State of Kensos, Couglat County, SS.

Filed and Entered in Vol. 446

Pago 1418/125 o'clack ? No. 1461

JUL 13 1990

State of Kensos, Couglat County, SS.

Filed and Entered in Vol. 446

Pago 1418/125 o'clack ? No. 1461

By Lathura Repair of Prods

Long Island Business Center

A COMMERCIAL CONDOMINIUM

Housesteel

100.000 6216 100.000 1.0

THIS DECLARATION is made this <a href="https://doi.org/li>
1990, by TIMOTHY J. ALLEN and PATRICIA K. ALLEN, husband and wife, herein called the "Developer", for themselves and their successors, grantees, and assigns.</a>

- 1. <u>Submission to Condominium Ownership</u>. The purpose of this declaration is to submit the land herein described and the improvements to be constructed thereon to the condominium form of ownership and use as provided herein and by Kansas Statutes Annotated Sections 58-3101 et seq., as the same may be amended from time to time, herein called the "Act."
- a. The name by which this Condominium is to be identified is LONG ISLAND BUSINESS CENTER, herein called the "Condominium," and its business address is P.O Box 191, Lawrence, Kansas 66044.
- b. The land, easements and rights owned by the Developer which are hereby submitted to the condominium form of ownership are set forth and made a part hereof as EXHIBIT A, subject to the easements and reservations set forth in EXHIBIT A.
- 2. <u>Definitions</u>. The terms used herein and in the bylaws (attached as EXHIBIT D) shall have the meanings stated in the Act except as such may be specifically changed herein and as follows:
- a. "Unit" means each part of the Condominium intended for any type of independent use as an office, facility or commercial space, including one or more rooms, or enclosed spaces located on one or more floors (or part or parts thereof) in the building, and with a direct exit to a common area leading to adjoining property. The word "Unit" used in this Declaration shall be synonymous with the word "apartment" as used in the Act.
- b. "Owner" means the person or persons owning a Unit in fee simple absolute and an undivided interest in the fee simple estate of the Common Areas in the percentage specified, established and as may be changed pursuant to this Declaration.

- c. "Percentage Interest" of each Owner and associated with each Unit shall be equal to the percentage obtained by dividing the number of square feet of interior space for each Unit by the total number of square feet of interior space in the Building.
- d. "Unit Number" means the number, letter or combination thereof designating each Unit subject to the Declaration.
- e. "Association" means the LONG ISLAND BUSINESS CENTER ASSOCIATION, a not-for-profit corporation organized under the laws of the State of Kansas, its successors and assigns, acting on behalf of the Owners in accordance with the Declaration and its articles of incorporation for the purpose of managing and operating the Condominium.
- f. "Buildings" means the building or buildings containing the Units of the Condominium.
- g. "Common Areas" means and includes all parts of the Condominium, including, but not limited to:
- (i) The land and easements to adjoining land, but subject to the easements and reservations of record restricting the use thereof;
- (ii) Drives, walks, courtyards, walls, monuments and other incidental improvements constructed in connection with the buildings, together with landscaping;
- (iii) All foundations, columns, girders, beams, supports, main walls and interior load bearing walls, pillars, roofs, stairs, fire escapes and entrances and exits of the buildings; as intended for common usage;
- (iv) The glass and metal frames of the windows, the exterior walls, all walls which enclose Common Areas, all walls which enclose Units and divide them from the stairs, Common Areas and other Units, the concrete floors, ceilings and roof and exterior awnings;
- (v) Any and all walls, janitor space, equipment space, telephone space, utility space, set aside and intended for common usage;
- (vi) All utilities and installations designed and intended for common use such as, but not limited to, telephone, electricity, gas, hot and cold water, sewer, heat, ventilation, air-conditioning and incineration (including all pipes, ducts, vents, wires, cables and conduits designed and intended for common use in connection therewith), whether located in Common Areas or in Units, excluding from such installations all parts thereof and all items affixed or connected thereto, not designed or intended for common use;

(vii) All apparatus and equipment designed and intended for common use such as, but not limited to, elevators, tanks, pumps, motors, fans, compressors and control apparatus and equipment, whether located in Common Arcas or in Units, excluding from such apparatus and equipment all parts thereof, and all items affixed or connected thereto, not designed or intended for common use;

(viii) All other parts of the Condominium designed and intended for common use or necessary or convenient to the existence, maintenance or safety of the Condominium;

- h. "Common expenses" means and includes:
- (i) All sums lawfully assessed against the Units and/or Owners by the Association:
- (ii) Expenses of administration, insurance, maintenance, repair or replacement of and taxes on the Common Areas;
- (iii) Expenses agreed upon as common expenses by the Association; and
- (iv) Expenses declared common expenses by provision of the Act, this Declaration or the bylaws.
- i. "Common profits" means the balance of all income, rents, profits and revenues from the Common Areas remaining after the deduction of the common expenses.
- j. "Declaration" means this instrument by which the Condominium is submitted to the provisions of the Act as herein provided and as from time to time lawfully amended.
- k. "Person" includes an individual, corporation, partnership, association, trustee or other legal entity.
- 1. "Condominium" means and includes all the land, the building, the offices, improvements, structures and landscaping belonging thereto, and all easements, rights and appurtenances belonging thereto, and all fixtures and articles of personal property intended for use in connection therewith, which have been or are intended to be submitted to the provisions of the Act and this Declaration.
- m. "Transfer" means the transfer of any kind and every kind or nature whatsoever of any right, title or interest in the Condominium by any type of conveyance or a transfer of any interest in any Unit or any part or portion thereof or interest therein or improvements thereon or appurtenance thereto, including, but not limited to, an assignment, gift, lease or sublease or sale thereof.

- 3. <u>Use of Common Areas</u>. Each Owner of a Unit may use the Common Areas in accordance with the purpose for which they were intended without hindering or encroaching upon the lawful rights of the other office Owners.
- 4. <u>Development Plans</u>. The Condominium is being developed substantially according to the plat of survey attached hereto and made a part hereof as EXHIBIT B.
- a. The improvements will be constructed by the Developer substantially in accordance with the floor plan described in EXHIBIT B. Developer reserves the sole and unrestricted right and option to add land and buildings to the Condominium in the future.
- b. A Unit or portion thereof may be divided into two (2) or more Units or combined with another Unit, from time to time, by the Developer or Owners thereof. The percentage interest in the Common Areas and expense of a Unit being divided or combined shall be allocated to the newly formed Unit or Units on the basis of the number of square feet of space in the newly formed Unit or Units in relation to the total square feet of space in all of the Units subject to this Declaration. Notwithstanding the procedures for amendment herein, at the time of dividing a Unit or combining Units as provided above, this Declaration shall be amended by the Association as follows:
- (i) The Owner of a Unit being divided or Units combined shall deliver to the president or secretary of the Association, a written application requesting an amendment.
- (ii) Such officer shall forthwith prepare or have prepared an amendment setting forth the percentage interest in the Common Areas of the newly formed Unit or Units with a plan attached showing the layout, location, Unit numbers and dimensions of the new Unit or Units and a verified statement of a registered architect or licensed professional engineer certifying that the plan being filed simultaneously with the amendment fully and accurately depicts the layout, location, Unit numbers and dimensions of the Units as built.
- (iii) When such amendment has been prepared, executed by the president or secretary and each of the Owners of all other Units, the amendment will be forthwith delivered to the Owner filing the application upon payment by such Owner of the reasonable cost of the preparation and acknowledgement of the amendment. Such amendment shall then become effective when the Owner has executed and recorded the amendment and the recordation thereof shall be conclusive evidence that the division or combination was effectuated and did not violate any restriction or limitation specified by the Condominium documents and that any reallocations made pursuant to the above requirements were reasonable. Such division or combination shall not change the

41.

percentage interest in the Common Areas for any Unit not involved in the division or combination.

- (iv) Each Owner upon accepting title by recording a deed to a Unit or an interest therein specifically agrees that the provision of K.S.A. 58-3106(b), requiring the consent of all of the Owners in the event of alteration of percentage of interests in the Common Areas, does not apply to alterations of the percentage of interests in the Common Areas of the Owners of Units divided or combined as provided above and in Section 6(b), and each Owner waives such requirement as to alterations specifically provided above and in Section 6(b).
- (V) Each Owner upon accepting title by recording a deed to a Unit or an interest therein, grants a power of attorney to the Association to execute and file specific consents on each Owner's behalf if such are required in order to alter the percentages of interest in the Common Areas of Units which are divided or combined as provided above and in Section 6(b).
- c. Easements are reserved and each Unit is and the Common Areas are held subject to and burdened with easements as follows:
- (i) There is reserved to the Developer, the Association and utility companies for the benefit of each Unit and for the Common Areas, an easement for utility services over, under and through the Common Areas and each Unit in the walls; between the normal suspended ceiling, whether or not constructed, and the unfinished surface of the ceiling bounding an Unit and Common Areas; and in and through the concrete floors and ceilings, which shall include but not be limited to conduits, ducts, vents, plumbing, equipment and wiring and the installation, maintenance, repair and replacement thereof.
- (ii) If any portion of the Common Areas encroaches upon any Unit or if any Unit encroaches upon any other Unit or upon any portion thereof, a valid easement shall exist for the encroachment and for the maintenance of same.
- (iii) There is reserved to the Association an easement, of which the Common Areas and all Units shall be servient, of entry and of access for the performance generally of the rights and duties of the Association as provided in this Declaration.
- (iv) Every portion of a Unit which contributes to the structural support of the Building shall be burdened with an easement of structural support for the Common Areas and other Units.
- (V) There is reserved to the Developer an easement over, across and through all Common Areas for the purpose of development and construction of additions to any

Building and of additional buildings, whether or not such additional building or buildings are made subject to this Declaration.

(vi) The easements and reservations set forth in EXHIBITS A and B are made a part hereof.

