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PATRICK F GILL, AUDITOR AND RECORDER
WOODBURY COUNTY IOWA

**DECLARATION OF ESTABLISHMENT OF A
HORIZONTAL PROPERTY REGIME (CONDOMINIUM)
TO BE KNOWN AS
4TH & JACKSON CONDOMINIUMS
Recorder's Cover Sheet**

Preparer Information: (name, address and phone number)

Dan A. Moore, 501 Pierce Street, #300, P.O. Box 3207, Sioux City, Iowa 51102-3207
(712) 252-0020

Taxpayer Information: (name and complete address)

Scotland Building, L.L.C., 345 W. Steamboat Drive, P.O. Box 1268, Dakota Dunes, South
Dakota 57049

Return Document To: (name and complete address)

Dan A. Moore, 501 Pierce Street, #300, P.O. Box 3207, Sioux City, Iowa 51102-3207

Grantor:

Scotland Building, L.L.C., an Iowa limited liability company

Grantee:

Scotland Building, L.L.C., an Iowa limited liability company

Legal Description: See Page 3.

Document or instrument number of previously recorded documents:

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DECLARATION OF ESTABLISHMENT
OF A HORIZONTAL PROPERTY REGIME (CONDOMINIUM)
TO BE KNOWN AS
4TH & JACKSON CONDOMINIUMS

WHEREAS, Scotland Building, L.L.C., an Iowa limited liability company, hereinafter referred to as "Grantor", is the owner of a parcel of real property located in Sioux City, Woodbury County, Iowa, which has a six-story commercial office and residential Building located thereon; and

WHEREAS, Grantor desires to submit said real property and structure located thereon to a Horizontal Property Regime (Condominium) to be known as 4th & Jackson Condominiums to the provisions of Iowa Code Chapter 499B, thereby establishing a plan for individual ownership of the area or space contained in each unit in said Building and co-ownership of all of the remaining real property by the individuals as tenants in common. 4th & Jackson Condominiums shall consist of up to nineteen (19) spaces, not including Floor four (4) and shall be referred to as "Units".

NOW, THEREFORE, the Grantor makes the following Declaration in accordance with and as provided by Iowa Code Section 499B.4 hereby specifying that said Declaration shall constitute covenants to run with the land and shall be binding on the Grantor herein, all subsequent owners of all or any part of said real property and improvements, and their grantees, successors, heirs, executors, administrators, devisees or assigns:

ARTICLE ONE: LEGAL DESCRIPTION

The description of the land to be subjected to this Horizontal Property Regime (Condominium) is as follows:

The West Eighty-eight and five-tenths (88.5) Feet of Lots One (1) and Two (2) in Block Twenty-four (24), Sioux City East Addition, in the County of Woodbury and State of Iowa; and

The North Twenty-seven and five-tenths (27.5) Feet of the West Eighty-eight and five-tenths (88.5) feet of Lot Three (3) in Block

Twenty-four (24), Sioux City East Addition, in the County of Woodbury and State of Iowa.

Together with and subject to any and all easements which may have been granted in the certain Deed of Conveyance of Easements between the City of Sioux City, Iowa and the Woodbury Plaza Associates, an Iowa Limited Partnership dated the 25th day of June, 1973, which deed affects the above-described property and other property more particularly described in said deed as Parcel One, including, but not limited to rights of Support, Air Space, and Access, and an Easement for Pedestrian and Vehicular Travel.

ARTICLE TWO: DEFINITIONS

A. "Assessment": that portion of the cost of maintaining, repairing, and managing the Property which is to be paid by each Unit Owner, which respective portions, except as specifically otherwise provided in this Declaration, are set forth in Article Fifteen and Exhibit "E" of this Declaration.

B. "Association": the 4th & Jackson Condominiums Association and its successors and assigns, a corporation organized under the laws of the State of Iowa with a principal place of business at 700 4th Street, Sioux City, Iowa 51101, Attn: Bart Connelly, Manager, copies of its Bylaws and of its Rules and Regulations are annexed to and made parts of this Declaration as Exhibits "A" and "B", respectively.

C. "Building": the entire structure to be located on the Property which will be built substantially in accordance with the plans and specifications prepared by Cannon Moss Brygger & Associates, Architects and West Plains Engineering, Inc., Engineers.

D. "Common Elements": the common areas and facilities and all that part of the Property which is not within the Units as such Units are shown on the Architect's and Engineer's Plans or which exists within Units by virtue of an easement created in this Declaration.

E. "Common Expenses": The actual and estimated costs of:

1. maintenance, management, operation, repair, and replacement of the Common Elements and those parts of the Units as to which, pursuant to other provisions of this Declaration, it is the responsibility of the Association to maintain, repair and replace;
2. management and administration of the Association, including, but not limited to, compensation paid by the Association to a managing agent, accountants, attorneys, and other employees; and
3. any other items held by or in accordance with other provisions of this Declaration or the Condominium Documents to be Common Expenses.

F. "Common Surplus": the excess of all receipts of the Association including but not limited to Assessments, rents, profits, and revenues on account of the Common Elements, over the amount of Common Expenses.

G. "Condominium Documents": this Declaration and the Exhibits annexed to it as the same from time to time may be amended. The exhibits are as follows:

Exhibit "A": Bylaws of the Association.

Exhibit "B": Rules and Regulations for the Association.

Exhibit "C": "Plans": A set of floor plans of the Building, showing the layout, location, unit numbers, and dimensions of the units.

Exhibit "D": Land Surveyor's Certificate.

Exhibit "E": Unit Square Footage Shares of Common Area Maintenance ("CAM") Expenses and Voting Rights.

Exhibit "F": Table of Common Elements and Classification of Limitation on Rights to Use the Same.

H. "Developer": Scotland Building, L.L.C., an Iowa limited liability company, its successors and assigns.

I. [Reserved.]

J. "Person": Developer and any individual, corporation, limited liability company, partnership, trustee, or other entity capable of holding title to real property.

K. "Plans and Specifications": The Plans referred to in paragraph G of this Article Two of this Declaration.

L. "Property": the property defined and described above in Article One of this Declaration. This is a steel structure, brick veneer office building that has been converted.

M. "Share": The percentages attributed to each Unit as set forth in Exhibit "E" of this Declaration.

N. "Unit": any one of those parts of the Building which is separately described on Exhibit "C" as Unit followed by a number.

O. "Unit Owner": the Person, persons or entity holding fee simple in a Unit.

ARTICLE THREE: HORIZONTAL PROPERTY (CONDOMINIUM) NAME

The name of this Horizontal Property Regime (Condominium) is 4th & Jackson Condominiums.

ARTICLE FOUR: DESCRIPTION OF PROJECT

A. Description of Building. The Building located on said land is a six-story Building, consisting of a basement, ground floor and five upper floors. The Building has ground floor access from Jackson Street and Fourth Street. The City of Sioux City reviewed the Plans and issued a building permit more than 60 days ago.

B. Description of the Units. The Condominium Regime consists of Units available for commercial use, temporary living residential use, as well as single family residential use, including a fitness center. The floor plan of each floor and the location of the Units therein are set forth in Exhibit "C" attached hereto. Each floor is designated by level with the first level being the ground floor level below which is the basement. There are two (2) elevators in the Building servicing all floors.

Basement

This area is a Common Element consisting of two (2) elevators, stairwell, stairway, corridor, mechanical rooms and storage.

Level 1 (1st floor)

Level 1 contains one (1) Unit, Unit 100. The Unit is designated for office or other commercial use. The remainder of this floor is Common Elements consisting of a lobby, two (2) passenger elevators, stairwell, stairway, corridors, restrooms and a mechanical room.

Level 2 (2nd floor)

Level 2 contains three (3) Units, Units 200, 210 and 220. All Units are designated for office and other commercial use. The remainder of this floor is Common Elements consisting of two (2) passenger elevators, stairwell, stairway, corridors and skywalk.

Level 3 (3rd floor)

Level 3 contains three (3) Units, Units 300, 310 and 320. All Units are designated for office and other commercial use. The remainder of this floor is Common Elements consisting of two (2) passenger elevators, stairwell, stairway, corridors, three restrooms and a mechanical room.

Level 4 (4th floor)

Level 4 contains one (1) Unit, Unit 400. This Unit is designated as a single family residential Unit.

Levels 5 and 6 (5th and 6th floors)

Levels 5 and 6 contain Units 501 through 506 and Units 601 through 606, respectively. These Units are designated as single family residential Units, all capable of individual use, each Unit

having its own exit to a Common Element. The remainder of these floors are Common Elements consisting of two (2) passenger elevators, stairwell, stairway, corridors and a mechanical room.

C. Subjection of the Property to Certain Provisions. The ownership, use, occupation and enjoyment of the each Unit and of the Common Elements shall be subject to the provisions of the Bylaws and this Declaration, all of which provisions irrespective of where set forth or classified shall have equal status and shall be enforceable against each and all Units and the Unit Owners thereof and their respective assigns, lessees, tenants, occupants and successors in interest.

D. Use of Property. The use of the Property shall be in accordance with and subject to the following provisions:

1. Units on the 1st, 2nd, and 3rd floors will be used for commercial purposes including retail and office space. The following uses are prohibited:
 - a) restaurants or businesses engaged in food storage or food preparation,
 - b) businesses engaged in the sale of alcoholic beverage under the following classes of liquor licenses as defined by Iowa Code §123.30 (2009): Class A, B, C, and D, adult entertainment businesses as defined by the Municipal Code of Sioux City, Iowa, Section 25.04.020(A-2) (2009).
2. Units on the 4th floor will be developed at a later date at the sole discretion of the Developer.
3. Units on the 5th and 6th floors will be used for residential, single family dwellings.
4. No activity shall be allowed in any Unit which unduly interferes with the peaceful possession and use of the property by the other Unit Owners nor shall any fire hazard be allowed.
5. Nothing shall be done or kept in any Unit or in the Common Elements which will increase the rate of insurance on the Common Elements, without the prior written consent of the Association. No Unit Owner shall permit anything to be done or kept in his, her or its Unit or in the Common Elements which will result in the cancellation of insurance on any Unit or any part of the Common Elements, or which would be in violation of any law.
6. The Basement is a common area used for mechanical rooms, storage and equipment.

ARTICLE FIVE: OWNERSHIP INTERESTS

A. Exclusive Ownership and Possession by Unit Owner. Each Unit Owner shall be entitled to exclusive ownership and possession of Owner's Unit. Each Unit Owner shall be entitled to an undivided interest in the Common Elements in the fractional shares as set forth in Exhibits "E" and "F". Said percentage of the undivided interest in each Unit Owner in the Common Elements shall have a permanent character and shall not be altered without the consent of all Unit Owners expressed in an amended Declaration duly recorded. The percentage of the undivided interest in

the Common Elements shall not be separated from the Unit to which it appertains and shall be deemed to be conveyed or encumbered or released from liens with the Unit even though such interest is not expressly mentioned or described in the conveyance or other instrument. Each Unit Owner may use the Common Elements in accordance with the purpose for which they are intended, without hindering or encroaching upon the lawful rights of the other Unit Owners.

A Unit Owner shall not be deemed to own the undecorated and/or unfinished surfaces of the perimeter walls, ceilings, windows, and doors bounding his, her or its Unit, nor shall the Unit Owner be deemed to own the utilities running through his, her or its Unit which are utilized for, or serve, more than one Unit, except as a percentage of an undivided interest in the Common Elements. A Unit Owner, however, shall have the exclusive right to paint, repaint, tile, wax, paper or otherwise refinish and decorate the interior surfaces of the walls, floors, ceilings, windows and doors bounding his, her or its Unit. However, window treatments which are visible from the exterior of the Building must appear white for exterior view so as to be uniform throughout the Building. No change shall be made in window treatments without first obtaining written consent of the Association.

B. Appurtenances. There shall pass with ownership of each Unit as a part thereof, whether or not separately described, all appurtenances to such Unit and no part of the appurtenant interest of any Unit may be sold, transferred or otherwise disposed of except in connection with the sale, transfer or other disposition of such Unit itself or of all Units in the Condominium Regime.

C. Undivided Fractional Interest. An undivided fractional interest in the land and other Common Elements of the Condominium Regime shall be appurtenant to each Unit as designated in Exhibit "F" and defined in Article II herein. The amount of such undivided fractional interest appurtenant to each Unit is set forth in Exhibit "E".

D. Common Elements. Appurtenant to each Unit shall be a right to use and enjoy the Common Elements.

E. [Reserved.]

F. Association Membership and Voting Rights. Appurtenant to each Unit shall be membership in the Association and the number of votes set forth in Exhibit "E" attached hereto in the affairs of the Association and of the Condominium Regime; provided, however, that the exercise of such voting and membership rights shall be subject to the applicable provisions of the Articles and Bylaws of the Association and of the other Condominium Documents. The action of such Association shall be deemed the action of the Unit Owners; and such action, when taken in accordance with the Bylaws of the Association and this Declaration, shall be final and conclusive upon all Unit Owners.

G. Cross-Easements. Appurtenant to each Unit shall be easements from each Unit Owner to each other Unit Owner and to the Association, and from the Association to the respective Unit Owners as follows:

1. For ingress and egress through the common areas and for maintenance, repair, and replacement as authorized;
2. Through the Units and Common Elements for maintenance, repair and replacement or reconstruction of Common Elements, but access to Units shall be only during reasonable hours except in the case of an emergency;
3. Every portion of a Unit contributing to the support of the Building is burdened with an easement of such support for the benefit of all such other Units;
4. Through the Units and common areas for conduits, ducts, plumbing, wiring and other facilities for the furnishing of utility or other services to other Units and the common areas.

ARTICLE SIX: COMMON ELEMENTS

A. Definition: Common Elements are as defined in Article Two. The Common Elements of this Condominium Regime shall be owned by all Unit Owners as tenants in common to include:

1. The land on which the Building is erected.
2. The foundations, floors, exterior walls of each Unit and of the Building, ceilings and roofs, and entrances and exits or communication ways, and in general all devices or installations existing for common use, except as limited in Article Seven.
3. Installations for public utilities, including electric, cable TV, internet access lines, gas and cold water for common use.
4. Restrooms, lobbies and corridors located in the public area of the sub-ground level, first, second, third, fourth, fifth and sixth floors.
5. The stairways and stairwells extending from the sub-ground floor to the sixth floor.
6. All exterior landscaping surrounding the Building.
7. The two passenger elevators extending from the sub-ground floor through the sixth floor including the elevator shaft.
8. The proposed fitness center on the fourth floor.
9. Exhibit "F" attached hereto delineates certain Common Elements of the Building areas which are limited to certain designated Units and the Unit Owners and invitees thereof.

ARTICLE SEVEN: [RESERVED]

ARTICLE EIGHT: DEVELOPER'S RESERVED RIGHTS AND POWERS

- A. Developer's Activities: Developer is irrevocably and perpetually empowered, notwithstanding any use restriction or other provision hereof to the contrary, to sell, lease or rent Units and shall have the right to transact on the condominium Property any business relating to construction, repair, remodeling, sale, lease or rental of Units, including but not limited to, the right to maintain signs, equipment and materials on the premises, to retain employees and independent contractors and to use Common Elements to show Units. All signs and all items and equipment pertaining to sales or rentals or construction and any Unit furnished by the Developer for sales purposes shall not be considered Common Elements and shall remain its separate property. Developer retains the right to be and remain the Unit Owner of completed but unsold Units under the same terms and conditions as other Unit Owners, including membership in the Association, but retains its right to sell, rent or lease the same on such terms as the Developer desires.
- B. Modifications to Plans and Specifications: The Developer contemplates that it may be necessary for adjustments to be made in the Plans and Specifications during the course of construction and reserves the right to do so and shall, so long as the same do not materially change the integrity and appearance of the Building, make any such adjustments. The Developer will document any changes permitted herein by filing a supplement to the Condominium Declaration.
- C. Easements: Developer expressly reserves perpetual easements for ingress, egress and utility purposes as may be required across and under the Property submitted hereby.
- D. Designation of Association Directors: Developer shall have the right to name all members of the Board of Directors of the Association until the first annual members' meeting of said Association which shall be held as provided for in the Bylaws. For so long as Developer owns at least 4,000 square feet in one or more Units, one member may be selected by Developer and such member need not be a Unit Owner.
- E. Disclaimer: The Developer specifically disclaims any intent to have made any warranty or representation in connection with the Property or the Condominium Documents except as specifically set forth in them and no Person shall rely upon any warranty or representation not so specifically made. The estimates of Common Expenses are deemed accurate, but no warranty or guaranty is made nor intended, nor may one be relied upon.
- F. Authority to Delegate: In order to maintain high standards and to assure the proper development of the Condominium, the Developer reserves for a period of ten (10) years, or when the Developer owns less than twenty five percent (25%) of the total Condominium Regime,

whichever is sooner, from the date of recording of this Declaration, the power to contract with persons, firms, or corporations of its choice for the management of the Condominium, and to delegate to such managing agent, which may be Developer or either of them, all powers of the Association in regard to maintenance, repair, management, and operation of the Association. The management costs and fees as may be contained in such management contract shall be Common Expenses.

ARTICLE NINE: MANAGEMENT OF THE REGIME

A. Association: The operation of the Condominium shall be by the Association. The name of the Association shall be "4th & Jackson Condominiums Association". Copies of its Bylaws are attached hereto as Exhibit "A". Whenever a vote or other action of Unit Owners as a group is required the mechanics of conducting such a vote or taking such action shall be under the control and supervision of the Association. The action of the Association shall constitute the action of the Unit Owners whenever such action is permitted or required herein or by Chapter 499B of the Code of Iowa.

B. Compliance: All Unit Owners, tenants, families, guests, business invitees, agents, lessees and other persons using or occupying the Condominium Regime shall be bound by and strictly comply with the provisions of the Bylaws of the Association and applicable provisions of other Condominium Documents and all agreements, regulations and determinations lawfully made by the Association and its directors, officers or agents shall be binding on all such Unit Owners and other persons. A failure to comply with the Bylaws or the provisions of the other Condominium Documents or any agreement or determination thus lawfully made shall be grounds for an action to recover sums due for damages on the part of the Association or any Unit Owners, as applicable or injunctive relief without waiving either remedy.

1. All Unit Owners shall be liable for the expense of any maintenance, repair, or replacement rendered necessary by his, her or its act, neglect or carelessness or by that of any employees, invitees, 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 any Unit or its appurtenances. Nothing contained in this Declaration, however, shall be construed so as to modify any waiver by insurance companies of rights of subrogation.

2. In any proceeding arising because of an alleged default by a Unit Owner, the prevailing party shall be entitled to recover the costs of the proceeding and such reasonable attorneys' fees as may be determined by the Court.

3. The failure of the Association or of a Unit Owner to enforce any right, provision, covenant, or condition which may be granted by the Condominium Documents shall not constitute a waiver of the right of the Association or Unit Owner to enforce such right, provision, covenant, or condition in the future.

4. All rights, remedies, and privileges granted to the Association or a Unit Owner pursuant to any terms, provisions, covenants, or conditions of the Condominium Documents 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 and additional rights, remedies, or privileges as may be granted to such party by the Condominium Documents or at law or in equity.

C. Interpretation: In interpreting deeds, mortgages, and plans, the existing physical boundaries of the Unit or of a Unit reconstructed in substantial accordance with the original plans shall be conclusively presumed to be its boundaries rather than the metes and bounds expressed in the deed, mortgage, or plan, regardless of settling or lateral movement of the Building and regardless of minor variance between boundaries shown on the plan or in the deed and those of the Building.

D. Powers of Association: Each Unit Owner agrees that the Association has and shall exercise all powers, rights and authority granted unto it and the Unit Owners as a group by Chapter 499B of the Code of Iowa as amended, and such as are more particularly set forth in the Condominium Documents, including but not limited to the making of assessments chargeable to Unit Owners and the creation of a lien on Units thereof, and to acquire a Unit at foreclosure sale and to hold, lease, mortgage or convey the same. Each Unit Owner hereby waives any rights to delay or prevent such foreclosure by the Association which he, she or it may have by reason of a homestead exemption. The Association is vested with the power to delegate its powers, duties, and authority granted by this Declaration, by entering into a management contract with such persons or organization or corporations, and upon such conditions and terms as the Board of Directors may elect except as provided in Article Eight of this Declaration. The management costs and fees as may be contained in any management contract shall be Common Expenses.

E. Partition: All Unit Owners shall be deemed to have waived all rights of partition, if any, in connection with such acquisition.

F. Membership Voting Rights: The members of the Association shall consist of all the record Unit Owners. After receiving the approval of the Association elsewhere required, change of membership in the Association shall be established by recording in the public records of Woodbury County, Iowa, a deed or other instrument establishing a record title to a Unit in the Condominium and the membership of the prior Unit Owner shall be thereby terminated. Each member of the Association shall be entitled to the number or fractional share of votes for each Unit owned by such member as set forth in Exhibit "E" hereafter. For purposes of electing the Association's Board of Directors, each member of the Association is entitled to the number of votes as governed by the Bylaws of the Association.

G. Restraint upon Assignment: The share of a member in the funds or assets of the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to his, her or its Unit.

