

An

BY-LAWS OF
TREGARON RIDGE CONDOMINIUMS
AND OF
TREGARON RIDGE OWNERS ASSOCIATION, INC.

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ARTICLE I

Identification and Applicability

Section 1.01. Identification and Adoption. These By-Laws are adopted simultaneously with the execution of a certain Declaration creating Tregaron Ridge Condominiums (hereinafter sometimes referred to as "Tregaron Ridge") to which these By-Laws are attached and made a part thereof. The Declaration is incorporated herein by reference, and all of the covenants, rights, restrictions and liabilities therein contained shall apply to and govern the interpretation of these By-Laws. The definitions and terms as defined and used in the Declaration shall have the same meaning in these By-Laws and reference is specifically made to Section 1 of the Declaration containing definitions of terms. The provisions of these By-Laws shall apply to the Property and the administration and conduct of the affairs of the Corporation. These By-Laws shall also constitute the By-Laws of the Corporation.

Section 1.02. Name, Principal Office and Resident Agent. The name of the Corporation is Tregaron Ridge Owners Association, Inc. (hereinafter referred to as the "Corporation"). The post office address of the principal office of the Corporation is 14209 Tregaron Ridge Avenue, Bellevue, Nebraska 68123; the name of its Resident Agent in charge of such office is Larry A. Jobeun, 11440 W. Center Road, Omaha, Nebraska, 68144. The location of the principal office of the Corporation, or the designation of its Resident Agent, or both, may be changed at any time or from time to time when authorized by the Board of Directors by filing

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with the Secretary of State on or before the day any such change is to take effect or as soon as possible after the death of its Resident Agent or other unforeseen termination of its agent.

Section 1.03. Individual Application. All of the Owners, future Owners, tenants, future tenants, or their guests and invitees, or any other person that might use or occupy a Condominium Unit or any part of the Property, shall be subject to the restrictions, terms and conditions set forth in the Declaration, these By-Laws and the Act, and to any rules and regulations adopted by the Board of Directors as herein provided.

ARTICLE II

Meetings of Corporation

Section 2.01. Purpose of Meetings. At least annually, and at such other times as may be necessary, a meeting of the Owners shall be held for the purpose of electing the Board of Directors (subject to the provisions of Section 3.02 hereof), approving the annual budget, providing for the collection of Common Expenses, and for such other purposes as may be necessary or required by the Declaration, these By-Laws or the Act.

Section 2.02. Annual Meetings. The annual meeting of the members of the Corporation shall be held on a date established by the Board pursuant to notice provided in accordance with these By-Laws within six (6) months of the close of each fiscal year of the Association. At the annual meeting the Owners shall (subject to the provisions of Section 3.02 hereof) elect the Board of Directors of the Corporation in accordance with the provisions of these By-Laws and transact such other business as may properly come before the meeting.

Section 2.03. Special Meetings. A special meeting of the members of the Corporation may be called by resolution of the Board of Directors or upon a written petition of Owners who have not less than twenty percent (20%) of the Percentage Vote (as defined in the Declaration).

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The resolution or petition shall be presented to the President or Secretary of the Corporation and shall state the purpose for which the meeting is to be called. No business shall be transacted at a special meeting except as stated in the petition or resolution.

Section 2.04. Notice and Place of Meetings. Except with respect to the Initial Board, all meetings of the Members of the Corporation shall be held at any suitable place in Sarpy County, Nebraska, as may be designated by the Board of Directors. Written notice stating the date, time and place of any meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered or mailed by the Secretary of the Corporation to each Member entitled to vote thereat not less than ten (10) days prior to the date of such meeting. The notice shall be mailed or delivered to the Owners at the addresses of their respective Condominium Units and not otherwise. A copy of each such written notice shall also be delivered or mailed simultaneously by the Secretary of the Corporation to each Mortgagee (a) who requests in writing that such notices be delivered to it, and (b) who has furnished the Corporation with its name and address in accordance with Section 8.01 of these By-Laws. Such Mortgagee may designate a representative to attend the meeting. Attendance at any meeting in person, by agent or by proxy shall constitute a waiver of notice of such meeting.

