CONDOMINIUM DECLARATION OF GRAMERCY PLACE CONDOMINIUM

THIS DECLARATION, Hade as of this day of
1980, by GRAMERCY PLACE COMPANY, a Missouri general partnership (hereafter
called "Developer"), composed of Jeff Shafton, a resident of Overland Park, Johnson
County, Kansas, and Syntax Investments, Inc., a Kansas corporation, pursuant to the
provisions of the "Apartment ownership Act" of the State of Kansas, Section 58 3101 et
seq. of the Kansas Statutes Annotated (hereinafter called the "Act").

RECITALS:

THIS DECLADATION made as of this

- (A) Developer is the owner of that certain land in Overland Park, Johnson County, Kansas, which is more fully described in Exhibit A attached hereto, together with the buildings, parking areas, recreational facilities and other improvements constructed on such land.
- (B) By recording this Declaration and the exhibits attached hereto, Developer intends to submit the land described in Exhibit A and the improvements constructed thereon, together with the appurtenances pertaining thereto, to the provisions of the Act.

NOW, THEREFORE, Developer does hereby and upon the recording of this Declaration, duly executed and acknowledged, submit the Property (as defined in Section J hereof), in the manner and form shown on the plat of Gramercy Place Condominium recorded contemporaneously with this declaration, to the provisions of the Act and declares that the Property shall be held, conveyed, hypothecated, encumbered, leased, rented, occupied, improved and in any other manner utilized, upon and subject to the provisions of the Act and to the covenants, conditions, restrictions, uses, limitations and obligations set forth in this Declaration and the exhibits hereto, all of which shall run with all or any portion of the Property and shall be binding upon and inure to the benefit of Developer, its grantees, successors and assigns, and any

persons, associations, corporations or other legal legal representatives and assigns, and in furtherance thereof, it is hereby provided as follows:

<u>Section 1. Name of Condominium.</u> The name by which the Property shall be known is "Gramercy Place Condominium" (the "Condominium").

Section 2. Enumeration of Exhibits. The Exhibits enumerated in this section and attached to this Declaration are hereby made a part of this Declaration by this reference:

Exhibit A - Description of the Land

Exhibit B - Bylaws of the Association

Exhibit C - Description of Unit Interests

<u>Section 3. Definitions.</u> Certain terms as used in this Declaration and the Exhibits attached hereto shall, unless the content clearly indicates a meaning different therefor, be defined as follows:

- (a) "Association" shall mean the "Gramercy Place Condominium Association, Inc.", a Kansas nonprofit corporation, or its successor(s);
- (b) "Board of Directors" shall mean the board of directors of the Association;
- (c) "Buildings" shall mean all buildings containing one or more Residential Units and which are located on the Land.
- (d) "Bylaws" shall mean the bylaws of the Association set forth in Exhibit B, as the same may be amended from time to time.
- (e) "Carport Unit" shall mean a part of the Property intended for independent use solely for the parking of passenger automobiles and for no other purpose and having a direct exit to a public street or highway or to a Common Area or Facility leading to such street or highway. Each Carport Unit and the legal description thereof are as shown on the

Plat. Each Carport Unit consists of all of the air space having the width (as measured to the center point of existing vertical support beams) and depth shown therefor on the Plat and is bounded horizontally and vertically by imaginary planes extending from (but excluding) the asphalt surface below each Carport Unit as established on the Plat upward to a height of six (6) feet, Such asphalt surface and the support beams and carport canopies in respect of the Carport Units shall be deemed Common Areas and Facilities.

- (f) "Common Areas and Facilities" shall mean all portions of the Property, except the Units.
 - (g) "Common Expenses" shall mean and include the following:
- (i) All sums lawfully assessed against the Unit Owners by the association.
- (ii) Expenses of administration, maintenance, repair and replacement of the Common Areas and Facilities, including reserves therefor as required by the Condominium Documents.
- (iii) Expenses agreed upon as Common Expenses by the Association.
- (iv) Expenses declared Common Expenses by the Act or by this Declaration or the Bylaws.
- (v) Sewerage and water charges and impositions in respect of the Units and Common Areas and Facilities.
- (h) "Condominium Documents" shall mean this Declaration, the Articles of Incorporation of the Association, the Bylaws, the Plat, and the Rules and Regulations governing the use of the Property, and all attachments and exhibits thereto, as the same and such attachments and exhibits may be amended from time to time.
- (i) "Declaration" shall mean this instrument, as the same may be lawfully amended from time to time.

(j) "Land" shall mean the tract of real property described on Exhibit A hereto.

- (k) "Limited Common Areas and Facilities" shall mean the Common Areas and Facilities, reserved for use of specified Residential Units, consisting of: (i) all patios which are designated on the Plat by the letter "P" and a corresponding Residential Unit number; (ii) all balconies which are designated on the Plat by the letter "B" and a corresponding Residential Unit number; and (iii) all stairwell storage areas which are designated on the Plat by the letters "SS" and a corresponding Residential Unit number.
- (I) "Manager" shall mean any manager which the Board of Directors may from time to time employ as provided in the Declaration, to maintain, administer and operate the Property or any part thereof.
- (m) "Mortgage" shall mean a mortgage constituting a lien on a Unit, and shall include a deed of trust.
- (n) "Mortgagee" shall mean the holder of a Mortgage and shall include a beneficiary under a deed of trust.
- (o) "Occupant" shall mean a Person in lawful possession of a Unit, regardless of whether the Person is a Unit Owner.
- (p) "Person" shall mean an individual, corporation, partnership, trustee or other legal entity or representative capable of holding title to real property.
- (q) "Plat" shall mean the plat of the Condominium recorded contemporaneously with and as a part of this Declaration.
- (r) "Property" shall mean the Land, the Buildings and other improvements and structures now or hereafter constructed on the Land and all easements, rights and appurtenances belonging thereto, and all fixtures, equipment and articles of personal property intended for the mutual use, benefit or enjoyment of the Unit Owners.
- (s) "Record" shall mean to record in the office of the Register of Deeds of Johnson County, Kansas.

(t) "Residential Unit" shall mean a part of a Building including one or more rooms, occupying one or more floors or a part or parts thereof, designed and intended for any type of independent use, and having a direct exit to a public street or highway or to a Common Area or Facility leading to such street or highway. Each Residential Unit and the legal designation thereof are as shown on the Plat. Certain Residential Units have storage areas located outside the main portion of the Unit and which are designated on the Plat by the letter "S" and the corresponding Residential Unit number: such storage areas so designated shall constitute a part of the corresponding Residential Unit and shall be used exclusively for storage and for no other purpose. Each Residential Unit consists of all of the space bounded horizontally and vertically by the undecorated or unfinished (or both) interior surfaces of its perimeter walls, floors, ceilings, windows and window frames and doors and door frames. Each Residential Unit includes both portions of a Building within such boundaries and the space so encompassed, including, without limitation, the interior surfaces of permanent walls, windows, doors, floors and ceilings and all finished materials or coverings applied to any interior walls, doors, floors and ceilings, and all appliances, wiring, plumbing, utility lines and fixtures within such boundaries and the space so encompassed; provided, however, (i) any load bearing columns or weight supporting walls (but not the visible portions thereof or any paint, paper or other covering thereof) shall be a part of the Common Areas and Facilities, and (ii) with respect to any chutes, flues, ducts, conduits, wires and other apparatus lying partially within and partially outside the boundary of a Residential Unit, any portions thereof serving only such Residential Unit shall be deemed a part of such Residential Unit while portions thereof serving more than one Residential Unit or any portion of the Common Areas and Facilities shall be deemed a part of the Common Areas and Facilities. All exterior doors, window frames, panes and screens shall be a part of the Residential Unit to which they are attached; provided, however, the decoration and painting of the exterior surfaces (but not

the components) of such doors, window frames, panes and screens which are visible from either the exterior of a Building or from the Common Areas and Facilities shall be the responsibility of the Association. Each Residential Unit shall also include all heating and air conditioning equipment and lines and other facilities used in connection therewith located outside a Residential Unit but which exclusively serve such Residential Unit.