- 5. <u>Unit Boundaries</u>. Each Unit shall include all the space in that part of the building containing the Unit which lies within the vertical and horizontal boundaries of the Unit, which boundaries shall be determined in the following manner:
- a. The horizontal boundaries of each Unit shall be the unfinished surface of the top of the concrete floor and the unfinished surface of the bottom of the ceiling bounding a Unit, except that where there is a stairway or other opening in the floor or ceiling, the boundary shall be the surface resulting from extensions of the nearest adjacent unfinished surfaces of the top of the concrete floor or the bottom of the ceiling as the case may be.
- b. The vertical boundary of each Unit shall be the unfinished surface of the boundary walls on the Unit side, except that where there is a door, window or other opening in a boundary wall, the boundary shall be the surface resulting from extensions of the nearest adjacent unfinished surfaces of the boundary walls.
- c. Each Owner shall be entitled to the exclusive ownership and possession of his Unit subject to the provisions of the Act, the bylaws and this Declaration.
- S. <u>Description of Units</u>. The Units are more particularly described as set forth on EXHIBLE B, as may be amended from time to time.
  - a. Each Unit is identified by the use of a letter.
- b. The Developer reserves the right, and each Owner shall have the right to change the interior design and arrangement of Units and to change the boundaries between Units, so long as the Developer or Owner owns the Units so changed. Such change of boundaries will alter the percentage interest in the Common Areas and expenses as provided in Section 4(b) and any such change or alteration shall be reflected by an amendment of this Declaration as provided for dividing and combining Units in Section 4(b).

# 7. Bhares of Common Areas and Expenses.

a. Each Owner shall own, as a tenant in common, an undivided interest in the Common Areas and in any surplus and assets of the Association and be liable for common expenses of the Association. The ownership of Common Areas is based on the

size of the Units in relation to the size of the Condominium as determined by using the number of square feet in each Unit in relation to the total square feet in all the Units in the Buildings. The undivided interest of each Owner in the Common Areas is appurtenant to the Unit owned by him. No appurtenance may be separated from the Unit to which it appertains and such appurtenance shall be deemed to be included in any transfer whether or not expressly mentioned in an instrument of transfer describing the Unit.

- b. Each Owner upon accepting title by recording a deed to a Unit or an interest therein agrees that liability for common expenses shall be the same as the Owner's percentage of interest in the Common Areas (as the same may be changed as provided herein).
- 8. Maintenance and Repairs. The maintenance, repair and replacement of the Condominium shall be as follows:
- a. All maintenance, repair and replacement to any Unit, structural or nonstructural, ordinary or extraordinary (other than maintenance, repair and replacement to any Common Areas contained therein, and not necessitated by the negligence, misuse or neglect of the Owner of such Unit), shall be made by the Owner of such Unit; each Owner shall be responsible for all damages to any and all other Units and/or to the Common Areas, that his failure so to do may engender.
- b. All maintenance, repair and replacement to the Common Areas, whether located inside or outside of the Units (unless necessitated by the negligence, misuse or neglect of an Owner, in which case such expenses shall be charged to such Owner), shall be made by the Association and be charged as a common expense. The Association and such persons as may be engaged by the Association for maintenance purposes, shall have the right to enter at reasonable times the interior of any Unit for the performance of maintenance, replacement or repairs for which the Association is responsible without permission of the Owner of such Unit.
- c. Each Owner shall promptly report to the Association any defect or need for repairs or replacements which would be the responsibility of the Association.
- d. All repairs and replacements of Common Areas shall be substantially similar to the original construction and installation unless approved by the board of directors of the Association.
- 9. Additions. Alterations or Improvements. No additions, alterations or improvements shall be made to the Condominium except:
- a. The Developer may, but shall not be required to, construct an addition or additions to the Condominium on the

Additional Land shown on the Plat of Survey and on EXHIBITS A and B.

- b. The Developer may make additions, alterations and improvements in, on or to the Common Areas and/or unsold Units at the expense of the Developer without any requirement of prior approval or consent by any Owner or by the Association.
- c. After the completion of the improvements and facilities included in the Common Areas and on the Additional Land which are contemplated by this Declaration, there shall be no addition, alteration or further improvements of the Common Areas, except as provided in subparagraphs a and b above, without prior approval in writing by the Owners of not less that seventy five percent (75%) in interest of the Common Areas except when required by law and except as provided by the bylaws. No addition, alteration or improvement under this subparagraph c shall interfere with the occupancy of any Owner. Additions, alterations or improvements of the Common Areas, under this subparagraph c shall be made by the Association and assessed to and among the Owners according to their percentage of interest in the common area.
- d. No Owner shall make any addition, alteration or improvement to any of the Common Areas wherever located, including utility services which are defined as part of the Common Areas located in such Owner's Unit. No Owner shall make any addition, alteration or improvement in his Unit except with comparable quality of materials and workmanship as used in the construction of the Building and other Units, and the design, materials and workmanship thereof shall not materially adversely affect Common Areas or other Units or the use thereof.

# 10. Assessments.

a. Each Owner upon accepting title, by recording a deed therefor, whether or not it is expressed in any such deed, is deemed to covenant and agree and the Developer, for each Unit owned by it, hereby covenants, to pay to the Association annual and special assessments as established from time to time as provided in the bylaws and as herein provided. The assessments together with interest thereon shall be a charge on and lien upon the Unit against which each such assessment is made. A notice claiming such lien may be filed of record by the Association in the Office of the Register of Deeds of Douglas County, Kansas, but in no event shall such claim of lien be filed until such assessment remains unpaid for thirty (30) days after the same shall become due. Such a claim of lien shall also secure all assessments which come due thereafter until the claim of lien is satisfied. Each Owner shall be liable personally for his portion of each assessment coming due while he is the Owner of a Unit and his grantee shall be jointly and severally liable for such portion thereof as may be due and payable at the time of a transfer, but without prejudice to the rights of the purchaser of a Unit at a judicial or foreclosure sale who shall be liable only for assessments coming due after the date of such sale. The

assessments shall be used exclusively for the management, insurance, taxes, maintenance, care, improvement, replacement and alteration of the Condominium and services related to the use and enjoyment of the Condominium. In the event of a division or combining of Units as provided in Section 4(b) and 6(b), any unpaid assessments and interest thereon against such Units shall become a charge on and lien upon such Units as divided or combined and shall be joint and several obligations of the Owners of such Units.

- b. Each Owner shall be obligated to pay the taxes or assessments assessed by the county assessor against his own Unit and shall be entitled to the exemption thereof, if any as to his own Unit and undivided interest in the Common Areas. Any taxes not so assessed shall be included in the budget of the Association as a common expense.
- c. Special Assessments for the installation and maintenance of exterior Awnings may be made by the Association against each Owner from time to time for the installation and maintenance of a color-coordinated Awning for each Owner-occupied Unit. Such assessments shall be payable within ten (10) days of the date of mailing or other delivery.
- d. Annual and special assessments for common expenses shall be made against each Owner and Unit and shall be allocated as set forth in Section 7(b) of this Declaration, except as herein provided. Each Owner, subject to adjustment under section 7(b), shall pay an original assessment of  $\frac{50.00}{100}$  per square foot in his Unit or Units to the Association to be used as an operating fund for the Association.
- e. The board of directors of the Association shall annually adopt a budget and have the power and authority to determine the amount of the annual and special assessments for common expenses, except that if the total assessments for common expenses for a year will exceed the total assessments for common expenses of the previous year by more than twenty percent (20%), such additional assessment must be approved by a majority in interest of the Owners at a duly held meeting.
- f. The Association by three-fourths vote of the board of directors shall have the power to levy fines up to and including \$100.00 against any Owner who has breached or continues to breach any of the provisions of this Declaration or bylaws of the Association and such fine shall constitute a lien against the Unit owned by such Owner until such time as it has been paid and in the event of failure or refusal to pay the same by the Owner such lien may be foreclosed as provided in the Act. Such fines shall be deposited to the general funds of the Association.
- g. The board of directors shall have the authority to establish and fix a special assessment upon any Unit or secure the liability of the Owner of such Unit to the Association for any breach by such Owner of any of the provisions of this Decla-

ration, which breach shall require an expenditure by the Association for repair or remedy. Any such special assessment shall be due and payable in full on or before ten (10) days after the date that the same shall be established by the Association.

- h. The board of directors shall have the authority to establish and fix a special assessment upon any Unit or secure the liability of the Owner of such Unit to the Association in order to provide any and all funds necessary to exercise any of the Association's rights under Paragraph 17 hereof, including a first right of refusal to purchase, rent or lease any Unit offered for sale, rent or lease by its Owner.
- i. Ten (10) days after any assessment shall be due and payable if unpaid or otherwise not satisfied, the same shall become delinquent and shall so continue until the amount of said charge and assessment together with all costs, penalties and interest have been fully paid or otherwise satisfied. Interest on delinquent assessments may be at the rate of ten percent (10%) per year or at the highest rate allowed by law, whichever is higher, from the date of delinquency until paid. Additionally, a late penalty of 10% of the amount due for that monthly period will be levied for each month the assessment is delinquent.
- j. The Association may bring an action at law against the Owner personally obligated to pay the same or foreclose its lien against such Owner's Unit. Each Owner, upon accepting title by recording a deed to a Unit, vests in the Association or its agents the right and power to bring all actions against him personally for the collection of such charges as a debt or foreclose the afcresaid lien in the same manner as other liens for the improvement of real property. The lien provided for herein shall be in favor of the Association and shall be for the benefit of all other Owners. The Association, acting on behalf of the Owners, shall have the power to bid on the Unit at any foreclosure sale and to acquire, hold, lease, mortgage and convey the assessments provided for herein by non-use of the Common Areas or abandonment of his Unit.
- k. The lien of the assessments shall be prior and superior to all other liens except only property taxes and assessments and all sums unpaid on a first mortgage of record. The sale or transfer of any Unit shall not affect the assessment lien; provided, however, that the sale or transfer of any Unit pursuant to the foreclosure of a first mortgage thereon, shall extinguish the lien of such assessments as to the payments thereof which become due prior to such sale or transfer. No sale or transfer shall relieve such Unit from liability for any assessments thereafter becoming due or from the lien thereof.
- 11. <u>Association and Administration</u>. The management and operation of the Condominium shall be by the Association, which shall be organized and shall fulfill its functions, pursuant to

-

its articles of incorporation, this Declaration, the bylaws and the  $\mbox{\it Act.}$ 

- a. The members of the Association shall be the Owners and shall pay an initial one-time non-refundable membership fee of ten dollars (\$10.00).
- b. The Association shall be incorporated under articles of incorporation in the form attached as EXHIBIT C.
- c. The initial bylaws of the Association shall be in the form attached as  ${\tt EXHIBIT}$  D.
- d. Notwithstanding the duty of the Association to maintain, repair and replace all or parts of the Common Areas, the Association shall not be liable for injury or damage caused by any latent condition of the Common Areas, for injury caused by the elements, Owners or other persons, nor shall any officer or director of the Association be liable to any Owner for injury or damage caused by such officer or director in the performance of his duties unless due to the willful misfeasance or malfeasance of such officer or director. Each officer and director of the Association shall be indemnified by the Owners against all expenses and liabilities, including attorneys' fees, reasonably incurred or imposed upon him in connection with any proceeding to which he may be a part or in which he may become involved by reason of his being or having been an officer or director of the Association, or any settlement, whether or not he is an officer or director of the Association at the time such expenses and liabilities are incurred, except in such cases where the officer or director is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties; provided that in the event of a settlement, the indemnification shall apply only when the board of directors approves such settlement and reimbursement as being for the best interests of the Association.
- e. The percentage interest of an Owner in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to his Unit.
- f. Whenever the decision of an Owner is required for any purpose, whether or not the subject of an Association meeting, such decision shall be expressed by the same person who would cast the vote of such Owner if in an Association meeting, unless the joinder of record Owners is specifically required by this Declaration.
- g. The Association shall have the power and authority and duty to enforce each and every one of the provisions of this Declaration and of its rules and regulations including the duty and power to commence and maintain an action to enjoin any breach or threatened breach of any of the provisions hereof and enforce an assessment lien and to pay all costs of any such action or other enforcement procedure.

h. The Association may enter into a contract with any qualified person or company, including the Developer, for the purpose of managing the Condominium or for the purpose of providing services, labor, materials and supplies necessary for the maintenance, repair, replacement or operation of the Condominium.

i. Beginning on the date of completion of the premises and for the next three (3) years thereafter, the Association shall contract with the firm known as ALLEN CONSTRUCTION, INC. for services as described in Paragraph 11(h) hereof and shall be authorized to pay a reasonable fee.

