units are entitled to cast in matters brought before the Association are as follows:

<u>Unit Number</u>	<u>Basic Value</u>	<u>Percentage of Ownership</u>	<u>Votes</u>
1-K	\$ 77,500	2.7913%	279.13
2-K	77,500	2.7913%	279.13
3-J	87,500	3.1515%	315.15
4-J	87,500	3.1515%	315.15
5-K	77,500	2.7913%	279.13
6-K	77,500	2.7913%	279.13
7-J	87,500	3.1515%	315.15
8-J	87,500	3.1515%	315.15
9-K	77,500	2.7913%	279.13
10-K	77,500	2.7913%	279.13
11-J	87,500	3.1515%	315.15

<u>Unit Number</u>	<u>Basic Value</u>	<u>Percentage of Ownership</u>	<u>Votes</u>
12-J	87,500	3.1515%	315.15
13-J	87,500	3.1515%	315.15
14-K	77,500	2.7913%	279.13
15-K	77,500	2.7913%	279.13
16-J	87,500	3.1515%	315.15
17-J	87,500	3.1515%	315.15
18-J	87,500	3.1515%	315.15
19-J	87,500	3.1515%	315.15
20-R	99,500	3.5836%	358.36
21-R	99,500	3.5836%	358.36
22-R	99,500	3.5836%	358.36
23-R	99,500	3.5836%	358.36
24-R	99,500	3.5836%	358.36
25-R	99,500	3.5836%	358.36
26-R	99,500	3.5836%	358.36
27-R	99,500	3.5836%	358.36
28-R	99,500	3.5836%	358.36
29-R	99,500	3.5836%	358.36
30-R	99,500	3.5836%	358.36
31-R	99,500	3.5836%	358.36
TOTALS	\$2,776,500	100.0000%	10,000.00

**SECTION 10.
OWNERS ASSOCIATION**

A. Association. Declarant has caused WALNUT GROVE HILLSIDE CONDOMINIUM REGIME NO. 3, INC. (hereinafter referred to as the "Association"), to be incorporated as a non-profit corporation under the laws of the State of Nebraska. The purpose of the Association is to maintain and administer the Condominium Regime and the general and limited common elements thereto, to enforce and administer the terms of this Declaration and the By-Laws, to collect and disburse assessments, levies, charges and fees described herein or in the By-Laws, and to perform all other acts necessary or incidental thereto. Membership in the Association and members voting and other rights and obligations are as set forth herein and in the By-Laws.

B. Rules and Regulations. The Association shall, from time to time, establish rules and regulations for the use of the general and limited common elements as provided in the By-Laws, and for all Unit Owners, their tenants and other claiming any interest in any Unit, and their respective agents, employees, servants, invitees, and licensees shall be bound thereby.

C. Assessments. The Association shall have the right to impose assessments in accordance with the By-Laws on each Unit and its Unit Owner for general common element expenses and costs and limited common element expenses and costs, to include but not limited to, administration, management, repairs, reconstruction, remodeling, maintenance, and other expenses and costs of every type and kind incurred or anticipated by the Association. Assessments for general common element expenses and costs shall be made against each Unit and its Unit Owner (and if more than

one Unit Owner, such assessments shall be made jointly and severally) in that proportion which the basic value of such Unit bears to the total basic value of the Condominium Regime as set forth in SECTION 9. Assessments for limited common elements shall be assessed against each Unit served by such limited common element.

D. Alterations, Improvements and Repairs. The Association shall have the sole jurisdiction over and responsibility for making alterations, improvements, repairs and maintenance of general or limited common elements. Each Unit Owner shall be responsible to maintain, repair and replace at his expense all portions of his Unit which are not included in the definition of general common elements; to refrain from painting, decorating or changing the appearance of any portion of the exterior of the Unit, or general or limited common elements; and to promptly report to the Association any defect or need for repair to the general common elements or part thereof.