Section 2.05. Voting and Conduct of Meetings.

(a) **Number of Votes.** On each matter coming before the meeting as to which an Owner is entitled to vote, such Owner shall be entitled to cast a vote equal to the Percentage Interest applicable to such Owner's Condominium Unit.

(b) **Multiple Owner.** Where the Owner of a Condominium Unit constitutes or consists of more than one person, or is a partnership, there shall be only one voting representative entitled to all of the Percentage Vote allocable to that Condominium Unit. At the

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time of acquisition of title to a Condominium Unit by a multiple Owner or a partnership, those persons constituting such Owner or the partners shall file with the Secretary of the Corporation an irrevocable proxy appointing one of such persons or partners as the voting representative for such Condominium Unit, which shall remain in effect until all of such parties constituting such multiple Owner or the partners in such partnership designate another voting representative in writing, or such appointed representative relinquishes such appointment in writing, becomes incompetent, dies or such appointment is otherwise rescinded by order of a court of competent jurisdiction or the Owner no longer owns such Condominium Unit. In the event no proxy is filed, the first-named person on the deed shall have the right to vote with respect to such Condominium Unit. Such appointed voting representative may grant a proxy to another to vote in his place at a particular meeting or meetings pursuant to Section (d) of this Section 2.05, which shall not constitute a permanent relinquishment of his right to act as voting representative for the Condominium Unit.

(c) **Voting by Corporation or Trust.** Where a corporation or trust is an Owner or is otherwise entitled to vote, the trustee may cast the vote on behalf of the trust and the agent or other representative of the corporation duly empowered by the board of directors of such corporation may cast the vote to which the corporation is entitled. The secretary of the corporation or a trustee of the trust so entitled to vote shall deliver or cause to be delivered prior to the commencement of the meeting a certificate signed by such person to the Secretary of the Corporation stating who is authorized to vote on behalf of said corporation or trust.

(d) **Proxy.** An Owner may vote either in person or by his duly authorized and designated attorney-in-fact. Where voting is by proxy, the Owner shall duly designate his

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attorney-in-fact in writing, delivered to an officer or the Managing Agent (as defined in Section 3.06) of the Corporation prior to the commencement of the meeting.

(e) **Pledges.** If the vote of an Owner or Owners has been pledged by mortgage, security agreement, conditional assignment, or other instrument, an executed copy of which has been filed with the Secretary, only the pledgee shall be entitled to cast the vote of such Owner or Owners upon those matters upon which the Owner or Owners vote is so pledged.

(f) **Quorum.** Except where otherwise expressly provided in the Declaration, these By-Laws, the Act or the Nebraska Nonprofit Corporation Act (hereinafter referred to as the "Statute"), a quorum shall consist of twenty (20%) percent of those Owners entitled to cast all votes of the Association. If any meeting of the Members cannot be organized because a quorum has not attended, the Members present either in person or by proxy, may adjourn the meeting for at least ten (10) days; and adequate notice of the new date shall be given as described in Section 2.04 of this Article.

(g) **Conduct of Annual Meeting.** The President of the Corporation shall act as the Chairman of all annual meetings of the Corporation if he is present. At all annual meetings, the Chairman shall call the meeting to order at the duly designated time and business will be conducted in the following order:

(1) **Reading of Minutes.** The Secretary shall read the minutes of the last annual meeting and the minutes of any special meeting held subsequent thereto, unless such reading is waived by a majority of the Percentage Vote.

(2) **Treasurer's Report.** The Treasurer shall report to the Owners concerning the financial condition of the Corporation and answer relevant

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questions of the Owners concerning the Common Expenses and financial report for the prior year and the proposed budget for the current year.

(3) **Budget.** The proposed budget for the current fiscal year shall be presented to the Owners.

