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Document Title: Declaration of Condominium for Dundee Place
Condominiums

Document Date: November 14, 2005

Grantor Name: Fountainhead Development, LLC

Grantee Names: None

Grantor's Address: c/o Scott A. Meyerson, Esq.
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City of Omaha, Douglas County, Nebraska

DECLARATION OF CONDOMINIUM OWNERSHIP
FOR
DUNDEE PLACE CONDOMINIUMS

THIS DECLARATION OF CONDOMINIUM OWNERSHIP FOR DUNDEE PLACE CONDOMINIUMS is made this 14th day of November, 2005 by Fountainhead Development, LLC, a Nebraska limited liability company, (hereinafter referred to as "Declarant");

W I T N E S S E T H:

WHEREAS, pursuant to the terms of the Nebraska Condominium Act (hereinafter referred to as the "Act"), Fountainhead Development, LLC, the sole owner of the Property legally described in Attachment 1 attached hereto and incorporated herein by this reference (hereinafter referred to as the "Property") does hereby subject the Property to the condominium form of ownership as "The Dundee Place Condominiums" as provided for in the Act and in this Declaration of Condominium Ownership for Dundee Place Condominiums (hereinafter referred to as the "Declaration");

WHEREAS, by virtue of the recording of this Declaration, the Property shall be owned, held, transferred, sold, conveyed, used, occupied and mortgaged or otherwise encumbered subject to the provisions of this Declaration and the Act and every grantee of any interest in said Property, by acceptance of a deed or other conveyance of such interest whether or not such person shall otherwise consent in writing, shall own and take subject to the provisions of the Act and this Declaration and shall be deemed to have consented to the terms hereof; and

WHEREAS, in furtherance of the plan of condominium ownership and the purposes and intents thereof, Declarant, sole owner of the Property hereby submits to the Act and this Declaration, together with all Improvements constructed thereon, hereby makes this Declaration which shall apply to, govern, control and regulate the sale, resale, or other disposition, acquisition, ownership, use and enjoyment of the Property and the Improvements locate thereon, and does hereby specify, agree, designate and direct that this Declaration and all of its Provisions shall be and are covenants to run with the Property herein described and shall be binding on the present owner of the Property and all its successors and assigns and all subsequent owners of the Property and Improvements constructed thereon, together with their grantees successors, heirs, executors, administrators, devisees and assigns.

NOW, THEREFORE, Declarant, as the owner of the Property above described, for the purposes above set forth, does hereby declare said Property and all improvements thereon and those to be erected thereon to be a Condominium, hereinafter known as "Dundee Place Condominiums", under the Act, and further declares and provides as follows:

1. DEFINITIONS.

1.1. The following terms, as used herein or elsewhere in any condominium documents relating to Dundee Place Condominiums, unless otherwise specifically provided, shall have the meaning set forth below:

a. Act - The Nebraska Condominium Act (Neb. Rev. Stat. Sections 76-825 to 76-894) in effect as of the date of the recording of this Declaration.

b. Articles of Incorporation - The Articles of Incorporation of the Association, as they exist from time to time.

c. Association - Dundee Place Condominiums Association (hereinafter referred to as the "Association") a Nebraska not-for-profit corporation, formed, or to be formed, prior to the date of first conveyance of a Unit.

d. Board - shall mean the Board of Directors of the Association, the members of which shall be elected from time to time as provided in this Declaration, the Bylaws and the Articles of Incorporation. The Board shall be the governing body of the Association.

e. Building - The structure built, or to be built, on the Property containing twelve (12) Units.

f. Bylaws - The Bylaws of the Association as may be adopted and amended from time to time.

g. Common Elements - All portions of the Property, except for the Units.

h. Common Expenses - Expenditures made by or financial liabilities of the Association, together with any allocations to reserves.

i. Condominium - The condominium created by this Declaration, known as Dundee Place Condominiums.

j. Declarant - Fountainhead Development, LLC, or any person, firm or corporation to whom Fountainhead Development, LLC transfers its rights hereunder prior to the time when all Units in the Condominium have been sold.

k. Declaration - This instrument (including all attachments hereto) and any amendments hereto which may be recorded from time to time.

l. Development Guidelines - shall mean the design and development guidelines and standards and the review and approval procedures that may be prepared and issued from time to time by the Board pursuant to Section 7, below, for the purpose of assisting the Unit Owners and Purchasers in preparing improvement plans for a Unit within the Condominium.