E. Assessment Lien on Units.

- (1) The Association has a lien on a Unit for any assessment levied against that Unit or fines imposed against its Unit Owner from the time the assessment or fine becomes due and a notice containing the dollar amount of such lien is recorded in the Office of Register of Deeds of Douglas County, Nebraska. The Association's lien may be foreclosed in a like manner as a mortgage on real estate but the Association shall give reasonable notice of its actions to all lien holders of the Unit whose interest would be affected. All fees, charges, late charges, fines and interests charged by the Board of Administrators pursuant to subdivisions (a)(10), (a)(11), and (a)(12) of Section 76-860 of the Nebraska Condominium Act are enforceable as assessments under this Section. If an assessment is payable in installments, the full amount of the assessment shall be a lien from the time the first installment thereof becomes due.
- (2) A lien under this Section is prior to all other liens and encumbrances on a Unit except (i) liens and encumbrances recorded before the recordation of the Declaration (ii) a first mortgage or deed of trust on the Unit recorded before the date on which the assessments sought to be enforced became delinquent and (iii) liens for real estate taxes and other governmental assessments or charges against the Unit. The lien under this

Section is not subject to the homestead exemption pursuant to Section 40-101 of the Revised Statutes of Nebraska, 1943.

- (3) This Section does not prohibit actions or recover sums for which subsection (a) of this Section creates a lien or prohibit an Association from taking a deed in lieu of foreclosure.
- (4) The Association upon written request shall furnish to a Unit Owner a recordable statement setting forth the amount of the unpaid assessment against his or her Unit. The statement must be furnished within ten (10) days after receipt of the request and is binding on the Association, the Board of Administrators and every Unit Owner.

F. Personal Liability. Each Unit Owner (and if any Unit is owned in co-tenancy, each co-tenant, jointly and severally) shall be personally liable for the full amount of any and all assessments made by the Association whether such assessments are regular assessments, or special assessments. If any such assessment remains unpaid ten (10) days after its due date, the Association may bring suit against the Unit Owner (or if the Unit is held in co-tenancy any one or more of the Unit Owners) for the recovery of such assessment. If the assessment is a monthly installment of an assessment, the default in payment of one installment shall, at the option of the Association, cause the remainder of all installments of such assessment to become immediately due and payable. The defaulting Unit Owner shall be liable for the unpaid assessment or assessments, plus interest thereon at the highest legal rate chargeable to individuals in Nebraska, attorneys' fees and expenses incurred in the collection of the same and any and all administrative expenses which may be incurred by the Association as a result of such nonpayment. No proceeding to collect defaulted assessments pursuant to this SECTION shall constitute a waiver of the right of the Association to proceed contemporaneously against any other Unit Owner of the Unit until such time as all past due assessments and other sums required to be paid hereunder are paid in full. The grantee of a Unit shall be jointly and severally liable with the grantor for all unpaid assessments against the Unit prior to the time of grantor's conveyance, without prejudice to any lawful right the grantee may have to recover from the grantor amounts paid by the grantee for assessments prior to the date of such conveyance. The preceding sentence shall not apply to the initial sales and conveyances of Units by the Declarant, and grantees from the Declarant shall not be responsible for the prior past due assessments or installments thereof.

G. Remedies Cumulative. All rights and remedies provided hereunder to the Association against any Unit Owner or any Unit shall be deemed to be cumulative and in addition to any other rights or remedies which may be available to the

Association at law or in equity. In addition, the election by the Association to pursue any particular remedy shall not be construed as a waiver of any and all other rights and remedies which the Association may have. All rights and remedies of the Association may be pursued in one joint action or in as many separate actions as may be appropriate and such rights and remedies may be exercised simultaneously or in succession until such time as all sums the Association have been paid in full.

H. Non-Waiver. No Unit Owner may be relieved of any assessment made by the Association except by payment in full plus accrued interest, costs and fees.

I. Notice of Transfer. No Unit Owner, tenant or other person claiming any interest in any Unit may sell, lease or otherwise transfer any interest in any Unit unless five (5) days prior written notice thereof, specifying the names and current addresses of all transferees, is given to the Association. The preceding sentence shall not apply to granting a consensual lien in any Unit, or to any sale or transfer made pursuant to a decree of foreclosure. No Unit may be transferred free and clear of unpaid assessments whether or not a Notice of Lien as set forth in the By-Laws has been filed.

