

BY-LAWS
of
BROOK HOLLOW ASSOCIATION INC.
and
BROOK HOLLOW CONDOMINIUM PROPERTY REGIME

1) These are the By-Laws of BROOK HOLLOW ASSOCIATION INC. a Nebraska non-profit corporation with its registered office at 2400 South 72 Avenue, Omaha, Nebraska (C/o John W. Delehant). These are also the By-Laws of Brook Hollow Condominium Property Regime.

2) Seal. The corporate seal shall bear the name of the corporation and the words "Corporate Seal."

3) Members. This corporation has been organized to provide a means of management for the above-described condominium. Membership in the Association is automatically granted and restricted to record owners of apartments in said condominium regime. The vote on behalf of an apartment shall be in person by the record owner thereof, but if an apartment is owned by more than one person or by a corporation or other entity, such vote shall be cast by the person named in a certificate signed by all of the owners of the apartment and filed with the Secretary of the Association. No other form of proxy voting will be permitted. Each apartment shall be entitled to the number of votes equaling the total dollar basic value assigned to such apartment in the Master Deed creating the condominium regime.

4) The Annual Members' Meeting will be held for the purpose of electing a Board of Administrators and transacting any other business that may come before the meeting. No notice of annual meetings need be given. Said annual meeting shall be held on the second Tuesday of January of each year at 7:30 p.m. at the condominium apartment owned by the then elected President of the Association, unless a different time or place is specified in a 10-day prior written notice mailed or delivered to all members.

5) Special Members' Meetings may be called by the President or Vice President or by a majority of the Board of Administrators and must be called upon receipt of written request from members holding at least two-thirds of the total basic value of the condominium regime. Notice of special meetings shall be given by ten days' written notice delivered or mailed to each apartment. Notices may be waived either before or after the meeting.

6) The President shall preside over members' meetings, and the Secretary shall keep the minute book wherein the resolutions shall be recorded.

7) A Quorum for members' meetings shall consist of persons owning a majority of the total basic value of the condominium regime, but a meeting consisting of less than a quorum may by majority vote adjourn the meeting from time to time without further notice. The affirmative vote of persons owning a majority of the total basic value of the condominium shall be required to adopt a decision on the part of the members.

~~8) The Affairs Of The Association shall be managed by a Board of three Administrators (also known as Directors) who need to be members and who shall be elected by the members at each annual meeting of the members. Vacancies occurring in the Board shall be filled by the remaining Administrators. Notwithstanding the foregoing, until December 31, 1985 or until Brook Hollow, Inc., a Nebraska corporation (developer) elects in writing to waive its right to elect the Administrators (whichever shall first occur) the Administrators of the Association shall be elected solely by the developer.~~

First three sentences replaced 1/19/1989 with:

The AFFAIRS OF THE ASSOCIATION shall be managed by a Board of five Administrators (also known as Directors) who need to be members and who shall be elected by the members at each annual meeting of the members. Vacancies occurring in the Board shall be filled by the remaining Administrators. Any Administrator may be removed by a majority vote of the members, and the vacancy thus created may be filled by the members.

~~After relinquishment of control by the developer, [A]ny Administrator may be removed by a majority vote of the members, and the vacancy thus created may be filled by the members. The normal term of each Administrator shall be until the next annual meeting of the members or until his successor is duly elected and qualified. A majority of the Administrators shall constitute a quorum, and a majority vote of Administrators present at a meeting comprising a quorum shall constitute the act of the Administrators and of the Association. The Board of Administrators shall have authority for the care, upkeep and surveillance of the condominium buildings and its general or limited common elements or services and also the designation and dismissal of the personnel necessary for the works and the general or limited common services of the buildings. Compensation of Administrators and of employees of the Association shall be fixed by the Board of Administrators. An Administrator may be an employee of the Association and a contract for management of the condominium may be entered into with an Administrator.~~

10) The Officers of the corporation shall be elected by the Administrators. Compensation of officers shall be fixed by the Administrators. Any person may hold two or more offices, but no one person shall hold the office of President and Secretary. The officers of the Association shall consist of a President, Vice President, secretary and Treasurer and such additional officers as the Administrators shall deem necessary from time to time.

a) The President (or the Vice President in the absence or disability of the President) shall be the chief executive officer of the company; shall preside at meetings of members and Administrators; shall execute all contracts and instruments; shall have general management of corporate affairs and shall carry out all orders of the Board of Administrators.

b) The Secretary shall record the minutes of meetings of Administrators and members shall have custody of the corporate seal and affix it to such instruments as are authorized by the Administrators, and shall perform such other duties prescribed by the President or the Administrators.

c) The Treasurer shall have custody of corporate funds and securities; shall account for all corporate receipts and disbursements, and shall perform such other duties prescribed by the President or the Administrators.