- (u) "Rules and Regulations" shall mean the rules and regulations (as the same may be amended from time to time) governing the use of the Property as set forth in the Condominium Documents and as established by the Association in accordance with this Declaration and the Bylaws.
- (v) "Unit Interest" shall mean the percentage of ownership interest in the Common Areas and Facilities allocated to each Unit as shown on Exhibit C hereto.
 - (w) "Unit" shall refer to a Residential Unit as well as a Carport Unit.
- (x) "Unit Owner" shall mean the Person or Persons whose estates or interests, individually or collectively, aggregate fee simple absolute ownership of a Unit.

Section 4. Unit Description and Unit Interests. The legal description of each Unit is designated by the Unit number or symbol of the Unit as shown on Exhibit C and following the Unit designation on Exhibit C is the Unit interest allocated to each Unit. The Unit Interests have been computed on a par value basis, and the Unit Interests as set forth on Exhibit C shall remain constant unless hereafter changed by written agreement of all Unit Owners in the form of an amendment to this Declaration duly Recorded. The aggregate of all Unit Interests expressed as a percentage is 100%.

Section 5. Ownership of Units. Upon Recording of this Declaration and the Plat, the Property shall become subject to the provisions of the Act, and all Units shall

thereupon be capable of ownership in fee simple or any lesser estate and may thereafter be conveyed, leased, mortgaged or otherwise dealt with in the same manner as other real property, but subject, however, to the provisions, conditions and limitations imposed by the Act and the Condominium Documents. Each Unit Owner shall be entitled to the Unit Interest appertaining to his Unit as computed and set forth in Exhibit C, and ownership of such Unit and of the Unit Owners corresponding Unit Interest shall not be separated. In the event that two or more Units are now or hereafter owned by one Unit Owner, such Unit Owner shall be entitled to the Unit Interest appertaining to each Unit.

Subject to the other provisions of this Declaration and the Bylaws and the Rights and Regulations, the Common Areas and Facilities may be used non-exclusively (except as set forth in Section 10 hereof) by each Unit Owner, Occupants of the respective Units and there respective employees, invitees, and guests, for the purposes for which the Common Areas and Facilities are assigned and intended, and without limiting the foregoing, for the express purpose of providing ingress to and egress from the respective Units. No such use shall hinder or encroach upon the lawful rights of any other Unit Owner or other Person entitled to use the Common Areas and Facilities.

Section 6. Instrument Affecting Unit Affects Unit Interest. Every deed, lease, mortgage or other instrument may legally describe a Unit by its identifying number or symbol as shown on the Plat and as set forth in the Declaration, and every such description shall be deemed good and sufficient for all purposes, and shall be deemed to convey, transfer, encumber or otherwise affect the Unit Owner's corresponding Unit Interest even though the same is not expressly mentioned or described therein.

Section 7. Common Areas and Facilities and Units Shall Remain Undivided.

(A) As long as the Property is subject to the provisions of the Act, the Common Areas and Facilities shall remain undivided, and no Unit Owner shall bring any action for partition or division of the Common Areas and Facilities or any part thereof, unless the

Property shall be removed from the provisions of the Act as provided in Section 15 and 17 of this Declaration. Any covenant or agreement to the contrary shall be null and void.

- (B) No Unit may be divided or subdivided into a smaller Unit or Units other than as shown on the Plat, nor shall any Unit or portion thereof be added to or incorporated into any other Unit except as specifically provided in this paragraph. If a Unit Owner acquires an adjoining Unit, such Unit Owner shall have the right to remove all or a part of any intervening partition or to create doorways or other appurtenances therein, notwithstanding the fact that such partition may in whole or in part constitute a portion of the Common Areas and Facilities, so long as no portion of any load bearing wall, column or structural member is materially weakened or removed and no portion of the Common Areas and Facilities, other than that partition is damaged, destroyed or endangered; provided, however, any wiring, ducts, conduits, utility apparatus or equipment contained in any intervening partition so removed and which serve any portion(s) of the Property located outside such Unit and adjoining Unit shall be immediately relocated by such Unit Owner, at his sole cost and expense, so that the benefit thereof to such other portion(s) of the Property shall be unimpaired. No Unit Owner shall do any work which would jeopardize the soundness of safety of the Property, reduce the value thereof or impair any easement of hereditament without in every such case the unanimous consent of all other Unit Owners being first obtained.
- (C) Nothing contained in this Section of elsewhere in the Declaration shall prevent partition of a Unit as between co-owners thereof, if such right of partition shall otherwise be available, but such partition shall not be in kind.

Section 8. Common Expenses to be Paid by Unit Owners; Unpaid Amount to Constitute Lien; Foreclosure.

(A) Each Unit Owner shall pay his proportionate share of the Common Expenses, which proportionate share shall be in the same percentage as his Unit Interest set forth on Exhibit C. Payment thereof shall be in the amounts and at the times as determined by the Board of Directors, as hereinafter provided in this

Declaration or the Bylaws. All funds and other assets of the Association (including excess of receipts of the Association from assessments, rents, profits and revenues from whatever source of the amount of Common Expenses {"Common Profits"}), shall be owned by each Unit Owner in the same percentage as his Unit Interest. Except for distribution of any insurance proceeds as provided in this Declaration, or upon removal of the Condominium from the provisions of the Act, any attribution or distribution of Common Profits which may be made from time to time shall be made to the then Unit Owners in accordance with their respective Unit Interests.

(B) If any Unit Owner shall fail or refuse to make any payment of the Common Expenses when due, the amount thereof, together with interest thereon at the Maximum Lawful Rate from the date 10 days after the due date thereof until paid, shall, constitute a lien on the interest of such Unit Owner in the Property. The term "Maximum Lawful Rate" as used in this Declaration shall mean a rate, per annum, equal to the maximum rate of interest that may then be lawfully charged to individuals under the laws of the State of Kansas determined as of the due date for such payment of the Unit Owner's share of Common Expenses. Such lien shall be prior to all other liens, excepting only (i) tax liens on the Unit Owner's Interest in the Property or any part thereof in favor of any assessing unit and special district, and (ii) all sums unpaid on a first Mortgage of Record. Such lien may be foreclosed by suit by the Board of Directors or Manager, acting on behalf of the Unit Owners, in like manner as a mortgage on real property. In any such foreclosure action, the Unit Owner shall be required to pay a reasonable rental for the Unit, if so provided in the Bylaws, and the plaintiff in such foreclosure shall be entitled to the appointment of a receiver to collect such rental. The Board of Directors or Manager, acting on behalf of the Unit Owners shall have the power to bid on the Unit at the foreclosure sale, and to acquire and hold, lease, mortgage and convey the same. Any sums obtained by the Board of directors in any foreclosure action of as a result of such acquisition, sale or lease shall first be applied to the unpaid Common Expenses in respect of such Unit Suit to recover a judgement for unpaid Common Expenses may be maintained without foreclosing or waiving the lien securing the same.