m. Eligible Mortgage Holder - means the holder of any of the following (i) any first mortgage; (ii) any junior instrument recorded or filed in the office of the Register of Deeds of Douglas County, Nebraska, encumbering a Unit or any portion thereof as security for the performance of an obligation given in good faith and for valuable consideration which is not a fraudulent conveyance under Nebraska Law, including, without limitation, a deed of trust that

has been approved by the Board, but does not mean any instrument creating or evidencing solely a security interest arising under the Uniform Commercial Code.

n. Improvements – shall mean all buildings, structures, underground installations, slope and grade alterations, lighting, elevators, walkways, gutters, storm drains, drainageways, utilities, driveways, screening walls, walls, exterior doors, windows, window boxes, awnings, stairs, stairwells, balconies, plantings, planted trees and shrubs, sidewalks, poles, flags, signs and all other structures or improvements of every type and kind.

o. Limited Common Elements – Each portion of the Common Elements allocated by this Declaration, the Bylaws or by the Act for the exclusive use of one or more but fewer than all of the Units, including but not limited to: (a) any balconies, (b) the air conditioning units for each Unit, and (c) the Parking Unit(s).

p. Managing Agent – means the Person, company, or other legal entity who undertakes the duties, responsibilities and obligations of the management of the Association and the Condominium which Managing Agent may be employed for terms no longer than twelve (12) months and may be terminated by a vote of the Board, subject to any outstanding contract rights as might exist.

q. Parking Garage – shall mean the 12 stall garage located on level one (1) of the Condominium.

r. Parking Unit(s) – shall mean parking stalls 1 through 12 located in the Parking Garage as shown on the Plat and Plans.

s. Percentage of Ownership – shall have the meaning ascribed to it in Section 3.2 below.

t. Period of Declarant Control – shall commence with the recording of this Declaration and shall continue until the earlier of: (a) sixty (60) days after conveyance to Unit Owners other than the Declarant of ninety percent (90%) of the total number of Units; (b) two years after the Declarant has ceased to offer Units for sale in the ordinary course of its business; or (c) the date which is the fifth anniversary of the date of the recording of this Declaration.

u. Person - A natural person, partnership, corporation, limited liability company, business trust, estate, or other legal entity capable of holding title to real property; provided, however, that for any kind of trust, "Person" means the beneficiary of the trust rather than the trustee of the trust.

v. Plat and Plans - The drawings attached hereto as Attachment 2 which were prepared by a registered land surveyor and which contain the information required by subsections b and d of Neb. Rev. Stat. Section 76-846 of the Act, as such drawings may be amended from time to time by amendments thereto.

w. Purchaser – means any Person other than the Declarant or a trustee of a deed of trust, who by a voluntary transfer acquires a legal or equitable interest in a Unit, other than as a security interest for an obligation.

x. Property - The land legally described in Attachment 1 which is attached hereto, together with all improvements and structures from time to time hereafter located thereon, including all appurtenances thereto and all easements and rights intended for the mutual use, benefit or enjoyment of the Unit Owners.

y. Special Declarant Rights - Rights reserved for the benefit of the Declarant to complete Improvements indicated on the Plat and Plans filed with the Declaration; to maintain sales offices, management offices, advertising signs for the Condominium project, and models; to use easements through the Common Elements (including the Limited Common Elements) for the purposes of making Improvements within the Condominium; to create or add additional Units, Common Elements, or both; to relocate the boundaries between any of the Unit or Units; to subdivide any Unit or Units; or to appoint or remove any officer of the Association, or any member of the Board during the Period of Declarant Control.

z. Unit or Condominium Unit - A physical portion of the Condominium designated for separate ownership or occupancy and identified as Units 2A, 2B, 2C, 2D, 3A, 3B, 3C, 3D, 4A, 4B, 4C and 4D the boundaries of which are delineated on Attachment 2 hereto and further described in Section 2 below.

aa. Unit Owner - The person or persons, individually or collectively, having fee simple ownership of a Unit.

1.2. Unless the context otherwise requires, any other terms used in this Declaration shall be assumed to have the meaning attributed to said term in the Act.

2. UNITS.

2.1. The Condominium Units shall be legally described as shown on the Plat and Plans attached hereto as Attachment 2. The Condominium Project consists of: (i) twelve (12) Units on levels two (2) through four (4), and (ii) twelve (12) Parking Units located in the Parking Garage on level one (1). Each Unit includes a Percentage of Ownership that is appurtenant thereto. The Units are further identified on the Plat and Plans recorded pursuant to the terms of this Declaration and the Act.