11) Budget. The Board of Administrators shall adopt a budget for each fiscal year which shall include the estimate of funds required to defray common expenses in the coming year and to provide funds for current expenses, reserves for deferred maintenance, reserves for replacement, and reserves to provide a working fund or to meet anticipated losses. The budget shall be adopted in the eleventh month of each fiscal year for the coming fiscal year, and copies of the budget and proposed assessments shall be sent to each owner on or before the last day of the fiscal year preceding the year for which the budget is made. Budgets may be amended during a current year where necessary, but copies of the amended budget and proposed increase or decrease in assessments shall be sent to each owner as promptly as possible. There shall be no enlargement of the common elements or additional structures built as part of the common elements if such enlargement or additional construction costs more than \$5,000.00 unless and until such proposal is approved in writing by co-owners representing at least three-fourths of the total basic value of the condominium.

12) Assessments against each apartment owner for such common expenses shall be made annually on or before the fiscal year end preceding the year for which assessments are made. The annual assessments shall be due in twelve equal, monthly payments on the first day of each month. The assessment to be levied against each apartment shall be such apartment's pro-rata share of the total annual budget based upon the percentage share of such apartment's basic value as set forth in the Master Deed establishing the condominium. In case of an amended budget as provided in Article 11, the amended assessment shall be payable at the times specified in the notice of the amended assessment sent to each owner. Until construction of an apartment unit is completed as shown on the plans attached to the Master Deed, the assessment against such uncompleted apartment shall not exceed \$5.00 per month. If any co-owner shall fail or refuse to make any payment of an assessment when due, the amount thereof shall constitute a lien on the interest of the co-owner in his apartment and the Administrators may record such lien in the Office of the Register of Deeds; whereupon, said lien shall be privileged over and prior to all liens and encumbrances except assessments, liens and charges for taxes past due and unpaid on the apartment and except prior duly recorded mortgage and lien instruments. Assessments delinquent more than ten days after the due date shall bear interest at the highest legal contract rate from the due date until paid. The delinquency of one installment of an assessment shall cause all remaining installments to immediately become due, payable and delinquent.

Language added 1/19/1989:

The apartment owner will be liable for and reimburse the Regime for any legal expenses if the apartment owner's action or inaction results in expenses for failure to pay assessments, filing of liens, failure to comply with the By-Laws, or other costs that arise. These costs and fees shall constitute a lien and be recorded as provided for herein. These costs and fees assessments shall bear interest.

~~13) — Insurance. The association shall furnish and maintain in full force and effect a policy or policies of fire insurance with extended coverage, vandalism and malicious mischief endorsement, for the full insurable replacement value of the common elements and of the apartments to provide for restoration thereof to tenantable condition in the event of damage. This policy or policies shall be written in the name of, and the proceeds thereof shall be payable to, the Board of Administrators, as Trustees for each of the apartment owners in the percentages established in the Master Deed and to the respective mortgagees of the apartment owners as their respective interests may appear. Said policy or policies shall provide for separate protection for each apartment and its attached, built in, or installed fixtures and equipment to the full insurable replacement value thereof and with a separate loss payable endorsement in favor of the mortgagee or mortgagees of each apartment. Such policy or policies shall permit the waiver of subrogation and shall provide that the insurance company or companies will not look to the Board of Administrators, or any apartment owner, for the recovery of any loss under such policy or policies. such policy or policies shall not be cancellable except after ten days' written notice to the mortgagee. A copy or a duplicate of such policy or policies shall be deposited with the mortgagee with evidence of the payment of premiums, and the renewal policy shall be deposited with the mortgagee not later than ten days prior to the expiration of existing policies. In addition, insurance shall be procured for workmen's compensation coverage (where applicable) and at least \$100,000/300,000 B.I. and \$50,000 P.D. public liability insurance covering the common elements and such other insurance as the Association may deem advisable from time to time. Insurance premiums shall be deemed common element expense. The Association is hereby irrevocably appointed agent for each apartment co-owner and his mortgagee to adjust all claims arising under insurance policies purchased by the Association and to execute and deliver releases upon payment of claims without joinder by the co-owner or his mortgagees. All insurance proceeds shall be applied by the Association towards repairing the damage suffered; provided that reconstruction or repair shall not be compulsory where the damage exceeds two-thirds of the value of the buildings and improvements. in such case, and unless otherwise agreed upon in writing by co-owners representing three fourths of the total basic value of the condominium within 120 days after such damage or destruction, the condominium regime shall be deemed waived, and the property shall be subject to a partition action and may be sold and the proceeds, along with the insurance indemnity, if any, shall be credited to each apartment co-owner in accordance with his percentage interest specified in the Master Deed, and said sums shall be first applied towards satisfaction of any recorded first mortgage against each apartment, next towards satisfaction of junior recorded liens in order of their priority, and the remainder paid to each apartment owner. In case the insurance proceeds do not equal the cost of repairs, the excess cost shall be considered a common element expense to be assessed and collected by the Association from the co-owners; provided, however, that in such case of under insurance, the co-owners may, by unanimous resolution adopted after the date of loss, elect not to repair the damage. In cases of over insurance, any excess proceeds of insurance received shall be credited to the common element working fund. Each apartment co-owner may obtain additional insurance at his expense.~~