(C). Where the mortgagee holding a first Mortgage of Record or other purchaser of a Unit obtains title to the Unit as a result of foreclosure of such first Mortgage or conveyance in lieu thereof, such acquirer of title and his successors and assigns, shall not be liable for the share of the Common Expenses chargeable to such Unit which become due prior to the acquisition of title of such Unit by such acquirer. Such unpaid share of Common Expenses shall be deemed to be Common Expenses collectible from all of the Unit Owners including such acquirer and his successors and assigns.

- (D) In the event any Person acquires or is entitled to the issuance of a sheriff's or other official deed in foreclosure of the lien for Common Expenses as provided in this Section, the deed conveying the interest of any Unit Owner and the interest so acquired shall be subject to the provisions of the Act and the terms, provisions, covenants, conditions, and limitations contained in the Condominium Documents and any deed affecting such interest then in force.
- (E) In a voluntary conveyance, the grantee of any Unit shall be jointly and severally liable with the grantor for all unpaid assessments against the grantor for his share of the Common Expenses up to the time of the grant or conveyance, without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee therefor; provided, however, any such grantee shall be entitled to a statement from the Board of Directors or Manager, as the case may be, setting forth the amount of the unpaid assessments against the granter and such grantee shall not be liable for, nor shall the Unit conveyed be subject to a lien for, any unpaid assessments against the grantor in excess of the amount therein set forth.
- (F) Notwithstanding anything to the contrary contained in this Declaration or any other Condominium Document, no Unit Owner shall be exempt from payment of such Unit Owner's proportionate share of the Common Expenses by waiver of the use or enjoyment of any of the Common Areas and Facilities or by abandonment of the Unit of such Unit Owner.
- (G) Any Mortgagee of a Unit whose Mortgage is inferior to the lien described in paragraph (B) of this Section may, in writing, request from time to time a written

statement from the Board of Directors setting forth the unpaid amount of the Common Expenses applicable to the Unit encumbered by its Mortgage and unless the request is complied within 20 days of the date thereof, all unpaid Common Expenses in respect of such Unit which became due prior to the date of such request shall be subordinate to the lien of such Mortgage. Any Mortgagee holding a Mortgage on a Unit may pay any unpaid Common Expenses in respect of such Unit and upon payment thereof, such Mortgagee shall have a lien on such Unit for the amount so paid at the same rank as its Mortgage.

Section 9. Liens Affecting More Than One Unit.

(A) Upon the Recording of this Declaration and so long as the Property remains subject to the Act, no lien shall thereafter arise or be effective against the Property. During such period liens or encumbrances shall arise or be created only against each Unit and its corresponding Unit Interest, in the same manner and under the same conditions in every respect as liens or encumbrances may arise or be created upon or against any other separate parcel of real property subject to individual ownership; provided, however, anything to the contrary contained herein notwithstanding, no labor performed or materials furnished with the consent of or at the request of a Unit Owner or his agent or his contractor or subcontractor shall be the basis for the filing of a lien against the interest of any other Unit Owner in the Common Areas and Facilities or Units, or against any part thereof, unless such other Unit Owner has expressly consented to or requested the same, except that such express consent shall be deemed to be given by the Unit Owner in the case of emergency repair to his Unit. Labor performed or materials furnished for the Common Areas and Facilities, if duly authorized by the Association, Board of Directors or Manager in accordance with the Act or the Condominium Documents, shall be deemed to be performed with the express consent of each Unit owner and shall be the basis for the filing of a lien against each of the Units, and shall be subject to the provisions of paragraph (B) of this Section.

(B) In the event any lien exists against two or more Units and the indebtedness secured by such lien is due and payable, the Unit Owner of any Unit so affected may remove the lien from his unit and the Unit Interest appertaining thereto by payment of the fractional or proportional amount attributable to his Unit, which payment shall be computed with reference to the percentage of his Unit Interest set forth in Exhibit C. Upon such payment, discharge or other satisfaction of such lien, such Unit and its corresponding Unit Interest shall be free and clear of the lien so paid, satisfied or discharged. Any such payment, discharge or other satisfaction shall not prevent the lienor from proceeding to enforce its rights against any Unit or Unit Interest with respect to which the lien has not been so paid, satisfied or discharged.

Section 10. Limited Common Areas And Facilities. The Unit Owner of any Unit to which a Limited Common area and Facility pertains shall have an exclusive and irrevocable easement for the use of the same, subject to the Rules and Regulations, The cleanliness and orderliness of the Limited Common Areas and Facilities shall be the sole responsibility of the Unit Owner to whose Unit the Limited Common Areas and Facilities pertain, but the responsibility for maintenance, painting, repair and replacement thereof, together with control over the exterior decoration of the same, shall be vested in the Association.

Section 11. Taxes, Assessed and Levied Against Units. Each Unit and the Unit Interest pertaining thereto shall be deemed to be a parcel and shall be subject to separate assessment and taxation by each assessing unit and special district for all types of taxes authorized by law, including, without limitation, special ad valorum levies and special assessments; provided, however, until such taxes, assessments, or other charges are separately levied and assessed against each Unit and corresponding Unit Interest, the same shall be, paid by the Association as a Common Expense.

Section 12. Interest Acquired Due to Nonpayment of Taxes.

In the event any Person acquires any interest in any Unit as a result of the nonpayment of any taxes, the interest so acquired shall be subject to all the provisions of the Act, and to the terms, provisions, covenants, conditions, and limitations contained in the condominium Documents and any deed affecting such interest then in force.

Section 13. Insurance.

- (A) The Board of Directors shall obtain and maintain at all times insurance on the Property of the type and kind and in not less than the amounts as follows:
 - (1) Fire. The Buildings and all other improvements upon the Land, including the Units but excluding "Unit Owner Items" (as defined in paragraph (F) of this Section) and all personal property included in the Common Areas and Facilities shall be insured in an amount equal to the full insurable replacement value as determined annually by the Board of Directors or Manager with the assistance of the insurance company providing coverage. The Board of Directors shall, at least annually, review the insurance coverage required herein and determine the full insurable replacement value of the Building and all other such improvements and personal property. The policies evidencing such coverage shall contain clauses providing for waiver of subrogation, the standard condominium endorsement and shall provide that such policies may not be cancelled or substantially modified without at least thirty (30) days prior written notice to all the insureds, including all Mortgagees of Units. Such coverage shall provide protection against loss or damage by fire or other hazards covered by a standard extended coverage endorsement, windstorm and water damage. vandalism and malicious damage. All such policies shall provide that adjustment of loss shall be made by the Board of Directors as insurance trustee.
 - (2) Public Liability. The Board of Directors shall also be required to obtain and maintain to the extent obtainable, comprehensive public liability insurance with respect to the Property in such limits as the Board of Directors may, from time to time, determine, and covering each member of the Board of Directors, Developer so long as Developer is a Unit Owner (and its employees), Manager, if any, (and its employees), and each Unit Owner with respect to his liability arising out of the ownership, maintenance, or repair of the Common Areas and Facilities; provided, however, that in no event shall the amount of such public liability insurance ever be less than \$1,000,000 (combined single limit bodily injury and property damage). Such insurance shall include endorsements covering cross liability claims of one insured against another, including the liability of the Unit

Owners as a group to a single Unit Owner. The Board of Directors shall review such limits annually.

