

BY-LAWSOFTREEHOUSE HOMEOWNERS' ASSOCIATION, INC.ARTICLE INAME AND LOCATION

The name of the corporation is TREEHOUSE HOMEOWNERS' ASSOCIATION, INC., hereinafter referred to as the "Association". The principal office of the corporation shall be located at the residence of the Chairman of the Board of Directors of the corporation in Omaha, Nebraska.

ARTICLE IIDEFINITIONS

Section 1. "Association" shall mean and refer to the TREEHOUSE HOMEOWNERS' ASSOCIATION, INC., its successors and assigns.

Section 2. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any lot which is a part of the properties, including contract buyers, but excluding those having such interests merely as security for the performance of an obligation.

Section 3. "Properties" shall mean and refer to that certain real property described in the "Declaration of Restrictive and Protective Covenants", and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 4. "Community Space" shall mean all property (including the improvements thereto) owned by the Association for the common use and enjoyment of the owners.

Section 5. "Lot" shall mean and refer to any parcel of land, whether all or a portion of any platted lot, shown upon any recorded map or plat of the properties, upon which a living unit is, or is proposed to be, built, with the exception of the community space.

Section 6. "Declaration" shall mean and refer to the "Declaration of Restrictive and Protective Covenants" which apply to the properties, and which are filed of record in the office of the Register of Deeds of Douglas County, Nebraska.

Section 7. "Treehouse" shall mean and refer to all of that real property as is first legally described in the Declaration.

ARTICLE III

MEMBERS

Section 1. Membership Class. Every owner of a lot which is subject to assessment as stated in the Declaration shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any lot which is subject to assessment.

Members of a owner's family may attend all meetings and participate in all affairs of the Association, except only one vote is allowed per lot.

Section 2. Meetings. The meetings of the membership shall be held as follows:

(a) Annual meetings of the members shall be held on the second Tuesday of May, of each year, beginning in 1978, at the principal office of the corporation, or as otherwise designated by the Board of Directors.

(b) Special meetings of the members may be held upon the call of the Board of Directors at the principal office of the corporation, or as otherwise designated by the Board of Directors.

(c) An agenda for all annual and special meetings shall be made available to the members of the Association, at least five (5) days prior to the meeting.

(d) The President, or in his absence the Vice President, or in his absence another nominee, shall preside at all such meetings. The secretary, or in his absence his nominee, shall record the minutes of all such meetings.

(e) Those members present, in person or by written proxy signed and dated, shall constitute a quorum for any such meeting.

(f) Unless otherwise required by these By-Laws, the majority vote of the entire number of votes, voted in person or by written proxy, at any annual or special meeting, shall decide the matter or question voted upon.

Section 3. Action Without Meeting. The Board of Directors may, in place of holding any special meeting, submit any matter or question to and take the vote of members, by mail. Any such vote by mail shall be in writing, and signed and dated by the voting owner.

Section 4. Privileges. Members shall be entitled to privileges as follows:

(a) Subject to regulations or rules, from time to time adopted by the Board of Directors, all members, and their respective families and guests, shall be entitled, as appropriate, to enjoy or otherwise to use all common spaces and facilities and services operated or provided by the Association.

(b) In like manner, all members and their respective lots within the Treehouse shall be entitled, as appropriate, to benefit from or otherwise to participate in all common functions, and all common (non-individual or private) services performed or otherwise provided by the Association.

Section 5. Discipline and Enforcement. The members shall be subject to disciplinary and enforcement measures as follows:

(a) Members and their lots, shall be subject to denial of the privilege of voting rights, for any failure to pay assessments, or for any other act or omission detrimental to the affairs of the Association, or as is otherwise deemed improper.

(b) The Association shall be entitled, at any time or from time to time, to institute any legal or equitable proceeding in any court of competent jurisdiction deemed appropriate, convenient or necessary for the collection of any assessments or other charges, or enforcement of any covenant, restriction, or easement, or may take any and all other appropriate, convenient or necessary remedial or other action against any member, their lessees, or any other persons or entities. The Association shall further have the right to defend any lawsuit or other legal or equitable proceeding instituted against it, or against any director, or officer, or other agent of the Association, or any several of them.