Amended 11/24/2003 to provide:

13) The Association shall furnish and maintain in full force and effect a policy or policies of insurance with extended coverage, for liability, fire, vandalism, weather-related

damage and malicious mischief endorsement, for the full insurable replacement value of the common elements in the event of damage. This policy or policies shall be written in the name of, and the proceeds thereof shall be payable to the Board of Administrators, as Trustees for each of the apartment owners in the percentages established in the Master Deed and all amendments thereto, and to their respective mortgagees, as their respective interests may appear. In addition, insurance shall be procured for worker's compensation coverage (where applicable) and at least \$300,000/300,000 B.I. and \$50,000 P.D. and public liability insurance covering the common elements and such other insurance as the Association may deem advisable from time to time. Insurance premiums for the common elements shall be deemed a common element expense. The Association is hereby irrevocably appointed agent for each apartment owner and his mortgagee to adjust all claims arising under insurance policies purchased by the Association and to execute and deliver releases upon payment of claims without joinder by the owner or his mortgagees. All insurance proceeds shall be applied by the Association towards repairing the damage suffered; provided that reconstruction or repair shall not be compulsory where the damage exceeds two-thirds of the value of the total common elements, including all improvements thereon. In case the insurance proceeds do not equal the cost of repairs, the excess cost shall be considered a common element expense to be assessed and collected by the Association from the owners; provided, however, that in such case of under-insurance, the owners may, by unanimous resolution adopted after the date of loss, elect not to repair the damage. In case of over-insurance, any excess proceeds of insurance received shall be credited to the common element working fund. Each apartment owner may obtain additional insurance at his or her expense.

Each owner shall furnish and maintain in full force and effect a policy or policies of insurance with extended coverage for liability, fire, vandalism, weather-related damage and malicious mischief, for the full insurable replacement value of their apartments not included within the common elements as defined in the Master Deed and all amendments thereto to provide for restoration thereof to tenantable condition in the event of damage or loss. The policy or policies shall provide for separate protection for each owner's attached, built-in, or installed fixtures and equipment to the full insurable replacement value thereof with a separate loss-payable endorsement in favor of the mortgagee or mortgagees of each apartment. A copy or a duplicate of such policy or policies or a certificate of insurance shall be deposited with the mortgagee and with the Association. The renewal policy or certificate of insurance shall be deposited with the mortgagee and the Association not later than thirty days after the expiration of existing policies. All insurance proceeds shall be applied towards repairing the damage suffered. In case the insurance proceeds do not equal the cost of repairs, the excess cost shall be borne by the owner of the damaged apartment. In case of over-insurance, any excess proceeds of insurance received may be retained by the owner of the insured apartment. Each apartment owner may obtain such other additional insurance as the owner deems appropriate at his/her own expense.

14) The Board of Administrators shall have the right of access to each apartment at all reasonable hours to inspect and to perform any necessary or emergency work upon all pipes, wires, conduits, ducts, cables, utility lines and any common elements accessible from within any apartment, and to insure compliance by co-owner with all of his duties under the condominium

regime.

15) These By-Laws and the system of administration set out herein may be amended by co-owners representing at least two-thirds of the total basic value of the condominium regime as set forth in the Master Deed, but each such amendment shall embody all of the required provisions set forth in 76-815, R.R.S. Nebraska. Such amendment shall be executed and acknowledged by the President and attested by the secretary of the Association and shall be operative upon the recording of such amendment in the Office of the Register of Deeds of Douglas County, Nebraska in the same manner as the Master Deed and these original By-Laws.

New language added 11/24/2003:

The Board of Administrators and/or the members may take any action contemplated by the Master Deed, the By Laws, and any amendments thereto without a meeting by obtaining the written consent of the requisite percentage of Administrators and/or members set forth in the Master Deed, By Laws and any amendments thereto, as the case may be. Such writing shall be deemed to be acceptable in lieu of a meeting.

EXECUTED September 15, 1980.

BROOK HOLLOW ASSOCIATION INC.

BROOK HOLLOW, INC. (Developer)

By: _____
President

By: _____
President