H. Board of Directors: The affairs of the Association shall be conducted by a Board of five (5) initial Directors who shall be designated in the manner provided by the Bylaws and Paragraph D of Article Eight.

I. Discharge of Liability: The Association shall not be liable to Unit Owner(s) for any injury or damage to property caused by Unit Owner(s) or person(s) in the Building or by any other means unless caused by the gross negligence of the Association. No diminution or abatement of Common Expense Assessments shall be claimed or allowed for inconvenience or discomfort arising from the making of repairs or improvements of the Common Elements or from any action taken to comply with any law, ordinance or orders of a governmental authority.

J. Indemnification of Directors and Officers: Every director and every officer of the Association shall be indemnified by the Association against all expenses and liabilities, including legal counsel fees, reasonably incurred by or imposed in connection with any proceeding to which he or she may be a party, or in which he or she may become involved, by reason of being or having been a director or officer of the Association, or any settlement thereof, whether or not he or she is a director or officer at the time such expenses are incurred, except in such cases wherein the director or officer is adjudged guilty of willful misfeasance or malfeasance in the performance of his or her duties; provided that in the event of a settlement the indemnification herein shall apply only when the Board of Directors approves such settlement and reimbursement as being in the best interests of the Association. The foregoing rights of indemnification shall be in addition to and not exclusive of all other rights to which such director or officer may be entitled.

ARTICLE TEN: MAINTENANCE AND REPAIR OF UNITS

A. Responsibility of the Association: The Association, at its expense, shall:

1. be responsible for the maintenance, repair and replacement of all portions of the Unit which contribute to the support of the Building, including, but not limited to, outside walls of the Building, structural slabs, roof, interior boundary walls of Units, and load-bearing columns, but excluding, interior walls, ceilings and floor surfaces of Units;

2. be responsible for the maintenance, repair and replacement of all conduits, ducts, plumbing, wiring, and other facilities for the furnishing of utility services which are not contained within the Unit and which are for the common areas;

3. be responsible for the maintenance, repair and replacement of all incidental damage caused to a Unit by such work as may be done or caused to be done by the Association in accordance with this Article;

4. cause the Building, appurtenances, and grounds of the Condominium to be maintained according to reasonably acceptable standards, including, but not limited to, lawn care, exterior

cleaning, exterior painting, plumbing, carpentry, and such other normal maintenance and repair work as may be necessary;

5. make contracts for sewer, water, exterior lights, refuse collection, exterior electric service, vermin extermination, and other necessary services; also place orders for such equipment, tools, appliances, materials, and supplies as are necessary to properly maintain the Condominium; and

6. cause to be placed and kept in force necessary insurance needed to adequately protect the Association, its members and mortgagees holding mortgages covering Condominium parcels, as their respective interests may appear (or as required by law), including, but not limited to, elevator maintenance contracts, if applicable, public liability insurance, fire, and extended coverage insurance, as is more particularly set forth in this Declaration of Condominium.

Funds for the payment of the above and foregoing shall be assessed against the Unit Owners as a Common Expense.

B. Responsibility of the Unit Owner: Each Unit Owner at his/her/its expense shall:

1. maintain, repair, and replace, all portions of the Unit except the portions of each to be maintained, repaired, and replaced by the Association; for the residential Units, this responsibility includes all conduit, wiring, and electrical apparatus pertaining to that Unit commencing from the Unit's electric meter; all plumbing from that Unit's water shut-off valve (for water) and all drain pipes contained within the Unit or within the walls or ceilings of the Unit, and the entire HVAC system for that Unit; for the commercial Units, this responsibility includes all conduits, ducts and HVAC, plumbing, and wiring which services only their Unit;

2. perform Unit Owner's responsibilities in such manner so as not to unreasonably disturb the rights of other persons occupying within the Building;

3. not paint or otherwise decorate or change the appearance of any portion of the Building not within the walls of the Unit, unless the written consent of the Association is obtained;

4. promptly report to the Association or its agent any defect or need for repairs or maintenance, the responsibility for the remedying of which is with the Association;

5. not make any alterations in the portions of the Unit or the Building which are to be maintained by the Association or remove any portion of the same or make any additions to the same or do anything which would or might jeopardize or impair the safety or soundness of the Building without first obtaining the written consent of the Association;

6. not place any liens against the Unit other than a first mortgage and to supply to the Association the names of all first mortgagees of individual Units; and

7. not to impair any easement without first obtaining the written consent of the Association and of the Unit Owner or Unit Owners for whose benefit such easement exists.

C. No Contractual Liability: Nothing contained in this Declaration, however, shall be construed so as to impose a contractual liability upon the Association for maintenance, repair, and replacement, but the Association's liability shall be limited to damages resulting from negligence.

ARTICLE ELEVEN: CONVEYANCES

The selling or leasing of Units shall be subject to the following provisions until this Declaration is terminated in accordance with provisions elsewhere contained in this Declaration, or until the Building is no longer tenantable, whichever first occurs:

A. Sale or Lease: No Unit Owner may dispose of a Unit or any interest in a Unit by sale or lease without written approval of the Board of Directors, except as elsewhere provided in this Declaration, which approval of the Association shall be obtained in the manner provided below.

1. Notice to Association: A Unit Owner intending to make a sale or lease of a Unit or any interest in the Unit shall give written notice to the Association of such intention, together with the name and address of the intended purchaser or lessee, such other information as the Association reasonably may require and the terms of the proposed transaction. The giving of such notice shall constitute a warranty and representations by the Unit Owner to the Association and any purchaser or lessee produced by the Association as provided below in this Declaration, that the Unit Owner believes the proposal to be bona fide in all respects.

2. Election of Association. Within ten (10) days after receipt of such notice, the Board of Directors of the Association shall either approve the transaction with the proposed buyer or lessee or furnish a purchaser or lessee approved by the Association (and give notice to the person desiring to sell or lease a Unit) who will accept the transaction upon terms as favorable to the seller as the terms stated in the notice, except that a purchaser or lessee furnished by the Association may have not less than ten (10) days subsequent to the date of approval within which to close the transaction, and except that the approval of a corporation may be conditioned as elsewhere stated. The approval of the Board of Directors of the Association shall be in recordable form, signed by any officer of the Board, and shall be delivered to the purchaser or lessee. The failure of the Association to act within such ten (10)-day period shall be deemed to constitute approval, following which the Association nevertheless shall prepare and deliver written approval in recordable form. The Unit Owner giving such notice shall be bound to consummate the transactions with such purchaser or lessee as may be approved and furnished by the Association. The right of election shall not be exercised so as to restrict alienation, conveyance, sale, leasing, purchase, ownership, and occupancy of Units because of race, creed,

color, national origin, sex, mental or physical disability, familial status, gender identity, or sexual orientation.

B. Revision in Commercial Units: The Unit Owner of the commercial units may revise their size and create new Units; however, any change in the square footage size of the Units shall not alter the total percentage of such altered Units ownership in the regime. The percentage of expense obligations and the voting rights of said modified or subunits shall be proportionately adjusted so as to total the same percentages or rights as the original Unit which has been divided or altered. In the event of an alteration as permitted by this paragraph, a supplement to the Condominium Declaration reflecting said revisions shall be filed. All costs for doing same shall be paid by the Unit Owner.

ARTICLE TWELVE: INSURANCE

The insurance which shall be carried upon the Property shall be governed by the following provisions:

A. Authority to Purchase: Except for Builder Risk and other required insurance furnished by Developer during construction, all insurance policies upon the Property (except as allowed below) shall be purchased by the Association for the benefit of the Unit Owners and their respective mortgagees as their interests may appear and shall provide for the issuance of certificates of insurance mortgage endorsements to the holders of first mortgages on the Units or any of them, and, if insurance companies will agree, shall provide that the insurer waives its rights of subrogation as to any claims against Unit Owners, the Association and their respective employees, agents, and invitees. Such policies and endorsements shall be deposited with the Association, who must first acknowledge that the policies and any proceeds of the policies will be held in accordance with the terms of this Declaration.

B. Unit Owners: Each Unit Owner may obtain insurance, at Owner's expense, affording coverage upon improvements and betterments to his, her or its Unit, their personal property and for personal liability and as may be required by law, but all such insurance shall contain the same waiver of subrogation as that referred to in Article Twelve, paragraph A of this Declaration (if the same is available) and must be obtained from an insurance company from which the Association obtains coverage against the same risk, liability, or peril, if the Association has such coverage. Purchase of this coverage shall be the sole and direct responsibility of the Unit Owner thereof, and the Board of Directors, the Association and/or Developer shall have no responsibility therefor. Similarly, Unit Owners, their guests, employees, agents and invitees shall be responsible for insuring any automobiles, motorcycles, or other vehicles, any bicycles, any parts and contents of any of the foregoing and any other personal property, which are parked or stored in any parking stalls and the Board of Directors, the Association and/or Developer shall have no responsibility therefor.

C. Coverage:

1. Casualty. The exterior and interior walls of the Building and all other insurable improvements to the Common Areas upon the land and all personal property as may be owned by the Association shall be insured in an amount equal to the maximum insurable replacement value of the same (exclusive of excavation and foundations) as determined annually by the insurance company affording such coverage. Such coverage shall afford protection against:

a. loss or damage by fire and other hazards covered by the standard extended coverage endorsement; and

b. such other risks as from time to time customarily shall be covered with respect to buildings similar in construction, location, and use as the Building, including but not limited to, vandalism, malicious mischief, windstorm, and water damage.

2. Public Liability and property damage in such amounts and in such forms as shall be required by the Association including but not limited to water damage, legal liability, hired automobile, non-owned automobile, and off-premises employee coverages.

3. Worker's Compensation policy to meet the requirements of law.

4. All liability insurance shall contain cross-liability endorsements to cover liabilities of the Unit Owners as a group to a Unit Owner.

5. Flood. If required, the necessary flood coverage will be provided to meet the requirements of law.

D. Premiums: Premiums upon insurance policies purchased by the Association shall be paid by the Association and charged as Common Expenses.

E. Insurance Proceeds: All insurance policies purchased by the Association shall be for the benefit of the Association and the Unit Owners and their mortgagees as their respective interests may appear and shall provide that all proceeds payable as a result of casualty losses shall be paid to the Association, to receive such proceeds as are paid and to hold the same in trust for the purposes elsewhere stated in this Declaration, and for the benefit of the Association, the Unit Owners and their respective mortgagees, in the following shares:

1. Common Elements. Proceeds on account of damage to Common Elements shall be paid for the undivided share for each Unit Owner and Owner's mortgagee, if any, which is set forth in Exhibit "E" of this Declaration.

2. Units. Proceeds on account of Units shall be held in the following undivided shares:

(a) partial destruction when the Building is to be restored—for the Unit Owners of damaged Units in proportion to the cost of repairing the damage suffered by each damaged Unit. The Association shall certify the appropriate proportions and the Unit Owners shall be bound by such certification.

(b) total destruction of the Building or where the Building is not to be restored for all Unit Owners, the share of each being that share set forth in Exhibit "E".

3. Mortgages. If a mortgagee endorsement has been issued as to a Unit, the share of the Unit Owner shall be held in trust for the mortgagee and the Unit Owner as their interests may appear.

F. Distribution of Proceeds: Proceeds of insurance policies received by the Association shall be distributed to or for the benefit of the beneficial Unit Owners in the following manner:

1. Reconstruction or Repair. If the damage for which the proceeds were paid is to be repaired or reconstructed, the proceeds shall be paid to defray the cost of such repair or reconstruction as elsewhere provided. Any proceeds remaining after defraying such costs shall be distributed to the beneficial Unit Owners, all remittances to Unit Owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a Unit and may be enforced by him, her or it.

2. Failure to Reconstruct or Repair. If it is determined in the manner elsewhere provided, that the damage for which the proceeds are paid shall not be reconstructed or repaired, the proceeds shall be distributed to the beneficial Unit Owners, remittances to Unit Owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a Unit and may be enforced by the mortgagee.

ARTICLE THIRTEEN: RECONSTRUCTION OR REPAIR OF CASUALTY DAMAGE

A. If any part of the Common Elements shall be damaged by casualty, the determination of whether or not to reconstruct or repair the same shall be made as follows:

1. Rebuilding of the Common Elements and Facilities made necessary by fire or other casualty loss shall be carried out in the manner set forth in the Condominium Documents dealing with the necessary work of maintenance, repair, and replacement, using common funds, including the proceeds of any insurance, for that purpose, provided such casualty loss does not exceed 80% of the value of the Condominium prior to the casualty.

2. If the casualty loss exceeds 80% of the value of the Condominium prior to the casualty, and

(a) if 90% of the beneficial Unit Owners do not agree within 30 days after the date of the casualty to proceed with repair or restoration, the Condominium, including all Units, shall be subject to partition at the suit of any Unit Owner. Such suit shall be subject to dismissal at any time prior to entry of an order to sell if an appropriate agreement to rebuild is filed. The net proceeds of a partition sale together with any common funds shall be divided in proportion to the beneficial Unit Owners' respective undivided interest as determined by Exhibit "E". Upon such sale, the Condominium shall be deemed removed from the provisions of Iowa Code Chapter 499B.

(b) if 90% of the beneficial Unit Owners agree to proceed with the necessary repair or restoration, the cost of the rebuilding of the Condominium, in excess of any available common funds, including the proceeds of any insurance, shall be a Common Expense, provided, however, that if such excess cost exceeds 80% of the value of the Condominium prior to the casualty, any Unit Owner who did not so agree may apply to the District Court of Woodbury County, Iowa, on such notice to the Association as the court shall direct, for an order directing the purchase of his, her or its Unit by the Association at the fair market value of the Unit as approved by the court. The cost of any such purchase shall be a Common Expense.

3. Any such reconstruction or repair shall be substantially in accordance with the Plans and Specifications.

4. Encroachments upon or in favor of Units which may be created as result of such reconstruction or repair shall not constitute a claim or basis of a proceeding or action by the Unit Owner upon whose property such encroachment exists, provided that such reconstruction was either substantially in accordance with the Plans and Specifications or as the Building was originally constructed. Such encroachments shall be allowed to continue in existence for so long as the Building stands.

B. Responsibility: If the damage is only to those parts of one Unit for which the responsibility of maintenance and repair is that of the Unit Owner, then the Unit 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.

1. Estimate of Costs. 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 place the damaged property in condition as good as that before the casualty. Such costs may include professional fees and premiums for such bonds as the Board of Directors desires.

2. Assessments. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction and repair by the Association (including the above-mentioned fees and premiums, if any), Assessments shall be made against the Unit Owners who own the damaged property in sufficient amounts to provide funds to pay the estimated costs. If at any time during reconstruction and repair, or upon completion of reconstruction and repair, the funds for the payment of the costs of same are insufficient; Assessments shall be made against the Unit Owners who own the damaged property in sufficient amounts to provide funds for the payment of such costs.

3. Construction Funds. The funds for payment of costs of reconstruction and repair after casualty, which shall consist of proceeds of insurance held by the Association and funds collected by the Association from Assessments against Unit Owners, shall be disbursed in payment of such cost in the following manner:

(a) Association. If the amount of the estimated costs of reconstruction and repair exceeds the total of the annual Assessments for Common Expenses made during the year in which the

casualty occurred, then the sums paid upon Assessments to meet such costs shall be deposited by the Association with the Construction Fund (as defined below). In all other cases, the Association shall hold the sums paid upon such Assessments and disburse the same in payment of the costs of reconstruction and repair.

(b) Construction Fund. The proceeds of insurance collected on account of a casualty, and the sums from collections of Assessments against Unit Owners on account of such casualty, shall constitute a construction fund which shall be disbursed in payment of the costs of reconstruction and repair in the following manner:

(1) Unit Owner. The portion of insurance proceeds representing damage for which the responsibility of reconstruction and repair lies with the Unit Owner: to such contractors, suppliers, and personnel as do the work or supply the materials or services required for such reconstruction or repair, in such amounts and at such times as the Unit Owner may direct, or if there is a mortgagee endorsement, then to such payees as the Unit Owner and the first mortgagee jointly direct. Nothing contained in this Declaration, however, shall be construed so as to limit or modify the responsibility of the Unit Owner to make such reconstruction or repair.

(2) Association. If the amount of the estimated costs of reconstruction and repair is less than the total of the annual Assessments for Common Expenses made during the year in which the casualty occurred, then the Construction Fund shall be disbursed in payment of such costs upon the order of the Association; provided, however, that upon request of a mortgagee which is a beneficiary of an insurance policy, the proceeds of which are included in the Construction Fund, such fund shall be disbursed in the manner provided below for the reconstruction and repair of major damage.

(3) Association. If the amount of the estimated costs of reconstruction and repair of the Building or other improvement is more than the total of the annual Assessments for Common Expenses made during the year in which the casualty occurred, then the Construction Fund shall be disbursed in payment of such costs in the manner required by the Board of Directors of the Association and upon approval of an architect qualified to practice in the State of Iowa and employed by the Association to supervise the work.

(4) Surplus. It shall be presumed that the first moneys disbursed in payment of costs of reconstruction and repair shall be from insurance proceeds; and if there is a balance in a Construction Fund after payment of all costs of the reconstruction and repair for which the fund is established, such balance shall be distributed jointly to the Unit Owners and their mortgagees who are the beneficial owners of the fund.

(5) When the damage is to both Common Elements and Units, the insurance proceeds shall be applied first to the costs of repairing the Common Elements and the balance to the Units in the shares above stated.

4. Insurance Adjustments. Each Unit Owner shall be deemed to have delegated to the Board of Directors Unit Owner's right to adjust with insurance companies all losses under policies

purchased by the Association except in any case where the damage is restricted to one Unit, subject to the rights of mortgagees of such Unit Owners.

C. Notice to Mortgagees: The Association will give timely notice to the mortgagees of Unit Owners of any casualty loss that affects either a material portion of the project or the Unit securing the mortgage.

ARTICLE FOURTEEN: TAXES AND SPECIAL ASSESSMENTS

A. Assessment of Units: The assessment of each of the Units for taxes and special assessments by governmental bodies may be done in the following manner pursuant to Iowa Code Section 499B.11:

1. Determination of Value. All real property taxes and special assessments shall be assessed and levied on each Unit and its respective appurtenant share of the land and Common Elements as contained in Exhibit "E".

2. Certificate. Any tax assessor may rely upon a Certificate of the Association as to the Share of each Unit for taxes and upon request or whenever appropriate, the Association shall issue such Certificate.

B. Taxes Not Assessed to Units: During the period of time the taxes and special assessments upon the Property or any portion of it are not assessed to Units, the taxes and assessments not separately assessed to Units shall be included in the budget of the Association and shall be paid by the Association. The Association shall assess each Unit Owner in accordance with the manner set forth above for allocation of taxes and special assessments by the tax assessor.

C. Return for Taxation: No Unit Owner shall make a return for taxation which is inconsistent in any manner with the provisions of this Declaration and if any such return is made it shall be void.

ARTICLE FIFTEEN: ASSESSMENTS

Assessments against the Unit Owners shall be made or approved by the Board of Directors of the Association and paid by the Unit Owners to the Association in accordance with the following provisions:

A. Share of Common Expenses: Each Unit Owner shall be liable for Unit Owner's share of the Common Expenses, and any Common Surplus shall be owned by each Unit Owner in a like share, according to the assessment amount to be calculated by the Association on an annual basis. The assessment per Unit for the Common Expenses will be based on the percentages as stated in Exhibit "E". A commercial Unit's percentage will be equal to the Unit's percentage share of total square footage less the Common Area square footage of the Building. The

residential Units will initially each be assessed one hundred ninety five dollars (\$195.00) per month, subject to increases as reflected from time to time in the total annual Common Expenses budget. The Common Surplus will be deposited into a capital repair account to be used for unforeseen repairs to any of the Common Elements.

B. [Reserved.]

C. Assessments other than Common Expenses: Any Assessments, the authority to levy which is granted to the Association or its Board of Directors by the Condominium Documents, shall be paid by the Unit Owners to the Association in the proportions set forth in the provision of the Condominium Documents authorizing the Assessment.

D. Assessments for Common Expenses: Assessments for Common Expenses shall be made following the annual meeting of the Members of the Association and will take effect the 1st day of the month following the meeting and at such other and additional times as in the judgment of the Board of Directors additional Common Expenses Assessments are required for the proper management, maintenance, and operation of the Common Elements. Such assessments shall be due and payable from the respective Unit Owner or Unit Owners in twelve (12) equal installments, each installment being due and payable the first day of each calendar month, within such fiscal year. In the event the annual assessment proves to be insufficient, the budget and assessments, therefore, may be amended at any time by the Board of Directors. Such amended budget may be adopted at a special directors' meeting upon an affirmative majority vote of the directors. The additional amount so budgeted shall be assessed to each Unit in the same manner as assessments for the annual budget and shall be prorated among the remaining installments due and payable in such year. The total of the Assessments shall be in the amount of the estimated Common Expenses for the year including a reasonable allowance for contingencies and reserves less the amounts of unneeded Common Expense Account balances and less the estimated payments to the Association for defraying the costs of the use of Common Elements. If an annual Assessment is not made as required, a payment in the amount required by the last prior Assessment shall be due upon each Assessment payment date until changed by a new Assessment.