2.2. The legal description of each Unit shall set forth the name of the Condominium, the recording data for the Declaration, the county in which the Condominium is located, and the identifying number of the Unit pursuant to Neb. Rev. Stat. §76-841. Every deed, lease, mortgage or other instrument may legally describe a Unit by such legal description, and every such description shall be deemed good and sufficient for all purposes, as provided in the Act.

2.3. Each Unit and the improvements therein shall be used solely for residential purposes, subject to the Special Declarant Rights and the zoning requirements of the City of Omaha, Nebraska.

2.4. Each Unit Owner shall have exclusive rights to the Limited Common Elements which are allocated for the exclusive use of such Unit Owner.

2.5. The Units and their dimensions are depicted on the Plat and Plans, which are incorporated herein by this reference. Except as otherwise provided herein, and as otherwise set forth in Section 3, which describes the Common Elements, each Unit includes that part of the structure which lies within the following boundaries:

a. Horizontal (Upper and Lower): The Units will be stacked one on top of the other. The upper horizontal boundary of each of the uppermost Units shall be in the horizontal plane (and diagonal plane as is necessary in the case of vaults) of the lowermost unfinished surface of the roof, such that the roof, and all of its support systems (including, but not limited to, the roof trusses), shall not be deemed to be included within the boundaries of the Unit. The lower horizontal boundary of each Unit is the horizontal plane on top of the lightweight concrete sub-floor. As such, the lightweight concrete sub-floor, the lumber sub-floor and the floor trusses thereunder shall not be a part of the Unit. The upper horizontal boundary of any Unit which has a Unit above it is the horizontal plane or planes coinciding with the lower most portion of the lightweight concrete sub-floor, lumber floor joists and trusses as part of the ceiling thereof.

b. Vertical (Perimeter): The vertical boundary (perimeter) of each Unit is the unfinished interior perimeter wall surfaces of all such walls; provided that where there are windows or doors, the boundary is the exterior surface of such doors and windows when enclosed, and where any such boundary separates one Unit from another Unit, the vertical boundary between such shall be the center line of the walls separating such Units. Repairs and finishes on such walls shall be maintained by each individual Unit. Stud replacement shall be divided equally by each adjoining Unit, unless such repair shall be caused by such Unit owner or its occupants, guests invitees, agents and/or contractors.

c. the horizontal and vertical boundaries above identified shall be extended to their intersections with each other.

2.6. The Parking Units and their dimensions are depicted on the Plat and Plans referred to hereinabove which Plat and Plans are incorporated herein by this reference, and are limited to the air space immediately above the surface of the horizontal plane of the concrete floor for the purposes of vehicular parking.

2.7. Included in the Units are systems, equipment, installations and facilities of such Units which are exclusively used for the benefit of a particular Unit, whether situated within or outside of a particular Unit's boundaries, including, but not limited to the following:

a. All internal walls or partitions which are contained wholly within a Unit shall be deemed part of the Unit;

b. All central and appurtenant installations for services such as electrical, power, light, telephone, gas, hot and cold water and heat (including all ducts, pipes, valves, wires, cables and conduits used in connection therewith or any replacements thereof) which exclusively service a Unit;

c. Fans, vents and exhausts and all piping, ducts and equipment which exclusively service a Unit wherever the same may be located;

d. All exterior windows, doors, shutters, awnings, balconies, and glass windows which exclusively service a Unit;

e. Light fixtures, wiring, risers, electrical feeders, switches, electrical meters exclusively servicing a Unit;

f. Gas meter, gas piping, risers, fittings, valves including any gas system exclusively servicing a Unit;

g. All other facilities or fixtures located within or immediately connected to a Unit which exclusively serve or benefit or are necessary for the existence, maintenance, operation or safety of the particular Unit.

h. All lath, furring, wallboard, plasterboard, plaster, paneling, tiles, wallpaper, paint, finished flooring, and any other materials constituting any part of the finished surfaces of the walls, floors, or ceilings within the designated boundaries of any Unit are a part of the Unit.

No Unit shall include any piping, wiring, ductwork, machinery, equipment or other materials used exclusively by any other Unit.