# 12. Insurance.

a. Insurance policies upon the Condominium covering the items described in subparagraph (b) of this paragraph shall be purchased by the Association for the benefit of the Association and the Owners, as their interests may appear. Provision shall be made for the issuance of certificates of mortgage endorsements to the mortgagees of Owners. Such policies and endorsements shall be deposited with the Association which shall hold them subject to the provisions of Section 13.

# b. Insurance shall cover the following:

(i) The Buildings, all Units, facilities and improvements in the Condominium and all personal property included in the Common Areas in an amount equal to ninety percent (90%) of the insurance replacement value, excluding foundation, excavation costs and paving, as determined annually by the board of directors of the Association. Such coverage shall afford protection against loss or damage by fire and other hazards covered by a standard extended coverage endorsement, and such other risks as are customarily covered with respect to similar buildings, such as vandalism and malicious mischief;

(ii) Public liability in such amounts and with such coverage as shall be required by the board of directors of the Association, including but not limited to hired automobile and non-owned automobile coverages, and with cross liability endorsement to cover liabilities of the Owners as a group to an Owner;

(iii) Workmen's compensation as required by law;

and

Barton Commence

(iv) Such other insurance as the board of directors of the Association shall determine from time to time to be desirable.

c. Premiums upon insurance policies purchased by the Association shall be paid by the Association as a common expense, allocated in accordance with Section 7(b).

- d. The Association is hereby irrevocably appointed agent for each Owner to adjust all claims arising under insurance policies purchased by the Association, and to execute and deliver releases upon the payment of claims; however, neither the trustee nor any mortgagee having an interest in such claims may be prohibited from participating in the settlement negotiations, if any, related thereto.
- e. In no event shall the insurance coverage obtained and maintained by the Association's board of directors hereunder be brought into contribution with insurance purchased by individual Owners, or their mortgagee.
- f. Each Owner may obtain additional insurance at his own expense, provided that no Owner shall be entitled to exercise his right to maintain insurance coverage in such a way as to decrease the amount which the Association, on behalf of all of the Owners, and their mortgagees, may realize under any insurance policy which the Association's board of directors may have in force on the Condominium at any particular time.
- g. Any Owner who obtains an individual insurance policy covering any portion of the property, other than improvements and betterments made by such Owner at his expense and personal property belonging to such Owner, shall be required to file a copy of each such individual policy with the Association's board of directors within thirty (30) days after purchase of such insurance.
- h. It shall be the individual responsibility of each Owner at his own expense to provide, as he sees fit, title insurance on his individual Unit, liability insurance, theft and other insurance covering his improvements, betterments and personal property damage and loss.
- i. The Association's board of directors shall conduct an annual insurance review which shall include a replacement cost appraisal, without respect to depreciation, of all improvements on the Condominium (with the exception of improvements and betterments made by the respective Owners at their expense) by one or more qualified persons.

# 13. Responsibilities of Insurance Trustee.

- a. All insurance policies purchased by the Association shall provide that proceeds covering property losses shall be paid to the Association in trust for the purposes set out herein.
- b. The duty of the Association shall be to receive such proceeds as are paid and to hold them in trust for the benefit of the Owners and their mortgagees as follows: An undivided share of such proceeds on account of damage to Common Areas shall be allocated to the Owners according to their percentage interests in the Common Areas. Proceeds on account of Units shall be held for the Owners of damaged Units in proportion to

the cost of repairing the damage suffered by each Owner, which cost shall be determined by the Association. In the event a mortgagee endorsement has been issued as to a Unit, the share of the Owner shall be held in trust for the mortgagee and the Owner as their interests may appear.

# 14. When Damaged Property is to be Reconstructed or Repaired.

- a. If Common Areas are damaged, they shall be reconstructed or repaired, unless it is determined under Section 23 that the Condominium shall be terminated.
- b. If the damaged property is more than one Unit and if thirty percent (30%) or more of all the Units are found by the board of directors of the Association to be tenantable, the damaged property shall be reconstructed or repaired unless within sixty (60) days after the casualty it is determined under Section 23 that the Condominium shall be terminated.
- c. If the damaged property is more than one Unit and if more than seventy percent (70%) of all Units are found by the board of directors to be not tenantable, the damaged property will not be reconstructed or repaired and the Condominium will be terminated under Section 23 unless within sixty (60) days after the casualty the Owners of at least seventy five percent (75%) of the Common Areas agree in writing to such reconstruction or repair. No mortgagee or secured party shall have any right to participate in the determination as to whether damaged property shall be reconstructed or repaired.
- d. Any reconstruction or repair must be substantially in accordance with the plans and specifications for the original Buildings and Units, or if not, then according to plans and specifications approved by the board of directors of the Association, by the Owners of not less than seventy five percent (75%) of the Common Areas, and the Owners of all damaged Units, which approval by such Owners shall not be unreasonably withheld.

# 15. Responsibilities and Procedures as to Payments.

- a. If damage occurs only to parts of one Unit for which the responsibility of maintenance and repair is that of the Owner, then the Owner shall be responsible for reconstruction and repair after casualty. In all other instances the responsibility of reconstruction and repair after casualty shall be that of the Association.
- b. Immediately after a casualty causing damage to property for which the Association has the responsibility of maintenance and repair, the Association shall obtain reliable and detailed estimates of the cost to rebuild or repair so as to place the damaged property in condition as good as that before the casualty.

c. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction and repair by the Association, assessments shall be made against the Owners who own the damaged property, and against all Owners in the case of damage to Common Areas, in sufficient amounts to provide funds to pay the estimated costs. Additional assessments may be made at any time during, or following the completion of, construction. Such assessments against Owners for damage to Units shall be in proportion to the cost of reconstruction and repair of their respective Units. Such assessments on account of damage to Common Areas shall be allocated on the same basis as the Owner's liability for common expenses pursuant to Section 7(b).

- d. In all cases the Association shall hold the sums paid upon such assessments and disburse them in payment of the costs of reconstruction and repair.
- e. The proceeds from such assessments and insurance received by the Association shall be disbursed as follows:
- (i) All expenses of the Association resulting from acting as insurance trustee;
- (ii) The portion of insurance proceeds representing damage, reconstruction and repair of which is the responsibility of the Owner, shall be paid by the Association, for the use as required herein from time to time as repairs or reconstruction progresses;
- (iii) The portion of insurance proceeds representing damage, the reconstruction and repair of which is the responsibility of the Association shall be disbursed in payment of the costs of such repair and reconstruction in the manner required by the board of directors of the Association and upon approval of an architect qualified to practice in Kansas, employed by the Association to supervise the work;
- (iv) If it is determined as provided in Section 14 that the damage for which the proceeds are paid shall not be reconstructed or repaired, or if there are excess proceeds remaining after reconstruction and repair, the remaining proceeds shall be distributed, if pertaining to a Unit, to the respective Owner and his mortgagee, and, if pertaining to the Common Areas, to all of the Owners and mortgagees, in the same percentage as liabilities for common expenses pursuant to Section 7(b).

# 16. Use Restrictions.

- a. Uses and occupancy of the premises shall be limited to those uses permitted by the City of Lawrence, Kansas Ordinances and Zoning Code, as amended, provided, however, that the premises shall not be used for residential purposes.
- b. Except as provided in any applicable easements and reservations, the Common Areas shall be used only for the fur-

nishing of services and facilities for the use of the Owners and their employees, customers, clients and guests. Each Owner shall be entitled to the use and enjoyment of the Common Areas as provided herein.

- c. No use or practice shall be permitted on or in the Condominium which interferes with the peaceful possession and proper use of any Unit; and the Condominium shall be kept in a clean and sanitary condition, and no rubbish, refuse, or garbage shall be allowed to accumulate nor any fire hazard allowed to exist. No Owner shall permit any use of his Unit or of the Common Areas which will increase the rate of insurance upon the Condominium. No immoral, improper, offensive or unlawful use shall be made of the Condominium or any part thereof. All valid laws, zoning ordinances, and regulations of all governmental bodies having jurisdiction thereof shall be observed. The responsibility of meeting the requirements of governmental bodies which require maintenance, modification or repair of the Condominium shall be the same as the responsibility for the maintenance and repair of the specific property concerned as provided herein.
- d. Until the Developer has completed and sold all of the Units, neither the Owners nor the Association nor the use of the Condominium shall interfere with the completion of the contemplated improvements and sale of the Units. The Developer may make such use of the unsold Units and Common Areas as may facilitate such completion and sale, including but not limited to the maintenance of a sales office, the showing of the Condominium, and the display of signs, and the Developer may rent, or lease, unsold Units for an indefinite period of time.
- e. No animals or poultry of any kind shall be raised, bred or kept on any part of the property, except in the sole discretion of the Association's board of directors.
- f. No signs, advertising or otherwise, billboards, unsightly objects, or nuisances shall be erected, placed or permitted to remain on the Condominium, except as approved by the Association, nor shall the Condominium be used in any way or for any purpose which may endanger the health of or unreasonably disturb the Owner of any Unit; provided, however, the foregoing covenants shall not apply to the business activities, signs and billboards of the Developer, its agents or assigns during the construction and sale period, or of any resident manager.
- g. All equipment, trash containers and storage shall be kept within the Units or special areas so provided by the Association. All rubbish and trash shall be regularly removed from the premises and shall not be allowed to accumulate thereon.
- h. Except for the right of ingress and egress, the Owners are hereby prohibited and restricted from using any of the Condominium outside of their respective Unit, except as may be allowed by this Declaration, the articles of incorporation, the

bylaws and the rules and regulations. It is expressly acknowledged and agreed by all parties concerned that this paragraph is for the mutual benefit of all Owners in the Condominium and is necessary for the protection of the Owners.