E. [Reserved.]

F. Other Assessments: Other Assessments shall be made in accordance with the provisions of the Condominium Documents and if the time of payment is not set forth in the Condominium Documents, the same shall be determined by the Board of Directors of the Association.

G. Assessments for Emergencies: Assessments for Common Expenses of emergencies which cannot be paid from the Common Expense Account shall be made only by the Board of Directors of the Association.

H. Assessments for Liens: All liens of any nature including taxes and special assessments levied by governmental authority which are a lien upon any portion of the Common Elements, shall be paid by the Association as a Common Expense and shall be charged to the Common Expense Account.

I. Assessment Roll: The Assessments against all Unit Owners shall be set forth upon a roll of the Units which shall be available in the Office of the Association for inspection at all reasonable times by the Unit Owners or their authorized representatives. Such roll shall indicate for each Unit the name and address of the Unit Owner or Unit Owners, the Assessments for all purposes, and the amounts of all Assessments paid and unpaid. A certificate made by the Association as to the status of a Unit Owner's Assessment account shall limit the liability of any person for whom made other than the Unit Owner when recorded in the Woodbury County, Iowa Auditor and Recorder's Office. The Association shall issue such certificates in recordable form to such persons as a Unit Owner shall request in writing.

J. Liability for Assessments: The Unit Owner and his, her or its grantees shall be jointly and severally liable for all unpaid Assessments due and payable at the time of a conveyance but without prejudice to the rights of the grantee to recover from the grantor the amounts paid by the grantee for the same. Such liability may not be avoided by a waiver of the use or enjoyment of any Common Element or by abandonment of the Unit for which the Assessments are made. A purchaser of a Unit at a judicial or foreclosure sale or a first mortgagee who accepts a deed in lieu of foreclosure shall be liable only for Assessments coming due after such sale and for that portion of due Assessments prorated to the period after the date of such sale. Such a purchaser shall be entitled to the benefit of all pre-paid Assessments paid beyond the date such purchaser acquired title.

K. Lien for Assessments: The unpaid portion of an Assessment which is due shall be secured by a lien upon the Unit and all appurtenances to the Unit and shall be enforced in the manner provided in Iowa Code Section 499B.17. Such lien shall have priority over all other liens, except municipal liens and first mortgages of record held by a bank or insurance company, as to such portion of the common expenses as became due within six months prior to the commencement of an action to enforce such lien pursuant to Iowa Code Section 499B.17. Such a claim of lien shall also secure all Assessments which come due subsequently until the claim of lien is satisfied.

L. Application:

1. Interest; Application of Payments. Assessments and installments of Assessments paid on or before ten (10) days after the date when due shall not bear interest but all sums not paid on or before ten (10) days after the date when due shall bear interest at the rate of 18% or the maximum allowable by law per year from the date when due until paid. All payments upon account shall be applied first to interest and then to the Assessment payment first due. All interest collected shall be credited to the Common Expense Account.

2. Suit. The Association at its option may enforce collection of delinquent Assessments by suit at law or by foreclosure of the liens securing the Assessments or by any other competent proceeding and in any event, the Association shall be entitled to recover in the same action, suit, or proceeding the payments which are delinquent at the time of judgment or decree together with interest at the rate of 18% or the maximum allowable by law per year, and all costs incident to the collection and the action, suit or proceedings, including, but not limited to, reasonable attorneys' fees.

ARTICLE SIXTEEN: AMENDMENT

Except for alterations in the Shares which cannot be done except with the consent of all Unit Owners whose Shares are being affected, and their mortgagees, the Condominium Documents may be amended in the following manner:

A. Declaration of Establishment of a Horizontal Property Regime (Condominium). Amendments to this Declaration of Establishment of a Horizontal Property Regime (Condominium) shall be proposed and adopted as follows:

1. Notice. Notice of the subject matter of the proposed amendment in reasonably detailed form shall be included in the Notice of any meeting at which a proposed amendment is considered.

2. Resolution. A resolution adopting a proposed amendment may be proposed by either the Board of Directors of the Association or by the Unit Owners meeting as members of the Association and after being proposed and approved by either of such bodies, must be approved by the other. Directors and Unit Owners not present at the meeting considering such amendment may express their approval in writing or by proxy. Such approvals must be by not less than 80% of the Directors and 80% of the Unit Owners and their mortgagees. Amendments that are materially adverse to mortgagees must be agreed to by mortgagees that represent at least fifty-one percent (51%) of the votes of the Units that are subject to mortgages.

3. Recording. A copy of each amendment shall be certified by an Officer of the Association as having been duly adopted and shall be effective when recorded in the Woodbury County, Iowa Auditor and Recorder's Office. Copies of the same shall be sent to each Unit Owner and his, her or its mortgagee in the manner elsewhere provided for the giving of notices but the same shall not constitute a condition precedent to the effectiveness of such amendment.

B. Association; Articles of Incorporation and Bylaws: The Articles of Incorporation and the Bylaws of the Association shall be amended in the manner provided by such documents.

ARTICLE SEVENTEEN: TERMINATION

A. Vote of the Unit Owners: 90% of the Unit Owners may remove all of the condominium or a portion of it from the provisions of Iowa Code Chapter 499B by an instrument to that effect, recorded in the Woodbury County, Iowa Auditor and Recorder's Office, provided that the holders of all liens upon any of the Units affected consent to such removal by instruments duly recorded. The termination shall become effective when such agreement has been recorded in the Woodbury County, Iowa Auditor and Recorder's Office.

B. Destruction: If it is determined in the manner elsewhere provided that the Property shall not be reconstructed after casualty, this Condominium, including all of the Units, shall be subject to partition at the suit of any Unit Owner. Such suit shall be subject to dismissal at any time prior

to entry of an order to sell if an appropriate agreement to rebuild is filed. The net proceeds of a partition sale together with any common funds shall be divided in proportion to the Unit Owners' respective undivided ownership interest as determined by Article Six, Paragraph D. Upon such sale, the Condominium shall be deemed removed from the provisions of Iowa Code Chapter 499B and terminated.

C. Shares of Unit Owners after Termination After termination as provided in paragraph A of this Article, the Condominium, including all of the Units, or the portion thus removed, shall be owned in common by the Unit Owners and the Association of Unit Owners shall be dissolved, unless it is otherwise provided in the removal instrument. The undivided interest in the property owned in common held by each Unit shall be equal to the percentage of the undivided interest of such Unit Owner as determined in Article Six, Paragraph D. All funds held by the Association and insurance proceeds, if any, shall be and continue to be held jointly for the Unit Owners and their first mortgagees in proportion to the amount of the Assessments paid by each Unit Owner. The costs incurred by the Association in connection with a termination shall be a Common Expense.

D. Resubmission: Pursuant to Iowa Code Section 499B.9, the removal of the Condominium from the provisions of Iowa Code Chapter 499B shall not bar the subsequent resubmission of the land and Building involved to the provisions of Iowa Code Chapter 499B.

ARTICLE EIGHTEEN: COVENANTS RUNNING WITH THE LAND

All provisions of the Condominium Documents shall be construed to be covenants running with the land and with every part of and interest in the same, including but not limited to every Unit and the appurtenances to the Unit; and every Unit Owner and claimant of the Property or any part of or interest in the same, and his, her or its heirs, executors, administrators, successors, and assigns shall be bound by all of the provisions of the Condominium Documents.

ARTICLE NINETEEN: LIENS

A. Protection of Property: Except as permitted below, all liens against a Unit other than for permitted mortgages, taxes, or special assessments will be satisfied or otherwise removed within ten (10) days from the date the lien attaches. All taxes and special assessments upon a Unit shall be paid before becoming delinquent.

B. Notice of Lien: A Unit Owner shall give notice to the Association of every lien upon his, her or its Unit other than for permitted mortgages, taxes, and special assessments within ten (10) days after the attaching of the lien.

C. Notice of Suit: Unit Owners shall give notice to the Association of every suit or other proceeding which will or may affect the title of his, her or its Unit or any other part of the Property, such notice to be given within 5 days after the Unit Owner receives notice of the suit or proceeding. Unit Owners have the right to contest in good faith and timely contest any liens.

D. Failure to Comply: Failure to comply with this Article concerning liens will not affect the validity of any judicial sale.

E. Register of Permitted Mortgages: Unit Owners have the right to place a first mortgage on their Units. The Association shall maintain a register of all permitted mortgages. Each Unit Owner shall provide the Association with the appropriate information regarding any mortgages held on their Unit.

F. Mechanic's Liens: Neither the Unit Owner nor anyone claiming by, through, or under the Unit Owner shall have the right to file or place any mechanic's liens or other lien of any kind or character whatsoever, upon the premises or upon any building or improvement, or upon the ownership interest of the Unit Owner, and notice is hereby given that no contractor, subcontractor, or anyone else who may furnish any material, service or labor for any building, improvements, alterations, repairs or any part thereof, shall at any time be or become entitled to any lien on the premises, and for the further security of the Association, the Unit Owner covenants and agrees to give actual notice thereof in advance, to any and all contractors and subcontractors who may furnish or agree to furnish any such material, service or labor.

ARTICLE TWENTY: JUDICIAL SALES AND OTHER TRANSFERS OF TITLE

A. Public Sale: No judicial sale of a Unit nor any interest in a Unit shall be valid unless the sale is a result of a public sale with open bidding or unless the sale is to a purchaser approved by the Board of Directors of the Association, which approval shall be in recordable form and shall be delivered to the purchaser and recorded in the Woodbury County, Iowa Auditor and Recorder's Office.

B. Unauthorized Transactions: Any sale, mortgage, or lease which is not authorized pursuant to the terms of this Declaration or for which authorization has not been obtained pursuant to the terms of this Declaration, shall be void unless subsequently approved by the Board of Directors of the Association.

C. Mortgage Foreclosure: If proceedings are instituted to foreclose any mortgage on any Unit, the Association, on behalf of one or more Unit Owners, shall have the right to redeem from the mortgagee for the amount due or to purchase such Unit at the foreclosure sale for the amount set forth to be due by the mortgagee in the foreclosure proceedings and should the mortgagor fail to redeem from such mortgage, and in case of such redemption by the Association, the Association thus redeeming shall take and have absolute fee simple title to the Property redeemed, free from any claim or right of any grantee, his or her heirs or assigns, or such mortgagor, and every person claiming by, through, or under such mortgagor. Nothing contained in this Declaration shall preclude a mortgage institution, bank, savings and loan association, insurance company or any other recognized lending institution from owning a mortgage on any Unit, and such lending institution shall have an unrestricted, absolute right to accept title to the Unit in settlement and satisfaction of the mortgage or to foreclose the mortgage in accordance with the terms of the mortgage and the laws of the State of Iowa and to bid upon the Unit at the foreclosure sale, provided the lending institution owning the mortgage shall give to the

Association, its successors or assigns, written notice by certified mail of the default mailed at least thirty (30) days prior to the date of the foreclosure sale during which thirty (30) days the Association shall have the right to cure such default by payment to such mortgagee of all sums due upon such default and following such payment, such mortgagee shall be required to waive such default, and if such default is not cured, and should the Association or any member of the Association individually or collectively fail to purchase such mortgage, together with any incidental costs, from such mortgagee, or fail to redeem such mortgage, then in that event the mortgagee taking title on such foreclosure sale or taking title in lieu of foreclosure sale, may acquire such Unit and let, relet, sell, and resell the same without complying with the restriction limiting the occupation of the Property to persons approved by the Association. If the Association or any members redeems such mortgage or cures such default, it shall have a lien against the Unit for all sums expended in connection with the same, and shall have the same rights to collect such sums as in the case of a past due Assessment.

ARTICLE TWENTY ONE: SEVERABILITY OF CONDOMINIUM DOCUMENT PROVISIONS

If any term, covenant, provision, phrase, or other element of the Condominium Documents is held to be invalid or unenforceable for any reason whatsoever, such holding shall not be deemed to affect, alter, modify, or impair in any manner whatsoever any other term, covenant, provision, phrase or element of the Condominium Documents.

ARTICLE TWENTY TWO: UNIT DEEDS

Any transfer of a Unit shall include all appurtenances to it whether or not specifically described, including the interest of the Unit Owner in the Shares of the Association.

ARTICLE TWENTY THREE: CAPTIONS

Captions used in the Condominium Documents are inserted solely as a matter of convenience and shall not be relied upon or used in construing the effect or meaning of any of the text of the Condominium Documents.

ARTICLE TWENTY FOUR: GENDER, SINGULAR, PLURAL

Whenever the context so permits, the use of the plural shall include the singular, the use of the singular shall include the plural and any gender shall be deemed to include all genders.


ARTICLE TWENTY FIVE: SEVERABILITY

If any provision of this Declaration, or any section, sentence, clause, phrase, or word, or the application of same in any circumstances be judicially held in conflict with the laws of the State

of Iowa, then the laws shall be deemed controlling and the validity of the remainder of this Declaration and the application of any such provision, section, sentence, clause, phrase, or word in other circumstances shall not be affected by such holding.

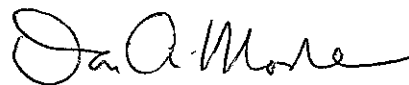
The Developer has executed this Declaration on the 30th day of December, 2011.

Scotland Building, L.L.C.,
an Iowa limited liability company

By: 
Bart J. Connelly, Manager

STATE OF IOWA :
:SS
COUNTY OF WOODBURY :

On this 30th day of December, 2011, before me, the undersigned, a Notary Public in and for said State, personally appeared Bart J. Connelly, to me personally known, who being by me duly (sworn or affirmed) did say that that person is the Manager of said Scotland Building, L.L.C., an Iowa limited liability company, and that said instrument was signed on behalf of the said Scotland Building, L.L.C., an Iowa limited liability company, by authority of its Members and the said Bart J. Connelly, Manager, acknowledged the execution of said instrument to be the voluntary act and deed of said Scotland Building, L.L.C., Iowa limited liability company by it voluntarily executed.



Notary Public



EXHIBIT "A"

Bylaws of 4th & Jackson Condominiums Association

ARTICLE ONE NAME

The name of this corporation shall be 4th & Jackson Condominiums Association. For convenience the corporation shall be referred to in these Bylaws as the "Association."

ARTICLE TWO PURPOSE

The purpose for which the corporation is formed is as follows: A condominium known as 4th & Jackson Condominiums is being constructed upon lands in Sioux City, Iowa. The documents creating the condominium provide for the ownership, operation, management, maintenance, and use of the units within the property together with certain other improvements. This corporation is being organized for the purpose of providing a convenient means of administering the condominium by its owners.

ARTICLE THREE POWERS

The powers of the Association shall include and be governed by the following provisions:

A. The Association shall have all of the common-law and statutory powers of a corporation which are not in conflict with the terms of these Bylaws in addition to the powers conferred upon it by Chapter 499B of the Code of Iowa.

B. The Association shall have all of the powers reasonably necessary to implement the purpose of the Association, including but not limited to the following:

1. To make and collect assessments against Members to defray the costs of the condominium.
2. To use the proceeds of assessments in the exercise of its powers and duties.
3. The maintenance, repair, replacement and operation of the condominium property except as otherwise provided in Article Ten of the Declaration of Condominium.
4. The reconstruction of improvements after casualty and the further improvement of the property.
5. To make and amend regulations respecting the use of the property in the condominium.
6. To approve or disapprove of proposed purchasers, lessees and mortgagees of units.

7. To enforce by legal means the provisions of the condominium documents, the Articles of Incorporation, the Bylaws of the Association and the regulations for the use of the property in the condominium.
8. To contract for the management of the condominium and to delegate to such contractor all powers and duties of the Association except such as are specifically required by the condominium documents to have approval of the Board of Directors or Members of the Association. An exception to this clause is set forth in Article Eight of the Declaration of Condominium.

C. All funds and the titles of all properties acquired by the Association and the proceeds of same shall be held only for the benefit of the Members in accordance with the provisions of the condominium documents. Any recordable instrument purporting to affect an interest in real estate, executed in the name of the Association by two of its officers shall be binding on the Association in favor of a purchaser or other person relying in good faith on such instrument.

D. The powers of the Association shall be subject to and shall be exercised in accordance with the provisions of the Declaration of Condominium which governs the use of the Property.

ARTICLE FOUR PRINCIPAL OFFICE AND FISCAL YEAR

- A. The principal office of the Association shall be at 700 4th Street, Sioux City, Iowa 51101.
- B. The fiscal year of the Association shall be the calendar year.

ARTICLE FIVE MEMBERS

- A. All owners of units in the condominium shall be Members of the Association, and no other persons or entities shall be entitled to hold stock. For convenience the Members shall be referred to in these Bylaws as "Members" of the Association.
- B. Membership in the Association shall be established by recording in the Woodbury County, Iowa Auditor and Recorder's Office of a deed or other instrument establishing a change of record title to a unit in the condominium and the delivery to the Association of a certified copy of such instrument, the new owner designated by such instrument becoming a Member of the Association by such recording. The Membership of the prior owner shall be terminated by such recording.
- C. Each unit owner shall have the same percentage interest in the shares of stock of this Association as his, her or its proportionate interest in the common areas and facilities as

provided in the Declaration of Establishment of Horizontal Property Regime (Condominium) and such interest shall be deemed conveyed or encumbered with the unit even though such interest is not expressly mentioned or described in the conveyance or other instrument. Such interest cannot be assigned, hypothecated, or transferred in any manner except as an appurtenance to the units in the condominium.

D. The annual meeting of the Members shall be held at the office of the Association on the first Tuesday in April of each year, beginning in 2013, for the purpose of electing Directors and of transacting any other business authorized to be transacted by the Members; provided, however, that if that day is a legal holiday, the meeting shall be held at the same hour on the next succeeding day.

E. Special Members' meetings shall be held whenever called by the President or Vice-President, or by a majority of the Board of Directors, and must be called by such officers upon receipt of a written request from at least 50% of the Members.

F. Notice of all Members' meetings stating the time and place and the objects for which the meeting is called shall be given by the President or Vice-President, unless waived in writing. Such notice shall be in writing to each Member at his, her or its address as it appears on the books of the Association and shall be mailed not less than ten (10) days nor more than thirty (30) days prior to the date of the meeting. Proof of such mailing shall be given by the affidavit of the person giving the notice. Notice of a meeting may be waived before or after meetings.

G. A quorum at Members' meetings shall consist of Members entitled to cast a majority of the votes of the entire Membership. The joinder of a Member in the action of a meeting by signing and concurring in the minutes of the meeting as a written consent to the action of the meeting shall constitute the presence of such Member for the purpose of determining a quorum.

H. For purposes of electing the residential Board Member of the Board of Directors pursuant to Article Six, Paragraph A, residential Unit Owners are entitled to one vote per unit owned. For purposes of electing the commercial Board Members of the Board of Directors pursuant to Article Six, Paragraph A, the commercial Unit Owners are entitled to one vote per 1,000 square feet owned, however, any commercial Unit Owner owning less than 1,000 square feet is entitled to one vote.

I. The vote of the owners of a Unit owned by more than one person or by a corporation or other entity shall be cast by the person named in a certificate signed by all of the owners of the unit and filed with the Secretary of the Association. Such certificate shall be valid until revoked by a subsequent certificate. If such a certificate is not on file, the vote of such owners shall not be considered in determining the requirement for a quorum nor for any other purpose.

J. Vote may be cast in person or by proxy. Proxies shall be valid only for the particular meeting designated in the proxy and must be filed with the Secretary before the appointed

time of the meeting.

K. Approval or disapproval of a unit owner upon any matter, whether or not the subject of an Association meeting, shall be by the same person who would cast the vote of such owner if in an Association meeting.

L. If any meeting of the Membership cannot be organized because a quorum has not attended, the Members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present.

M. The order of business at annual meetings of Members and, as far as practical at all other meetings of Members, shall be:

1. Election of chairman of the meeting.
2. Calling of the roll and certifying of proxies.
3. Proof of notice of meeting or waiver of notice.
4. Approval of minutes
5. Reports of officers.
6. Reports of committees.
7. Election of Directors.
8. Unfinished business.
9. New business.
10. Adjournment.

ARTICLE SIX DIRECTORS

A. The affairs of the Association will be managed by a board of no more than five (5) Directors. No more than three (3) of such Directors shall be elected by the Owners of the Commercial Units, no more than one (1) shall be elected by the Owners of the Residential Units and no more than one (1) shall be appointed by the Developer so long as Developer owns at least 4,000 square feet of the Building. At such time as Developer no longer owns 4,000 square feet of the Building, said right to appoint one (1) Director shall transfer to the Owners of the Residential Units. Each Member of the Board of Directors shall be either the Owner of a Unit or someone with an interest in the Unit, or, in the event of corporate ownership, any officer or authorized agent of the corporation, however, any such Director as is appointed by the Developer or by the Owners of the Residential Units does not need to be an owner of a Unit within the Building.