3. COMMON ELEMENTS; OWNERSHIP; COVENANT AGAINST PARTITION.

3.1. Common Elements. The Common Elements of the Condominium are as follows:

a. The Property upon which the structures containing the Condominium Units are located, and such structures themselves, including but not limited to, the foundations, exterior walls, roofs, gutters, downspouts, chutes, chases, flues, ducts, wires, conduits, bearing walls, bearing columns, fire suppression and detection systems, whether situated partially within or outside the boundaries of any Unit, including without limitation all piping, fittings, valves and sprinkler heads, or any other fixtures which lie partially within and partially outside of the designated boundaries of a Unit and which serve more than one Unit and are not otherwise assigned or allocated to any one or more Units as a Limited Common Element.

b. Except as may be shown on the Plat and Plans, the Common Elements shall include, without limitation, each and every stairway, elevator, service or utility areas, canopies, the lobby located on the first level of the Condominium, the Parking Garage and any adjacent public right-of-ways that the Association is responsible for maintaining, including without limiting the generality of the foregoing, trees, shrubs, lawns, pavements, sidewalks, storm and water systems, sewage lines, and all utility installations, and pipes, wire and conduits and connections for television, electricity, light, water and plumbing and other utilities, except those items that are exclusively within or for the benefit of a particular Unit and not used to service any Unit other than that particular Unit.

c. All other appurtenances not herein specifically designated which are not enclosed within the boundaries of a Condominium Unit as is hereinabove delineated in Section 2 of this Declaration.

3.2. Each Unit Owner shall own an undivided interest in the Common Elements as a tenant in common equal to the percentage of ownership (hereinafter referred to as the "Percentage of Ownership") allocated to the respective Unit owned by such Unit Owner, as set forth in the schedule attached hereto as Attachment 3, as such schedule is amended from time to time by amendment hereto. The Percentages of Ownership have been computed and determined in accordance with the following formula: the Unit's square footage divided by the total square footage of all of the Units in the Condominium. Such Percentages shall remain constant unless hereafter changed as provided in Section 16 hereof or in accordance with the provisions of the Act.

3.3. The ownership of each Unit and of the Unit Owner's corresponding Percentage of Ownership in the Common Elements shall not be separated. As long as the Property is subject to the provisions of the Act, the Common Elements shall, except as provided in Neb. Rev. Stat. §76-871(h), remain undivided, and no Unit Owner shall bring any action for partition or division of the Common Elements. Any covenant or agreement to the contrary shall be null and void. Nothing contained herein, however, shall prevent partition of a Unit as between Co-Unit Owners thereof, if such right of partition shall otherwise be available, but such partition shall not be in kind. Notwithstanding the above, no Unit may be partitioned or subdivided without the prior approval of at least the holder of any first mortgage or deed of trust lien on such Unit.

4. EASEMENTS.

4.1. Easement to Unit Owners. Except as to the use of any Unit or Limited Common Elements that are assigned and allocated exclusively to any other Unit or Units, perpetual easements are hereby established for all Unit Owners, their families, guests, invitees, and other authorized occupants and visitors of each Unit Owner for the use and enjoyment of all Common Elements, subject to such rules and regulations as may from time to time be established by the Association herein provided. Except for the rights of the Declarant herein, no Owner of a Unit shall have any right to access, occupy or use any Limited Common Elements exclusively assigned and allocated to any other Unit(s).

4.2. Utility Easements. Easements as shown on the Plat and Plans or as may be hereafter established by the Association are established and dedicated for sewers, electricity, television, water, gas, internet, telephone, irrigation and all other utility purposes, including the right to install, lay, construct, renew, alter, remove, operate, maintain, clean, repair and replace conduits, cables, pipes, wires, transformers, switching apparatus, water mains and pipes, sewer lines, drainage pipes and conduits, television wire and equipment, telephone wire and equipment, and electrical wires and conduits, over, under, along and across any portion of the Common Elements. Each Unit Owner hereby grants to the Board an irrevocable power of attorney to execute, acknowledge, register and record for and in the name of all Unit Owners, such instruments as may be necessary to effectuate the foregoing.

4.3. Easements in Gross. The Property shall be subject to a perpetual easement in gross to the Association provided herein, its successors and assigns, for ingress and egress, to perform its obligations and duties as required by this Declaration. Should it be necessary to enter any Unit to repair a Common Element or Limited Common Element, the employees, agents, contractors, subcontractors, or workmen shall be entitled to entrance during reasonable hours with 24 hours prior notice, unless it is reasonably believed by the Board that an emergency exists which requires such entrance without advanced notice, by exhibiting to the Owner or any person or persons occupying such Unit under authority of such Owner, an order signed by any member of the Board or signed by the Managing Agent.