- i. No exterior electro-magnetic, satellite, television or radio antennas of any sort shall be placed, allowed or maintained upon any portion of the improvements to be located in the Condominium nor upon any structure situated in the Condominium, unless such antennae are approved by the Association's board of directors.
- j. Reasonable rules and regulations governing the use of the Common Areas and Units, and the personal conduct of the Owners, employees, customers, clients and guests thereon or therein, may be made and amended from time to time, and penalties established for infraction thereof by the board of directors of the Association. No rule or regulation will be valid if it discriminates against one or more Owners or Units or the use thereof. Copies of such rules and regulations, and amendments thereto shall be furnished by the Association to all Owners upon request.

# 17. Transfer Restriction.

- a. All conveyances of fee simple title to Units shall be by deed, executed by the grantor and recorded with the Register of Deeds of Douglas County, Kansas.
- b. In the event of a sale, lease or sublease of any Unit or any part thereof, the Association has and shall have the first right of refusal to purchase, rent or lease the same on the same terms and conditions as offered to the Owner by a third party, and the Association shall have the right to assign such first right of refusal to one or more of the Owners, with the directly adjacent Owners being given the first option to purchase. Any attempt at sale or lease or sublease of any Unit without prior offer to the Association shall be wholly null and void and shall confer no title or interest whatsoever to the intended purchaser, tenant or sublessee. The Association and all Owners expressly waive the provisions of this subsection and consent to and approve sales and leases of Units owned by the Developer.
- c. Should an Owner wish to sell, lease or rent his interest in any Unit, or any part thereof, he shall, before accepting any offer to sell, purchase, lease or rent any such interest, deliver to the Association written notice of his intent to sell, lease, or rent, which notice shall contain a true copy of any instrument containing the terms of any such offer. The Association shall within fifteen (15) days after receiving such notice either consent to the transaction specified in said notice or by written notice indicate the Association's or an assignee's intention to purchase, lease or rent the office, or arrange for such, upon the same terms and conditions specified in

the notice to the Association. The Association or an assignee shall have fifteen (15) days after the giving of its notice to the Owner to perform the duties and obligations and to make the payments provided to be performed and to be made by the prospective buyer, tenant or sublessee in the notice to the Association.

- d. Failure of the Association to indicate by notice to the Owner its, or an assignee's, intention to buy, lease or rent the office as set forth in the notice within the fifteen (15) day period following the notice to the Association and to perform as provided in said notice within ten (10) days after receipt by the Owner of the Association's notice shall be deemed a consent by the Association to the transaction specified in the Owner's notice. An Owner shall have no right to sell, lease or rent any interest in any Unit or any part thereof except as expressly provided in this Section 17. The subleasing of any interest in any Unit shall be subject to the same limitations as are applicable to the leasing or renting thereof. The liability of an Owner under these covenants shall continue notwithstanding that he may have leased or rented said interest as provided herein. In the event the Association, or an assignee, does not elect to buy, lease or rent the Unit as set forth in the notice, the Association will, upon request, deliver to such Owner a recordable certificate of approval.
- e. All fees, charges, assessments, interest, penalties and fines levied against a Unit proposed by any Owner to be transferred, rented or leased as provided in this Section 17 shall be fully paid to the Association before any transfer, lease or sublease shall be effective.
- f. The provisions of this Section 17 shall not apply if ownership is held jointly or in common with others and the leasing, renting or transfer of ownership of a Unit is by one of such joint or common Owners to another joint or common Owner in the subject property; provided, however, that an Owner shall give the Association two (2) weeks notice in writing of the intended leasing, renting or transfer and of the name and address of the other Owner.
- g. Regardless of any prior waiver or consent theretofore given, except as to Units owned by the Developer, no Owner
  of a Unit nor his executor, administrator or personal representative nor any trustee or receiver of a Unit of such Owner nor
  anyone to whom any interest of such ownership passed by law shall
  be entitled to lease, rent or transfer the ownership of any
  interest therein of any Unit except upon full compliance with the
  provisions of this Section 17.
- h. The provisions of this Section 17 shall not apply to any transfers made by the Developer.
- 18. Architectural Review Committee. Prior to the final sale or other disposition by the Developer of all of the Units established hereunder, the Developer may appoint an Architectural

Review Committee consisting of not more than five (5) individuals to be selected at the sole discretion of the Developer. After the final sale or other disposition by the Developer of all of the Units established hereunder, the members of the Architectural Review Committee shall be appointed by the Association each year at its annual meeting.

All matters having to do with the alteration or addition to the exterior of the building or to any Common Area or facility shall require the prior written approval of the Architectural Review Committee if such committee has then been established and has members duly installed and acting. Any action required of the Architectural Review Committee shall require the affirmative vote of a majority of the committee members then duly installed and in office.

# 19. Mortgages or Pledges and Interest of Secured Parties.

- a. No Owner may mortgage or pledge his Unit, any interest therein, and his share of the Common Areas without the approval of the Association, except to a bank, life insurance company or a savings and loan association. The approval of any other mortgagee or secured party shall be subject to conditions determined by the Association.
- b. The provisions of Section 17 shall not apply to a transfer to or purchase by a bank, life insurance company, or savings and loan association which acquires its title as the result of owning a mortgage or other secured interest upon the Unit or Units concerned, and this shall be so whether the title is acquired by deed from the mortgagor or pledgor or through foreclosure proceedings. Nor shall such provisions apply to a transfer, sale, or lease by a bank, life insurance company, savings and loan association or other secured party which so acquires its title. Neither shall such provisions require the approval of a purchaser who acquires title to a Unit at a duly advertised public sale with open bidding which is provided by law, such as, but not limited to, execution sale, foreclosure sale, judicial sale, or tax sale.
- c. In the event that any mortgagee or secured party requests such notice, the Association shall notify any mortgagee or other secured party, in writing, thirty (30) days prior to the effective date of any change in this Declaration.
- d. In the event that any mortgages or secured party requests such notice, the Association shall notify any mortgages or other secured parties, in writing, thirty (30) days in advance of the effective date of any change in management (not including any changes in employees of a corporate manager).
- e. In the event that any mortgagee or secured party requests such notice, the Association shall notify, in writing, any mortgagee or other secured party of any failure or refusal on the part of any person bound thereby to perform obligations

imposed by this Declaration or by the bylaws of the Association if such refusal or failure is not cured in thirty (30) days from the inception of such failure or refusal by such person.

- f. The above notices shall be in writing, shall be placed in a properly stamped envelope and sent certified mail to the last furnished address of the trustee, mortgagee or other secured party.
- g. Unless the prior written approval of the mortgagees and other secured parties having first mortgage liens or security interests on all Units shall have been obtained, the Association shall not:
- (i) Fail to employ a qualified manager for the property covered hereby;
- (ii) Change the pro rata interest or obligation of any Unit for purposes of levying assessments and charges and determining shares of the Common Areas and proceeds of the Condominium, except as provided in Sections 4(b) and 6(b), and in the event of condemnation of part of the Units, as provided in Section 19(c);
- (iii) Partition or subdivide the Common Areas or facilities; nor
- (iv) By act or omission seek to abandon the Condominium status of the project except as provided by K.S.A. 58-3116, et seq., and any amendments thereto, and then only in case of substantial loss to the Units and Common Areas.
- h. The Developer and its successors and assigns are restricted from constructing on the Condominium improvements of a substantial nature, except those set out and described in the plans filed herewith and as provided herein.
- 20. <u>Condemnation</u>. Whenever all or any part of the Condominium shall be taken by any authority having the power of eminent domain, each Owner shall be entitled to notice thereof and to participate in the proceedings incident thereto unless otherwise prohibited by law. Unless otherwise provided by law or agreement at the time of such taking, any award made therefor shall be disbursed by the Association, as hereinafter provided.
- a. If the taking is confined to the Common Areas and the improvements can be replaced, and unless at least ninety percent (90%) of the total vote of the Association shall decide within one hundred twenty (120) days after such taking not to replace said improvements, or any part thereof, according to plans therefor approved by the Association, then the board of directors shall arrange for such replacement and the Association as insurance trustee, shall disburse the proceeds of such award in the same manner as they are required to disburse insurance proceeds for reconstruction, as provided in Section 15. If at

least ninety percent (90%) of the total vote of the Association shall decide within one hundred twenty (120) days after such taking not to replace such improvements or if the improvements cannot be replaced, then the Association as insurance trustee, shall disburse the proceeds of the award in the manner herein provided in Section 15.

b. If the taking includes one or more Units, or any part or parts thereof, whether or not there is included in the taking any part of the Common Areas, then the award shall be disbursed, as set forth in Section 15, and all related matters, including without limitation alteration of the percentages of undivided interest of the Owners in the Common Areas shall be handled pursuant to and in accordance with the consent of all Owners (or such lesser number of Owners as may then be prescribed by the Act for the purpose of altering the percentage of undivided interest of the Owners in the Common Areas) expressed in a duly recorded amendment to this Declaration. In the event that such an amendment shall not be recorded within one hundred eighty (180) days after such taking, then such taking shall be deemed to be and shall be treated as provided for in Section 24 hereof, whereupon the Condominium will be terminated in the manner there prescribed, unless then otherwise provided by law.

# 21. Notice of Lien or Suit.

- a. An Owner shall give notice to the Association of every lien upon his Unit, other than for permitted mortgages or secured interests, taxes and special assessments, within five (5) days after the attaching of the lien. Failure to comply with this requirement will not affect the validity of any judicial sale.
- b. Notice shall be given to the Association of every suit or other proceeding which may affect the title to his Unit within five (5) days after the Owner receives knowledge thereof.