- B. Members of the Board of Directors shall be elected by a plurality of the votes cast at the annual meeting of the Members of the Association in accordance with Paragraph A above.
- C. Vacancies in the Board of Directors may be filled until the date of the next annual meeting by the remaining Directors.
- D. The term of each Director's service shall extend until the next annual meeting of the Members and continue until his or her successor is duly elected and qualified or until he or she is removed in the manner elsewhere provided.
- E. The organizational meeting of a newly-elected Board of Directors shall be held within thirty (30) days of their election at such place and time as shall be fixed by the Directors at the meeting at which they were elected, and no further notice of the organization meeting shall be necessary providing a quorum shall be present.
- F. Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the Directors. Notice of regular meetings shall be given to each Director, personally or by e-mail, mail, telephone, or facsimile at least ten (10) days prior to the day named for such meeting unless such notice is waived.
- G. Special meetings of the Directors may be called by the President and must be called by the Secretary at the written request of two-thirds of the votes of the Board. Not less than three (3) days' notice of the meeting shall be given personally or by e-mail, mail, telephone, or facsimile, which notice shall state the time, place and purpose of the meeting.
- H. Any Director may waive notice of a meeting before or after the meeting and such waiver shall be deemed equivalent to the giving of notice.
- I. A quorum at Directors' meetings shall consist of the Directors entitled to cast a majority of the votes of the entire Board. The acts of the Board approved by a majority of votes present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors except as specifically otherwise provided in the Declaration of Condominium. If at any meeting of the Board of Directors there be less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present. At an adjourned meeting any business which might have been transacted at the meeting as originally called may be transacted without further notice. The joinder of a Director in the action of a meeting by signing and concurring in the minutes of the meeting as a written consent to the action of the meeting shall constitute the presence of such Director for the purpose of determining a quorum.
- J. The presiding officer of Directors' meetings shall be the chairman of the Board if such an officer has been elected; and if none, then the President shall preside. In the absence of the presiding officer the Directors present shall designate one of their number to preside.
- K. Directors' fees, if any, shall be determined by the Members of the Association.

L. All of the powers and duties of the Association shall be exercised by the Board of Directors including those existing under the common law and statutes, the Articles of Incorporation and the condominium documents. Such powers and duties of the Directors shall be exercised in accordance with the provisions of the Declaration of Condominium and the other condominium documents, and shall include but shall not be limited to the powers set forth in Article Three, paragraph B of these Bylaws and the following:

1. Emergency works of repair, replacement or maintenance of the common elements are solely the responsibility of the Board of Directors except as provided in Article Ten of the Declaration of Condominium and may not be undertaken by any unit owner nor will there be any liability of the Board of Directors to reimburse any unit owner who does so in violation of this provision.
2. To pay taxes and assessments which are liens against any part of the condominium other than individual units and the appurtenances to them, and to assess the same against the unit subject to such liens.
3. To carry insurance for the protection of unit owners and the Association against casualty and liabilities.
4. To pay the cost of all power, water, sewer, and other utility services rendered to the condominium and not billed to owners of individual units.
5. To employ personnel for reasonable compensation to perform the services required for proper administration of the purposes of the Association except as provided in Article Nine of the Declaration of Condominium.

ARTICLE SEVEN OFFICERS

A. The executive officers of the corporation shall be a President, a Treasurer, and a Secretary. The President shall be a Director. No other officer need be a Director. All officers shall be elected annually by the Board of Directors and may be peremptorily removed by vote of the Directors at any meeting. Any person may hold two or more offices except that the President shall not also be the Treasurer. The Secretary shall be a resident of Iowa. The Board of Directors shall from time to time elect such other officers and designate their powers and duties as the Board shall find to be required to manage the affairs of the Association.

B. The President shall be the chief executive officer of the Association. He or she shall have all of the powers and duties which are usually vested in the office of president of an association, including but not limited to the power to appoint committees from among the Members from time to time, as the President may in his or her discretion determine appropriate, to assist in the conduct of the affairs of the Association. Either the President or the Treasurer may endorse for deposit or collection all checks, notes, etc., payable to the Association or its order and may accept drafts on behalf of the Association. Either the

President or the Treasurer may borrow and pay out such money as may be necessary in the transaction of the Association's business and may sign all checks, drafts, bills of exchange, promissory notes, and other documents required in such transactions.

C. The Secretary shall keep the minutes of all proceedings of the Directors and the Members. He or she shall attend to the giving and serving of all notices to the Members and Directors and other notices required by law. The Secretary also shall have custody of the seal, if any, of the Association and affix the same to instruments requiring a seal when duly signed. He or she shall keep the records of the Association, except those of the Treasurer, and shall perform all other duties incident to the office of Secretary of an association and as may be required by the Directors or the President. In the absence of the Secretary, a Secretary pro tempore shall be chosen to record the proceedings of any meeting.

D. The Treasurer shall have custody of all property of the Association, including funds, securities, and evidences of indebtedness. He or she shall keep the assessment rolls and accounts of the Members and unit owners, shall keep the books of the Association in accordance with good accounting practices, and shall perform all other duties incident to the Office of Treasurer. Either the President or the Treasurer may endorse for deposit or collection of all checks, notes, etc., payable to the Association or its order and may accept drafts on behalf of the Association. Either the President or the Treasurer may borrow and pay out such money as may be necessary in the transaction of the Association's business and may sign all checks, drafts, bills of exchange, promissory notes, and other documents required in such transactions.

E. The compensation of officers and employees of the Association shall be fixed by the Directors. This provision shall not preclude the Board of Directors from employing a Director as an employee of the Association nor preclude the contracting with a Director for the management of the condominium.

ARTICLE EIGHT FISCAL MANAGEMENT

A. The assessment roll shall be maintained in a set of accounting books in which there shall be an account for each unit. Such an account shall designate the name and address of the owner or owners, the amount of each assessment against the owners, the dates and amounts in which the assessments come due, the amounts paid upon the account and the balance due upon assessments.

B. A statement from the Association signed by either the President or the Treasurer setting forth the amount of unpaid common expenses which have been assessed against a unit owner shall operate to discharge the unit from any lien for any other sums then unpaid when recorded with the Woodbury County, Iowa Auditor and Recorder's Office but shall not relieve the assessed owner from personal liability for payment.

C. The Board of Directors shall adopt a budget for each calendar year which shall contain estimates of the cost of performing the functions of the Association, including but not limited

to the following items:

Common expense budget:

1. Maintenance and operation of common elements.
 - a. Utility services.
 - b. Casualty insurance.
 - c. Liability insurance.
 - d. Administration.
2. Proposed assessments against each Member.

D. Copies of the proposed budget and proposed assessments shall be transmitted to each Member on or before January 1 of the year for which the budget is made. If the budget is subsequently amended before the assessments are made, a copy of the amended budget shall be furnished each unit owner concerned.

E. The depository of the Association shall be such bank or banks as shall be designated from time to time by the Directors and in which the monies of the Association shall be deposited. Withdrawal of monies from such accounts shall be only by checks signed by the President or the Treasurer.

F. An audit of the accounts of the Association shall be made annually by a certified public accountant, and a copy of the report shall be available to each Member not later than June 1 of the year following the year for which the report is made. Records of the receipts and expenditures affecting the common areas and facilities shall specify and itemize the maintenance and repair expenses of the common areas and facilities and any other expenses incurred.

G. Fidelity bonds shall be required by the Board of Directors from all officers and from any contractor handling or responsible for Association funds. The amount of such bonds shall be determined by the Directors, but shall be at least the amount of the total annual assessments against owners for common expenses. The premiums on such bonds shall be paid by the Association.

ARTICLE NINE INDEMNIFICATION

Every Director and every Officer of the Association shall be indemnified by the Association against all expenses and liabilities, including legal counsel fees, reasonably incurred by or imposed upon him or her in connection with any proceeding to which he or she may be a party, or in which he or she may become involved, by reason of being or having been a

Director or Officer of the Association, or any settlement of such a proceeding, whether or not the person is a Director or Officer at the time such expenses are incurred, except for cases in which the Director or Officer is adjudged guilty of willful misfeasance or malfeasance in the performance of his or her duties; provided that in the event of a settlement this indemnification shall apply only when the Board of Directors approves such settlement and reimbursement as being for the best interests of the Association. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such Director or Officer may be entitled.

ARTICLE TEN AMENDMENTS

Amendments to the Bylaws shall be proposed and adopted in the following manner:

- A. Notice of the subject matter of the proposed amendment shall be included in the notice of any meeting at which a proposed amendment is considered.
- B. A resolution adopting a proposed amendment must receive approval of 80% of the votes of the entire Membership of the Board of Directors and 80% of the votes of the entire Membership of the Association. Directors and Members not present at the meetings considering the amendment may express their consent in writing.
- C. An amendment may be proposed by either the Board of Directors or by the Members of the Association, and after being proposed and approved by one of such bodies it must be approved by the other.
- D. An amendment when adopted shall become effective only after being recorded in the Woodbury County, Iowa Auditor and Recorder's Office.

4TH & JACKSON CONDOMINIUMS
ASSOCIATION

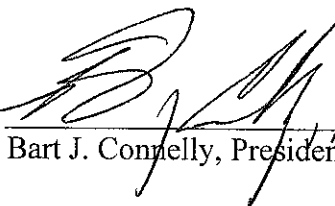
By:  PRESIDENT
Bart J. Connelly, President

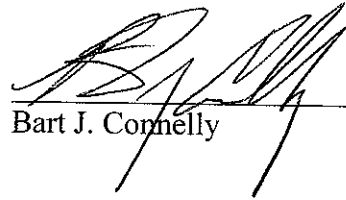
EXHIBIT "B"
RULES AND REGULATIONS FOR
4TH & JACKSON CONDOMINIUMS ASSOCIATION

1. No radio or television antenna, satellite equipment or wiring for any purposes may be installed on the exterior of the Building without written consent of the Developer or their successors or assigns.
2. Signage for the commercial use Units may be installed within the Unit, the abutting hallways or entrance ways only with written consent of the Developer or their successors or assigns. There are to be no signs hung, mounted or affixed to the exterior of the Building.
3. Name plates and mailboxes will be installed in a manner consistent with the other Units and approved by the Board of Directors.
4. No Unit Owner or guest of a Unit Owner shall make or permit any disturbing noises in the Building, or do or permit anything to be done therein which will interfere with the rights, comforts, use, enjoyment, conveniences or occupation of other Unit Owners. No Unit Owner shall play upon or suffer to be played upon any musical instrument or operate or permit to be operated a stereo, radio, television or other loud-speaker in such Unit Owner's Unit in a manner that disturbs or annoys other occupants of the Building. A Unit Owner found to be in violation of the rules regarding noise will be given a written warning for the first violation. A Unit Owner found to be in violation of the rules regarding noise following the written warning shall be subject to a fine of \$100 and such fine shall be a lien on the Unit. Thereafter, fines will double with each subsequent violation up to a maximum fine of \$400 and such fines shall be a lien on the Unit.
5. Each Unit Owner shall keep his or her Unit in a good state of presentation and cleanliness, and shall not sweep or throw or permit to be swept or thrown therefrom, or from the doors or windows thereof, any dirt or other substance. No trash, garbage or other tangible personal property of the Unit Owner shall be stored, kept or located on or within any of the Building hallways or entrance ways.
6. Unit Owners shall not cause or permit any unusual or objectionable noises or odors to be produced upon or to emanate from the respective Units.
7. Pets:
 - a. One household pet such as a dog, cat or other animal or bird reasonably considered to be a household pet will be allowed so long as the pet is under thirty (30) pounds. No other animals may be raised, or kept anywhere on the property. No animal may be kept, bred, or maintained

for any commercial purpose. No pets are to be allowed anywhere on the 1st, 2nd or 3rd floors, except between the elevator and the exit doors.

- b. All Unit Owners with a pet allowed under subparagraph a must comply with all county and city ordinances applicable to the ownership of pets.
 - c. Pets must be maintained in a clean, safe and quiet manner.
 - d. No pet shall be allowed to create a threat, nuisance, or an unreasonable disturbance to any person or to cause any damage to any common property of any other resident. Pets must be controlled at all times when outside of the Units. All pets must either be on a leash when outside or within the total and unquestionable control of its owner.
 - e. A Unit Owner found to be in violation of the rules regarding pet ownership by the Association will be given a written warning for the first violation. Each day that a violation is allowed to continue following the first written warning will be considered to be a separate violation. A Unit Owner found to be in violation of the rules regarding pet ownership following a first violation shall be subject to a fine of \$100 and such fine shall be a lien on the Unit. A Unit Owner found to be in violation of the rules regarding pet ownership for a third time will be directed to remove the pet from the property and will be subject to a fine of \$200 and such fine shall be a lien on the Unit.
- 8. Nothing of any nature or description shall be placed on the exterior of the face of the Building.
 - 9. The exterior of all window coverings shall be white as seen from the exterior of the Building.
 - 10. Nothing shall be placed on any hallway or any common area without prior written consent of the Board of Directors.
 - 11. No exterior lighting fixtures shall be replaced, altered or added by Unit Owners.
 - 12. Any consent or approval given under these Rules and Regulations may be added to, amended or repealed at any time by resolution of the Board of Directors of the Association.
 - 13. These Rules and Regulations may be amended, modified or altered as provided in the Bylaws of Scotland Condominiums Association.

These Rules and Regulations have been approved by the Board of Directors of
Scotland Condominiums Association on the 30TH day of DECEMBER, 2011


Bart J. Connolly

ATTEST:

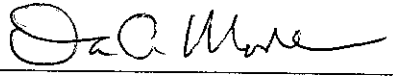


EXHIBIT C

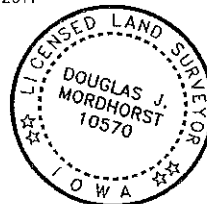
SURVEY OF THE WEST 88.5' OF LOTS 1 & 2 AND THE NORTH 27.5' OF
THE WEST 88.5' OF LOT 3, BLOCK 24, SIOUX CITY EAST ADDITION,
SIOUX CITY, WOODBURY COUNTY, IOWA

CONNELY, TIEHEN & SONS, INC, A SOUTH DAKOTA CORPORATION
SIOUX CITY, IOWA

CERTIFICATION BLOCK

I HEREBY CERTIFY THAT THIS LAND SURVEYING
DOCUMENT WAS PREPARED AND THE RELATED
SURVEY WORK WAS PERFORMED BY ME OR UNDER
MY DIRECT PERSONAL SUPERVISION AND THAT I AM
A DULY LICENSED LAND SURVEYOR UNDER THE
LAWS OF THE STATE OF IOWA.

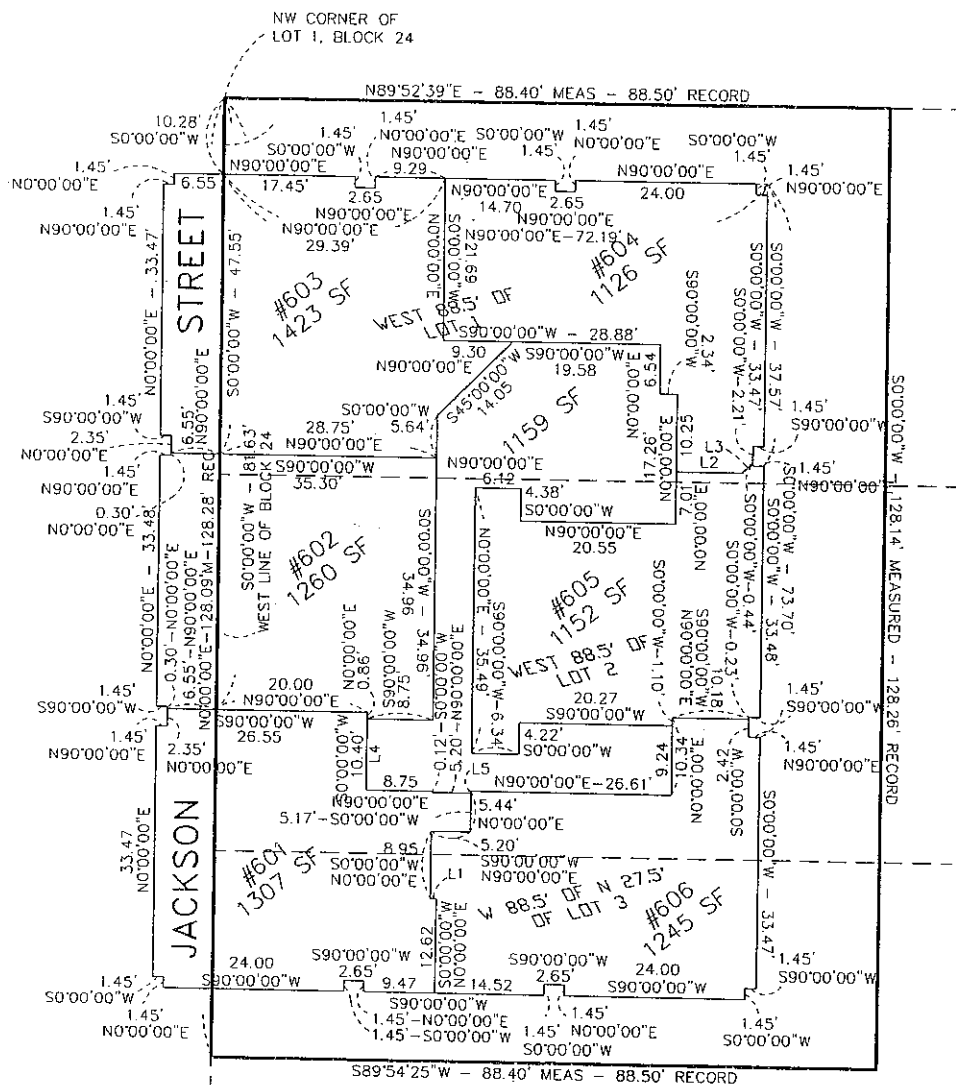
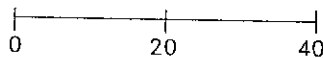
Douglas J. Mordhorst 12/16/11
DOUGLAS J. MORDHORST DATE
LICENSE NUMBER 10570
MY LICENSE RENEWAL DATE IS DECEMBER 31, 2012
7 SHEETS COVERED BY THIS SEAL
PLOT DATE: DECEMBER 16, 2011



UNITS:	7513	SF
COMMON:	1159	SF
TOTAL:	8672	SF

L1:	0.82'	N90°00'00"E	S90°00'00"W
L2:	8.78'	N90°00'00"E	S90°00'00"W
L3:	1.90'	S45°00'00"W	N45°00'00"E
L4:	9.54'	N00°00'00"E	S00°00'00"W
L5:	0.27'	N00°00'00"E	S00°00'00"W

SCALE: 1" = 20'



5th FLOOR

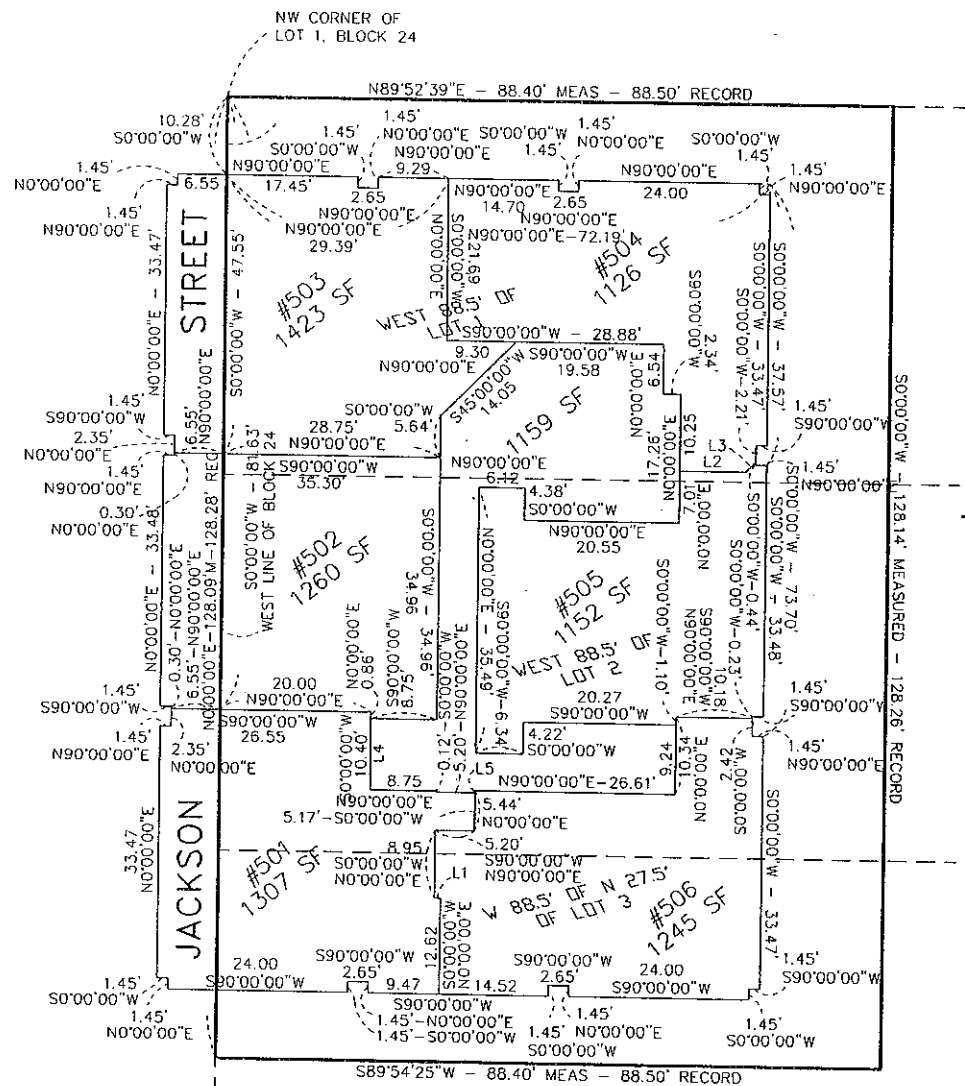
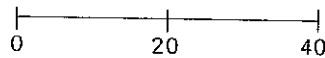
UNITS: 7513 SF
COMMON: 1159 SF
TOTAL: 8672 SF