4.4. Granting of Easements. The Association, acting through the Board, shall have the power to grant rights and restrictions, in the Common Elements or Limited Common Elements, such as the rights to grant utility easements, licenses, or similar rights, including easements for cable television, under, through or over Common Elements or Limited Common Elements, as may be reasonably necessary to or desirable for the ongoing development or operation of the Condominium.

4.5. Easements in Units. To the extent that any utility line, pipe, wire or conduit serving any Unit shall be wholly or partially within the boundaries of another Unit, such other Unit(s) shall be burdened with and hereby is reserved and created an easement for the use, maintenance, repair and replacement of such utility line, pipe, wire or conduit, such easement to run to the benefit of the Unit or Units served by the same.

4.6. Easement for Improvements. Declarant shall have and does hereby reserve a transferable easement on and over the Common Elements for the purpose of making improvements contemplated by this Declaration on the Property, and for the purpose of doing all things reasonably necessary and proper in connection therewith.

4.7. Effect of Easements. All easements and rights herein established shall run with the land and inure to the benefit of and be binding on the Declarant, its successors and assigns, and any Unit Owner, purchaser, mortgagee, or other person having an interest in any portion of the Property herein described, whether or not such easements are maintained or describe in any deed of conveyance.

4.8. Restoration of the Condominium. The benefited party of any easement granted hereunder shall have the duty and obligation to repair and restore the servient portion of the Condominium to the condition which existed prior to the exercise of such easement rights.

5. COVENANTS; RESTRICTIONS.

5.1. Encroachments. In the event that, by reason of construction, settlement or shifting of any building or structure, any part of the Common Elements encroaches or shall hereafter encroach upon any part of any Unit, or any part of any Unit encroaches or shall hereafter encroach upon any part of the Common Elements, or if by reason of the design or construction of any Unit it shall be necessary to a Unit Owner to use or occupy, for normal uses and purposes, any portion of the Common Elements, consisting of an unoccupied space within the Property and adjoining his or her Unit, valid easements for the maintenance of such encroachment and for the use of such adjoining space are hereby established and shall exist for the benefit of such Unit and the Common Elements, as the case may be, so long as all or any part of the Building containing such Unit shall remain standing; provided however, that in no event shall a valid easement for an encroachment be created in favor of any Unit Owner or in favor of the owners of the Common Elements if such encroachment occurred because of the willful conduct of said Unit owner or the Owners of the Common Elements, as the case may be. In the event any structure is partially or totally destroyed and then rebuilt, minor encroachments of part of the Common Elements because of construction shall be permitted and valid easements for said encroachment and the maintenance thereof shall exist.

5.2 Restrictions.

a. The Units (with the exception of any such Units during the time period when they are being used by the Declarant as a sample, model or sales office) are restricted to single-family residential use including home professional pursuits not requiring regular visits from the public or unreasonable levels of mail, shipping, trash or storage requirements. No more than two persons who are not related by birth or marriage shall reside in any one bedroom Unit and no more than three persons who are not related by birth or marriage shall reside in any two bedroom Unit; provided, however, one additional adult or two additional minor children, who are in the immediate family of one of the Unit's occupants, may reside in a Unit on a temporary basis (for purposes of this section, "temporary basis" shall mean no more than three consecutive months). Within thirty (30) days of a Unit becoming owned by other than a natural person, the Unit Owner shall notify the Board in writing of the name of the person or persons (subject to the limitation provided herein) designated by such owner to occupy its Unit. The non-individual owner may change any such designee from time to time by similar written notice to the Board. One such designee occupying the Unit must be a bona fide officer, director, stockholder, partner, manager, or employee of such owner, or, if such owner is a trust, the trustee or beneficiary of such trust.

b. No Unit Owner may carry on any practice, or permit any practice to be carried on, which unreasonably interferes with the quiet enjoyment of the occupants of any other Unit. The Units are to be maintained in a clean and sanitary condition, and no Unit Owner may place any garbage, trash or rubbish anywhere on the Common Elements or outside his or her Unit other than on such parts of the Common Elements and in such a manner as may be

designated for such purpose by the Board. The Association shall have the right to subscribe to a trash service for the use and benefit of the Association and all Owners; and to adopt and promulgate rules and regulation regarding garbage, trash, trash containers and collection. No incinerators shall be kept or maintained in any Unit. All rubbish, trash, and garbage shall be regularly removed from each Unit and shall not be allowed to accumulate therein.

c. No Unit shall be used, occupied or kept in a manner that in any way increases the fire insurance premiums for the Property without the prior written permission of the Board.