- (3) Fidelity Coverage. If required by the holder of any first Mortgage of Record encumbering a Unit, the Board of Directors shall also be required to obtain fidelity coverage against dishonest acts on the part of all persons responsible for handling funds belonging to or administered by the Association. The fidelity insurance policy must name the Association as the named insured and shall be written in an amount sufficient to provide protection which is in no event less than one and one-half times the Association's estimated annual operation expenses and reserves. An appropriate endorsement to the policy to cover any persons who serve without compensation shall be added if the policy would not otherwise cover volunteers. The fidelity insurance policy shall also provide that it may not be cancelled or substantially modified (including cancellation for nonpayment to the insured and all the Mortgagees of Units.
- (4) Other. Such other insurance coverages including workmen's compensation and fidelity coverage (if not required by a first Mortgagee), as the Board of Directors shall determine from time to time desirable.
- (B) Premiums upon insurance policies purchased by the Board of Directors shall be paid by the Board of Directors and charged as a Common Expense.
- (C) The Board of Directors shall make diligent effort to secure insurance policies that will provide for the following:
 - (1) A waiver of subrogation by the insurer as to any claims against the Association, any officer, director, agent or employee of the Association, the Unit Owners and their employees, agents, tenants and invitees.
 - (2) A waiver by the insurer of its right to repair and reconstruct instead of paying cash.
 - (3) Coverage may not be cancelled or substantially modified (including cancellation for nonpayment of premium) without at least thirty (30) days' prior written notice to the named insured and all Mortgagees.
 - (4) Coverage will not be prejudiced by act or neglect of the Unit Owners when said act or neglect is not within the control of the Association or by any failure of the Association to comply with any warranty or condition regarding any portion of the Property over which the Association has no control.

(5) The master policy on the Property cannot be cancelled, invalidated or suspended on account of the conduct of any one or more individual Unit Owners.

- (6) The master policy on the Property cannot be cancelled, invalidated or suspended on account of the conduct of any officer or employee of the Board of Directors without prior demand in writing that the Board of Directors cure the defect and the allowance of a reasonable time thereafter within which the defect may be cured by the Association, any Unit Owner or any Mortgagee.
- (7) That any "no other insurance" clause in the master policy on the Property exclude individual Unit Owners' policies from consideration.
- (D) All insurance policies purchased by the Board of Directors shall be with a company or Companies licensed to do business in the State of Kansas and holding a rating of A+: XII or better by the current issue of Best's, Insurance Reports. All insurance policies shall be written for the benefit of the Board of Directors and the Unit Owners and their Mortgagees as their respective interests may appear, and shall provide that all proceeds thereof shall be payable to the Board of Directors as insurance trustee. The sole duty of the Board of Directors as insurance trustee shall be to receive such proceeds as are paid and, subject to the provisions of paragraph (D) of Section 15, to hold the same in trust for the purposes elsewhere stated herein and for the benefit of the Unit owners and their Mortgages in the following shares:
 - (i) Proceeds on account of damage to Common Areas and Facilities shall be held in undivided shares for each Unit owner and his Mortgagee, if any, in the same percentage as such unit Owner's Unit Interest,
 - (ii) Proceeds on account of damage to Units shall be held in the following undivided shares:
 - (a) When the Building(s) are to be restored, for the Unit Owners of damaged Units in proportion to the cost of repairing the damage suffered by each Unit, which cost shall be determined by the Board of Directors,
 - (b) When the Building(s) are not to be restored, an undivided share for each Unit Owner, such share being in the same percentage as such Unit Owner's Unit interest.
 - (iii) In the event a Mortgagee endorsement has been issued with respect to a Unit, the share of the Unit Owner shall be held in trust for the Mortgagee and the Unit owner as their respective interests may appear, but no Mortgagee shall

have the right to participate in the determination as to whether any damaged Property shall be reconstructed or repaired.

- (E) The originals of all such policies and the endorsements thereto shall be deposited with the Board of Directors and duplicates of said policies and endorsements and all renewals thereof, or certificates thereof, together with proof of payment of premiums, shall be delivered to the Unit Owners at least ten (10) days prior to the expiration date with respect to the then current policies. Duplicates shall also be obtained and issued by the Association to each Mortgagee, if any, upon request of such Mortgagee at any time.
- (F) Each Unit Owner shall be responsible for (and not withstanding the preceding provisions of this Section. The Board of Directors shall not be responsible for) obtaining (i) his own hazard insurance on the contents of his Unit (including, without limitation, all furnishings, furniture and personal property therein or stored elsewhere on the Property) and all alterations, improvements, additions, decorations, equipment, appliances and fixtures made or furnished to the Unit subsequent to the conveyance of the Unit to the Unit Owner by Developer ("Unit Owner Items") and (ii) his own public liability insurance with respect to his Unit. In the event a Unit Owner desires to insure his personal liability and loss or damage by fire or other hazards beyond the extent that the Unit Owner's liability loss or damage is covered by the liability insurance and hazard insurance obtained by the Board of Directors for all Unit Owners as provided above in this section, such Unit Owner may, at his option and expense, obtain additional insurance, but such Unit Owner shall make diligent effort to secure a waiver of subrogation by the insurer as to any claims against the Association, any officer, director, agent or employee of the Association, other Unit Owners (including Developer so long as Developer is a Unit Owner), and their employees, agents, tenants and invitees.
- (G) The term "Insurance Rules" shall mean all rules and recommendations of the insurance company or companies carrying the hazard insurance maintained by the Board of Directors pursuant to Section 13 hereof. Each Unit Owner shall fully and

completely comply with and observe the Insurance Rules applicable to his Unit and its corresponding Limited Common Areas and facilities, if any.

<u>Section 14. Distribution of Insurance Proceeds</u>. Proceeds of insurance policies received by the Board of Directors as insurance trustee shall be distributed to, for the benefit of the beneficial owners thereof, as described in paragraph (D) of section 13 in the following manner:

- (A) All expenses of the insurance trustee shall be first paid or provisions made therefor.
- (B) If it is determined, as provided in paragraph (B) of Section 15 hereof, that the Property shall not be reconstructed or repaired, the remaining proceeds shall, subject to the provisions of said paragraph (B), be distributed to the beneficial owners and their Mortgagees, if any, jointly.
- (C) If the damage for which the proceeds were paid is to be repaired or reconstructed, the proceeds shall be paid to defray the costs thereof. Any proceeds remaining after payment of such repair costs shall be distributed to the beneficial owners and their Mortgagees, if any, jointly.

Section 15 Casualty.