LINE TABLE

L1:	0.82'	N90°00'00"E	S90°00'00"W
L2:	8.78'	N90°00'00"E	S90°00'00"W
L3:	1.90'	S45°00'00"W	N45°00'00"E
L4:	9.54'	N00°00'00"E	S00°00'00"W
L5:	0.27'	N00°00'00"E	S00°00'00"W

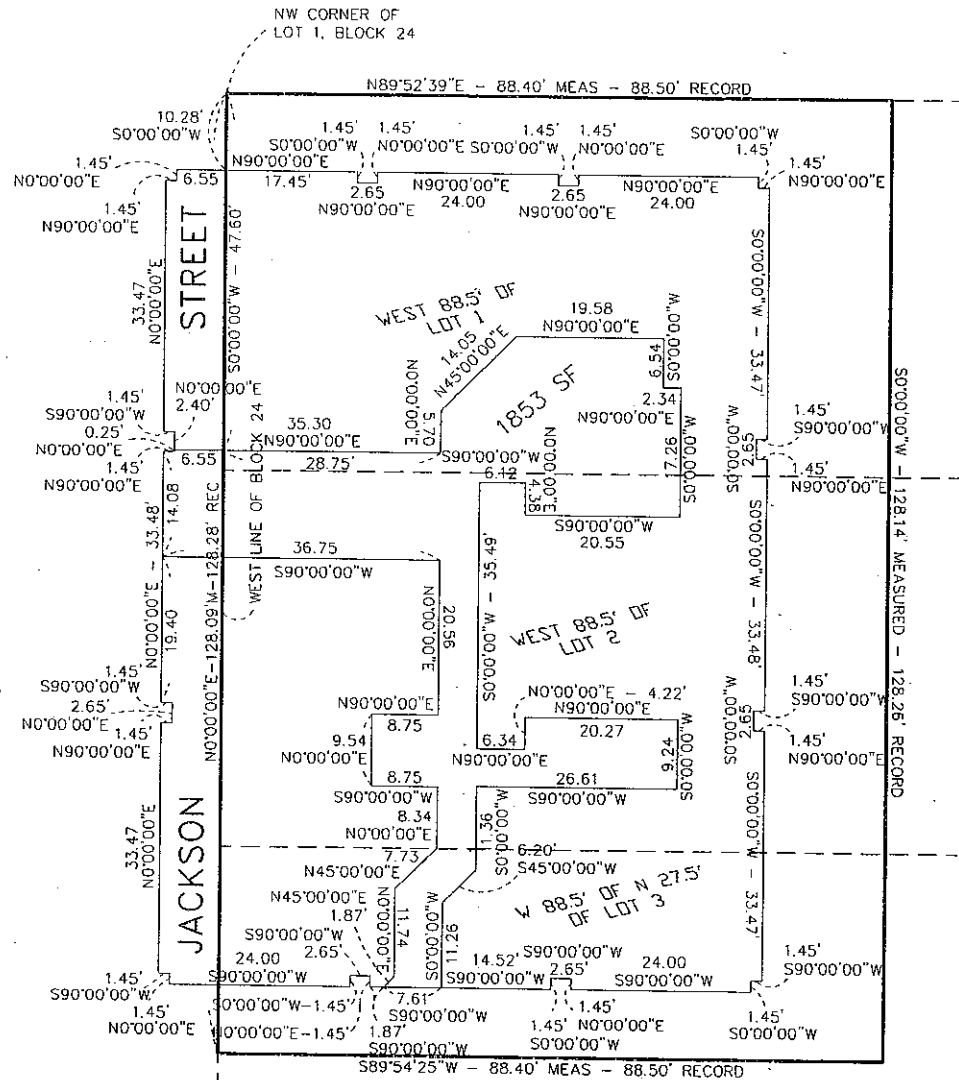
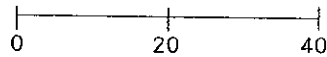
PLOT DATE: OCTOBER 21, 2011

SCALE: 1" = 20'



UNITS:	6819	SF
COMMON:	1853	SF
<hr/>		
TOTAL:	8672	SF

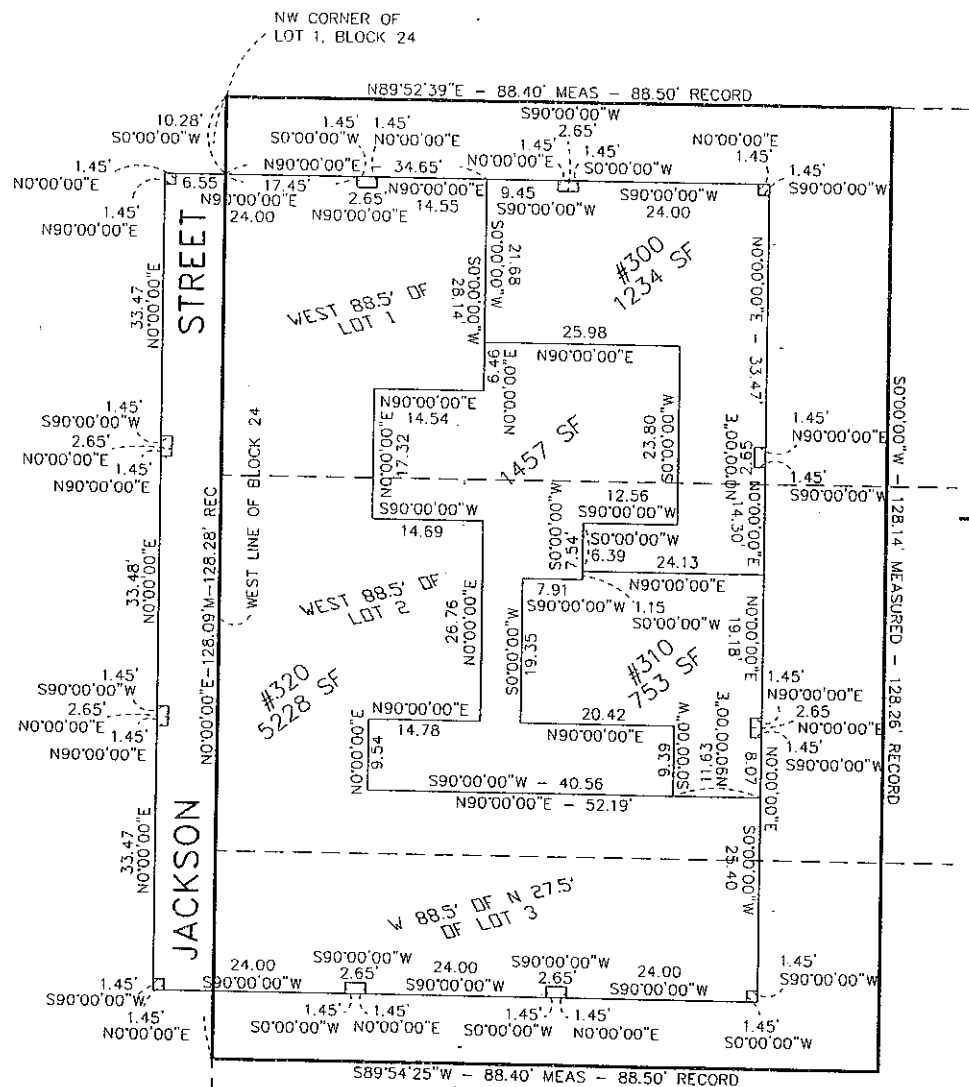
SCALE: 1" = 20'



UNITS: 6819 SF
COMMON: 1853 SF
TOTAL: 8672 SF

N0°00'00"E IS EQUIVALENT TO S0°00'00"W
N90°00'00"E IS EQUIVALENT TO S90°00'00"W

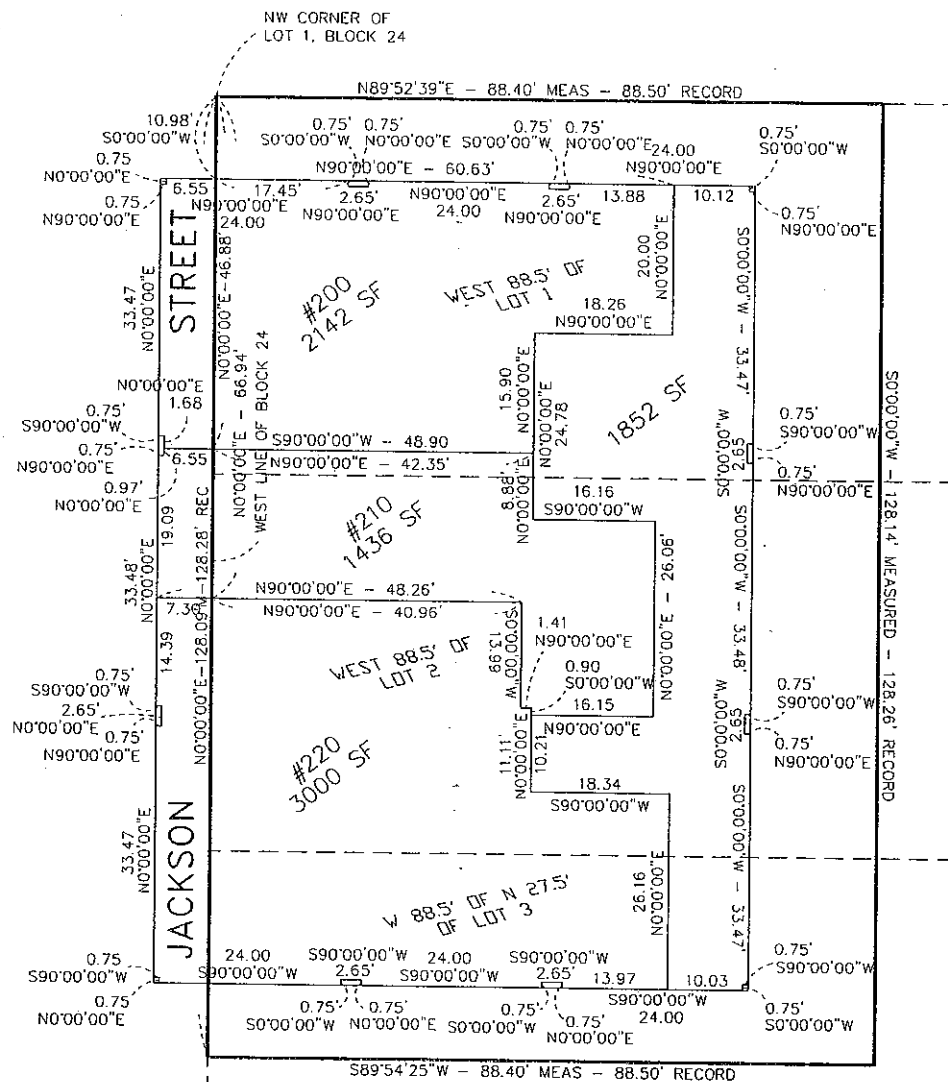
SCALE: 1" = 20'



UNITS: 6578 SF
COMMON: 1852 SF
TOTAL: 8430 SF

N0°00'00"E IS EQUIVALENT TO S0°00'00"W
N90°00'00"E IS EQUIVALENT TO S90°00'00"W

SCALE: 1" = 20'



UNITS: 6173 SF
COMMON: 1253 SF
TOTAL: 7426 SF

N0°00'00"E IS EQUIVALENT TO S0°00'00"W
N90°00'00"E IS EQUIVALENT TO S90°00'00"W

SCALE: 1" = 20'

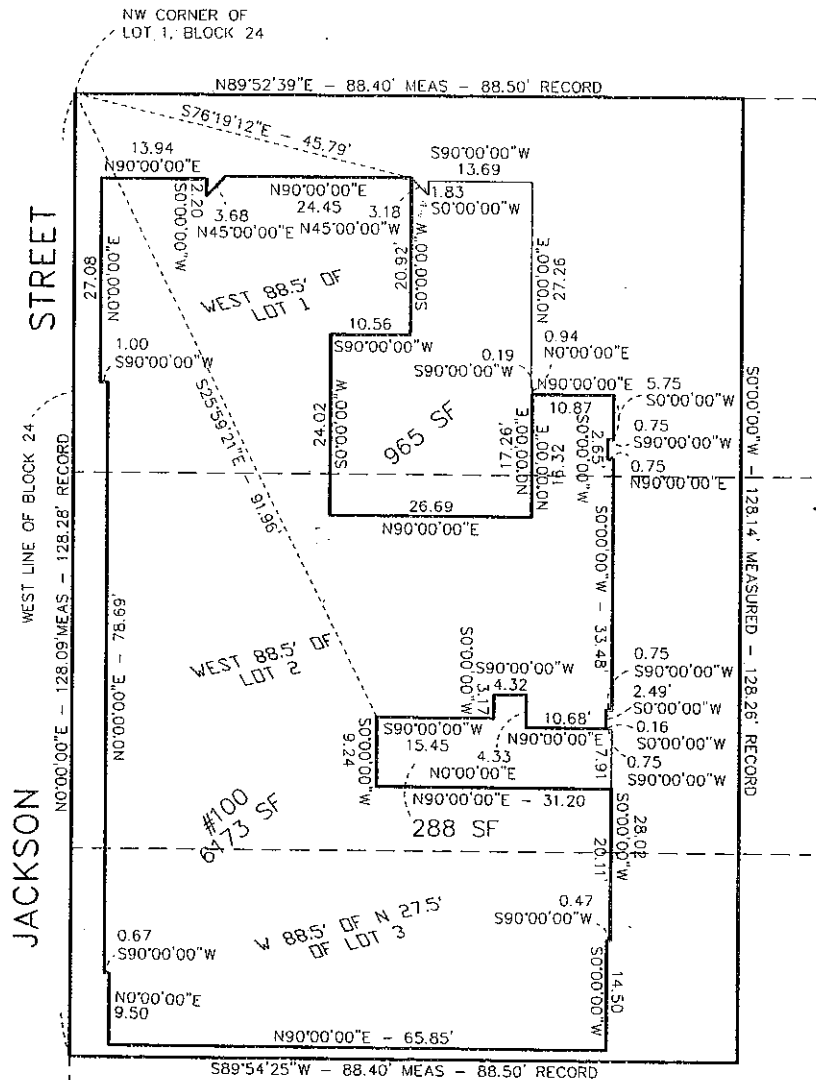
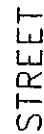


EXHIBIT D

SURVEY OF THE WEST 88.5' OF LOTS 1 & 2 AND THE NORTH 27.5' OF
THE WEST 88.5' OF LOT 3, BLOCK 24, SIOUX CITY EAST ADDITION,
SIOUX CITY, WOODBURY COUNTY, IOWA

CONNELY, TIEHEN & SONS, INC, A SOUTH DAKOTA CORPORATION
SIOUX CITY, IOWA

CERTIFICATION BLOCK

I HEREBY CERTIFY THAT THIS LAND SURVEYING
DOCUMENT WAS PREPARED AND THE RELATED
SURVEY WORK WAS PERFORMED BY ME OR UNDER
MY DIRECT PERSONAL SUPERVISION AND THAT I AM
A DULY LICENSED LAND SURVEYOR UNDER THE
LAWS OF THE STATE OF IOWA.

Douglas J. Mordhorst 12/16/11
DOUGLAS J. MORDHORST DATE
LICENSE NUMBER 10570
MY LICENSE RENEWAL DATE IS DECEMBER 31, 2012
7 SHEETS COVERED BY THIS SEAL
PLOT DATE: DECEMBER 16, 2011

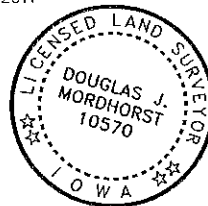


EXHIBIT "E": UNIT SQUARE FOOTAGE SHARES OF COMMON EXPENSES and VOTING RIGHTS
4th & JACKSON CONDOMINIUMS

BASEMENT			SQ. FEET	% OF SQ. FOOTAGE	% OF COMMON EXPENSES	VOTES	PROPERTY TAX PERCENTAGE
			1,500	2.90%			0.00%
TOTAL BASEMENT			1,500	2.90%			0.00%
COMMERCIAL (1ST - 3RD)		UNIT	SQ. FEET	% OF SQ. FOOTAGE	% OF COMMON EXPENSES	VOTES	PROPERTY TAX PERCENTAGE
	1ST FLOOR						
		100	6,173	11.90%	14.76%	6	10.29%
	Common Area		1,253	2.40%			0.00%
TOTAL 1ST FLOOR			7,426	14.30%	14.76%	6	10.29%
	2ND FLOOR						
		200	2,142	4.10%	5.12%	2	3.56%
		210	1,436	2.80%	3.43%	1	2.40%
		220	3,000	5.80%	7.18%	3	5.00%
	Common Area		1,852	3.60%			0.00%
TOTAL 2ND FLOOR			8,430	16.30%	15.7%	6	10.96%
	3RD FLOOR						
		300	1,234	2.40%	2.95%	1	2.06%
		310	753	1.40%	1.80%	1	1.27%
		320	5,228	10.00%	12.50%	5	8.72%
	Common Area		1,457	2.80%			0.00%
TOTAL 3RD FLOOR			8,672	16.60%	17.25%	7	12.05%
TOTAL COMMERCIAL			24,528	47.20%	47.74%	19	33.3%

EXHIBIT "E": UNIT SQUARE FOOTAGE SHARES OF COMMON EXPENSES and VOTING RIGHTS
4th & JACKSON CONDOMINIUMS

RESIDENTIAL (4TH, 5TH & 6TH)		UNIT	SQ. FEET	% OF SQ. FOOTAGE	% OF COMMON EXPENSES	VOTES	PROPERTY TAX PERCENTAGE
	4TH FLOOR						
		400	6,819	13.10%	Flat Fee	6	18.60%
	Common Area		1,853	3.60%			0.00%
TOTAL 4TH FLOOR (Residential)			8,672	16.70%		6	18.60%
	5TH FLOOR						
		501	1,307	2.50%	Flat Fee	1	3.93%
		502	1,260	2.40%	Flat Fee	1	3.80%
		503	1,423	2.70%	Flat Fee	1	4.27%
		504	1,126	2.20%	Flat Fee	1	3.39%
		505	1,152	2.40%	Flat Fee	1	3.46%
		506	1,245	2.20%	Flat Fee	1	3.75%
	Common Area		1,159	2.20%			0.00%
TOTAL 5TH FLOOR (Residential)			8,672	16.60%		6	22.60%
	6TH FLOOR						
		601	1,307	2.50%	Flat Fee	1	4.44%
		602	1,260	2.40%	Flat Fee	1	4.28%
		603	1,423	2.70%	Flat Fee	1	4.82%
		604	1,126	2.20%	Flat Fee	1	3.83%
		605	1,152	2.40%	Flat Fee	1	3.90%
		606	1,245	2.20%	Flat Fee	1	4.23%
	Common Area		1,159	2.20%			0.00%
TOTAL 6TH FLOOR (Residential)			8,672	16.60%		6	25.50%
TOTAL RESIDENTIAL			26,016	49.90%		18	66.7%
TOTAL SQ. FOOTAGE LESS COMMON AREA			41,811				
OVERALL BLDG. TOTALS			52,044	100.00%		37	100.0%

EXHIBIT "F": TABLE OF COMMON ELEMENTS AND CLASSIFICATION OF
LIMITATION ON RIGHTS TO USE THE SAME

COMMON ELEMENTS	SHARED BY:
Subground	
Basement	All Units
First Floor – 1,159 Square Feet	
Public Corridors	All Units
Two Public Restrooms	All Units
Lobby	All Units
Mechanical Room	All Units
Second Floor – 1,457 Square Feet	
Public Corridors	All Units
Two Public Restrooms	All Units
Mechanical Room	All Units
Third Floor – 1,457 Square Feet	
Public Corridors	All Units
Two Public Restrooms	All Units
Mechanical Room	All Units
Fourth Floor – 1,853 Square Feet	
Public Corridors	All Units
Two Public Restrooms	All Units
Mechanical Room	All Units
Two Passenger Elevators	All Units
Fifth Floor – 1,159 Square Feet	
Public Corridors	All Units
Mechanical Room	All Units
Sixth Floor – 1,159 Square Feet	
Public Corridors	All Units
Mechanical Room	All Units
All Floors	
Stairways, Stairwells	All Units
Conduits, ducts, plumbing, wiring and other facilities for the furnishing of utilities.	All Units

Roll 721 Image 12839-12856

Document 13198 Type AMHPR Pages 18

Date 4/05/2012 Time 3:48 PM

Rec Amt \$92.00 Aud Amt \$5.00

PATRICK F GILL, AUDITOR AND RECORDER
WOODBURY COUNTY IOWA

C

**AMENDMENT NO. 1 TO THE DECLARATION OF ESTABLISHMENT OF A
HORIZONTAL PROPERTY REGIME (CONDOMINIUM)
TO BE KNOWN AS 4TH & JACKSON CONDOMINIUMS**

Recorder's Cover Sheet

Preparer Information:

Dan A. Moore
501 Pierce St. Ste. 300
P.O. Box 3207
Sioux City, IA 51102-3207
(712) 252-0020

Taxpayer Information:

Scotland Building, L.L.C.
345 Steamboat Drive
P.O. Box 1268
Dakota Dunes, SD 57049

Return Address

65-1
Dan A. Moore
501 Pierce St. Ste. 300
P.O. Box 3207
Sioux City, IA 51102-3207

Grantors:

Scotland Building, L.L.C., an Iowa limited liability company

Grantees:

Scotland Building, L.L.C., an Iowa limited liability company

Legal Description: See Page 2

Document or instrument number if applicable: Roll 720 Image 3925-3977

**AMENDMENT NO. 1 TO THE DECLARATION OF
ESTABLISHMENT
OF A HORIZONTAL PROPERTY REGIME
(CONDOMINIUM)**

TO BE KNOWN AS

4TH & JACKSON CONDOMINIUMS

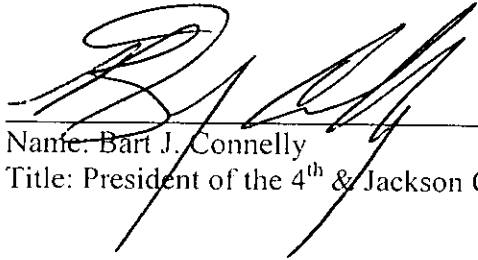
WHEREAS, Scotland Building, L.L.C., an Iowa limited liability company, hereinafter referred to as "Grantor", submitted real property and structure to a Horizontal Property Regime (Condominium) to be known as 4th & Jackson Condominiums to the provisions of Chapter 499B of the Code of Iowa, thereby establishing a plan for individual ownership of the area or space contained in each Unit in said Building and co-ownership of all of the remaining real property by the individuals as tenants in common.