d. Except for a single standard placard indicating the Unit address on the door to his Unit, no owner of any Unit (other than the Declarant in connection with its marketing and sale of the Units) may erect any sign on or in his Unit or any Limited Common Element which is visible from outside his Unit or from the Common Elements, without in each instance having obtained prior written permission of the Board. Notwithstanding the foregoing, Unit Owners may display, without obtaining the Board's prior written consent, one (1) "For Sale" or "For Rent" sign, or one (1) political sign, on or in his Unit or any Limited Common Element; provided, however, such sign may not be larger than 4 square feet in size and no political sign may be displayed earlier than thirty (30) days prior to the relevant election and such political sign must be removed within two (2) days following the conclusion of such election. This provision is not intended to prevent the Board from maintaining on the Common Elements a register of Unit occupants, or owners, or both.

e. No pets or other nonhuman animals shall be raised, bred or kept in any Unit or in the Common Elements; except that, each Unit Owner may keep one (1) dog or one (1) cat in his or her Unit, provided that, such dog or cat must be equal to or less than twenty (20) pounds in weight.

f. The Board may from time to time promulgate reasonable rules and regulations, not in conflict with the provisions of this Declaration, concerning the use and enjoyment of the Property. Copies of the then-current rules and regulations and any amendments thereto shall be furnished to all Unit owners by the Association promptly after the adoption of such rules and regulations and any amendments thereto.

g. The owner of a Unit shall be responsible for maintaining such Unit in good order and repair, at the expense of such Unit Owner.

h. The owner of a Unit shall be responsible for the cleanliness of any Limited Common Element adjacent to and serving such Unit, all at the expense of such Unit Owner.

i. A Unit Owner shall (i) make no penetrations to the walls or roof of his Unit, or (ii) make any modifications to a Unit that violate the relevant building codes. No improper or unlawful use shall be permitted on any part of the Condominium. All valid laws, zoning ordinances, and regulations of all government bodies having jurisdiction over the Condominium shall be observed. Any violation of such laws, zoning ordinances or regulation shall be a violation of this Declaration.

j. A Unit Owner, including but not limited to the Declarant, may sell or lease his Unit at any time and from time to time provided that: (i) all tenancies must be in writing and shall be for a term of not less than twelve (12) months; (ii) each tenant and lease shall be subject to and be bound by all of the covenants, restrictions and conditions set forth in the Condominium Documents; and (iii) the Unit Owner shall provide a copy of such lease to the Association no less than thirty (30) days prior to the proposed consummation of the lease.

k. No television antenna or radio receiver, satellite dish, or other similar device shall be attached to or installed on any portion of the Property, unless (i) contained entirely within the interior of a Unit and not visible from the outside of such Unit, or (ii) on the roof of the Building; provided, however, (a) any such installation on the roof of the building shall be approved in writing by the Board and performed by a contractor designated by the Association at the Unit Owner's expense, and (b) the visibility of such installation from the grounds of the Property shall be minimized as much as reasonably possible. No radio or television signals, nor any other form of electromagnetic radiation, shall be permitted to originate from any Unit, which may unreasonably interfere with the reception of television or radio signals within the Condominium; provided, however, that Declarant and the Association shall not be prohibited from installing equipment necessary for the operation of any master antenna, security, cable television, or other similar systems within the Condominium.

l. No vehicles shall be parked on the Common Elements or the Limited Common Elements, other than in authorized Parking Units within the Parking Garage or in the seven (7) parking spaces located on the North side of the Building. No vehicle repairs, other than emergency repairs or repairs of a minimal nature needed to be performed to move a vehicle off the Property, shall be allowed to be performed on the Property. No vehicles shall be parked or stored on blocks or other such devices within the Parking Garage or any other portion of the Property. No vehicles shall be parked so as to obstruct the fire lanes, alleys or roadways as may exist within the Condominium or any public right-of-ways adjacent thereto. The Association is expressly authorized to tow away, at an offending owner's expense, any vehicle which is in violation of this Section, or which is placed on the Condominium Property in violation of the rules and regulations governing parking as may be adopted by the Board from time to time. No boats, boat trailers, campers, canoes, recreational vehicles, vehicles used primarily for recreational purposes, vehicles primarily used for commercial purposes, or vehicles with commercial writings on their exterior (unless such vehicle is a Unit Owner's primary vehicle), shall be stored, allowed to remain, or parked in the Parking Garage or on any portion of the Condominium.