(c) Any disciplinary or enforcement action as well as any defense undertaken, shall be by the majority vote of the Association. All costs shall be specially assessed as hereinafter provided.

ARTICLE IV

DIRECTORS

Section 1. Number and Election. The Board of Directors shall be comprised of five directors, all of whom shall be owners, and who shall be elected at each annual meeting, provided, however, the initial Board of Directors shall be comprised of the five members of the Treehouse Association, who shall serve for three consecutive years after the designated completion of construction of the Phase I units, after which such annual elections shall be held as herein provided.

Section 2. Duties. The management of the affairs of the Association, and all of its assets, shall be by the Board of Directors.

Section 3. Vacancies. The office of a director shall be vacated and filled as follows:

(a) The office of any director shall be vacated, forthwith, upon the first to occur: (1) the death of such director; (2) the failure of such director, without excuse, to attend any three consecutive annual or special meetings of the Board of Directors; (3) the removal of such director from office by a two-thirds (2/3) vote of the Board of Directors, either for or without cause; (4) the resignation of such director.

(b) Any vacancy in the office of director shall be filled by appointment by the remaining directors, or if there shall be no remaining directors, by election by the votes of the members

Section 4. Meetings. Meetings of the Board of Directors shall be held as follows:

(a) Annual meetings of the Board of Directors shall be held immediately following the annual meetings of the members.

(b) Other regular or special meetings of the Board of Directors may be held, upon direction of the Board of Directors, or called by the Chairman or a majority of the directors, at the principal office of the Corporation, or wherever directed by the Board of Directors.

(c) The Chairman, or his nominee, shall preside at, and the corporate Secretary, or his nominee, shall record the minutes of, all annual, regular and special meetings of the Board of Directors.

(d) A majority of the directors shall constitute a quorum for any meeting of the Board of Directors.

(e) Each director shall be entitled, on any matter or question voted upon, to cast one vote. In the event an owner, living away from the Treehouse, is elected as a director, he will be entitled to one vote during the period of his absence, which may be cast in person, or by proxy in writing signed and dated, or may, in the discretion of the Board of Directors, be taken by telephone.

(f) Unless otherwise required by these By-Laws, the majority vote of the entire number of directors present together with written proxy votes represented at any meeting, shall decide any matter or question voted upon by the Board of Directors.

Section 5. Action Without Meeting. The Board of Directors may, in place of holding any meeting, by unanimous written consent, dispose of any matter or question, by telephone.

Section 6. Chairman. The Chairman of the Board of Directors shall be elected at each annual meeting from among the directors, and shall have the powers and rights and be charged with the duties and obligations usually vested in or pertinent to such officers or from time to time as directed by the Board of Directors.

Section 7. Nomination Committee. There shall be a Nomination Committee of the Board of Directors as follows:

(a) The Chairman of the Board of Directors shall each year, after the initial term of the first directors expires, designate a Nomination Committee comprised of three directors and two other members of the Association.

(b) Subject to regulation or rules, from time to time adopted by it, the Nomination Committee shall consider prospective nominees for director and receive recommendations from other directors and from members of the Association, and at each annual meeting of the members, when any one or more directors is to be elected, place in nomination the names of not fewer than two persons for each vacancy in the office of director.

Section 8. Executive and Other Committees. There shall be such committees of the Board of Directors as follows:

(a) The Board of Directors may, from time to time, establish an Executive Committee and such other special or standing committees, as it may deem appropriate. Such committees shall have the duties and responsibilities as designated by the Board of Directors. The Chairman of the Board of Directors shall appoint, remove and replace members of all of such committees with the approval of the Board of Directors.

(b) Any special or standing committees (except an Executive Committee) may at any time be partially or wholly comprised of members of the Association.

Section 9. Liability. The Board of Directors, and each member of the Board of Directors, shall in no event be held personally liable for any vote or action undertaken by it, or by such individual members. Any action or transaction undertaken by the Board of Directors shall be valid, in all events, and even though individual members of said Board of Directors may be personally interested therein.

Section 10. Fees and Expenses. Directors shall serve without remuneration for their services, but the Board of Directors may provide for the reimbursement of expenses incurred by it, or by individual directors.