# 22. Compliance and Default.

- a. Each Owner shall be governed by and shall comply with the terms of this Declaration, by the articles of incorporation, bylaws and rules and regulations adopted pursuant thereto, and by such documents as they may be amended from time to time. A default shall entitle the Association or other Owners to damages, injunctive relief or any relief described in this Declaration in addition to the remedies provided by the Act, or a combination of such remedies.
- b. An Owner shall be liable for the expense of any maintenance, repair, or replacement rendered necessary by this act, neglect, or carelessness or by that of any of his guests, employees, customers, clients, agents or lessees, but only to the extent that such expense is not met by the proceeds of insurance carried by the Association. Such liability shall include any increase in fire insurance rates occasioned by use, misuse,

occupancy, or abandonment of a Unit or its appurtenances. In any proceeding arising because of an alleged default by an Owner, the prevailing party shall be entitled to recover the costs of the proceeding and such reasonable attorneys! fees as may be award by the court.

- c. The failure of the Association, or any Owner to enforce any covenant, restriction, or other provision of the Act, this Declaration, the articles of incorporation, the bylaws or the rules and regulations adopted pursuant thereto shall not constitute a waiver of the right to do so thereafter.
- 23. Amendments. This Declaration may be amended as provided in Sections 4(b) and 6(b) and in the following manner:
- a. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is considered.
- b. A resolution incorporating a proposed amendment may be proposed by either the board of directors of the Association or by the members of the Association. Directors and members not present in person or by proxy at the meetings considering the amendment may express their approval in writing, providing such approval is delivered to the Secretary at or prior to the meeting. Except as elsewhere provided, such approvals must be by not less than seventy five percent (75%) of the entire membership of the board of directors and by not less than seventy five percent (75%) of the votes of the entire membership of the Association.
- c. No amendment shall discriminate against any Owner or against any office or class or group of offices unless the Owners so affected shall consent. No amendment shall change any Unit nor the share in the Common Areas appurtenant to it, nor increase the Owner's share of the common expenses, unless the record Owner of the Unit and all record holders of liens thereon shall join in the execution of the amendment except as provided in Sections 4(b) and 6(b).
- d. A copy of each amendment shall be certified by the president or a vice-president of the Association as having been duly adopted and shall be effective when recorded in the public records of Douglas County, Kansas.
- 24. <u>Termination</u>. The Condominium may be terminated in the following manner in addition to the manner provided by the Act:
- a. In the event it is determined under Section 14(c) that the Building shall not be reconstructed because of major damage, or as provided in Section 20(b), the Condominium plan of ownership will be thereby terminated without agreement.
- b. The Condominium may be terminated at any time by the approval in writing of all of the Owners of the Condominium, the trustee and by all record holders of liens thereon.

c. The termination of the Condominium shall be evidenced by a certificate of the Association executed by the president or a vice-president certifying as to facts affecting the termination, which certificate shall become effective upon being recorded in the public records of Douglas County, Kansas.

- d. After termination of the Condominium, the Owners shall own the land, improvements and facilities and all assets of the Association as tenants in common in undivided shares, and their respective mortgages, lienors and other secured parties shall have mortgages, liens, and secured interests upon the respective undivided shares of the Owners. Such undivided shares of the Owners shall be the same as percentages of interest in the Common Areas appurtenant to the Owners' Units prior to the termination.
- e. There shall be no judicial partition of the land, improvements and facilities or any part thereof, nor shall the Developer or any person acquiring any interest therein or any part thereof seek any such judicial partition unless the land, improvements and facilities have been removed from the provisions of the Act as provided for above.
- 25. Liability. Neither the Association nor any Owner thereof shall be responsible or liable for any loss or damage whatsoever to any Owner or any person or persons whomsoever for any error or defect in any structure which may or may not be shown on any plans or specifications or on any plot or grading plan or on any structure or part or portion thereof, nor for any work done in accordance with any such plans, specifications or plan, nor for any error or defect, nor for any act or omission, nor in any instance whatsoever for developing or maintaining subject land, nor in connection with any other matter whether or not the same was or was not submitted to or approved by the Association, or any Owner thereof.
- 26. <u>Severability</u>. The invalidity in whole or in part of any covenant or restriction, or any section, subsection, sentence, clause, phrase, or word, or other provision of this Declaration and the articles of incorporation, bylaws and rules and regulations of the Association shall not affect the validity of the remaining portions thereof.
- 27. Covenants Running With the Land. All provisions of this Declaration shall be construed to be covenants running with the Land, and with every part thereof and interest therein; and every Owner and claimant of the land or any part thereof or interest therein, and his heirs, executors, administrators, successors and assigns shall be bound by all of the provisions of this Declaration.
- 28. Agent for Service of Process. The Developer hereby designates TIMOTHY J. ALLEN, 2919 Iris Lane, Lawrence, Kansas, 66047 to receive service of process in the cases provided for in the Act.

\*\*\* \*\*\*

IN WITNESS WHEREOF, the undersigned have hereunto set their ands the day and year first above written.
TIMOTHY J. ALLEN  PATRICIA K. ALLEN
PRIALCIA A. AMBER
STATE OF KANSAS ) ) ss:
COUNTY OF DOUGLAS )
Personally appeared before me, a Notary Public in and for Douglas County, Kansas, the above named, TIMOTHY J. ALLEN, who is personally known to me to be the same person who executed the foregoing instrument in writing, and duly acknowledged the execution of the same.
IN WITNESS WHEREOF, I have hereunto set my hand and seal this $11+h$ day of $300$ , 1990.
7) irainia of Baring
My Appointment Expires:
AUGUST PUBLIC - State of Kantas VIRGINIA F. SORING
STATE OF KANSAS )
COUNTY OF DOUGLAS )
Personally appeared before me, a Notary Public in and for Douglas County, Kansas, the above named, PATRICIA K. ALLEN, who is personally known to me to be the same person who executed the foregoing instrument in writing, and duly acknowledged the execution of the same.
IN WITNESS WHEREOF, I have hereunto set my hand and seal this 11th day of auto, 1990.
Notary Fublic
My Appointment Expires:
10-31-91
WINGREA & SCHOOL WAS AND ADDRESS OF THE PROPERTY OF THE PROPER

### EXHIBIT A Legal Description

# SUBMITTED LAND:

Beginning at the Southwest corner of Lot One, Auto Plaza Subdivision No. 2, an Addition to the City of Lawrence; thence N 00°19'33" E, along the West line of said Lot One, 383.00 feet; thence S 89°55'26" E, along the North line of said Lot One, 200.00 feet; thence S 00°19'33" W, along the East line of said Lot One, 17" '7 reet; thence N 89°45'33" W, 132.00 feet; thence S 00°19'33" W, 205.61 feet; thence N 89°55'26" W, along the South line of said Lot One, 68.00 feet to the Point of Beginning; containing 1.136 acres, all in the City of Lawrence, Douglas County, Kansas.

# EASEMENTS AND RESERVATIONS:

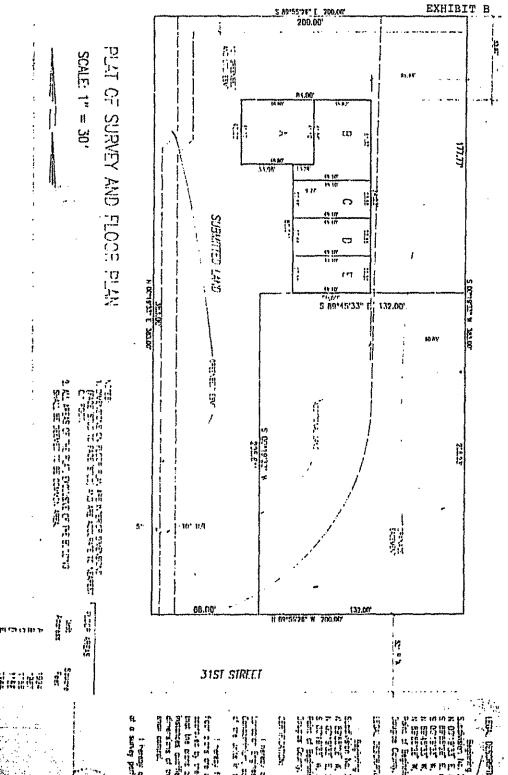
Subject to the reservation and easement over and across the Submitted Land for purposes of development by the Developer of Additional Land described as follows:

Beginning at the Southeast corner of Lot One, Auto Plaza Subdivision No. 2, an Addition to the City of Lawrence; thence N 89°55'26" W, along the South line of said Lot One, 132.00 feet; thence N 00°19'33" E, 205.61 feet; thence S 89°45'33" E, 132.00 feet; thence S 00°19'33" W, along the East line of said Lot One, 205.23 feet to the Point of Beginning; containing 0.622 acre, all in the City of Lawrence, Douglas County, Kansas.

EXHIBIT B

SEE ATTACHED

LONG ISLAND BUSINESS CENTER CONDOMINIUM PHASE ONE LAWRENCE, KANSAS



Segming of the Sectional count of lat the first part of the first

# HE HILLS - BURN AN

Engine on the Subsect conner of Let One, Arts Paris Scatistics No. 2, on action to the City of Lowerse toward No. 22 and No. 22 and

I never setty the mid for inn other press, reason from the press, reason for the press,

Creates of the selfs as an entire the self-treet, in

t a sure periode was my men

EXHIBIT C Articles of Incorporation

SEE ATTACHED

" AAO AAA

EXHIBIT C

### ARTICLES OF INCORPORATION

OF

# LONG ISLAND BUSINESS CENTER ASSOCIATION (A Not-For-Profit Corporation)

The undersigned Incorporator, hereby forms and establishes a corporation NOT-FOR-PROFIT under the laws of the State of Kansas.

# ARTICLE I

The name of this Corporation is LONG ISLAND BUSINESS CENTER ASSOCIATION.

# ARTICLE II Registered Office and Resident Agent

The location of its registered office is in Douglas County, Kansas, at P.O. Box 191, Lawrence, Kansas, 66044. The name of the resident agent at such address is TIMOTHY J. ALLEN.

# ARTICLE III Not-For-Profit

This Corporation is organized <u>NOT</u> for profit and the nature of its business or purpose to be conducted or promoted is: Any lawful corporate activity authorized by the statutes of the State of Kansas.

# ARTICLE IV Capital Stock

Sam Same an

This Corporation shall NOT have authority to issue capital stock.

# ARTICLE V Homborship

The conditions of membership of this Corporation shall be fixed by the Bylaws.

A A A TO A MARKET

# ARTICLE VI

The name and mailing address of the initial director who is to serve as a director until the first annual meeting of the stockholders or until a successor is elected and qualified is as follows:

> Timothy J. Allen P.O. Box 191 Lawrence, KS 66044

# ARTICLE VII Perpetual Existence

The term for which this Corporation is to exist is perpetual.