SECTION 11.
USE OF PROPERTY

The use of the Property and each Unit is restricted as follows:

A. Use of Unit. Each Unit shall be used and occupied only as a single-family residence and for no other purpose.

B. Subdividing. No Unit or any part thereof shall be subdivided into smaller units for sale, or transfer unless this Declaration is first amended as hereinafter provided.

C. Prohibited Acts. No Unit Owner, tenant or other person, entity, claiming an interest in a Unit, and no agent, employee, servant, invitee or licensee of any such Unit Owner, tenant or person or entity shall allow any condition to arise or exist, or engage in any activity, practice or use of the Property or any part thereof, which may be dangerous or hazardous to others coming upon the Property, or which may cause an increase in hazard insurance premiums over the premium charge for standard fire and extended coverage insurance, or which is contrary to law, morals or normal business or professional behavior or which may make undue noise or cause any other annoyance which may disturb the use and enjoyment of other Unit Owners, tenants or other persons or entities claiming an interest in a Unit or any of their agents, employees, servants, invitees or licensees. In addition, no condition, object or activity which is unsightly, noxious, offensive, embarrassing, discomforting, annoying, disturbing, contrary to health, safety or welfare of other Unit Owners, tenants or others coming upon the Property shall be placed, performed or established upon any portion of the Property. No incinerator or trash receptacle shall be permitted

outside of any Unit except those which may, from time to time, be provided by the Association. No fuel tank or other tank or similar container, whether temporary or permanent, stationary or mobile, shall be brought upon or permitted to remain on the property, and all equipment must be kept within the Unit. No garbage or trash shall be permitted outside a Unit. All parking areas and driving lanes, driveways, walkways, entrances and exits, are for the exclusive use of the Unit Owners and their tenants, agents, employees, invitees and licensees, and no such areas may be blocked or obstructed for any purpose except for repair, remodeling, reconstruction and maintenance by the Association. The Association shall have full authority to abate any and all of the foregoing without being guilty of trespass or conversion, or other wrongful act.

D. Cleaning. Each Unit Owner shall be responsible for keeping such Unit Owner's Unit clean and sanitary at all times.

SECTION 12. EASEMENT

There is hereby established in favor of the Association a perpetual easement in, through, upon and across all Units and all general and limited common elements for the purpose of performing such repairs, remodeling, reconstruction and maintenance to the general and limited common elements as shall be deemed necessary or desirable by the Association. If any such repair, remodeling, reconstruction or maintenance will require the Association to perform work within a Unit, the Association will give prior notice of such repair, remodeling, reconstruction and maintenance to a Unit Owner of such Unit. Notwithstanding the preceding sentence, in cases of emergency, notice requirements shall be waived; however, the Association shall endeavor to contact a Unit Owner and advise him that such Unit Owner's Unit has been entered. In addition, if any emergency repairs to any Unit become necessary, the Association may, but shall have not be required to, enter such Unit for the purpose of taking such action as it deems necessary to alleviate such emergency or protect the general and limited common elements from damage. When repairs are made to general and limited common elements, the Association shall leave the Unit in substantially the same condition it was in when repairs were commenced. The Association shall have no liability of any kind to any person or entity as a result of making or failing to make emergency repairs to a Unit, or for any negligence or other wrongful manner in which such repairs are made, unless the Association or its agents are guilty of willful misconduct. The Association's determination as to the existence of an emergency shall be final and binding upon all Unit Owners and tenants for all purposes. Entry of a Unit and performance of repairs by the Association shall not be deemed a trespass, conversion or other wrongful act notwithstanding any defect in notice. Further, easements are hereby reserved and granted from and to the Declarant and each Unit Owner for encroachment, if any, or any Unit upon any other Unit due to the shifting or settling of the building or for any other reason, or if such building is repaired or rebuilt after damage or destruction.