ARTICLE V

OFFICERS, AGENTS AND EMPLOYEES

Section 1. Officers. The Association shall have the following officers who shall have the prescribed duties:

(a) The principal officers shall be a President, a Vice-President, and a Secretary-Treasurer. All officers shall be directors of the Association, and shall be elected, annually, by the Board of Directors at each annual meeting for a term of office of one year. Officers may succeed themselves in office.

(b) The Board of Directors, may, from time to time, appoint, discharge, engage, or remove subordinate officers or assistants to

the principal officers as found to be appropriate, convenient or necessary for the management of the affairs of the Association.

(c) The officers shall have the powers and rights, and be charged with the duties and obligations usually vested in or appropriate to such offices, or from time to time as directed by the Board of Directors.

Section 2. Vacancies. The office of any principal officer shall be vacated and filled as follows:

(a) Any principal officer may be removed from office at any time, by a majority vote of the Board of Directors, either for or without cause.

(b) Any vacancy among the principal officers may be filled by appointment by the Board of Directors, from among the remaining directors or other owners, for the unexpired term of the officer.

Section 3. Agents and Employees. The principal officers may, from time to time, appoint, discharge, engage, or remove additional agents and employees found to be appropriate, convenient, or necessary for management of the affairs of the Association, but may only incur expenses in connection therewith with the approval of the Board of Directors.

Section 4. Fees, Expenses and Wages. The officers shall serve without remuneration for their services, but shall be reimbursed for expenses incurred by them, and the Board of Directors with the majority approval of the votes of the Association, may, from time to time, fix the wages and other compensation paid any agent or employee.

ARTICLE VI

DESIGN COMMITTEE

There shall be a Design Committee of five (5) owners as follows:

(a) The Design Committee shall initially be comprised of the five (5) initial members of the Board of Directors. Members of the Design Committee shall be replaced only after resignation, selling their lot, death, or removal from the Design Committee by a majority vote of all members of the Design Committee. Replacement members of the Design Committee will be elected by a majority vote of the remaining members of the Design Committee.

The Design Committee may engage professional architectural and any other appropriate, convenient or necessary advisers.

(b) Subject to regulations or rules, from time to time adopted by it, the Design Committee shall consider preliminary plans, working drawings, sketches, or specifications or other provisional data for all buildings, other structures, or additions thereto or modifications thereof, subject to architectural approval of or control by the Association, and confer with advisers, representatives, or others concerned with such control and shall, within fifteen (15) days after receipt of one set of final plans and specifications, (including site plan, disclosing so far as relevant the color, elevation, height, kind, location, materials, nature, shape and size of any such proposed building or structure), approve or disapprove them as to harmony of external design and location in relation to surroundings, topography and other relevant architectural factors of concern to the Association, and thereupon issue a "Certificate of Approval" of such plans and specifications or a statement of the specific grounds for their disapproval. Any final plans and specifications disapproved may be revised and resubmitted for consideration.

(c) In the absence of timely approval or disapproval of any such final plans and specifications, they shall be deemed to be approved as received by the Design Committee (but neither the approval nor disapproval thereof shall constitute any guarantee, warranty, or other representation by the Association or any of its members or agents as to the feasibility, practicability, or structural or other soundness or suitability of any such proposed building or structure).

(d) Subject to regulations or rules, from time to time adopted by it, the Design Committee shall consider requests for partial or whole waiver of any covenant or easement which may be waived by the Association, and may issue a permit granting any such request to the extent consistent with relevant architectural factors of concern to the Association.

ARTICLE VII

ASSESSMENTS AND OTHER FINANCIAL MATTERS

Section 1. Fiscal Year. The fiscal year of the Association shall begin on May 1 of each calendar year, and end on April 30 of the next succeeding calendar year.

Section 2. Annual Budget. On or before its annual meeting, the Board of Directors shall adopt and fix, in reasonably itemized detail, an annual budget for the fiscal year in which said annual meeting takes place, for the then anticipated fiscal affairs and general operations of the Association.

Section 3. Assessments. The Board of Directors shall have the authority to adopt, enforce and collect assessments as follows.