(4) **Election of Board of Directors.** After the Applicable Date, nominations for the Board of Directors may be made by any Owner from those persons eligible to serve. Such nominations must be in writing and presented to the Secretary of the Corporation at least seven (7) days prior to the date of the annual meeting. Voting for the Board of Directors will be by paper ballot. The ballot shall contain the name of each person nominated to serve as a Board member. Each Owner may cast the total number of votes to which he is entitled for as many nominees as are to be elected; however, he shall not be entitled to cumulate his votes. Those persons receiving the highest number of votes shall be elected. Each voting Owner shall sign his ballot. Prior to the Applicable Date, the nomination and election of the Board shall be governed by the provisions of Section 3.02 hereof.

(5) **Other Business.** Other business may be brought before the meeting only upon a written request submitted to the Secretary of the Corporation at least seven (7) days prior to the date of the meeting; provided, however, that such written request may be waived at the meeting if agreed by a majority of the Percentage Vote.

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(6) Adjournment.

(g) Conduct of Special Meeting. The President of the Corporation shall act as Chairman of any special meetings of the Corporation if he is present. The Chairman shall call the meeting to order at the duly designated time and the only business to be considered at such meeting shall be in consideration of the matters for which such meeting was called, as set forth in the notice of such special meeting.

ARTICLE III

Board of Directors

Section 3.01. Management. The affairs of the Corporation and Tregaron Ridge shall be governed and managed by the Board of Directors (herein collectively called "Board" or "Directors" and individually called "Director"). Prior to the Applicable Date, the Board shall be composed of three (3) individuals; after the Applicable Date, the Board of Directors shall be composed of five (5) persons. Except with respect to the Initial Board of Directors, no person shall be eligible to serve as a Director unless he is, or is deemed in accordance with the Declaration to be, an Owner, including a person appointed by Declarant as provided in Section 3.02 hereof.

Section 3.02. Initial Board of Directors. The initial Board of Directors shall be John M. Hennessey, Timothy F. Brammer and Jay A. Brammer (herein referred to as the "Initial Board"), all of whom have been or shall be appointed by Declarant. Notwithstanding anything to the contrary contained in, or any other provisions of, these By-Laws or the Declaration or the Act or elsewhere (a) the Initial Board shall hold office until the earlier of: (1) ten (10) years after the recording date of the Declaration, or (2) the date Declarant files for record in the Office of the Register of Deeds of Sarpy County, Nebraska an instrument waiving or releasing its reserved

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right as set forth in Section 21 of the Declaration to expand or further expand Tregaron Ridge, or (3) at such earlier date as Declarant may determine, and (4) without regard to the time when the period of Declarant control terminates, the Corporation shall hold a First Transitional Election not later than sixty (60) days after the conveyance of twenty-five (25%) percent of the Units to the Unit Owners other than Declarant, at which election one (1) additional member shall be elected to the Board, and (5) a Second Transitional Election shall be held by the Corporation not later than sixty (60) days after the conveyance of a total of fifty (50%) percent of the Units to Unit Owners other than Declarant, at which election one (1) additional member shall be elected to the Board. The transitional Directors shall be elected for two (2) year terms. In the event of any vacancy or vacancies occurring in the Initial Board for any reason or cause whatsoever, prior to the applicable dates of the First and Second Transitional Election as provided above, every such vacancy shall be filled by a person appointed by Declarant, who shall thereafter be deemed a member of the Initial Board. Each Owner, by acceptance of a deed to a Condominium Unit, or by acquisition of any interest in a Condominium Unit by any type of juridic acts, inter vivos or causa mortis, or otherwise, shall be deemed to have appointed Declarant as such Owner's agent, attorney-in-fact and proxy, which shall be deemed coupled with an interest and irrevocable until the applicable dates of the Transitional Elections as provided above, to exercise all of said Owner's right to vote and to vote as Declarant determines on all matters as to which members are entitled to vote under the Declaration, these By-Laws, the Act, or otherwise. This appointment of Declarant as such Owner's agent, attorney-in-fact and proxy shall not be affected by incompetence of the Owner granting the same.