# ARTICLE VIII Incorporator

The Incorporator is TIMOTHY J. ALLEN and his residence is at 221 Iris Lane, Lawrence, Kansas, 66044.

Personally appeared before me, a Notary Public in and for the County and State aforesaid, the above named, TIMOTHY J. ALLEN who is personally known to me to be the same person who executed the foregoing instrument in writing, and duly acknowledged the execution of the same.

this 1170 day of Tuly, 1990.

Notary Public 7. Porting

My Appointment Expires:

10-21-91



anny 44 Regre 1447

EXHIBIT D Bylaws elleg (ber seine seine seine Mehren Gebeure seine seine Stelle seine Stellegen Gebeure

EXHIBIT D

### CONDOMINIUM BYLAWS

OF

# LONG ISLAND BUSINESS CENTER

# ARTICLE 1 -- DEFINITIONS

The words defined in the Condominium Declaration for LONG ISLAND BUSINESS CENTER shall have the same meaning in these Condominium Bylaws.

# ARTICLE 2 -- ASSOCIATION

- 2.01 Administration. LONG ISLAND BUSINESS CENTER, a Condominium Project, located in Lawrence, Douglas County, Kansas, shall be administered by an Association of Owners as defined in the Act, which shall be a Kansas non-profit corporation organized under the name of LONG ISLAND BUSINESS CENTER ASSOCIATION, or such other name as the Declarant may designate (hereinafter called the "Association"). The Association shall be responsible for the management, maintenance, operation and administration of the Condominium Project and the Common Elements in accordance with the Act, the Declaration, these Condominium Bylaws, the Articles of Incorporation, Corporate Bylaws and duly adopted Rules and Regulations of the Association. Owners and all persons using, entering upon or acquiring any interest in any Units or the Common Elements shall be subject to the provisions of such documents.
- 2.02 Independent Management. The Association may provide for independent management of the Condominium Project.
- 2.03 Membership: Voting. Membership in the Association and voting by members of the Association shall be in accordance with the following provisions:
- (a) Each Owner shall be a member of the Association, and no other person or entity shall be entitled to membership.

Avatras a vir 3

" AAM AAAm

- (b) The share of an Owner in the assets of the Association cannot be assigned, pledged or transferred in any manner except as an appurtenance to his Unit.
- (c) Each Owner shall be entitled to a vote, the value of which shall equal the total of the percentage of ownership allocated to the Units owned by such Owner as set forth in the Declaration.
- entitled to vote at any meeting of the Association until he has presented evidence of ownership of a Unit in the Condominium Project to the Association. The vote of each Owner may only be cast by such Owner or by a proxy given by such Owner to his duly authorized representative. If title to a Unit shall be in the name of two or more persons as Owners (hereinafter called "Joint Owners"), any one of such Joint Owners may vote as the Owner of the Unit at any meeting of the Association, and such vote shall be binding on such other Joint Owners who are not present at such meeting until written notice to the contrary has been received by the Association, in which case the unanimous action of all such Joint Owners (in person or by proxy) shall be required to cast their vote as Owner. If two or more of such Joint Owners are present at any meeting of the Association then unanimous action shall also be required to cast their vote as Owner.
- (e) There shall be an annual meeting of the members of the Association, and other meetings may be provided for in the Corporate Bylaws of the Association (hereinafter called the "Corporate Bylaws"). Notice of the time, place and subject matter of all meetings, as provided in the Corporate Bylaws shall be given to each Owner by mailing the same to such Owner or to the individual representative designated by such Owner at the address given by such Owner to the Association. If any Owner shall fail to give an address to the Association for the mailing of notices, all notices shall be sent to the Unit of such Owner, and such Owner shall be deemed to have been given notice of any such meeting irrespective of actual receipt thereof.
- (f) Except as otherwise provided by statute of these Condominium Bylaws, the presence in person or by proxy of more than 50% of the percentage of ownership of the Owners qualified to vote shall constitute a quorum for holding any meeting of the members of the Association. If, however, such quorum shall not be present or represented at any meeting of the Owners, the Owners present, in person or by proxy, shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented. At such adjourned meeting at which a quorum shall be present or represented by proxy any business may be transacted at the meeting as originally notified.
- (g) At any meeting of the members of the Association, votes may be cast in person or by proxy. Proxies must be filed

with the Secretary of the Association at or before the appointed time of each meeting of the members of the Association.

- (h) When a quorum is present at any meeting of the Association, the vote of more than 50% of the percentage of ownership of those Owners qualified to vote are present, in person or by proxy, at such meeting shall decide any question brought before such meeting, unless the question is one upon which a different vote is required by express provision of the statutes or these Condominium Bylaws, in which case such express provision shall govern. The Owners present in person or by proxy at a duly organized meeting may continue to transact business until adjournment notwithstanding the withdrawal of enough Owners to leave less than a quorum.
- (i) At all meetings of the Owners, cumulative voting shall not be permitted.
- 2.04 Books of Account. The Association shall keep detailed books of account showing all expenditures and receipts of the administration of the Condominium Project which shall specify the expenses of maintenance and repair of the Common Elements and any other expenses incurred by or on behalf of the Association and the Owners. Such books shall be open for inspection by the Owners during reasonable working hours on weekdays and shall be audited annually by qualified auditors. The cost of such audit shall be an expense of administration of the Condominium Project.
- and incurred by the Association and all money and other property received by the Association shall be so paid, incurred and received by the Association shall be so paid, incurred and received by the Association on behalf of the Owners, and are herein called "Association Expenses" and "Association Receipts". Association Expenses shall include but not be limited to, the cost of purchase of utilities for the entire Condominium Project and the costs incurred in the satisfaction of any liability arising in connection with the maintenance, operation or use of the Condominium Project.
- 2.06 <u>Oualification of Board Members</u>. Each director of the Association other than the initial directors designated in the Articles of Incorporation of the Association and any replacement directors selected by the Declarant prior to the first meeting of the Association, must be a member of the Association or an officer or director of a corporate member.
- 2.07 First Meeting of Membars. The first meeting of the members of the Association shall be held within ninety (90) days after conveyance by the Declarant of more than 75% in percentage ownership of the Units in the Condominium Project. Until the first meeting of members, the affairs of the Association shall be managed by the first Board of Directors named in the Articles of Incorporation of the Association, or their replacements.

### ARTICLE 3 -- ASSESSMENTS

3.01 Association Assessments. The Association shall be assessed as the person or entity in possession of any tangible personal property of the Condominium Project owned or possessed in common by the Owners, and personal property taxes based thereon shall be treated as Association Expenses.

# 3.02 Annual and Special Assessments.

- (a) The Directors shall establish an annual budget in advance for each fiscal year of the Association of all Association Expenses for the forthcoming year which may be required for the proper operation, management and maintenance of the Condominium Project, including a reasonable allowance for contingencies and reserves. The assessment of each Owner for his pro rata share of the Association Expenses for such year shall be established by the adoption of such annual budget by the Directors. Copies of such budget shall be delivered to each Owner, although the delivery of a copy of the budget to each Owner shall not affect the liability of any Owner for any existing or future assessments. Should the Directors at any time determine, in their sole discretion, that the assessments levied are insufficient to pay such expenses in any fiscal year, the Directors may at any time and from time to time lovy such additional assessments as they shall deem necessary for such purpose.
- (b) Special assessments, other than those described in (a) above, may be made by the Directors at any time and from time to time to meet other requirements of the Association and the Condominium Project, including, but not limited to, capital improvements and the purchase or lease of a Unit pursuant to paragraph 7.09 hereof; provided, however, that any such special assessment shall not be levied without the prior approval of at least seventy-five (75%) of the percentage of ownership of all of the Owners.
- against the Owners to cover Association Expenses shall be apportioned among and paid by the Owners in accordance with the percentage of ownership allocated to each Unit in the Declaration. Assessments shall be due and payable monthly on such day of the month as the Directors shall determine, commencing with delivery of a deed to a Unit. The payment of an assessment shall be in default if such assessment, or any part thereof, is not paid to the Association in full on or before the due date for such payment, and shall bear interest at a rate of ten per cent (10%) per annum commencing ten days after the due date thereof until paid in full. Each Owner (whether one or more persons including all of the shareholders of any professional corporation) shall be and remain personally liable for the payment of all assessments which may be levied against such Owner by the Association in accordance with these Condominium Bylaws, and any unpaid assessments with accrued interest thereon owed with respect to a Unit shall be

collected out of the sales proceeds of such Unit in accordance with Section 18 of the Act.

3.04 Taxes and Insurance Premiums. Each Owner shall pay to the Association, together with and as part of his assessment, such Owner's portion of the property taxes on the Condominium Project and the premiums on all insurance policies carried by the Association.

addition to its rights under the Act, enforce collection of delinquent assessments by suit at law for a money judgment, and the expenses incurred in collecting unpaid assessments including interest, costs and attorneys' fees, shall be chargeable to the Owner in default. Assessments in default shall constitute a lien upon the Unit of the Owner in default upon the filing of an affidavit stating the amount thereof and describing the Unit in the Register of Deeds office of Douglas County, Kansas, and such lien may be enforced by judicial foreclosure. Such lien shall be subordinate to any mortgage on the Unit. The Association may also discontinue the furnishing of any utilities or other services to an Owner in default of his obligations to the Association or other Owners as set forth herein upon thirty (30) days' written notice to such Owner and to any mortgagee of such Owner's Unit of its intent to do so. An Owner in default of his obligations to the Association or other Owners as set forth herein shall not be entitled to vote at any meeting of the Association so long as such default is in existence.

3.06 No Exemptions. No Owner may exempt himself from liability for his contribution toward the expenses of the Association and the Condominium Project by waiver of the use or enjoyment of any of the Common Elements or by the abandonment or sale of his Unit.

# ARTICLE 4 -- OWNER ACTION

Without limiting the other legal rights of any Owner or the Association, legal action may be brought by the Association in its sole discretion on behalf of two (2) or more Owners as their respective interests may appear with respect to any cause of action relating to the Common Elements or more than one (1) Unit.