WHEREAS, such Declaration of Establishment of a Horizontal Property Regime (Condominium) dated December 30, 2011 was filed for record on December 30, 2011 on Roll 720, Images 3925-3977 in the Office of the Auditor and Recorder of Woodbury County, Iowa.

WHEREAS, the following amendments revise the legal description of the property submitted to the Horizontal Property Regime and further amend the description of the common elements of the regime.

NOW, THEREFORE, pursuant to Article Sixteen of the Declaration of Establishment of a Horizontal Property Regime (Condominium), the following amendments have been adopted by resolution of 4th & Jackson Condominiums Association to replace and amend Exhibit "C", "Plans", a set of floor plans of the Building, showing the layout, location, unit numbers, and dimensions of the units; Exhibit "D", Land Surveyor's Certificate; and Exhibit "E" Unit Square Footage Shares of Common Expenses, Common Elements and Voting Rights; said Exhibits are attached and incorporated herein.

The President of the 4th & Jackson Condominiums Association hereby certifies that the 4th & Jackson Condominiums Association at a meeting of the Unit Owners as members of the Association, duly adopted these amendments to the Declaration of Establishment of a Horizontal Property Regime (Condominium) to Be Known As 4th & Jackson Condominiums pursuant to Article Sixteen of said Declaration on the 20th day of March, 2012.



Name: Bart J. Connelly

Title: President of the 4th & Jackson Condominiums Association

STATE OF IOWA, COUNTY OF WOODBURY

This instrument was acknowledged before me on APRIL 4, 2012, by Bart J. Connelly as President of 4th & Jackson Condominiums Association.





_____, Notary Public

EXHIBIT “C”

6th FLOOR

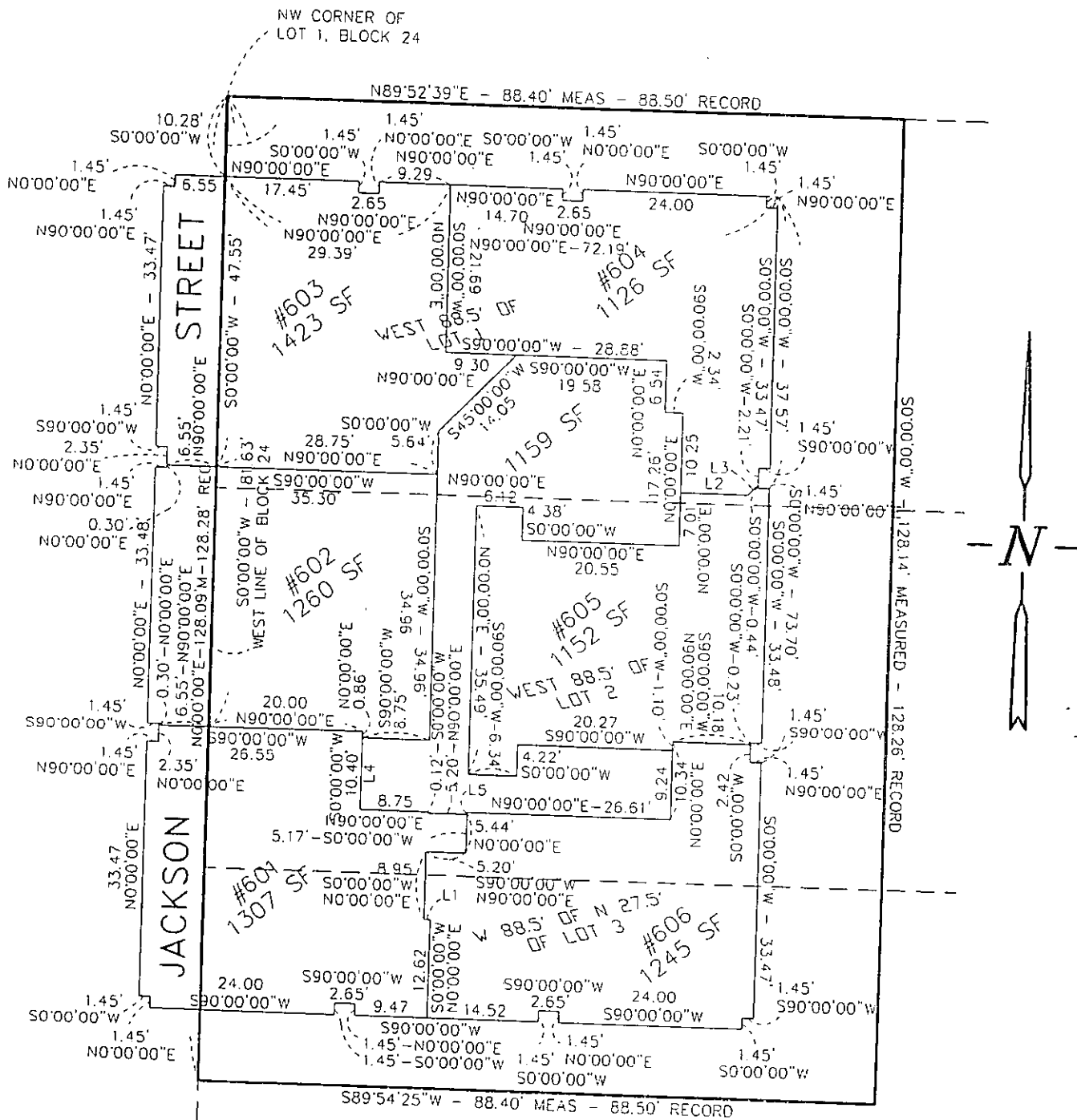
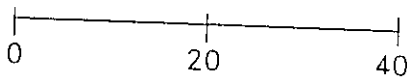
UNITS: 7513 SF
COMMON: 1159 SF
TOTAL: 8672 SF

LINE TABLE

L1:	0.82'	N90°00'00"E	S90°00'00"W
L2:	8.78'	N90°00'00"E	S90°00'00"W
L3:	1.90'	S45°00'00"W	N45°00'00"E
L4:	9.54'	N00°00'00"E	S00°00'00"W
L5:	0.27'	N00°00'00"E	S00°00'00"W

PLOT DATE: OCTOBER 21, 2011

SCALE: 1" = 20'



SURVEY #4709

5th FLOOR

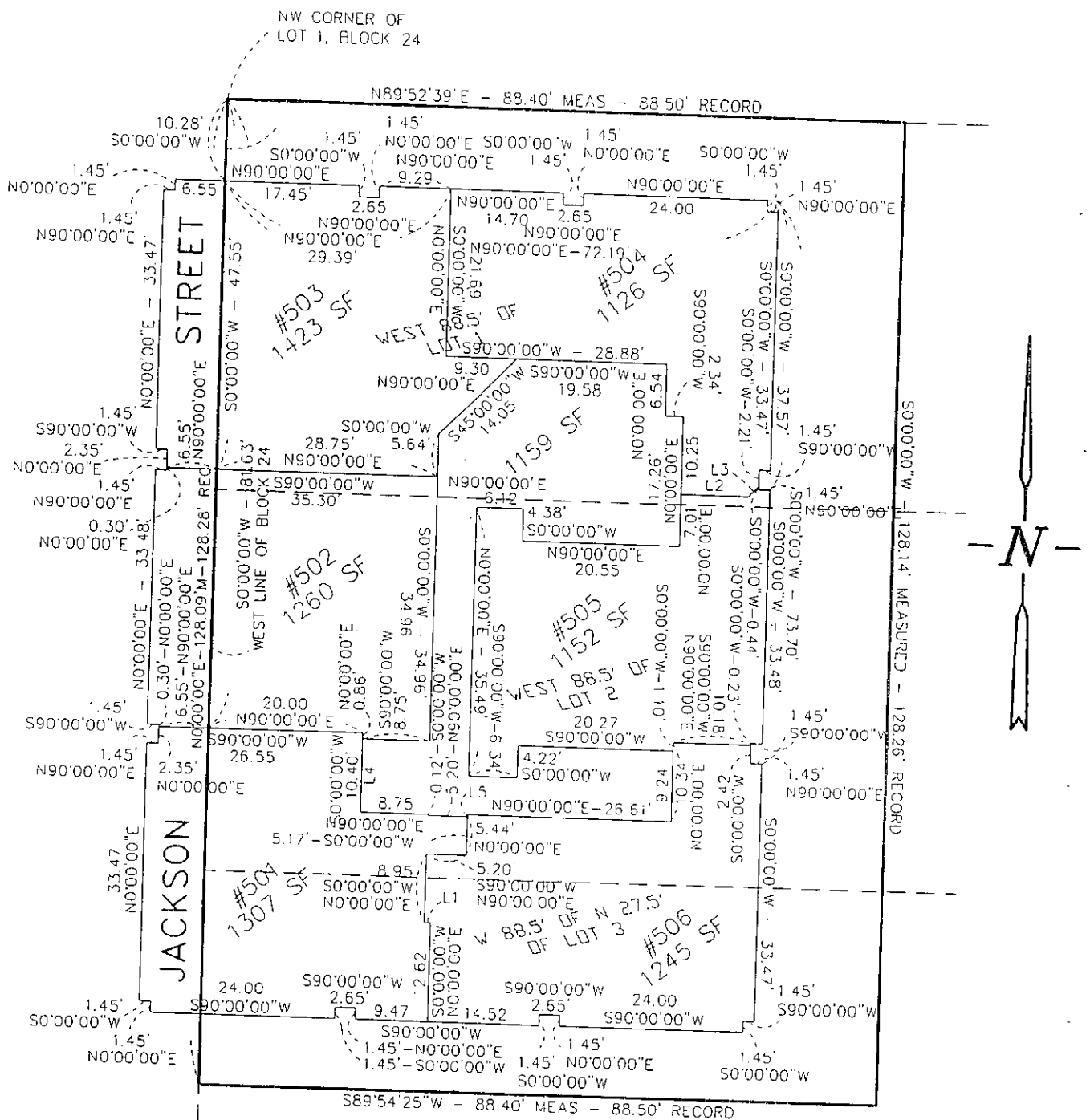
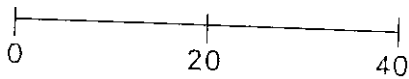
UNITS: 7513 SF
COMMON: 1159 SF
TOTAL: 8672 SF

LINE TABLE

L1:	0.82'	N90°00'00"E	S90°00'00"W
L2:	8.78'	N90°00'00"E	S90°00'00"W
L3:	1.90'	S45°00'00"W	N45°00'00"E
L4:	9.54'	N00°00'00"E	S00°00'00"W
L5:	0.27'	N00°00'00"E	S00°00'00"W

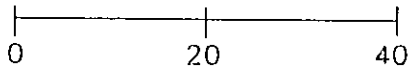
PLOT DATE: OCTOBER 21, 2011

SCALE: 1" = 20'



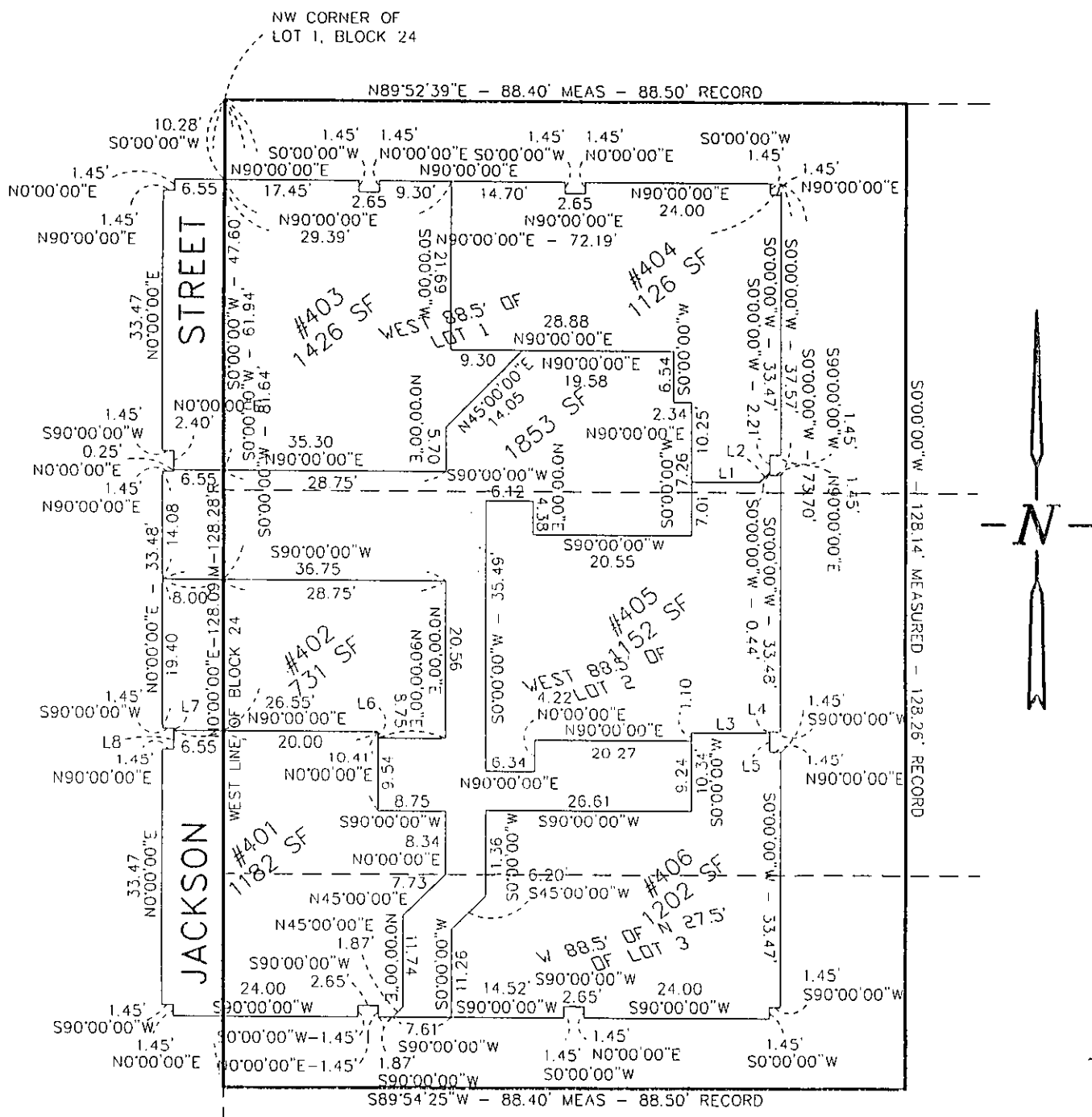
4th FLOOR
UNITS: 6819 SF
COMMON: 1853 SF
TOTAL: 8672 SF

PLOT DATE: JANUARY 27, 2012
SCALE: 1" = 20'



LINE TABLE

L1:	8.78'	N90°00'00"E	S90°00'00"W
L2:	1.90'	S45°00'00"W	N45°00'00"E
L3:	10.18'	N90°00'00"E	S90°00'00"W
L4:	0.23'	N00°00'00"E	S00°00'00"W
L5:	2.42'	N00°00'00"E	S00°00'00"W
L6:	0.87'	N00°00'00"E	S00°00'00"W
L7:	0.30'	N00°00'00"E	S00°00'00"W
L8:	2.35'	N00°00'00"E	S00°00'00"W



3rd FLOOR

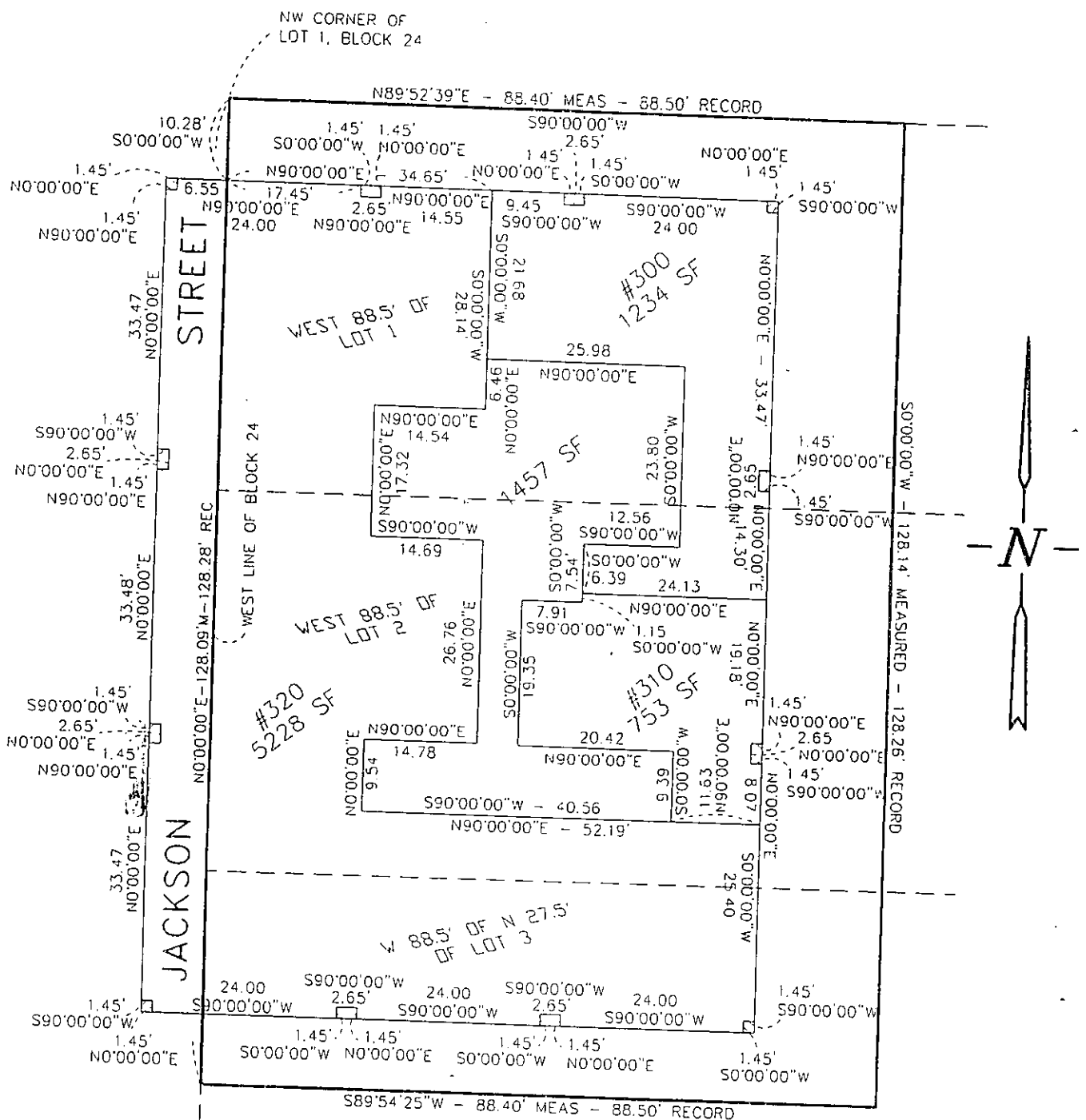
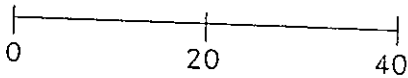
UNITS: 6819 SF
COMMON: 1853 SF
TOTAL: 8672 SF