Section 3.03. Additional Qualifications. Where an Owner consists of more than one person or is a partnership, corporation, trust or other legal entity, then one of the persons

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constituting the multiple Owner, or a partner or an officer or trustee shall be eligible to serve on the Board of Directors, except that no single Condominium Unit may be represented on the Board of Directors by more than one person at a time.

Section 3.04. Term of Office and Vacancy. Subject to the provisions of Section 3.02 hereof, one (1) member of the Board of Directors shall be elected at each annual meeting of the Corporation. The Initial Board shall be deemed to be elected and re-elected as the Board of Directors at each annual meeting until the Applicable Date provided in Section 3.02 hereof. Each member of the Board of Directors shall be elected for a term of three (3) years, except that Board members elected at the First and Second Transitional Elections shall be elected for a two (2) year terms. There shall be separate nominations for the office of each Director to be elected at the Transitional Elections. Each Director elected shall hold office throughout the term of his election and until his successor is elected and qualified. Subject to the provisions of Section 3.02 hereof as to the Initial Board, any vacancy or vacancies occurring in the Board shall be filled by a vote of a majority of the remaining Directors or by vote of the Owners if a Director is removed in accordance with Section 3.05 of this Article III. The Director so filling a vacancy shall serve until the next annual meeting of the members and until his successor is elected and qualified. At the first annual meeting following any such vacancy, a Director shall be elected for the balance of the term of the Director so removed or in respect to whom there has otherwise been a vacancy.

Section 3.05. Removal of Directors. A Director or Directors, except the members of the Initial Board, may be removed with or without cause by vote of a majority of the Percentage Vote at a special meeting of the Owners duly called and constituted for such purpose. In such case, his successor shall be elected at the same meeting from eligible Owners nominated at the

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meeting. A Director so elected shall serve until the next annual meeting of the Owners and until his successor is duly elected and qualified.

Section 3.06. Duties of the Board of Directors. The Board of Directors shall provide for the administration of Tregaron Ridge, the maintenance, upkeep and replacement of the Common Areas and Limited Common Areas (unless the same are otherwise the responsibility or duty of Owners of Condominium Units pursuant to the Declaration or these By-Laws), the establishment of a budget and the collection and disbursement of the Common Expenses. After the Applicable Date, the Board may, on behalf of the Association, employ a reputable and recognized professional property management agent (herein called the "Managing Agent") upon such terms as the Board shall find, in its discretion, reasonable and customary. The Managing Agent shall assist the Board in carrying out its duties, which include, but are not limited to:

(a) protection, surveillance and replacement of the Common Areas and Limited Common Areas, including, without limitation, the enforcement of the prohibition of vehicular parking in the right-of-way of streets and roads on the Property, unless the same are otherwise the responsibility or duty of the Owners or Condominium Units; provided, however, that this duty shall not include or be deemed or interpreted as a requirement that the Corporation, the Board or any Managing Agent must provide any on-site or roving guards, security service or security system for protection or surveillance, and the same need not be furnished;

(b) procuring of utilities used in connection with Tregaron Ridge, removal of garbage and waste, and snow removal from the Common Areas and Limited Common Areas, as applicable;

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(c) landscaping, painting, decorating, furnishing, maintenance and upkeep of the Common Areas and where applicable, the Limited Common Areas;

(d) surfacing, paving and maintaining private streets, parking areas and sidewalks to the extent the same are part of the Common Area or Limited Common Areas;

(e) assessment and collection from the Owners of the Owner's share of the Common Expenses;

(f) preparation of the proposed annual budget, a copy of which will be mailed or delivered to each Owner at the same time as the notice of annual meeting is mailed or delivered;

(g) preparing and delivering annually to the Owners a full accounting of all receipts and expenses incurred in the prior year; such accounting shall be delivered to each Owner simultaneously with delivery of the proposed annual budget for the current year;

(h) procuring and maintaining for the benefit of the Owners, the Corporation and the Board the insurance coverages required under the Declaration and such other insurance coverages as the Board, in its sole discretion, may deem necessary or advisable.