- (A) In the event of damage or destruction to the Improvements (as hereinafter defined in this Section) or any portion thereof by reason of fire or other casualty, the Board of Directors shall apply the insurance proceeds toward and shall arrange for the prompt repair and reconstruction of the Improvements, and the Board of Directors shall disburse the insurance proceeds to the contractors engaged in such repair and restoration in appropriate progress payments. Any costs for repair and restoration in excess of the Insurance proceeds ("Excess Costs") shall constitute a part of Common Expenses and shall be specially assessed against the Unit Owner as follows:
- (i) First, if the damage or destruction is caused by fire or other casualty covered by the hazard insurance policy or policies maintained by the Board of Directors, then the

deductible, if any, obtaining on such policy(ies) shall be assessed against each of the Unit Owners in the same percentage as their respective Unit Interests:

- (ii) Second, all Excess Costs in connection with the repair and restoration of the Common Areas and Facilities (after deduction of the hazard insurance deductible attributable thereto), as determined by the Board of Directors, shall be assessed against each Unit Owner, in the same percentage as his respective Unit Interest; and
- (iii) Third, all Excess Costs in connection with the repair and restoration of the Units (after deduction of the hazard insurance attributable thereto), as determined by the Board of Directors, shall be assessed against the Owner of each damaged Unit in the proportion that the cost of repairing and restoring his Unit shall bear to the cost of repairing and restoring all damaged Units as determined by the Board of Directors.

Any reconstruction or repair of the Improvements shall be to substantially the same condition as existed immediately prior to the damage or destruction with each Unit having the same vertical and horizontal boundaries as existed immediately prior thereto. The term "Improvements" as used in this Section shall mean the Buildings and other improvements on the land, including the Units, but excluding any Unit Owner Items.

- (B) Notwithstanding the provisions of paragraph (A) of this Section, if, within 120 days after the date of the damage or destruction to the Improvements or any portion thereof, it is not determined by Unit Owners owning at least 50.1% the total Unit Interests, pursuant to a meeting of the Association called for such purpose as provided in the Bylaws, to repair, reconstruct or rebuild the Improvements, then and in that event:
 - (1) the Property shall be deemed to be owned in common by the Unit Owners;
 - (2) The undivided interest in the Property owned in common which shall appertain to each Unit Owner shall be in the same percentage as the Unit Interest previously owned by such Unit Owner;
 - (3) any liens affecting any of the Units shall be deemed to be transferred in accordance with the existing priorities to the undivided interest of the Unit Owner in the Property as provided in this Declaration; and
 - (4) the Property shall be subject to an action for partition at the suit of any Unit Owner, in which event the net proceeds of sale, together with the net

proceeds of the insurance on the Property, if any, shall be considered as one fund and shall be divided among all the Unit owners in a percentage equal to their respective Unit Interests in the Property, after first paying out of the respective shares of the Unit Owners, to the extent sufficient for the purpose, all liens on the undivided interest in the Property owned by each Unit Owner.

Section 16. Sale of Property. The Property (excluding the units, fixtures and equipment which must be replaced or disposed of due to wear and tear or obsolescence and personal property such as, but not limited to, furnishings, the maintenance, disposition or acquisition of which shall be determined by the Board of Directors (collectively "Excluded Portions")) shall not be sold, in whole or in part, unless the sale is approved by Unit Owners owning at least 80% of the total Unit Interests at at meeting of Unit Owners duly called for such purpose. Such action shall be binding upon all Unit Owners, and it shall thereupon become the duty of every such Unit Owner to execute and deliver such instruments and to perform all acts as in manner and form may be necessary to effect the sale. Any Unit Owner who did not vote in favor of such action and who has filed written objection thereto with the Board of Directors within twenty (20) days after the date of the meeting at which such sale was approved shall be entitled to receive from the proceeds of such sale an amount equivalent to the value of his interest, provided such Unit Owner pays the Association the amount of any unpaid assessments or charges due and owing from such Unit Owner. The value of such interest shall be that percentage of the total value of the Property determined by fair appraisal, which represents the percentage Unit Interest allocated to the Unit owned by such objecting Unit Owner.

Section 17. Removal of Property From Act. All of the Unit Owners may remove the Property from the provisions of the Act by an instrument to that effect, duly Recorded, if the holders of all Mortgages affecting any of the Units consent thereto or agree, in either case by instruments duly Recorded, that their Mortgages be transferred to the undivided interest of the Unit Owner in the Property. Upon such removal, the

Property shall be deemed to be owned in common by all the then Unit Owners. The undivided interest in the Property owned in common which shall appertain to each Unit Owner shall be the same percentage is the Unit Interest previously owned by such Unit Owner. The removal of the Property from the Act as previously set forth in this Section shall in no way bar the subsequent submission of the Property to the provisions of the Act.

Section 18. Bylaws, Amendments. The administration of the Property shall be governed by the Bylaws, a true copy of which is attached hereto as Exhibit B. No modification or amendment to this Declaration or the Bylaws shall be valid unless the same is set forth in an amendment thereof and such amendment is duly Recorded.

Section 19. Condominium Association. The Association has been or will be organized to provide for the administration of the Property and the Association shall administer the operation and maintenance of the Property and undertake and perform all acts and duties incident thereto in accordance with the terms of its Articles of Incorporation and the Bylaws. Each Unit Owner shall automatically become a member of the Association upon his acquisition of an ownership interest in any Unit and its appurtenant Unit Interest and the membership of such Unit Owner shall terminate automatically upon such Unit Owner being divested of ownership interest in the title to such Unit. In the administration of the operation and management of the Property, the Association shall have and is hereby granted the authority and power to enforce the provisions of this Declaration, to levy and collect assessments in the manner herein provided, and to adopt, promulgate and enforce such rules and regulations governing the use of the Units and Common Areas and Facilities as the Board of Directors may deem to be in the best interests of the Association in accordance with the Bylaws.

The Developer shall have the right to appoint or remove any member or members of the Board of Directors or any officer or officers of the Association until such time as the next annual meeting of the Association following the first of the following

events to occur: (a) the expiration of three (3) full years after the Recording of this Declaration; (b) the date as of which Units to which 90% of the Unit Interests appertain shall have been conveyed by the Developer to Unit Owners other than a party constituting the Developer; or (c) the surrender by the Developer of the authority to appoint and remove members of the Board of Directors and officers of the Association by an express amendment to this Declaration executed and recorded by the Developer. Whenever Developer shall be entitled to designate and select any Person(s) to serve on the Board of Directors of the Association or as officers of the Association, the manner in which such Person(s) shall be designated shall be as provided in the Bylaws of the Association, and Developer shall have the right to remove any Person(s) selected by it to act and serve on said Board of Directors or as officers and to replace such Person(s) with another Person(s) to act and serve in the place of any Director or officer so removed for the remainder of the unexpired term of any Director or officer so removed. Any Director or officer designated and selected by Developer need not be a resident in the Property or a Unit Owner; provided, however, Developer shall be responsible for the payment of any assessments which may be levied by the Association against any Unit or Units owned by the Developer and for complying with the remaining terms and provisions hereof pertaining to such Units in the same manner as any other Unit Owner. Neither the members of the Board of Directors, officers of the Association or Developer shall be personally liable to the Unit Owners for any mistake of judgment or for any other acts or omissions of any nature whatsoever as such members of the Board of Directors, officers of the Association or Developer, except for acts or omissions found by the court to constitute gross negligence or fraud. The Unit Owners shall indemnify and hold harmless each member of the Board of Directors, officers of the Association and Developer, and their respective devisees, legatees heirs, executors, administrators, legal representatives, successors and assigns in accordance with the applicable provisions of the Bylaws.

Section 20. Manager and Initial Management Contract.

(A) The Board of Directors shall have the authority to engage the services of a Manager to maintain, administer or operate the Property or any part thereof, to the extent deemed advisable by the Board of Directors and is provided in the Bylaws. The cost of such services shall be deemed a part of Common Expenses.