m. Should a Unit become vacant, the Owner is responsible for securing the Unit while it is unoccupied, including engaging all locks, providing security lighting, and heating the interior sufficient to keep pipes from freezing. Insurance claims or costs incurred by the Association, the Board or the Declarant for frozen pipe damage in an unheated Unit may be offset by a special assessment levied against the relevant Unit in an amount equal to the damage claim.

n. No Owner, lessee, occupant, or other person shall create a nuisance within the Condominium, or use any portion of the Condominium for any activity or purpose which is considered by the Board, in its sole and absolute discretion, to be objectionable due to sound,

odor, visual effect or physical impact and which in the opinion of the Board will disturb or tend to disturb other Owners or lessees in the Condominium, or which is deemed by the Board to constitute a nuisance. Included among the uses or activities prohibited because of their detrimental effect upon the general appearance, enjoyment and use of the Condominium are, without limiting the foregoing, the following: (1) any public or private nuisance, (2) any excessive vibration, noise, sound or disturbance that is objectionable due to intermittence, beat, frequency, shrillness, loudness or pulsating effect, (3) any lighting which is flashing or intermittent or is not focused downward or away from any Unit within the Condominium, unless otherwise approved by the Board in writing, (4) any air pollution, including without limitation any dust, dirt, mold, microbials or other environmental pollutants in excessive quantities, (5) any emission of excessive, noxious and/or offensive odors. No nuisance shall be permitted to exist or operate upon the Condominium and no activity shall be conducted upon the Condominium which is offensive or detrimental to any portion of the Condominium or any Owner or occupants of the Condominium. No exterior speakers, horns, whistles, bells or other sound devices except security or other emergency devices used exclusively for security or emergency purposes shall be located, used or placed on or in the Condominium.

o. Notwithstanding anything contained in this Declaration to the contrary, Declarant may at any time sell or lease a Unit upon terms satisfactory to Declarant, without providing notice to the Association; provided that, any such sale or lease is otherwise made subject to the terms of this Declaration.

5.3. Enforcement. This Declaration, including all restrictions set forth herein, and the rules and regulations may be enforced by injunctive relief, specific performance or the imposition of reasonable monetary fines as provided in the "Act" and suspension of use and voting privileges. These powers, however, shall not be construed as limiting any other legal means of enforcing the use restrictions or rules and regulations of the Association. Any fines so imposed shall be considered an assessment against the Unit and may be collected in the manner provided for collection of other assessments. In addition to the foregoing, if any person shall fail to maintain his or her Unit in a reasonably safe and sanitary condition, the Association may, at the Board's option, and after ten (10) days written notice to the Unit Owner, perform any clean-up, repair and/or replacement to cure any such condition, and all cost and expenses reasonably incurred by the Association, plus interest thereon at the rate of sixteen (16) percent per annum, shall be reimbursed to the Association by such Unit Owner within thirty (30) days after work has been completed. The Association may levy a special assessment against any such Unit, which may be enforced in accordance with Section 6, below.

6. ASSOCIATION ASSESSMENTS, DUTIES AND RIGHTS.

6.1. Assessments.

a. All Unit Owner's shall be obligated to pay the estimated assessments imposed by the Board to meet the Common Expenses. The Common Expenses of the Association shall be assessed among all of the Unit Owner's in accordance with the Owner's share in the Common Elements and Limited Common Elements as set forth in Section 3 of this Declaration. Assessments for the estimated Common Expenses of the Association shall be due

in advance of the first day of each calendar month or less frequently as may be determined by the Board.

b. Each Unit Owner's obligation of payment of assessments shall begin on the first day of the month in which the closing of the purchase of the Condominium Unit occurs. Each Unit Owner shall pay two (2) months of assessments in advance on the date the closing of the relevant Unit occurs as a reserve for the Association in addition to the next months assessment (or the prorated assessment as the case may be). On any subsequent sale of a Unit, the Unit Owner may be reimbursed the two (2) month reserve advance from its Purchaser. In the event the ownership of a Condominium Unit, title to which is derived from Declarant, commences on a day other than the first day of the assessment period, the assessment for that period shall be prorated.