# ARTICLE 5 -- INSURANCE

The Association shall carry a master policy of fire and extended coverage, vandalism and malicious mischief and liability insurance, workmen's compensation insurance and such other insurance as the Directors may determine (hereinafter referred to as the "Master Policy"), with respect to the Condominium Project and the Association's administration thereof in accordance with the following provisions:

The Master Policy shall be purchased by the Association for the benefit of the Association, the Owners and their mortgagees as their interests may appear (subject to the provisions of the Ground Lease, these Condominium Bylaws, the Declaration and the Act), and provision shall be made for the issuance of appropriate mortgage endorsements to the mortgagees of the Owners. The Owners shall obtain insurance coverage at their own expense upon their personal property and, in addition, shall obtain comprehensive personal liability insurance covering liability for damage to person or property of others located within such Owner's Unit or in another Unit or upon the Common Elements resulting from the negligence of the insured Owner in such amounts as shall from time to time be determined by the Directors, but in no case less than \$100,000 for each occurrence. property and liability insurance carried by an Owner or the Association shall contain waivers of subrogation and waivers of any defense based upon co-insurance or invalidity arising from any acts of the insured, and shall provide that such policies may not be canceled or substantially modified without thirty (30) days' prior written notice thereof to each of the insureds, including all mortgagees of Units and the landlord under the Ground Lease.

- (b) Improvements, personal property and other Common Elements of the Condominium Project shall be insured against fire and other perils covered by a standard extended coverage endorsement, in an amount equal to the full replacement cost thereof, on not less than a ninety per cent (90%) coinsurance basis, with waiver of depreciation and waiver of subrogation endorsements. The Association shall use its best efforts to cause the liability insurance carried by the Association to contain appropriate provisions to cover liability of each of the Owners, individually and as a group, to another Owner.
- (c) All premiums upon insurance purchased by the Association pursuant to these Condominium Bylaws shall be included in the Association's budget in accordance with paragraph 3.02(a) hereof, except that the amount of increase of such premiums occasioned by the misuse or apandonment of a Unit or the Common Elements by an Owner shall be assessed against such Owner.
- (d) Proceeds of all insurance policies owned by the Association shall be received by the Association as Association Receipts, held in a separate account and distributed to the Owners and their mortgagees (subject to the provisions of these Condominium bylaws, the Declaration and the Act) as their interests may appear; provided, however, whenever repair or reconstruction of the Condominium Project shall be required as provided in Article 6 of these Condominium Bylaws, the proceeds of any insurance received by the Association as a result of any loss requiring repair or reconstruction under the Declaration and these Condominium Bylaws shall be applied to such repair or reconstruction.

(e) Each Owner, by ownership of a Unit, shall be deemed to appoint the Association as his true and lawful attorney-in-fact to act in connection with all matters concerning the maintenance of the Master Policy. Without limiting the generality of the foregoing, the Association as said attorney shall have full power and authority to purchase and maintain such insurance, to collect and remit the premiums therefor, to collect proceeds thereof, and to distribute the same to the Association, the Owners and their respective mortgagees (subject to the provisions of these Condominium Bylaws, the Declaration and the Act) as their interests may appear, to execute releases of liability and to execute all documents and to do all things on behalf of such Owner and the Association as shall be necessary or convenient to the accomplishment of the foregoing; and any insurer may deal exclusively with the Association in regard to such matters. The Association shall not be responsible for procurement of maintenance of any insurance covering the contents of the interior of any Unit nor the liability of any Owner for occurrences therein not caused by or connected with the Association's operation, maintenance or use of the Condominium Project.

# ARTICLE 6 -- RECONSTRUCTION OR REPAIR

- 6.01 <u>Vote of Members</u>. If less than seventy percent (70%) of the Condominium Project shall be damaged by fire or any other disaster, then the Condominium Project shall be rebuilt or repaired. If such damage shall affect more than seventy percent (70%) of the Condominium Project, then reconstruction shall not be compulsory without the consent of the Owners of seventy-five percent (75%) of the common area.
- 6.02 Plan for Reconstruction. Any reconstruction or repair of the Condominium Project or any Unit located therein shall be substantially in accordance with the Declaration and the original plans and specifications for the Condominium Project unless the Owners shall unanimously decide otherwise.
- the reconstruction, repair or replacement of the interior of his Unit, including but not limited to the floor coverings, wall coverings, window shades, draperies, interior walls, furniture, furnishings, decorative light fixtures, and all appliances located therein. Each Owner shall also be responsible for the costs, not otherwise covered by insurance carried by the Association, of any reconstruction, repair or replacement of any portion of the Condominium Project necessitated by his negligence or misuse or the negligence or misuse by his guests, agents, employees or contractors. In the event damage to all or any part of the interior of an Owner's Unit is covered by insurance held by the Association for the benefit of such Owner, then such Owner shall begin reconstruction or repair of such damage upon receipt of the insurance proceeds or any portion thereof from the Association, subject to the rights of the Association to supervise, approve or disapprove such reconstruction or repair during the course there-

of. In the event damage to all or any part of the interior of an Owner's Unit is not covered by insurance held by the Association for the benefit of such Owner, then such Owner shall begin reconstruction or repair of his Unit within sixty (60) days after the date of such damage, subject to the right of the Association to supervise, approve or disapprove such reconstruction or repair during the course thereof.

- 6.04 Costs of Repair. As soon as possible after the occurrence of a casualty which causes damage to any part of the Condominium Project for which the Association has insurance coverage (hereinafter referred to as the "Casualty"), the Association shall obtain reliable and detailed cost estimates of the following:
- (a) The cost of restoring all damage caused by the Casualty to the Common Elements (hereinafter referred to as the "Common Element Costs"); and
- (b) The cost of restoring that part of the damage caused by the Casualty to each Unit which is or would be covered by insurance held by the Association without regard to the policy limits of such insurance (hereinafter referred to as the "Unit Costs").
- All insurance proceeds available to the Association with respect to the Casualty shall first be applied to the payment of the actual Unit Costs. However, if such insurance proceeds are not sufficient to cover such estimated costs, then an assessment shall be made against the Owners by the Association in the following manner:
- (a) All Owners shall be assessed on the basis of their percentage of ownership in the Condominium Project for the payment of the estimated Common Element Costs not otherwise paid for by insurance held by the Association.
- (b) Each Owner of a damaged Unit shall be assessed an amount equal to the difference between his estimated Unit Costs and a sum calculated by multiplying the amount, if any, of the remaining insurance proceeds held by the Association with respect to the Casualty by a fraction, the numerator of which is his estimated Unit Costs and the denominator of which is the total of all of the estimated Unit Costs.
- Unit in the Condominium Project by eminent domain, subject to the provisions of the Ground Lease, the Owner and his mortgages of such Unit shall be entitled to receive the award for such taking, and after acceptance thereof he and his mortgages shall be divested of all interest in the Condominium Project if such Owner shall vacate his Unit by virtue of such taking. If any repair or rebuilding of the remaining portions of the Condominium Project is required as a result of such taking, a majority in percentage of cownership of the remaining Owners shall determine by vote or

written consent whether to rebuild or repair the Condominium Project or to take such other action as such remaining Owners deem appropriate. If no repair or rebuilding shall be required or shall be undertaken, the remaining portion of the Condominium Project shall be resurveyed and the Declaration and Exhibit B thereto shall be amended as provided in paragraph 6(e) of the Declaration to reflect such taking and to proportionately readjust the percentage of ownership of the remaining Owners based upon a continuing total ownership of the Condominium Project of one hundred percent (100%).

## ARTICLE 7 -- RESTRICTIONS

- 7.01 Modifications. No Owner shall make structural alterations or modifications to his Unit or to any of the Common Elements, including, but not limited to, the erection of antennas, aerials, awnings, the placement of any reflective or other material in the windows of the Unit or other exterior attachments without the written approval of the Association. The Association shall not approve any alterations, decorations or modifications which would jeopardize or impair the soundness, safety or appearance of the Condominium Project.
- 7.02 Lease of Units. An Owner may lease his Unit for the same purposes set forth in paragraph 6(b) of the Declaration, provided that such lease transaction is in accordance with the provisions of paragraph 7.09 hereof.
- 7.03 Improper Activities. No immoral, improper, unlawful or offensive activity shall be carried on in any Unit or upon the Common Elements, nor shall anything be done which may be or become an annoyance or a nuisance to the Owners. No Owner shall do or permit anything to be done or keep or permit to be kept in his Unit or on the Common Elements anything that will increase the rate of insurance on the Condominium Project.
- 7.04 Signs. No signs or other advertising devices shall be displayed which are visible from the exterior of any Unit or on the Common Elements, including "For Sale" signs, except in conformity with Rules and Regulations promulgated by the Directors, provided, however, that the tenants or Owners of the commercial space designated on the Plat may have signs on their windows and doors within such limitations on size and type as the Declarant may personally determine, but not on the exterior walls of the Improvements, and provided, further, that no tenant or Owner of the commercial space can be excluded from any building directory unless prohibited by law or ordinance.
- 7.05 Use of Common Elements. The Common Elements shall not be used for storage of supplies, personal property or trash or refuse of any kind except common trash receptacles placed at the discretion of the Directors, nor shall the Common Elements be used in any way for the drying, shaking or airing of clothing or other fabrics. Stairs, entrances, sidewalks, yards, driveways,

and parking areas shall not be obstructed in any way nor shall unauthorized persons use them for other than their intended purposes. In general, no activities shall be carried on nor condition maintained by any Owner either in his Unit or upon the Common Elements which despoils the appearance of the Condominium Project.

- 7.06 Maintenance of Unit. Each Owner shall maintain his Unit in a clean, safe and sanitary condition. Each Owner shall also use due care to avoid damaging any of the Common Elements or any other Unit, and each Owner shall be responsible for his negligence or misuse of any of the Common Elements or of his own facilities resulting in damage to the Common Elements or any other Unit.
- 7.07 <u>Regulations</u>. Rules and Regulations concerning the use of the Condominium Project shall be promulgated by the first Board of Directors of the Association prior to the first annual meeting of the Association, and such Rules and Regulations shall be binding on all members of the Association unless duly amended by a majority in percentage of ownership of all of the Owners.
- 7.08 Access of Agents. The Association or its agents shall have access to each Unit from time to time during reasonable working hours, upon notice to its Owner, as may be necessary for the maintenance, repair or replacement of any of the Common Elements or other Units. The Association or its agent shall also have access to each Unit at all times without notice as may be necessary to make emergency repairs to prevent damage to the Common Elements or to another Unit. If requested by the Association, each Owner shall furnish to the Association a duplicate key to the entrance door to his Unit and shall furnish a new duplicate key upon any change of locks thereto.
- 7.09 <u>Bale or Lease</u>. No Owner may dispose of (other than by gift, devise or inheritance) or lease a Unit or any interest therein by sale or lease, as the case may be, without approval of the Association, which approval shall be obtained in the manner hereinafter provided, except for (i) conveyances by gift, devise or inheritance; (ii) conveyance by one Joint Owner of a Unit to one or more other Joint Owners of the same Unit; (iii) upon the dissolution of a corporation which is an Owner, the conveyance of the Unit to the shareholders thereof as Joint Owners; (iv) upon the formation of a corporation by Joint Owners to such corporation, or (v) upon the admission of a new partner to a partnership which is an Owner or to a partnership formed by an Owner, the conveyance of an individual interest in the Unit to such new partner or the conveyance of such Unit to such partnership.
- (a) An Owner intending to make a sale or lease of a Unit or any interest therein except as hereinabove permitted shall give written notice to the Association of such intention, together with the name and address of the intended purchaser or lesses, and such other information as the Association may reasonably require in connection with such transaction. Such Owner

shall, by such notice, also furnish the Association with the terms and conditions of the proposed sale or lease. The giving of such notice shall constitute a warranty and representation by such Owner to the Association and to any purchaser or lessee produced by said Association as hereinafter provided, that such Owner believes the proposal to be bona fide in all respects. No proposed transaction shall be deemed bona fide which is not evidenced by a written contract of sale or lease, subject to the approval and right of first refusal contained herein, executed by the selling or leasing Owner and the proposed purchaser or lessee and containing all the terms of the sale or lease proposed to be made.