(B) The first Board of Directors may ratify and approve a management agreement between the Association and a management concern which may be a Person related to Developer or any partner thereof.

Section 21. Use of Property by Property Personnel and Developer.

- (A) The Board of Directors shall have authority to lease one or more Units for use by Property personnel. All rent paid by the Association pursuant to any such lease agreement shall be part of the Common Expenses. By the affirmative vote of Unit Owners owning not less than 67% of the total Unit Interests at a meeting duly called for that purpose, the Association may elect to purchase one or more Units for use by Property personnel and the cost thereof shall be treated as a Common Expense or paid as a special assessment.
- (B) During the period of sale by Developer of any Units, the Developer and the Developer's agents, employees, contractors and subcontractors, and their respective agents and employees, shall be entitled to access, ingress to and egress from the Property as may be required for purposes of said sale of Units. While the Developer owns any of the Units and until each Unit sold by it is occupied by the purchaser thereof, the Developer and its employees and agents may use and show one or more of such unsold or unoccupied units as a model Unit or Units and may use one or more of such unsold or unoccupied Units or a portion of the Common Areas and Facilities as a sales office and may maintain customary signs in connection therewith.

Section 22. Board of Directors May Act for Unit Owners--Actions--Service of Process. Whenever in this Declaration or the Bylaws, the Board of Directors or the

members thereof are authorized or directed to acquire, hold, lease, mortgage, or convey any part of or interest in the Property, or to acquire any lien thereon, or to acquire or receive the proceeds of any policy of insurance or other moneys, goods, or chattels, with respect to the Property, such actions shall be carried out in the names of the members of the Board of Directors and their successors in office from time to time, as trustees, on behalf of some or all of the Unit Owners, as the case. may be. Without limiting the rights of any Unit Owner, actions may be brought in the names of the members of the Board of Directors or Manager on behalf of two or more of the Unit Owners, as their respective interest may appear, with respect to any cause of action relating to the Common Areas and Facilities or more than one Unit. Service of process on two or more Unit Owners in any action relating to the Common Areas and Facilities or more than one Unit may be made on any member of the Board of Directors in the manner provided by statute at the following address:

10150 West 96th Terrace

Overland Park, Kansas 66212

Section 23. Condemnation Proceedings. Whenever the state, a political subdivision thereof or any other corporation, agency, or authority having the power of eminent domain shall seek to acquire any of the Common Areas and Facilities, such authority may conduct negotiations with the Board of Directors as representatives of all Unit Owners, and the Board of Directors may execute and deliver the appropriate conveyance on behalf of all Unit Owners in return for the agreed consideration. The Board of Directors shall allocate such consideration, whether received through negotiation or condemnation, to the repair, replacement, or restoration of Common Areas and Facilities, and then to the Unit Owners in proportion to their respective Unit Interests. In the event negotiations shall fail the condemning authority may join the Board of Directors as party defendants in lieu of naming all Unit Owners having an interest in the Common Areas and Facilities, and such proceedings shall bind all Unit Owners; provided, however, any such Unit Owner having an interest in the Common

Areas and Facilities may be made a party defendant in such proceedings. Subject to the foregoing provisions in this Section 23, in any condemnation proceeding, the Unit Owners, respectively, and their respective Mortgagees, if any, shall be entitled to seek and have their just damages for the taking of their Units and their Unit Interests, as allocated by law, including severance damage, if any.

Section 24. Board of Directors or Manager to Keep Records Open to Unit Owners. The Board of Directors or Manager shall keep detailed, accurate records in chronological order of the receipts and expenditures of the Common Expenses, specifying and itemizing the maintenance and repair expenses thereof and any such other Expenses incurred. Such records and the vouchers authorizing the payment of any Common Expenses shall be available for examination by the Unit Owners at convenient hours of week days.

Section 25. Rule Against Perpetuities--Restraints on Alienation. It is expressly provided that the rule of property known as the rule against perpetuities and the rule of property known as the rule of restricting unreasonable restraints of alienation shall not be applied to defeat any of the provisions of this Declaration.

Section 26. Easements and Utilities. (A) Permanent easements are hereby reserved to, through, in and over all portions of the Property, including all Units, as may be reasonably necessary for the installation, maintenance, and repair of utility services and Common Areas and Facilities, which easements shall run to and be administered by the Board of Directors for the benefit of the Unit Owners and any designee of the Board of Directors may enter any Unit to carry out the foregoing provisions. The preceding sentence shall be construed to permit the Board of Directors to grant easements for utility services and venting in, over, through and across the Property, including Units, to service washing machines and dryers within individual Units (except townhouses for which no such service is required) but the cost thereof shall be borne

entirely by the Unit Owner desiring such service to his Unit and shall be performed by personnel and pursuant to plans and specifications approved by the Board of Directors or Manager and in a manner so as to minimize interference with other Unit Owners. Public utility concerns furnishing services, such as water, electricity, gas, sewerage, and telephone, to the Property shall have access to the Common Areas and Facilities and the Units as may be necessary for the installation, repair, or maintenance of such services, and any costs incurred in opening or repairing any Common Area or Facility or structural portion of a Building to install, repair, or maintain such services shall be a Common Expense, to be assessed in accordance with the Bylaws. In the event that hereafter two or more Units are purchased by one Unit Owner for the combined use thereof as a single family residence, the Board of Directors shall have the right, but shall not be obligated, to grant easements so as to permit connection of such Units by way of stairways, entrances, removal of walls, floors, or ceilings, or other facilities or any combination thereof through the Common Areas and Facilities. All costs and expenses incurred thereby shall be borne by the Unit Owner of each such combined Unit and the contract, the contractor, and the manner in which such work is carried out shall be subject to the approval of said Board of Directors. All such easements shall continue until such time as the Units so connected are converted to separate and single family use, at which time the expense of restoring the Common Areas and Facilities to constitute separate Units shall be borne by the Unit Owner(s) of the Unit(s) being restored to separate Units. The Board of Directors shall have the right to grant other easements and rights in, upon, and through the Common Areas and Facilities to permit television and radio aerials and connections, cable television installations, and other facilities for the use and enjoyment of the Unit Owners or any of them.

Section 27. Maintenance of Units and Utility Charges.

(A) Each Unit Owner, shall, at his sole cost and expense, maintain in good condition, order and repair his Unit and all appliances, wiring, utility lines, plumbing, and fixtures which are a part of his unit and any heating and air conditioning equipment and

lines or other facilities in connection therewith exclusively serving his Unit (even though located outside the Unit in whole or in part). All Common Areas and Facilities, including those in the Units, shall be maintained by the Association and the cost thereof included as Common Expenses.

- (B) Each Unit Owner shall contract in his own name and promptly pay all charges for electricity, water, telephone and any other utility used or consumed in his Unit to the concern furnishing the same.
- (C) If as a result of the act or neglect of any Unit Owner or Occupant of a Unit, or his or their agents, employees, servants, invitees or licensees or pets, the Common Areas and Facilities or any Unit owned by another Unit Owner shall be damaged, the cost of the repair thereof as determined by the Association shall be paid by such Unit Owner and shall not be deemed a Common Expense to the extent such cost is not covered by insurance maintained by the Association.
- (D) The Manager and the Board of Directors and their authorized representatives shall have the right to enter the Units and Common Areas and Facilities to the extent necessary in order to preserve a Unit or the Common Areas and Facilities in the event of emergency or in connection with the maintenance, repair, or replacement of the Common Areas and Facilities or any equipment, facilities or fixtures, affecting or serving the same or other Units and to make any alterations required by any governmental authority.