SECTION 13.
AMENDMENT TO DECLARATION

A. Amendment by Unit Owners. This Declaration may be amended by written instrument duly executed and acknowledged by the Unit Owners of Units representing not less than seventy-five percent (75%) of the Votes in Section 9. Such amendment shall become effective upon recording said instrument in the office of the Register of Deeds, Douglas County, Nebraska. No amendment to the Declaration shall be binding upon any person or entity holding a consensual lien on any Unit upon the date of such amendment, unless mortgagees or beneficiaries of deeds of trust holding consensual liens on Units with at least fifty-one percent (51%) of the Votes have consented in writing to the amendment. The fifty-one percent (51%) does not have to be a part of the above seventy-five percent (75%).

B. Amendment by Declarant. The Declarant, without the consent of any of the other Unit Owners, hereby reserves the right in its sole and absolute discretion to amend this Declaration until such time as the title to twenty-three (23) Units have been transferred to a person other than the Declarant, or five (5) years after the date the Declaration is recorded, whichever is the first to occur.

SECTION 14.
TERMINATION OF CONDOMINIUM REGIME

A. Termination. The Condominium Regime may be terminated or waived with the written agreement of Unit Owners who hold at least eighty percent (80%) of the Votes in SECTION 9 and said document is recorded in the Register of Deeds Office of Douglas County, Nebraska. The termination agreement and all ratifications thereof shall become effective upon said recording.

B. Consent of Mortgagees or Beneficiaries. The Condominium Regime shall not be terminated or waived without the consent of the holders of all consensual liens of record against all Units in the Condominium Regime. Said consent to the waiver or termination by the Condominium Regime shall include the agreement by the mortgagees or beneficiaries of deeds of trust that their liens shall thereafter be liens upon the undivided portion of the Property which will, after termination or waiver, be owned as tenants in common, by the debtor or his successor in interest.

C. Proceeding Upon Termination. Upon deletion of any part of the Property, or waiver or termination of the Condominium Regime, Unit Owners no longer in the Condominium Regime shall own all lands and improvements (including Units) included in such deletion or waiver as tenants-in-common unless otherwise provided in the termination agreement. The Unit Owner shall own that proportion of such land and improvements which the basic value of his Unit bears to the basic value of all Units included within such deletion or waiver. Land and improvements included within such deletion or waiver may be judicially partitioned and sold on the petition of any tenant-in-common; but if tenants-in-common representing eighty percent (80%) or more of the total basic

value of all Units included within such deletion or waiver agree in writing to sell or otherwise dispose of such land and improvements then any pending partition action shall be dismissed, and, all tenants-in-common shall be bound to execute and acknowledge such deeds or other instruments as may be reasonable necessary to effect such sale or other disposition.

SECTION 15.
MODELS

Declarant reserves the right to use any Unit owned by Declarant as a sales office, management office or model.

SECTION 16.
REMEDIES

For the benefit of the Association, the Declarant, the Association or any Unit Owner shall have the right to seek and obtain the remedies provided herein or in the By-Laws by proceedings at law or in equity for violation of any of the terms, conditions, covenants, reservations, restrictions and provisions now or hereafter imposed by the provisions of this Declaration or the By-Laws, and to prevent or restrain any violation of the same or to recover on behalf of the Association sums due hereunder. Failure by the Declarant the Association or any Unit Owner to enforce any covenant, condition, restriction, reservation, term or provision hereof shall in no event be deemed a waiver of the right to do so thereafter.

SECTION 17.
TAXES AND ASSESSMENTS

The County Assessor of Douglas County, Nebraska shall be notified that the Condominium Regime has been created. Each Unit shall be separately assessed for taxes, assessments and other charges of the State of Nebraska, any political subdivision thereof, any special improvement district, or other tax assessing authority. Each Unit shall be carried on the tax books as a separate and distinct entity for the purposes of taxation. No Unit owner shall ever be divested of, or otherwise have his title and interest forfeited and sold for delinquent taxes, assessments or charges so long as taxes, assessments and charges on such Unit owner's are currently paid. The general common elements shall not be separately taxed, but the value thereof shall be determined and apportioned for tax purposes against each Unit in the proportion which the basic value of such Unit bears to the total basic value of the Condominium Regime.