- (b) Within thirty (30) days after receipt of the notice described in (a) above, the Association shall either approve the transaction or furnish a purchaser or lessee satisfactory to it, which purchaser or lessee may be the Association or one or more of its members, and such purchaser or lessee shall execute a contract of sale or lease in accordance with the terms of the notice described in (a) above within thirty (30) days after the selling or leasing Owner is given notice by the Association that such purchaser or lessee is being furnished by the Association. Failure of the Association to either approve such sale or lease or furnish an appropriate substitute purchaser or lessee within such thirty (30) day period for any reason whatsover shall be deemed to constitute approval of such sale or lease, following which the Association shall, nevertheless, prepare and deliver written approval in recordable form if requested by such selling or leasing Owner.
- (c) The Declarant shall not be subject to this paragraph 7.09 in the first sale or lease of any Unit owned by the Declarant.
- 7.10 Limitation During Sales Period. None of the restrictions contained in this Article 7 shall apply to the commercial activities, signs or billboards, if any, of the Declarant during the sales period of the Condominium Project or to the activities of the Association in furtherance of its powers and purposes set forth herein and in its Articles of Incorporation and Corporate Bylaws as the same may be amended from time to time.

## ARTICLE 8 -- MORTGAGES

- 8.01 Notification of Association. Any Owner who mortgages his Unit shall notify the Association of the name and address of the mortgages, and the Association shall maintain such information in a book entitled "Mortgages of Units". The Association shall report to such mortgages any unpaid assessments due from the Owner of such Unit at the same time as the Association makes demand on the Owner of the Unit for payment of such assessment.
- 8.02 Notification of Mortgageas. The Association shall notify each mortgagea appearing in the book described in para-

graph 8.01 herein of the name of each company insuring the Condominium Project under the Master Policy and the amounts of the coverages thereunder.

#### ARTICLE 9 -- COMPLIANCE

- present or future Owners, tenants or future tenants, or any other persons using the facilities of the Condominium Project are subject to and shall comply with the Act, the Ground Lease, the Declaration, the Condominium Bylaws and the Articles of Incorporation, Corporate Bylaws, Rules and Regulations of the Association, and the acquisition, occupancy or rental of a Unit shall signify that all such documents are accepted and ratified. In the event of a conflict in any of the provisions of any of such documents, the documents shall govern or control in the following order or preference: (1) the Ground Lease, (2) the Act, (3) the Declaration, (4) the Condominium Bylaws, (5) the Articles of Incorporation of the Association, (6) the Corporate Bylaws of the Association, and (7) the Rules and Regulations of the Association.
- 9.02 Amendment of Condominium Bylaws. These Condominium Bylaws may be amended from time to time at a meeting of the members of the Association called for such purpose upon the affirmative vote of 75% of the percentage of ownership of the Owners with the consent of the mortgagees, if any, of such Units.

#### ARTICLE 10 -- ADDITIONS AND ALTERATIONS BY THE ASSOCIATION

Whenever in the judgment of the Directors the Common Elements shall require additions, alterations or improvements costing more than Ten Thousand Dollars (\$10,000.00) which are not to be made at the expense of any individual Owner for the Owners! own benefit, and the making of such additions, alterations or improvements costing more than Ten Thousand Dollars (\$10,000.00) which are not to be made at the expense of any individual Owner for the Owners' own benefit, and the making of such additions, alterations or improvements shall have been approved at an annual or special meeting of the Association and by the mortgages holding mortgages or deeds of trust constituting first liens upon not less than two thirds (2/3) of the percentage of Ownership of the Units, the Directors shall proceed to cause such additions, alterations or improvements to be made and shall assess all Owners for the cost thereof as a special assessment. Any additions, alterations or improvements costing Ten Thousand Dollars (\$10,000.00) or less may be made by the Directors without further approval of the Owners or any mortgagees of the Units, and the cost thereof may be assessed against the Owners as a special assessment, provided, however, that no more than Fifteen Thousand Dollars (\$15,000.00) shall be expended for any such purposes in any one year without approval by two thirds (2/3) of the percentage of Ownership of the Owners at a meeting of the Association.

#### ARTICLE 11 -- DEFAULT

11.01 <u>Definition</u>. Failure to comply with any of the terms of the Declaration, these Condominium Bylaws, the Articles of Incorporation or Corporate Bylaws or duly adopted Rules and Regulations of the Association shall constitute an event of default and shall be grounds for relief, which may include without intending to limit the same an action to recover sums due for damages and injunctive relief, or any combination thereof.

11.02 <u>Costs</u>. In any proceeding arising because of any alleged default by any Owner, the Association, if successful, shall be entitled to recover the costs of the proceeding and reasonable attorneys' fees from such Owner.

11.03 No Waiver. The failure of the Association or of any Owner to enforce any right, provision, covenant or condition which may be granted by the Declaration, these Condominium Bylaws, the Articles of Incorporation, Corporate Bylaws or duly adopted Rules and Regulations of the Association shall not constitute a waiver of the right of the Association or of any such Owner to enforce such right, provision, covenant or condition in the future.

11.04 Rights Cumulative. All rights, remedies and privileges granted to the Association or any Owner pursuant to any provisions of the Declaration, these Condominium Bylaws, the Articles of Incorporation, Corporate Bylaws or duly adopted Rules and Regulations of the Association, shall be deemed to be cumulative and the exercise of any one or more shall not be deemed to constitute an election of remedies, nor shall it preclude the party thus exercising the same from exercising such other additional rights, remedies or privileges as may be available to such party at law or in equity.

## ARTICLE 12 -- SEVERABILITY

In the event that any of the terms, provisions or covenants of these Condominium Bylaws are held to be partially or wholly invalid or unenforceable for any reason whatsoever, such holding shall not affect, alter, modify or impair in any manner whatsoever any of the other terms, provisions or covenants hereof or the remaining portions of any terms, provisions or covenants held to be partially invalid or unenforceable.

#### ARTICLE 13 -- TABLE OF CONTENTS; HEADINGS

The table of contents and headings used in these Condominium Bylaws have been inserted for convenience only and do not constitute matter to be construed in interpretation.

## 3687

# SUBMISSION OF ADDITIONAL LAND & BUILDING TO COMPONINIUM DECLARATION OF LONG ISLAND BUSINESS CENTER, A COMMERCIAL COMPONINIUM

THIS SUBMISSION is made this \_\_\_\_\_\_ day of October, 1990, by TIMOTHY J. ALLEH and PATRICIA K. ALLEH, husband and wife, herein called the "Developer", for themselves and their successors, grantees, and assigns, as follows:

WHEREAS, Developer established a Condominium Declaration dated July 11, 1990, for LONG ISLAND BUSINESS CENTER, and such Condominium Declaration has been filed of record at Book 446, Page 14/8, of the condominium records of Douglas County, Kansas; and

WHEREAS, the Long Island Business Center Condominium Declaration reserved the right of the Developer to submit additional land and building to the Condominium Declaration;

MOW, THEREFORE, the Developer declares and submits as follows:

- 1. Submission to Condominium Ownership. The purpose of this declaration is to submit the land described on EXHIBIT A attached hereto and incorporated herein and the improvements shown thereon to the condominium form of ownership and use as provided by the Long Island Business Center Condominium Declaration and by Kansas Statutes Annotated §§ 58-3101 at seq., as the same may be amended from time to time.
- 2. Incorporation of Condominium Declaration. By this reference, the Developer herein incorporates all of the terms and provisions of the Lond Island Business Center Condominium Declaration, as if the same were fully stated herein, and declares the real estate and improvements shown on EXHIBIT A to be fully subject thereto.
- 3. <u>Description of Units</u>. The units of the condominium subject herato are described as set forth on EXHIBIT B attached hereto and incorporated herein.

IN WITHESS WHEREOF, the undersigned have hereunto set their hands the day and year first above written.

TIMOTHY J. MILES

3

100x 450 mer 584

STATE OF KANSAS ss: COUNTY OF DOUGLAS Personally appeared before me, a Notary Public in and for Douglas County, Kansas, the above named, TIMOTHY J. ALLEN, who is personally known to me to be the same person who executed the foregoing instrument in writing, and duly acknowledged the execution of the same. this Witness whereof, I have hereunto set my hand and seal this with day of Colon, 1990. My Appointment Expires: Katie Roberts NOTARY PUBLIC State of Known STATE OF KANSAS COUNTY OF DOUGLAS Personally appeared before me, a Notary Public in and for Douglas County, Kansas, the above named, PATRICIA K. ALLEN, who is personally known to me to be the same person who executed the foregoing instrument in writing, and duly acknowledged the execution of the same. IN WITHESS WHEREOF, I have hereunto set by hand and seal day of (ctobe-Notary Public My Appointment Expires: max 450 max 585

## EXHIBIT A Legal Description

Commencing at the Southeast corner of Lot One, Auto Plaza Subdivision No. 2, an Addition to the City of Lawrence; thence N 00°19'33" E, 133.33 feet for a Point of Beginning;

Thence, continuing K 00°19'33" E, along said East line, 71.90 feet; thence N 89°45'33" W, 132.00 feet; thence S 00°19'33" W, 71.97 feet; thence S 89°47'17" E, 132.00 feet to the Point of Beginning; containing 0.218 acre all in the City of Lawrence, Douglas County, Kansas.

EXHIBIT B

SEE ATTACEED

**-40** - 507