Section 28. Encroachments. If any portion of the Common Areas and Facilities, now encroaches on a Unit or if any Unit now encroaches upon any other Unit or upon any portion of the Common Areas and Facilities, or if any such encroachment shall occur hereafter as a result of settlement or shifting of the Buildings or any of them, there shall exist an easement for the encroachment and for the maintenance of the same so long as any such Building stands or the condition shall exist. In the event of deviations between the Units as shown on the Plat and the Units as-built, the Units as-built shall control and constitute the legally described Unit. In the event any Building, Unit, or any

portion of the Common Areas and Facilities shall be partially or totally destroyed by fire or other casualty or as a result of condemn, or eminent domain proceedings, and shall thereafter be rebuilt, encroachment on parts of the Common Areas and Facilities upon any Unit or of any Unit upon any other Unit or upon any portion of the Common Areas and Facilities due to such rebuilding shall be permitted, and valid easements for such encroachments and the maintenance thereof shall exist so long as the Building(s) shall stand.

Section 29. Power of Attorney to Board of Managers. Each Unit Owner, by accepting title to a Unit, thereby grants to the Persons who shall from time to time constitute the Board of Directors, but subject to the terms and provisions of the Bylaws, an irrevocable power of attorney, coupled with an interest, to acquire title to or lease any Unit which may be the subject of a Foreclosure or other judicial sale, in the name of the Board of Directors or its designee, corporate or otherwise, on behalf of all Unit Owners, and to convey, sell, lease, sublease, mortgage, or otherwise deal with any such Unit so acquired or leased.

Section 30. Units Subject to Declaration, Bylaws, and Rules and Regulations. All present and future Owners and Occupants of Units shall be subject to and shall comply strictly with the provisions of the Condominium Documents, as they may be amended from time to time, and restrictions, conditions and covenants of record affecting his Unit or his corresponding Unit Interest. The acceptance of a deed or conveyance or the entering into of a lease or the entering into occupancy of any Unit shall constitute an agreement that the provisions of this Declaration, the Bylaws, and the Rules and Regulations, as they may be amended from time to time are accepted and ratified by such Owner or Occupant, and all of such provisions shall be deemed and taken to be covenants running with the Land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed or conveyance or lease thereof.

Section 31. Rights of Mortgagees.

(A) Notwithstanding anything to the contrary contained in this Declaration or the other Condominium Documents, each of the following actions shall require the prior written approval of all Mortgagees holding a Recorded First Mortgage ("First Mortgagee") encumbering any one or more Units as of the date such action is taken:

- (1) Removal of the Property from the provisions of the Act, except for removal provided by law in the case of destruction by fire or other casualty or in the case of a taking by condemnation or eminent domain;
- (2) Any material amendment to this Declaration or the Bylaws, including, without limitation, any amendment which changes the Unit Interests of the Unit Owners in the Common Areas and Facilities.
- (3) The effectuation of any decision by the Association to terminate professional management of the Property and assume self-management of the Property.
- (4) Any amendment to this paragraph (A) of Section 31 or to any other provision in this Declaration which specifically grants rights to First Mortgagees.
- (B) Upon written request, any First Mortgagee shall be entitled to: (a) inspect the books, and records relating to the Property during normal business hours, upon reasonable notice; (b) receive a copy of the annual financial statement of the Association which is prepared for the Association and distributed to Unit Owners within 30 days after the end of each fiscal year of the Association; (c) written notice of all meetings of the Association and shall be permitted to designate a representative to attend all such meetings; (d) written notice of any default in the obligations hereunder of the Unit Owner or Owners of such Unit or Units encumbered by such first Mortgage lien, not cured within thirty (30) days after notice of such default has been sent to such Unit Owner or Owners by the Board of Directors, the Manager or the Association, and (e) written notice of any material amendment to this Declaration provided, however, the

Association's failure to provide any of the foregoing to a First Mortgagee who has so requested same shall not affect the validity of any action or decision which is related to the foregoing.

- (C) Upon written request, a First Mortgagee shall be entitled to timely written notice in the event of any substantial damage to or destruction of the Unit or Units encumbered by its Mortgage, or of any part of the Common Areas and Facilities or, if such Unit or Units, or any portion thereof, or the Common Areas and Facilities or any portion thereof is made the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority. No Unit Owner or other party shall be entitled to priority over such First Mortgagee with respect to the distribution to such Unit Owner or other party, with respect to such Unit, of any insurance proceeds payable by reason of such damage or destruction or of the proceeds of any such condemnation award or settlement.
- (D) The provisions hereof are in addition to all other rights of Mortgagees herein contained or under law.
- (E) Whenever any First Mortgagee desires to receive notices pursuant to the foregoing provisions of this section, it shall serve or cause to be served written notice of such fact upon the Association by certified mail, return receipt requested, addressed to the Association at its address where notices are to be sent as provided in Section 39, identifying the Unit or Units upon which such First Mortgagee holds a Mortgage, together with sufficient pertinent facts to identify any Mortgage which may be held by it and which notice shall designate the place to which notices are to be given by the Association to such Mortgagee.

Section 32. Statement of Purposes, Use and Restrictions. The Units and Common Areas and Facilities shall be occupied and used as follows:

(a) The Residential Units shall be used for single family residential purposes and for no other purposes. The Carport Units shall be used for the parking of passenger automobiles and no other purposes. A Residential Unit Owner or Occupant may use a

portion of his Unit for his office provided that the activities therein are in compliance with all local rules, regulations and ordinances, do not interfere with the guiet enjoyment or comfort of any other Unit Owner or Occupant and further provided that such activities shall not involve the "on premises" personal services of any Unit Owner or Occupant to a customer, client or other person. No Unit Owner may lease less than his entire Unit, lease his unit for less than a six months term or for purposes of occupancy by persons other than the lessee and his or her immediate family unless otherwise first approved in writing by the Board of Directors. No Unit or room therein may be rented for transient or hotel purposes and no transient tenants may be accommodated; provided, however, the foregoing shall not apply to a First Mortgagee in possession of a Residential Unit following a default under its Mortgage, a foreclosure proceeding or conveyance in lieu thereof. Each lease shall be in writing, on forms approved from time to time by the Association, and shall provide that the terms contained therein shall be subject in all respects to the Condominium Documents and that any failure by the lessee to comply with all the terms thereof shall constitute a default under the lease. Provided, however, there shall be no restriction in the leasing of Unit or Units owned by the Developer so long as Developer owns any Units for sale in the ordinary course of business.

- (b) Each Unit Owner may use the Common Areas and Facilities in accordance with the purposes for which they are intended and for all purposes incident to the use and occupancy of his unit provided, however, (i) there shall be no obstruction of the Common Areas and Facilities, (ii) nothing may be stored in the Common Areas and Facilities (except within any stairwell storage area which is a Limited Common Area and Facility) without the prior written consent of the Board of Directors, and (iii) the Common Areas and Facilities shall be used in such a manner so as not to interfere with or restrict or impede the use thereof by others entitled to the use thereof.
- (c) Nothing shall be done or kept in any Unit or in the Common Areas and Facilities which will increase the rate of insurance on the Common Areas and Facilities or any other Unit without the prior written consent of the Board of Directors. No Unit Owner shall permit anything to be done or kept in his Unit or in the Common Areas and

Facilities which would result in the cancellation of insurance on any Unit or any part of the Common Areas and Facilities, or which would be in violation of any law. No waste of the Common Areas and Facilities shall be permitted or committed.