SECTION 18.
PIPES, DUCTS AND OTHER CONDUITS

Without in any way qualifying or limiting each Unit Owner's right to use and enjoyment of the general or limited common elements as herein set forth, it is specifically declared that each Unit Owner shall have an easement in common with the owners of all other Units over, upon and across each Unit for the transportation and transmission of power, water, sewer,

electricity, gas, current, heat, air conditioning, telephone and similar services through all pipes, wires, ducts, cables, conduits, public utility lines and other general and limited common elements serving such Unit Owner. Likewise, each Unit shall be subject to an easement in favor of the Unit Owner for the transportation and transmission of power, water, sewer, electricity, gas, current, heat, air conditioning, telephone and similar services through all pipes, ducts, cables, wires, conduits, public utility lines and other general or limited common elements serving such other Units which may be located in such owners Unit.

SECTION 19.

CONTROL IN DECLARANT AND RESERVATION IN DECLARANT

A. Declarant Control. Until Section 19.B. is applicable, Declarant alone shall appoint all of the members of the Board of Administrators of the Association.

B. One Member Elected by Unit Owners. Not later than sixty (60) days after conveyance of 25% of the Units to Unit Owners other than the Declarant, at least one member and not less than 25% of the members of the Board of Administrators of the Association shall be elected exclusively by the Unit Owners other than the Declarant.

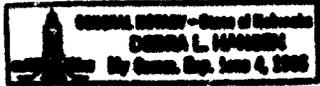
C. One-Third of Members Elected by Unit Owners. Not later than sixty (60) days after conveyance of 50% of the Units to Unit Owners other than the Declarant, not less than 33 1/3% of the members of the Board of Administrators shall be elected exclusively by Unit Owners other than Declarant.

D. Control of Member Elected by Unit Owners. Not later than sixty (60) days after conveyance of 90% of the Units to Unit Owners other than Declarant or two (2) years after the Declarant has ceased to offer Units for sale in the ordinary course of business, whichever is the first to occur, Unit Owners other than the Declarant shall elect a majority of the members of the Board of Administrators.

E. Voluntary Surrender of Control by Declarant. The number of the members of Board of Administrators shall be specified in the By-Laws of the Association. A Declarant may voluntarily surrender the right to appoint and remove officers and members of the Board of Administrators before termination of that period, but in that event he or she may require, for the duration of the period of Declarant control, that specified actions of the Association or Board of Administrators, described in a recorded instrument executed by the Declarant, be approved by the Declarant before they become effective. Successor Boards following Declarant control may not discriminate nor act arbitrarily with respect to Units still owned by the Declarant or a successor Declarant.

BOOK 772 PAGE 607

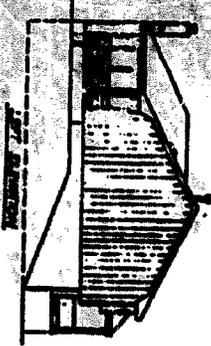
Witness my hand and notarial seal the day and year last
above written.