NOTES

N0°00'00"E IS EQUIVALENT TO S0°00'00"W
N90°00'00"E IS EQUIVALENT TO S90°00'00"W

PLOT DATE: DECEMBER 7, 2011

SCALE: 1" = 20'



2nd FLOOR

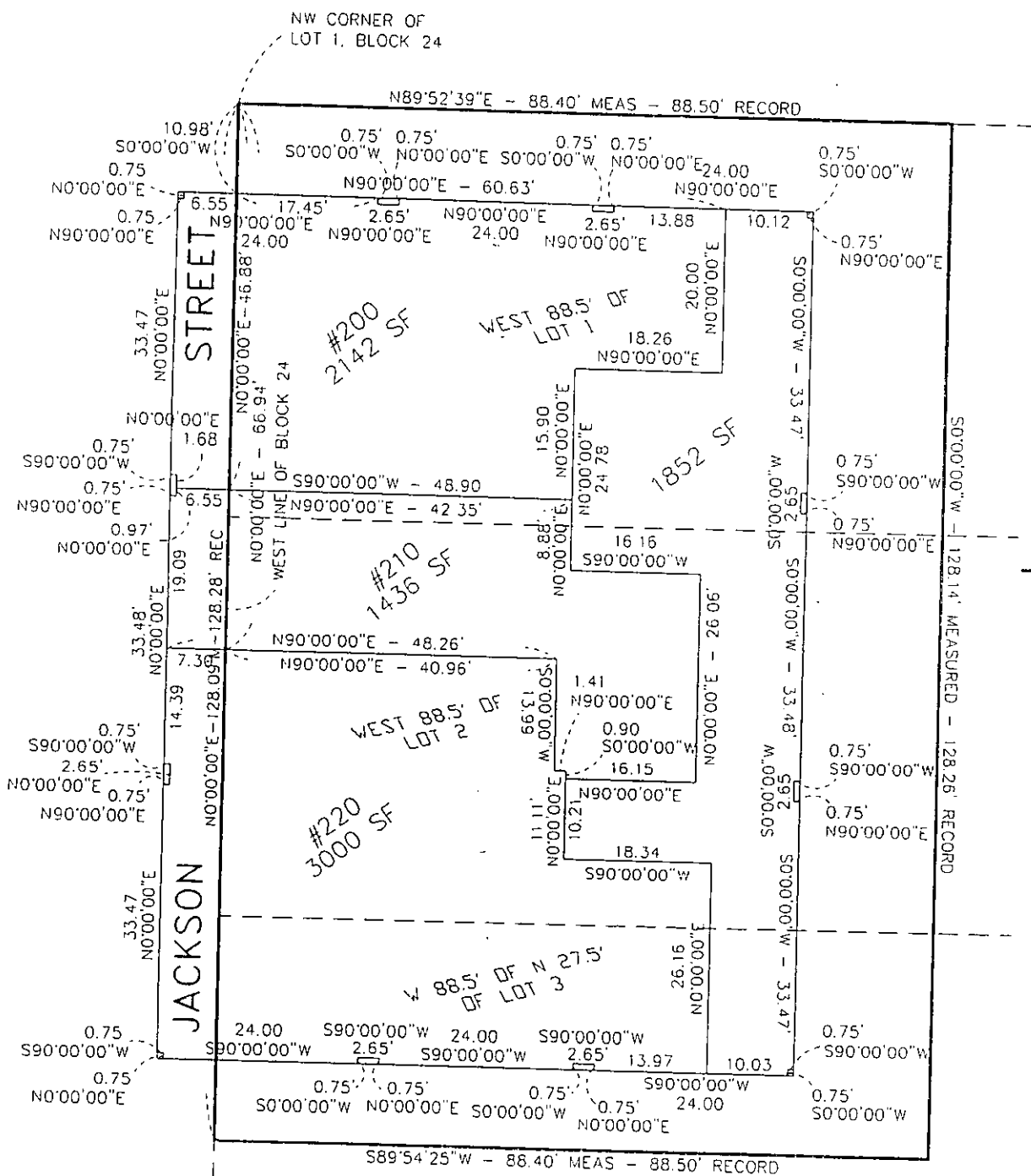
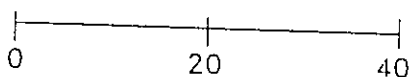
UNITS: 6578 SF
COMMON: 1852 SF
TOTAL: 8430 SF

NOTES

N0°00'00"E IS EQUIVALENT TO S0°00'00"W
N90°00'00"E IS EQUIVALENT TO S90°00'00"W

PLOT DATE: DECEMBER 14, 2011

SCALE: 1" = 20'



1st FLOOR

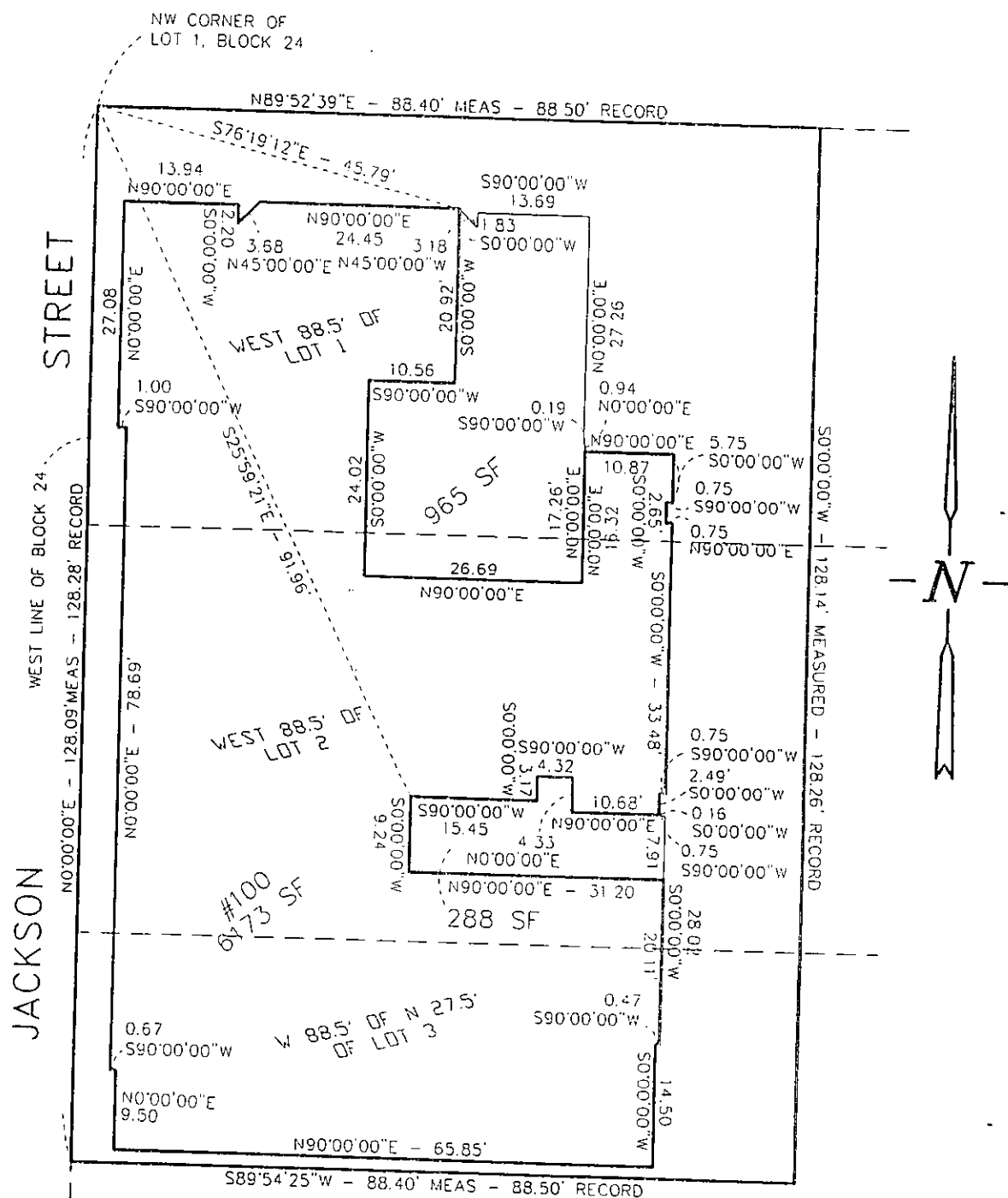
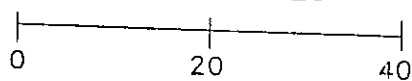
UNITS: 6173 SF
COMMON: 1253 SF
TOTAL: 7426 SF

NOTES

N0°00'00"E IS EQUIVALENT TO S0°00'00"W
N90°00'00"E IS EQUIVALENT TO S90°00'00"W

PLOT DATE: DECEMBER 16, 2011

SCALE: 1" = 20'



SURVEY #4709B

BASEMENT

LIMITED USE COMMON: 630 SF
COMMON: 2440 SF
TOTAL: 3070 SF

SCALE: 1" = 20'

NOTES

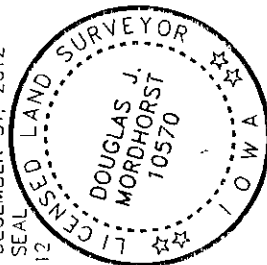
N0°00'00"E IS EQUIVALENT TO S0°00'00"W
N90°00'00"E IS EQUIVALENT TO S90°00'00"W

CERTIFICATION BLOCK

I HEREBY CERTIFY THAT THIS LAND SURVEYING DOCUMENT WAS PREPARED AND THE RELATED SURVEY WORK WAS PERFORMED BY ME OR UNDER MY DIRECT PERSONAL SUPERVISION AND THAT I AM A DULY LICENSED LAND SURVEYOR UNDER THE LAWS OF THE STATE OF IOWA.

Douglas J. Mordhorst
DOUGLAS J. MORDHORST
DATE 2/22/12

LICENSE NUMBER 10570
MY LICENSE RENEWAL DATE IS DECEMBER 31, 2012
THIS SHEET COVERED BY THIS SEAL
PLOT DATE: FEBRUARY 22, 2012



SURVEY OF THE WEST 88.5' OF LOTS 1 & 2 AND THE NORTH 27.5' OF THE WEST 88.5' OF LOT 3, BLOCK 24, SIOUX CITY EAST ADDITION, SIOUX CITY, WOODBURY COUNTY, IOWA

CONNELY, TIEHEN & SONS, INC., A SOUTH DAKOTA CORPORATION
SIOUX CITY, IOWA

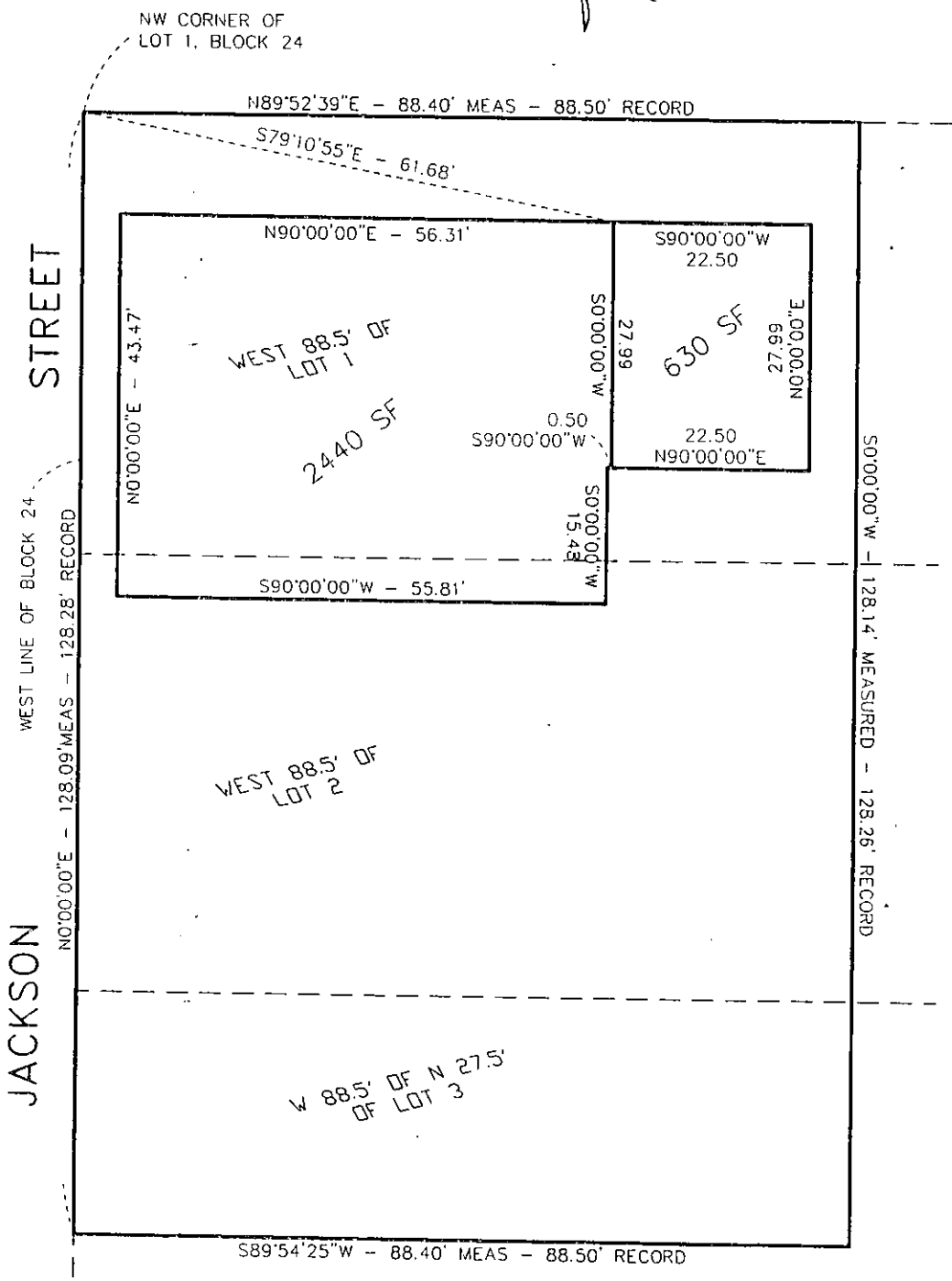
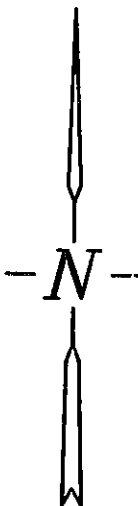


EXHIBIT “D”

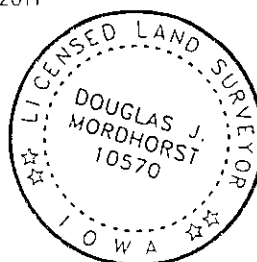
SURVEY OF THE WEST 88.5' OF LOTS 1 & 2 AND THE NORTH 27.5' OF
THE WEST 88.5' OF LOT 3, BLOCK 24, SIOUX CITY EAST ADDITION,
SIOUX CITY, WOODBURY COUNTY, IOWA

CONNELY, TIEHEN & SONS, INC, A SOUTH DAKOTA CORPORATION
SIOUX CITY, IOWA

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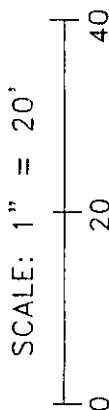
Douglas J. Mordhorst 12/16/11
DOUGLAS J. MORDHORST DATE
LICENSE NUMBER 10570
MY LICENSE RENEWAL DATE IS DECEMBER 31, 2012
7 SHEETS COVERED BY THIS SEAL
PLOT DATE: DECEMBER 16, 2011



SURVEY #4709B

BASEMENT

LIMITED USE COMMON: 630 SF
COMMON: 2440 SF
TOTAL: 3070 SF



NOTES

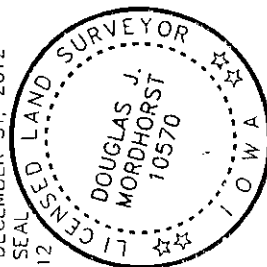
N0°00'00"E IS EQUIVALENT TO S0°00'00"W
N90°00'00"E IS EQUIVALENT TO S90°00'00"W

CERTIFICATION BLOCK

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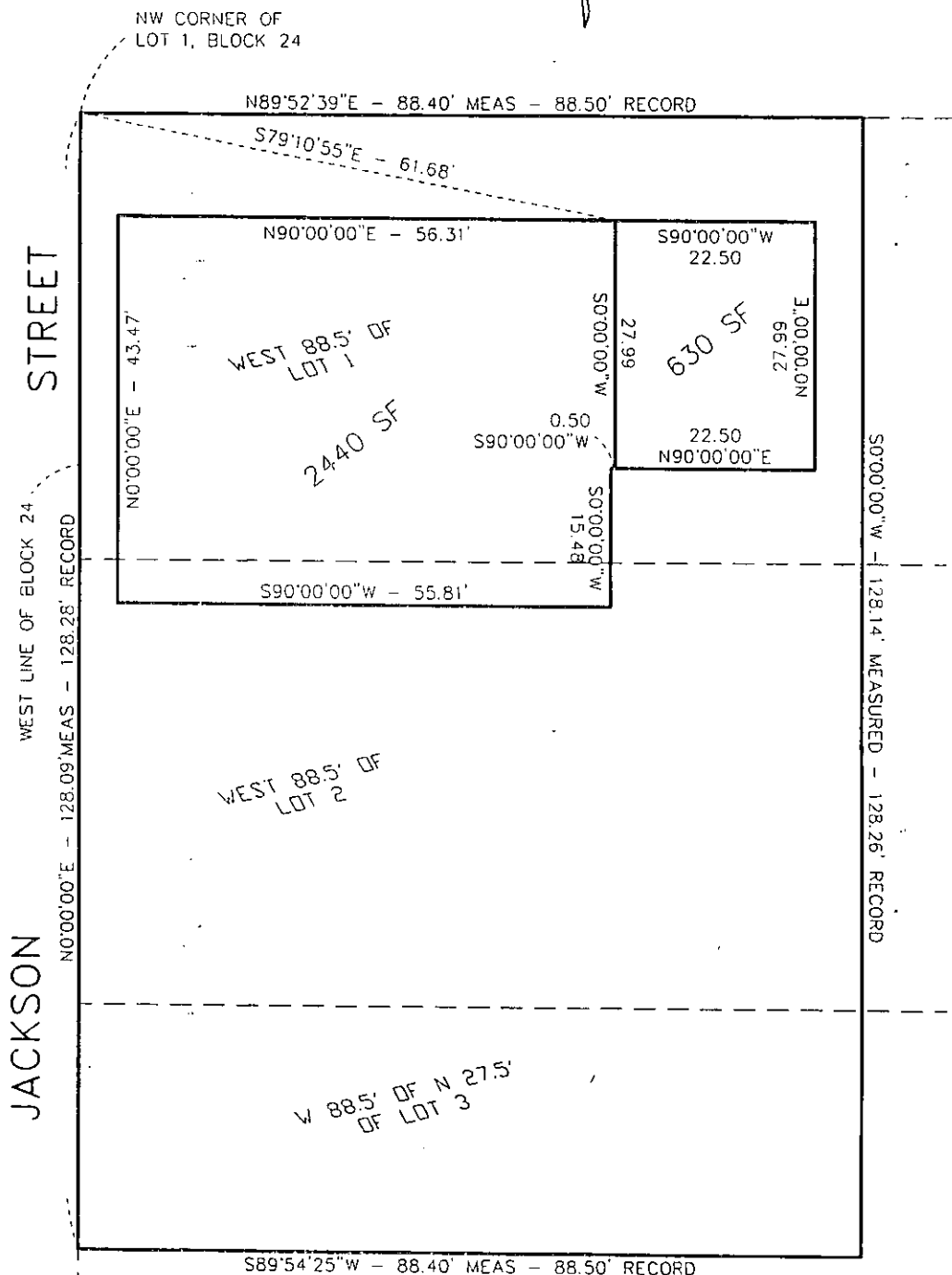
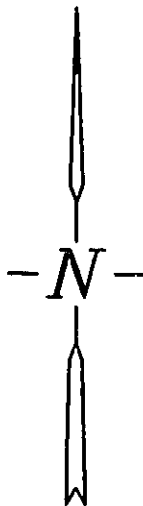
DOUGLAS J. MORDHORST
LICENSE NUMBER 10570
DATE 2/22/12

MY LICENSE RENEWAL DATE IS DECEMBER 31, 2012
THIS SHEET COVERED BY THIS SEAL
PLOT DATE: FEBRUARY 22, 2012



SURVEY OF THE WEST 88.5' OF LOTS 1 & 2 AND THE NORTH 27.5' OF THE WEST 88.5' OF LOT 3, BLOCK 24, SIOUX CITY EAST ADDITION, SIOUX CITY, WOODBURY COUNTY, IOWA

CONNELLY, TIEHEN & SONS, INC., A SOUTH DAKOTA CORPORATION
SIOUX CITY, IOWA



SURVEY OF THE WEST 88.5' OF LOTS 1 & 2 AND THE NORTH 27.5' OF
THE WEST 88.5' OF LOT 3, BLOCK 24, SIOUX CITY EAST ADDITION,
SIOUX CITY, WOODBURY COUNTY, IOWA

CONNELY, TIEHEN & SONS, INC, A SOUTH DAKOTA CORPORATION
SIOUX CITY, IOWA

CERTIFICATION BLOCK

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LAWS OF THE STATE OF IOWA.