- (d) No sign of any kind shall be displayed to the public view from any Unit or from the Common Areas and Facilities without the prior written consent of the Board of Directors.
- (e) No animals (including household pets), livestock or poultry of any kind shall be raised, bred or kept in any Unit or in the Common Area and Facilities except in accordance with the promulgated rules of the Board of Directors.
- (f) No noxious, offensive, unlawful, immoral or improper activity shall be carried on in any Unit, or in the Common Areas and Facilities, nor shall anything be done therein which will be an annoyance or nuisance to other Unit Owners.
- (g) Nothing shall be altered or constructed in or removed from the Common Areas and Facilities except with the prior written consent of the Board of Directors,
- (h) The Board of Directors is authorized to adopt rules for the use of the Common Areas and Facilities, said rules to be furnished in writing to the Unit Owners.
- (i) Except with the written consent of the Board of Directors, no natural barriers in the form of trees, bushes or shrubs, and no man-made structures in the form of fences, shall be permitted on or about the Common Areas and Facilities, except such natural barriers and man-made structures existing on the date of this Declaration.

Section 33. Amendment to Declaration. This Declaration may be amended or modified only by the affirmative vote of the Unit Owners owning at least sixty-seven percent (67%) of the aggregate Unit Interests, cast in person or by proxy at a meeting duly held in accordance with the provisions of the Bylaws, except no amendment or modification shall be valid if contrary to or in conflict with the provisions of the Act, as amended from time to time hereafter, or other applicable laws or ordinances. No such amendment shall be effective until Recorded.

Section 34. Invalidity. The invalidity of any provisions of this Declaration shall not be deemed to impair or affect in any manner the validity, enforceability, or effect of the remaining provisions of this Declaration, and, in such event, all of the other provisions of this Declaration shall continue in full enforce and effect as if such invalid provision had never been included herein.

<u>Section 35. Waiver</u>. No provision contained in this Declaration shall be deemed to have been nullified or waived by reason of any failure to enforce the same or similar provisions previously.

<u>Section 36. Captions</u>. The captions are inserted only as a matter of convenience and for reference, and in no way define, limit, modify, or supplement the Declaration or the intention of any provision thereof.

Section 37. Alterations, Additions or Improvements. Except as otherwise expressly provided in the Declaration, no alteration of any Common Areas and Facilities, or any additions or improvements thereto, shall be made by any Unit Owner without the prior written approval of the Board of Directors. The Board of Directors may authorize and charge as Common Expenses, alterations, additions and improvements to and of the Common Areas and Facilities as provided in the Bylaws. Subject to the other provisions of this Declaration and the Bylaws, any Unit Owner may make alterations, additions or improvements within his Unit (including any Common Areas and Facilities therein) without the prior written approval of the Board of Directors, but such Unit Owner shall be responsible for any damage to other Units, the Common Areas and Facilities or other portions of the Property, or any part thereof, resulting from such alterations, additions or improvements.

<u>Section 38. Number and Gender</u>. As used in the Declaration, the singular shall include the plural, and the masculine pronoun shall include the feminine and the neuter, where the context so requires.

<u>Section 39. Notices</u>. Notice provided for in the Act, the Declaration or the Bylaws shall be in written, and shall be addressed if to the Developer or the Association or Board of Directors, or to any Unit Owner, as the case may be, at:

10150 West 96th Terrace,

Overland Park, Kansas 66212

or at such other address as is hereinafter provided. The Developer or Association or Board of Directors may designate a different address or addresses for notices to them, respectively, by giving written notice of such change of address or addresses for notices to them, respectively, to all Unit Owners. Any Unit Owner may designate a different address for notices to him by giving written notice to the Association. Notices addressed as above shall be deemed delivered when mailed by United States mail with postage prepaid, or when delivered in person.

Section 40. Violation of Act and Condominium Documents. In the event a Unit Owner (or any Occupant of the Unit of such Unit Owner) shall violate any of the provisions of the Act or the Condominium Documents, then in addition to all other rights and remedies provided in the Act, elsewhere in the Condominium Documents or by law, the Board of Directors shall have the right to take all action necessary to cure such violation if it continues to exist for 10 days or more after written or oral notice thereof is given to such Unit Owner, except that in an emergency situation, no notice or waiting period shall be required. For the purpose of curing such violation, the Board of Directors and its representatives shall have the right to enter the Unit of the defaulting Unit Owner and shall not thereby be guilty of trespass or liable (except for willful misconduct or gross negligence) for any loss, inconvenience, annoyance or damage resulting to the defaulting Unit Owner (or Occupant(s) of his Unit) for any action taken in connection

with the curing of such default. The defaulting Unit Owner shall on demand reimburse the Association for all costs incurred by the Board of Directors in rectifying such default, including reasonable attorney's fees (to the extent permitted by law) and interest on such costs, from the date so incurred until so reimbursed by the Unit Owner, at the Maximum Lawful Rate. If the defaulting Unit Owner shall fail to so reimburse the Association, then the Association shall have a lien on the Unit of the defaulting Unit Owner and his corresponding Unit Interest in an amount equal to the sum to be so reimbursed; provided, however, the foregoing lien shall be subordinate to (i) tax liens on the Unit Owner's Interest in the Property or any part thereof in favor of any assessing unit and special district; (ii) all sums unpaid on bona fide Mortgages of Record encumbering such Unit and Unit Interest; and (iii) the lien provided herein for Unpaid Common Expenses. Such lien may be foreclosed in the same manner and with the same rights as a lien for unpaid Common Expenses as provided in this Declaration and the Bylaws.

IN WITNESS WHEREOF, Gramercy Place Company, a Missouri general partnership, has caused this Declaration to be executed by its duly authorized partner the day and year first above written.

			GRAMERCY PLACE COMPANY By: Joel Shatton, General Partner
			By: SYNTEK INVESTMENTS, INC. By: President
ATTEST:			
STATE OF MISSOURI)) ss.		
COUNTY OF JACKSON		SS.	

On the <u>24th</u> day of December, 1980, before me, the undersigned, a Notary Public in and for said County and State, personally appeared JOEL SHAFTON, known to me to be the person who subscribed to the foregoing instrument and acknowledged that he executed the same as his fee act and deed and as a partner of Gramercy Place Company, a Missouri partnership

IN WITNESS WHEREOF, I hereunto set my hand and official seal.
(Georgia M. Jones) Notary Public
STATE OF N.Y.)) ss. COUNTY OF N.Y.)
On the 17 day of December, 1980, before me, the undersigned, a Notary Public in and for said County and State, personally appeared,, known to me to be the President, and, known to me to be the Assistant Secretary of SYNTER INVESTMENTS, INC., known to me to be the persons who executed the within instrument on behalf of said Corporation therein named, and acknowledged to me that such Corporation executed the within instrument pursuant to its By-Laws or a resolution of its Board of Directors.
IN WITNESS WHEREOF, I hereunto set my hand and official seal.
Notary Public
My Commission expires:
3/30/81