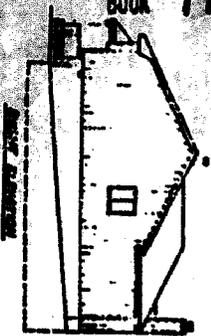
Debra L. Hadden
Notary Public

BOOK 772 PAGE 612

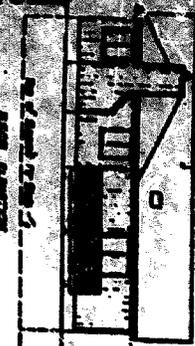
LEFT ELEVATION
USE 20' W



LEFT ELEVATION



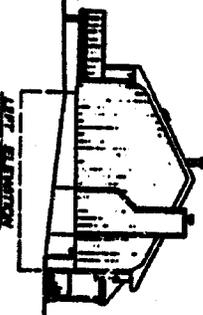
LEFT ELEVATION



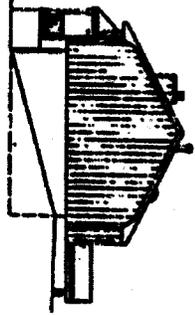
LEFT ELEVATION



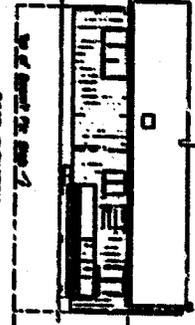
LEFT ELEVATION
USE 20' W



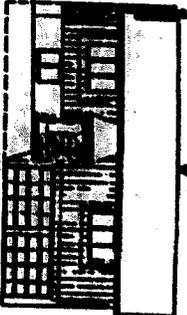
LEFT ELEVATION



LEFT ELEVATION



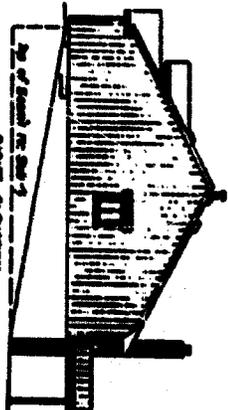
LEFT ELEVATION



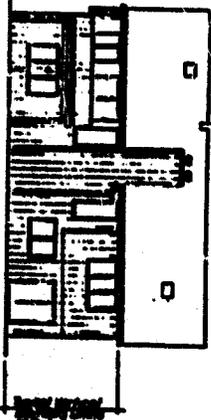
LEFT ELEVATION
USE 20' W



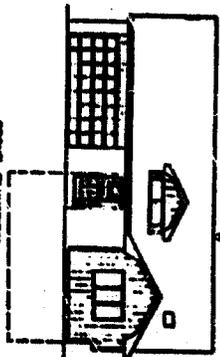
LEFT ELEVATION



LEFT ELEVATION



LEFT ELEVATION



7258 Misc

RECEIVED

888 MAY -2 AM 10:02

GEORGE J. BUSH ENGINEER
REGISTERED PROFESSIONAL ENGINEER
STATE OF CALIFORNIA

BR 772 Del. ✓✓
PA 591 Indx. ✓✓
OF Misc Comp. ✓✓
N 84-555
9-668
3-1-39
FOR 126.00
MC B.C.
Comp. ✓✓

Received: 4-10-88



THOMPSON, DEUSSEN & DORNIER
Grading, Excavation & Soil Services

HILLTOP GROVE HILLSIDE TERRANORMS CONDOMINIUM
PROPERTY BOOK NO. 5
Building Division

DATE OF ISSUE
BY
CHECK NO.
AMOUNT

WHEREAS, the Association desires to amend said Declaration to prohibit the renting and leasing of units; and

WHEREAS, the Association passed the Amendment by a seventy-five percent (75%) vote of the unit owners as required by the Declaration.

NOW THEREFORE, as of the 6th day of November 2000, said Declaration is amended as follows:

- 1. Section 11(a) of the Declaration is amended so as to read in its entirety:

"Each Unit shall be used and occupied only as a single family residence and for no other purpose. No Unit may be divided into a smaller Unit not any portion thereof sold or transferred. No Unit shall be rented or leased by any owner. Where a Unit is currently rented or leased, the agreement/contract shall be terminated upon the date of the existing agreement/contract."

IN WITNESS WHEREOF, the Association has executed this Amendment to the Declaration the date above written.

Walnut Grove Hillside Condominium Regime No. 3, Inc, a not-for-profit Nebraska corporation

By: W. N. Butler

Name: W. N. BUTLER

Title: PRESIDENT

COUNTY OF DOUGLAS)
STATE OF NEBRASKA)

The foregoing instrument was acknowledged before me this 11th day of April, 2001, by Bill Butler, President, Walnut Grove Hillside Condominium Regime No. 3, Inc., a not-for-profit Nebraska corporation, on behalf of the corporation.

Cynthia M. Suster
Notary Public

My commission expires:
GENERAL NOTARY-State of Nebraska
CYNTHIA M. SUSTER
My Comm. Exp. July 17, 2004