(a) Regular Assessments. In order to fund the annual budget, the Board of Directors may adopt and charge, at the time of the adoption of the annual budget and amended as may be deemed necessary thereafter, a regular, monthly assessment for such fiscal year, not to exceed twenty-five dollars (\$25.00), per month, per lot. The members of the Association shall be notified, in writing, of the amount of such monthly assessment and any amendments thereafter made, within fifteen (15) days after its adoption.

(b) Special Assessments. Special assessments may be adopted and charged by the Board of Directors for the purpose of financing capital improvements to the community space, or to meet extraordinary expenses, or for any other common purpose, but in an amount not to exceed (exclusive of the regular assessments) an additional sum of one hundred fifty dollars (\$150.00), per fiscal year, per lot, which sum shall include the aggregate of all such special assessments for common purposes.

(c) Overage Assessments. If it becomes necessary to consider assessments in excess of the limits authorized by the foregoing sections, the Board of Directors at a meeting, after having first given the members of the Association written notice of the time and place of such meeting and the purpose therefor, at least fifteen (15) days in advance thereof, and allowing the membership to be heard thereon, pro and con, may adopt and charge additional assessments.

Any such overage assessment must then be approved by three-fourths (3/4) of the votes of the members.

(d) Exempt From Assessment. Those lots still beneficially owned by the Treehouse Association (the original promoters), and not containing a living unit, shall not be subject to any assessments, regular, special or otherwise. As soon as there is a living unit constructed and completed thereon, such lot shall be subject from that time forward to all assessments.

(e) Personal Obligation and Lien. Any assessments shall be deemed assessed by the Board of Directors and due, when notice thereof as well as an invoice or statement for the amount due has been sent by regular United States mail, postage prepaid, to the lot address assessed, or to such other address as may be designated, in writing, by the owner of such lot. All assessments shall be the personal obligation of the owner of such lot at the time when the assessments fall due, and shall be a continuing lien against the property until paid. The Board of Directors is authorized to take any and all legal action deemed necessary and appropriate to collect said assessments as provided in these By-Laws, the Declaration, or as otherwise provided by law.

(f) Abatement. The Board of Directors has the authority to permanently or temporarily and partially or wholly abate any assessments as to any lot or as to any owner personally obligated to pay such assessments. The Board of Directors may further permanently or temporarily and partially or wholly subordinate or release the charge or lien against any lot subject to assessments.

Section 4. Deposits, Checks and Loans. Funds shall be deposited and withdrawn and additional funds borrowed as follows:

(a) Funds and money of the Association may, from time to time, be deposited by the officers, agents, and employees in any depository or depositories located in Nebraska, or elsewhere as directed by the Board of Directors.

(b) All checks, drafts, or other orders upon the Association shall be signed by the Treasurer and any one or more other officers,

agents or employees as directed by the board of directors.

(c) The President, or any other officer as directed by the Board of Directors, may negotiate and consummate for the Association, all arrangements appropriate, convenient, or necessary for any loan or other obligations of the Association which may have been authorized by the Board of Directors.

Section 5. Capital Improvements, Extraordinary Expenses, and Property Disposition. Capital improvements, extraordinary expenses, and property disposition shall be limited as follows:

(a) Capital improvements may be made by the Association only after having been approved by three-fourths (3/4) of the votes of the members and recommended by the Board of Directors. Assessments for the costs of such improvements may be adopted and charged as hereinbefore provided.

(b) The Board of Directors shall have authority to incur other extraordinary and common expenses (exclusive of capital improvements) and adopt and charge assessments in payment therefor, as hereinbefore provided.

(c) In case of questions as to whether an item constitutes a "capital improvement", that question shall be decided by a majority of the votes of the members present in person or by written proxy, at an annual or special meeting.

(d) Any owner or group of owners desiring to personally finance a capital improvement to be located in the community space may do so only after the approval of the majority of the votes of the members present in person or by written proxy, at an annual or special meeting. This capital improvement, if approved and when implemented and/or constructed, will become the property of the Association, and subject to no special or restrictive rights or privileges placed on its utilization.

(e) The lease, sale or other disposition of any interest in real property owned by the Association shall be undertaken only upon the recommendation of the Board of Directors and accepted by three-fourths (3/4) of the votes of the members, present in person

or by written proxy, at any annual or special meeting.