c. Assessments shall be based upon the cash requirements deemed to be such aggregate sum as the Board of the Association shall from time to time determine and is to be paid by all of the Unit Owners to provide for the payment of all estimated expenses growing out of or connected with the maintenance, repair, operation, additions, alterations and improvements of and to the Common Elements and those Limited Common Elements which are the responsibility of the Association, and the Property and Improvements owned thereby, which sum may include, but shall not be limited to: management fees, expenses and liabilities incurred by the Managing Agent, if any, on behalf of the Unit Owners under or by reason of the Declaration and the Bylaws; taxes and special assessments (until separately assessed); taxes and special assessments allocable to the Common Elements, if any; snow removal; road and sidewalk repair; premiums for insurance maintained by the Association; landscaping and care of grounds; common lighting and heating; repairs, renovation and maintenance charges not charged directly to any Unit Owners; trash and garbage collections; wages; common water and sewer charges; legal and accounting fees; the unpaid portion of any assessment against a Unit that is acquired pursuant to mortgage foreclosure, or by deed (or assignment) in lieu of foreclosure, and not required to be paid by such acquirer; deficits remaining from any prior assessment period; the cost of fidelity bonds, as required by law; sums for the creation of reasonable contingency, reserve, working capital and sinking funds as well as other costs and expenses relating to the Common Elements or Limited Common Elements which are the responsibility of the Association.

d. Pursuant to the provisions of the Declaration and Bylaws, the Board may levy such assessments for the purpose of defraying the cost of repair or reconstruction of the Improvements in the event of their damage.

e. Special Assessments.

(1) Levied Upon All Units in Proportionate Amounts. The Board, in its sole discretion, may levy special assessments at such other and additional times as in its judgment are required for: (i) maintenance, repair, and restoration of Common Elements, and operation of the Condominium; (ii) alterations, improvements, and additions to the Common Elements; provided, however, that any such special assessment involving the expenditure of more than Twelve Thousand and 00/100 Dollars (\$12,000) shall be first approved by the voting Unit Owners of the Association representing at least sixty-seven (67%) of the total votes in the

Association, at a special meeting called for such purpose; and (iii) costs and expenses incurred in curing defaults of a Unit Owner. Such special assessments made pursuant to this Section shall be deemed levied upon notice thereof being given by the Board to the Unit Owners and shall be payable as determined by the Board and as set out in such notice.

(2) Levied Upon Less Than All the Units in Proportionate Amounts.

Any Common Expense associated with the maintenance, repair, or replacement of a Limited Common Element shall be assessed against the Unit, or in equal shares to the Units, to which such Limited Common Element was allocated at the time the expense was incurred. In addition, the Association may assess any Common Expense benefiting less than all of the Units against the Units benefited in proportion to their Common Expense liability. In addition, the Board may levy a special assessment against any individual Unit or any Unit Owner for the reasonable expense incurred in the reconstruction or repair to the Common Elements, Limited Common Elements or an individual Unit for damage or destruction caused by the misconduct, negligence or infraction of the published rules and regulations of the Association by the Unit Owner or his guests or invitees.

f. The omission or failure to fix the assessment or deliver or mail a statement for any period of time shall not be deemed a waiver, modification or release of the Owners obligation to pay the same.

g. The Association shall have all of the powers of the Association enumerated in the Act. Without limiting the generality of the foregoing, the Board shall, pursuant to Section 76-873(c) of the Act, have the power and authority to assess any Common Expenses benefiting fewer than all of the Units exclusively against the Units benefited thereby.

h. Any common surplus shall be allocated to each Unit in accordance with its Percentage of Ownership, and shall be owned by the Unit Owner of that Unit and *credited* against that Unit's proportionate share of Common Expenses subsequently assessed. Unit Owners are entitled to the credit only and will not receive a cash refund of any common surplus.

i. Each fiscal year, beginning with the fiscal year beginning January 1, 2007, the Board shall prepare and adopt a budget for that fiscal year, including therein estimates of the amount necessary to pay the Common Expenses, together with amounts considered necessary by the Board for reserves. Within thirty (30) days after adoption of any proposed budget for the Condominium, the Board shall provide a summary of the budget to all the Unit Owners, and shall set a date for a meeting of the Unit Owners to consider ratification of the budget, which date shall not be less than fourteen (14) nor more than thirty (30) days after mailing of the summary. Unless at that meeting a majority of all the Unit Owners reject the budget, the budget shall be ratified, whether or not a quorum is present. In the event the proposed budget is rejected, the periodic budget last ratified by the Unit Owners shall be continued until such times as the Unit Owners ratify a subsequent budget proposed by the Board. Notwithstanding the foregoing, the first budget following the sale of the first Unit(s) shall be prepared and adopted by the Board or Declarant for the balance of the then fiscal year of the Association, and notice of the amount of the assessment against each Unit for such balance of the fiscal year shall be given by the Board or Declarant to each Unit Owner after the adoption of the assessment and shall be