Douglas J. Mordhorst 1/27/12
DOUGLAS J. MORDHORST DATE
LICENSE NUMBER 10570
MY LICENSE RENEWAL DATE IS DECEMBER 31, 2012
2 SHEETS COVERED BY THIS SEAL
PLOT DATE: JANUARY 27, 2012

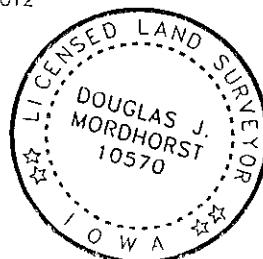


EXHIBIT “E”

AMENDED EXHIBIT "E": UNIT SQUARE FOOTAGE SHARES OF COMMON EXPENSES, COMMON ELEMENTS and VOTING RIGHTS

4th & JACKSON CONDOMINIUMS

BASEMENT		SQ. FEET	% OF SQ. FOOTAGE	% OF COMMON EXPENSES	% OF COMMON ELEMENTS	VOTES	PROPERTY TAX PERCENTAGE
	BASEMENT						
	Common Area	2,440	4.55%	0.00%	0.00%	0	0.00%
	Common Area	630	1.12%	0.00%	0.00%	0	0.00%
TOTAL BASEMENT		3,070	5.67%	0.00%	0.00%	0	0.00%
COMMERCIAL (1ST, 2ND & 3RD)							
	1ST FLOOR						
		100	11.51%	14.76%	14.76%	6	10.29%
	Common Area	1,253	2.34%				0.00%
TOTAL 1 ST FLOOR		7,426	13.85%	14.76%	14.76%	6	10.29%
	2ND FLOOR						
		200	4.00%	5.12%	5.12%	2	3.56%
		210	2.68%	3.43%	3.43%	1	2.40%
		220	5.60%	7.18%	7.18%	3	5.00%
	Common Area	1,852	3.40%				0.00%
TOTAL 2ND FLOOR		8,430	15.68%	15.7%	15.7%	6	10.96%
	3RD FLOOR						
		300	2.30%	2.95%	2.95%	1	2.06%
		310	1.40%	1.80%	1.80%	1	1.27%
		320	9.75%	12.50%	12.50%	5	8.72%
	Common Area	1,457	2.72%				0.00%
TOTAL 3RD FLOOR		8,672	16.17%	17.25%	17.25%	7	12.05%
TOTAL COMMERCIAL		24,528	45.70%	47.74%	47.74%	19	33.3%

AMENDED EXHIBIT "E": UNIT SQUARE FOOTAGE SHARES OF COMMON EXPENSES, COMMON ELEMENTS and VOTING RIGHTS

4th & JACKSON CONDOMINIUMS

RESIDENTIAL (4TH, 5TH & 6TH)	UNIT	SQ. FEET	% OF SQ. FOOTAGE	% OF COMMON EXPENSES	% OF COMMON ELEMENTS	VOTES	PROPERTY TAX PERCENTAGE
	4TH FLOOR						
	401	1,182	2.20%	Flat Fee	2.80%	1	3.22%
	402	731	1.36%	Flat Fee	1.70%	1	2.00%
	403	1,426	2.66%	Flat Fee	3.40%	1	3.89%
	404	1,126	2.10%	Flat Fee	2.70%	1	3.07%
	405	1,152	2.15%	Flat Fee	2.80%	1	3.14%
	406	1,202	2.24%	Flat Fee	2.90%	1	3.28%
	Common Area	1,853	3.50%				0.00%
TOTAL 4TH FLOOR (Residential)		8,672	16.21%		16.30%	6	18.60%
	5TH FLOOR						
	501	1,307	2.44%	Flat Fee	3.10%	1	3.93%
	502	1,260	2.35%	Flat Fee	3.00%	1	3.80%
	503	1,423	2.65%	Flat Fee	3.40%	1	4.27%
	504	1,126	2.10%	Flat Fee	2.70%	1	3.39%
	505	1,152	2.15%	Flat Fee	2.80%	1	3.46%
	506	1,245	2.32%	Flat Fee	2.98%	1	3.75%
	Common Area	1,159	2.20%				0.00%
TOTAL 5TH FLOOR (Residential)		8,672	16.21%		17.98%	6	22.60%
	6TH FLOOR						
	601	1,307	2.44%	Flat Fee	3.10%	1	4.44%
	602	1,260	2.35%	Flat Fee	3.00%	1	4.28%
	603	1,423	2.65%	Flat Fee	3.40%	1	4.82%
	604	1,126	2.10%	Flat Fee	2.70%	1	3.83%
	605	1,152	2.15%	Flat Fee	2.80%	1	3.90%
	606	1,245	2.32%	Flat Fee	2.98%	1	4.23%
	Common Area	1,159	2.20%				0.00%
TOTAL 6TH FLOOR (Residential)		8,672	16.21%		17.98%	6	25.50%
TOTAL RESIDENTIAL		26,016	48.63%		52.26%	18	66.7%
TOTAL SQ. FOOTAGE LESS COMMON AREA		41,811					
OVERALL BLDG. TOTALS		53,614	100.00%		100.00%	37	100.0%

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PATRICK F GILL, AUDITOR AND RECORDER
WOODBURY COUNTY IOWA

**AMENDMENT NO. 2 TO THE DECLARATION OF ESTABLISHMENT OF A
HORIZONTAL PROPERTY REGIME (CONDOMINIUM)
TO BE KNOWN AS 4TH & JACKSON CONDOMINIUMS**

Recorder's Cover Sheet

Preparer Information:

Dan A. Moore
501 Pierce St. Ste. 300
P.O. Box 3207
Sioux City, IA 51102-3207
(712) 252-0020

Taxpayer Information:

Scotland Building, L.L.C.
345 Steamboat Drive
P.O. Box 1268
Dakota Dunes, SD 57049

Return Address

Dan A. Moore
501 Pierce St. Ste. 300
P.O. Box 3207
Sioux City, IA 51102-3207

Grantors:

Scotland Building, L.L.C., an Iowa limited liability company

Grantees:

Scotland Building, L.L.C., an Iowa limited liability company

Legal Description: See Page 2

Document or instrument number if applicable: Roll 720 Image 3925-3977

**AMENDMENT NO. 2 TO THE DECLARATION OF
ESTABLISHMENT
OF A HORIZONTAL PROPERTY REGIME
(CONDOMINIUM)**

TO BE KNOWN AS

4TH & JACKSON CONDOMINIUMS

Re:

The West Eighty-eight and five-tenths (88.5) Feet of Lots One (1) and Two (2) in Block Twenty-four (24), Sioux City East Addition, in the County of Woodbury and State of Iowa; and

The North Twenty-seven and five-tenths (27.5) Feet of the West Eighty-eight and five-tenths (88.5) feet of Lot Three (3) in Block Twenty-four (24), Sioux City East Addition, in the County of Woodbury and State of Iowa.

Together with and subject to any and all easements which may have been granted in the certain Deed of Conveyance of Easements between the City of Sioux City, Iowa and the Woodbury Plaza Associates, an Iowa Limited Partnership dated the 25th day of June, 1973, which deed affects the above-described property and other property more particularly described in said deed as Parcel One, including, but not limited to rights of Support, Air Space, and Access, and an Easement for Pedestrian and Vehicular Travel.

WHEREAS, Scotland Building, L.L.C., an Iowa limited liability company, hereinafter referred to as "Grantor", submitted real property and structure to a Horizontal Property Regime (Condominium) to be known as 4th & Jackson Condominiums to the provisions of Chapter 499B of the Code of Iowa, thereby establishing a plan for individual ownership of the area or space contained in each Unit in said Building and co-ownership of all of the remaining real property by the individuals as tenants in common.

WHEREAS, such Declaration of Establishment of a Horizontal Property Regime (Condominium) dated December 30, 2011 was filed for record on December 30, 2011 on Roll 720, Images 3925-3977 in the Office of the Auditor and Recorder of Woodbury County, Iowa and as first amended by Amendment No. 1 to the Declaration of Establishment of a Horizontal Property Regime (Condominium) dated April 4, 2012 and filed for record on April 5, 2012 on Roll 721, Images 12839-12856.

WHEREAS, the following amendments address the rules for assignment of the use of storage units located in the subground level of the building (Basement) and for the withholding of funds and calculation of a Closing Common Expense assessment at closing of the sale or transfer of a Unit.

NOW, THEREFORE, the following amendments have been adopted by resolution of 4th & Jackson Condominiums Association to replace Article Six and Exhibit "F": Table of Common Elements and Classification of Limitation on Rights to Use the Same, addressing the establishment of rules for the assignment and use of storage units.

ARTICLE SIX: COMMON ELEMENTS

A. Definition: Common Elements are as defined in Article Two. The Common Elements of this Condominium Regime shall be owned by all Unit Owners as tenants in common to include:

1. The land on which the Building is erected.
2. The foundations, floors, exterior walls of each Unit and of the Building, ceilings and roofs, and entrances and exits or communication ways, and in general all devices or installations existing for common use, except as limited in Article Seven.
3. Installations for public utilities, including electric, cable TV, internet access lines, gas and cold water for common use.
4. Restrooms, lobbies and corridors located in the public area of the sub-ground level, first, second, third, fourth, fifth and sixth floors.
5. The stairways and stairwells extending from the sub-ground floor to the sixth floor.
6. All exterior landscaping surrounding the Building.
7. The two passenger elevators extending from the sub-ground floor through the sixth floor including the elevator shaft.
8. The fitness center on the fourth floor.
9. Subground basement storage units are delineated as Common Elements of the Building areas but may be assigned for use at no charge to Unit Owners by the Association under rules adopted by the Board of Directors and as may be modified by the Board of Directors from time to time.

10. Exhibit "F" attached hereto delineates certain Common Elements of the Building areas which are limited to certain designated Units and the Unit Owners and invitees thereof.

AND NOW, THEREFORE, the following amendment has been adopted by resolution of 4th & Jackson Condominiums Association to replace Article Eleven: Conveyances permitting the Board of Directors to adopt rules for the holdback of closing funds with respect to the requirement that prior to any conveyance by sale of a Unit or Units that certain funds be withheld from the selling Unit Owner.

ARTICLE ELEVEN: CONVEYANCES

The selling or leasing of Units shall be subject to the following provisions until this Declaration is terminated in accordance with provisions elsewhere contained in this Declaration, or until the Building is no longer tenantable, whichever first occurs:

A. Sale or Lease: No Unit Owner may dispose of a Unit or any interest in a Unit by sale or lease without written approval of the Board of Directors, except as elsewhere provided in this Declaration, which approval of the Association shall be obtained in the manner provided below.

1. Notice to Association: A Unit Owner intending to make a sale or lease of a Unit or any interest in the Unit shall give written notice to the Association of such intention, together with the name and address of the intended purchaser or lessee, such other information as the Association reasonably may require and the terms of the proposed transaction. The giving of such notice shall constitute a warranty and representations by the Unit Owner to the Association and any purchaser or lessee produced by the Association as provided below in this Declaration, that the Unit Owner believes the proposal to be bona fide in all respects.

2. Election of Association. Within ten (10) days after receipt of such notice, the Board of Directors of the Association shall either approve the transaction with the proposed buyer or lessee or furnish a purchaser or lessee approved by the Association (and give notice to the person desiring to sell or lease a Unit) who will accept the transaction upon terms as favorable to the seller as the terms stated in the notice, except that a purchaser or lessee furnished by the Association may have not less than ten (10) days subsequent to the date of approval within which to close the transaction, and except that the approval of a corporation may be conditioned as elsewhere stated. The approval of the Board of Directors of the Association shall be in recordable form, signed by any officer of the Board, and shall be delivered to the purchaser or lessee. The failure of the Association to act within such ten (10)-day period shall be deemed to constitute approval, following which the Association nevertheless shall prepare and deliver written approval in recordable form. The Unit Owner giving such notice shall be bound to consummate the transactions with such purchaser or lessee as may be approved and furnished by the Association. The right of election shall not be exercised so as to restrict alienation, conveyance, sale, leasing, purchase, ownership, and occupancy of Units because of race,

creed, color, national origin, sex, mental or physical disability, familial status, gender identity, or sexual orientation.

B. Common Expenses Holdback: The Board of Directors of the Association may adopt rules for the holdback and escrow of funds from closing on the sale of any Unit to establish a Closing Common Expense Assessment due from the selling Unit Owner. The amount of withheld and escrowed funds at closing on the sale of a Unit by a Unit Owner shall be based upon a portion of the then current annual assessment of Common Expenses determined pursuant to Article Fifteen and as stated in Exhibit "E". The Closing Common Expense Assessment shall equal the selling Unit Owner's share of total Common Expenses to date of the closing, as may be adjusted to reflect then current management, maintenance, and operating costs. Any additional amount due from selling Unit Owner, if any, shall be deducted from the escrowed funds. The balance of escrowed funds, if any, shall be returned to selling Unit Owner within 45 days following closing. The purchasing Unit Owner shall be responsible for his/her/its share of Common Expenses, as may be adjusted from time to time, after the date of closing.

C. Revision in Commercial Units: The Unit Owner of the commercial units may revise their size and create new Units; however, any change in the square footage size of the Units shall not alter the total percentage of such altered Units ownership in the regime. The percentage of expense obligations and the voting rights of said modified or subunits shall be proportionately adjusted so as to total the same percentages or rights as the original Unit which has been divided or altered. In the event of an alteration as permitted by this paragraph, a supplement to the Condominium Declaration reflecting said revisions shall be filed. All costs for doing same shall be paid by the Unit Owner.

ARTICLE FIFTEEN: ASSESSMENTS

Assessments against the Unit Owners shall be made or approved by the Board of Directors of the Association and paid by the Unit Owners to the Association in accordance with the following provisions:

A. Share of Common Expenses: Each Unit Owner shall be liable for Unit Owner's share of the Common Expenses, and any Common Surplus shall be owned by each Unit Owner in a like share, according to the assessment amount to be calculated by the Association on an annual basis, and as may be calculated and assessed from time to time under rules adopted by the Board of Directors of the Association pursuant to Article Eleven, Paragraph B when any Unit is sold. The assessment per Unit for the Common Expenses will be based on the percentages as stated in Exhibit "E". A commercial Unit's percentage will be equal to the Unit's percentage share of total square footage less the Common Area square footage of the Building. The residential Units will initially each be assessed two hundred fifteen dollars (\$215.00) per month, subject to increases as reflected from time to time in the total annual Common Expenses budget. The Common Surplus will be deposited into a capital repair account to be used for unforeseen repairs to any of the Common Elements.

B. [Reserved.]

C. Assessments other than Common Expenses: Any Assessments, the authority to levy which is granted to the Association or its Board of Directors by the Condominium Documents, shall be paid by the Unit Owners to the Association in the proportions set forth in the provision of the Condominium Documents authorizing the Assessment.

D. Assessments for Common Expenses: Assessments for Common Expenses shall be made following the annual meeting of the Members of the Association and will take effect the 1st day of the month following the meeting and at such other and additional times (including at the time of the sale of a Unit) as in the judgment of the Board of Directors additional Common Expenses Assessments are required for the proper management, maintenance, and operation of the Common Elements. Such assessments shall be due and payable from the respective Unit Owner or Unit Owners in twelve (12) equal installments, each installment being due and payable the first day of each calendar month, within such fiscal year. In the event the annual assessment proves to be insufficient, the budget and assessments, therefore, may be amended at any time by the Board of Directors. Such amended budget may be adopted at a special directors' meeting upon an affirmative majority vote of the directors. The additional amount so budgeted shall be assessed to each Unit in the same manner as assessments for the annual budget and shall be prorated among the remaining installments due and payable in such year. In the case of a sale of a Unit, an allocated and prorated amount may be assessed to the selling Unit Owner and withheld from the sale proceeds as a Closing Common Expense Assessment pursuant to Article Eleven, Paragraph B. The total of the Assessments shall be in the amount of the estimated Common Expenses for the year including a reasonable allowance for contingencies and reserves less the amounts of unneeded Common Expense Account balances and less the estimated payments to the Association for defraying the costs of the use of Common Elements. If an annual Assessment is not made as required, a payment in the amount required by the last prior Assessment shall be due upon each Assessment payment date until changed by a new Assessment.

E. [Reserved.]

F. Other Assessments: Other Assessments shall be made in accordance with the provisions of the Condominium Documents and if the time of payment is not set forth in the Condominium Documents, the same shall be determined by the Board of Directors of the Association.

G. Assessments for Emergencies: Assessments for Common Expenses of emergencies which cannot be paid from the Common Expense Account shall be made only by the Board of Directors of the Association.

H. Assessments for Liens: All liens of any nature including taxes and special assessments levied by governmental authority which are a lien upon any portion of the Common Elements, shall be paid by the Association as a Common Expense and shall be charged to the Common Expense Account.

I. Assessment Roll: The Assessments against all Unit Owners shall be set forth upon a roll of the Units which shall be available in the Office of the Association for inspection at all reasonable times by the Unit Owners or their authorized representatives. Such roll shall indicate for each Unit the name and address of the Unit Owner or Unit Owners, the Assessments for all purposes, and the amounts of all Assessments paid and unpaid. A certificate made by the Association as to the status of a Unit Owner's Assessment account shall limit the liability of any person for whom made other than the Unit Owner when recorded in the Woodbury County, Iowa Auditor and Recorder's Office. The Association shall issue such certificates in recordable form to such persons as a Unit Owner shall request in writing.

J. Liability for Assessments: The Unit Owner and his, her or its grantees shall be jointly and severally liable for all unpaid Assessments due and payable at the time of a conveyance but without prejudice to the rights of the grantee to recover from the grantor the amounts paid by the grantee for the same. Such liability may not be avoided by a waiver of the use or enjoyment of any Common Element or by abandonment of the Unit for which the Assessments are made. A purchaser of a Unit at a judicial or foreclosure sale or a first mortgagee who accepts a deed in lieu of foreclosure shall be liable only for Assessments coming due after such sale and for that portion of due Assessments prorated to the period after the date of such sale. Such a purchaser shall be entitled to the benefit of all pre-paid Assessments paid beyond the date such purchaser acquired title.

K. Lien for Assessments: The unpaid portion of an Assessment which is due shall be secured by a lien upon the Unit and all appurtenances to the Unit and shall be enforced in the manner provided in Iowa Code Section 499B.17. Such lien shall have priority over all other liens, except municipal liens and first mortgages of record held by a bank or insurance company, as to such portion of the common expenses as became due within six months prior to the commencement of an action to enforce such lien pursuant to Iowa Code Section 499B.17. Such a claim of lien shall also secure all Assessments which come due subsequently until the claim of lien is satisfied.

L. Application:

1. Interest; Application of Payments. Assessments and installments of Assessments paid on or before ten (10) days after the date when due shall not bear interest but all sums not paid on or before ten (10) days after the date when due shall bear interest at the rate of 18% or the maximum allowable by law per year from the date when due until paid. All payments upon account shall be applied first to interest and then to the Assessment payment first due. All interest collected shall be credited to the Common Expense Account.

2. Suit. The Association at its option may enforce collection of delinquent Assessments by suit at law or by foreclosure of the liens securing the Assessments or by any other competent proceeding and in any event, the Association shall be entitled to recover in the same action, suit, or proceeding the payments which are delinquent at the

time of judgment or decree together with interest at the rate of 18% or the maximum allowable by law per year, and all costs incident to the collection and the action, suit or proceedings, including, but not limited to, reasonable attorneys' fees.

The President of the 4th & Jackson Condominiums Association hereby certifies that the 4th & Jackson Condominiums Association at a meeting of the Unit Owners as members of the Association, duly adopted these amendments to the Declaration of Establishment of a Horizontal Property Regime (Condominium) to Be Known As 4th & Jackson Condominiums pursuant to Article Sixteen of said Declaration on the 21st day of October, 2016.

Dated this 21st day of October, 2016.




Name: James B. France

Title: President of the 4th & Jackson Condominiums Association

STATE OF IOWA, COUNTY OF WOODBURY

This instrument was acknowledged before me on Oct. 21, 2016 ~~2016~~ by James B. France as President of 4th & Jackson Condominiums Association.


10-21-16, Notary Public