Section 6. Indemnification. Every director, officer, and member of the Design Committee shall be entitled, during, after and arising from his term in office, to be fully indemnified and held harmless, whether by exoneration, reimbursement or otherwise, from any liability, including court costs and reasonable legal fees, in connection with any matter arising out of service as such director, officer, or member of the Design Committee, but excepting therefrom any manner or nature of fraud on the Association. In the event that such officer, director, or member of the Design Committee is sued in connection with his official capacity, the Association will pay his costs of defense, except as such lawsuit may arise out of any manner or nature of fraud on the Association or any of its members.

ARTICLE VIII

LEGAL AUTHORITY

The officers, directors and members of the Association are hereby authorized to take any and all legal action deemed advisable, necessary or appropriate and as provided by these By-Laws, the Declaration, or as is otherwise provided by law. Whenever action is to be undertaken by the Association, the Board of Directors is hereby authorized to undertake any such appropriate action for and on behalf of the Association.

ARTICLE IX

RECORDS AND REPORTS

Section 1. Records. The books and records of the Association shall be maintained at the principal office of the Association, or wherever else as may be directed by the Board of Directors.

Section 2. Officers' Reports. Each officer shall, at each annual meeting of the members, and when otherwise called for at any meeting of the members or the Board of Directors, present a full and complete report of the condition of the affairs of the Association, as such pertains to the office held.

ARTICLE X

NOTICES AND STATEMENTS

Section 1. Notice for Meeting of Members. Not less than twenty (20) nor more than thirty (30) days next preceding any annual or special meeting of the members, each member shall be sent by regular United States mail, postage prepaid, to the address of the member's lot, or to the address submitted in writing by the member to the Secretary of the Association, a written notice which shall specify the time, place and general purposes of such meeting. (A specific agenda shall be available at least five (5) days prior to the meeting, as hereinbefore required in Article 3, Section 2 (c).) If these by-laws otherwise specify a greater notice before a vote can be taken on a particular question, such greater notice shall prevail for such question.

Section 2. Notice for Meeting of Directors. Not less than three (3) nor more than thirty (30) days next preceding any annual or other meeting of the Board of Directors, each director shall be sent written notice of such meeting by regular United States mail, postage prepaid, addressed to the director's lot, or to the address submitted in writing by the director to the Secretary of the Association, which notice shall specify the time, place and general purposes of such meeting.

Section 3. Waiver. Any notice required by law, the Articles of Incorporation, or these By-Laws shall be waived as to any meeting by the presence of any person entitled to such notice in person or by proxy at such meeting, and may be waived at any time as to any meeting or any other matter or question by a written waiver by any person entitled to such notice. Any such waiver shall be fully equivalent to the due and timely giving of such notice.

Section 4. Notice to Individuals. Whenever the Board of Directors or the members take any action which specifically or generally affects the financial affairs of any member, and including assessments and any disciplinary, enforcement or defense action, the

Board of Directors shall cause to have sent a notice of said action to such member by regular United States mail, postage prepaid, to the address for other notices otherwise given to such member, within fifteen (15) days after the date upon which said action was taken. Any action contemplated to be taken thereon shall be delayed for ten (10) days after the date that this notice was sent, unless an emergency exists.

ARTICLE XI

CORPORATE SEAL

The Association shall have a seal, in circular form, having within its circumference the words. "Treehouse Homeowners' Association, Inc.".

ARTICLE XII

AMENDMENTS AND INTERPRETATION

Section 1. These By-Laws may be amended upon the approval of two-thirds (2/3) of the votes of the members. A written statement of the proposed amendment shall be sent to each member of the Association, as would be a notice of a meeting of the members, at least thirty (30) days prior to the time that such vote shall be requested.

Section 2. In case there should be any conflict between the Articles of Incorporation and these By-Laws, the Articles of Incorporation shall control. In the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

IN WITNESS WHEREOF, we, being all of the original directors of the Treehouse Homeowners' Association, Inc., have adopted these By-Laws, and hereunto set our hands this 25 day of August, 1977.

Larry Jasich
Thomas L. Finkley
Samy D. Hines
John H. Hines
Valley D. Savage