(i) Making available to Owners and mortgagees current copies of the Declaration, By-Laws and rules and regulations governing Tregaron Ridge ("Organizational Documents") and any other books, records and financial statements of the Association. A copy of Organizational Documents shall be provided initially for the Owners or each Condominium Unit, and additional

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copies shall be made available for purchase by Members at a reasonable cost. The Board shall also make available to prospective purchasers of Condominium Units current copies of the Organizational Documents and the most recent annual financial statement if such statement has been prepared. "Available" means available for inspection upon request during normal business hours or under other reasonable circumstances. Upon written request by the United States Department of Housing and Urban Development or the Veterans Administration, the Board shall also prepare and furnish within a reasonable time an audited financial statement for the Association for the immediately preceding fiscal year.

(j) The maintenance, repair, upkeep and replacement of the Common Area (except as is otherwise the obligation of an Owner), including but not limited to, the maintenance, repair, upkeep and replacement of the following (if located in the Common Area):

- (1) Streets;
- (2) Signage;
- (3) Flowers, plant material, grass and other landscaping;
- (4) Irrigation system, if any;
- (5) Yard lighting; and
- (6) Mailboxes.

(k) Taking such action or performing such tasks as are, in the Board's discretion, beneficial to the Owners.

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Section 3.07. Powers of the Board of Directors. The Board of Directors shall have such powers as are reasonable and necessary to accomplish the performance of their duties.

These powers include, but are not limited to, the power:

(a) to employ a Managing Agent to assist the Board in performing its duties, including keeping a record and minutes of all meetings; provided, however, except as otherwise provided in Section 25 of the Declaration, any management agreement shall be terminable by the Corporation for cause upon thirty (30) days written notice and otherwise upon ninety (90) days written notice, and any such agreement may not exceed one (1) year, renewable by agreement of the parties for successive one (1) year periods.

(b) to purchase, lease or otherwise obtain for the benefit of the Owners or for the Corporation to perform its duties such equipment, materials, labor and services as may be necessary in the judgment of the Board of Directors;

(c) to employ legal counsel, architects, contractors, accountants and others as in the judgment of the Board of Directors may be necessary or desirable in connection with the business and affairs of Tregaron Ridge and of the Corporation;

(d) to employ, designate, discharge and remove such personnel as in the judgment of the Board of Directors may be necessary for the maintenance, upkeep, repair and replacement of the Common Areas and, where applicable, the Limited Common Areas and as otherwise necessary for the Board of Directors to perform its duties;

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(e) to include the costs of all of the above and foregoing as Common Expenses and to pay all of such costs therefrom;

(f) to open and maintain a bank account or accounts in the name of the Corporation; and

(g) to promulgate, adopt, revise, amend and alter from time to time such additional rules and regulations with respect to use, occupancy, operation and enjoyment of the Tract, the Common Area (in addition to those set forth in this Declaration) as the Board, in its discretion, deems necessary or advisable; provided, however, that copies of any such additional rules and regulations so adopted by the Board shall be promptly delivered or mailed to all Owners, and further provided that such rules and regulations are not in conflict with any terms and provisions of this Declaration or of any rules and regulations adopted by the Corporation.

Section 3.08. Limitation on Board Action. After the Applicable Date, the authority of the Board of Directors to enter into contracts shall be limited to contracts involving a total expenditure of less than Five Thousand Dollars (\$5,000.00) without obtaining the prior approval of a majority of the Percentage Vote, except that in the following cases such approval shall not be necessary:

(a) contracts for replacing or restoring portions of the Common Areas or Limited Common Areas damaged or destroyed by fire or other casualty where the cost thereof is payable out of insurance proceeds actually received;

(b) proposed contracts and proposed expenditures covered in the annual budget; and