

AMENDMENTS TO LB1155

(Amendments to Standing Committee amendments, AM2482)

Introduced by Lindstrom, 18.

1 1. Insert the following new amendments:

2 1. Insert the following new sections:

3 Sec. 10. Section 25-223, Reissue Revised Statutes of Nebraska, is  
4 amended to read:

5 25-223 (1) Any action to recover damages based on any alleged  
6 breach of warranty on improvements to real property or based on any  
7 alleged deficiency in the design, planning, supervision, or observation  
8 of construction, or construction of an improvement to real property,  
9 except improvements to real property subject to the Nebraska Condominium  
10 Act, shall be commenced within four years after any alleged act or  
11 omission constituting such breach of warranty or deficiency. If such  
12 cause of action is not discovered and could not be reasonably discovered  
13 within such four-year period, or within one year preceding the expiration  
14 of such four-year period, then the cause of action may be commenced  
15 within two years from the date of such discovery or from the date of  
16 discovery of facts which would reasonably lead to such discovery,  
17 whichever is earlier. In no event may any action be commenced to recover  
18 damages for an alleged breach of warranty on improvements to real  
19 property or deficiency in the design, planning, supervision, or  
20 observation of construction, or construction of an improvement to real  
21 property more than ten years beyond the time of the act giving rise to  
22 the cause of action.

23 (2)(a) Any action to recover damages based on any alleged breach of  
24 warranty on improvements to real property or based on any alleged  
25 deficiency in the design, planning, supervision, or observation of  
26 construction, or construction of an improvement to real property that is

1 a condominium or part of a condominium project subject to the Nebraska  
2 Condominium Act shall be commenced within two years after any alleged act  
3 or omission constituting such breach of warranty or deficiency. If such  
4 cause of action is not discovered and could not be reasonably discovered  
5 within such two-year period, or within one year preceding the expiration  
6 of such two-year period, then the cause of action may be commenced within  
7 one year from the date of such discovery or from the date of discovery of  
8 facts which would reasonably lead to such discovery, whichever is  
9 earlier. In no event may any action be commenced to recover damages for  
10 an alleged breach of warranty on improvements to real property or  
11 deficiency in the design, planning, supervision, or observation of  
12 construction, or construction of an improvement to real property more  
13 than five years beyond the time of the act giving rise to the cause of  
14 action.

15 (b) Any action brought under this section shall also comply with  
16 section 76-890.

17 Sec. 11. Section 76-842, Reissue Revised Statutes of Nebraska, is  
18 amended to read:

19 76-842 (a) The declaration for a condominium must contain:

20 (1) the name of the condominium, which must include the word  
21 condominium or be followed by the words a condominium, and the name of  
22 the association;

23 (2) the name of every county in which any part of the condominium is  
24 situated;

25 (3) a legally sufficient description of the real estate included in  
26 the condominium;

27 (4) a statement of the anticipated number of units which the  
28 declarant reserves the right to create, subject to an amendment of the  
29 declaration to add more units pursuant to the Nebraska Condominium Act;

30 (5) a description of the boundaries of each unit created by the  
31 declaration, including the unit's identifying number;

1 (6) a description of any limited common elements, other than those  
2 specified in subdivision (b)(8) of section 76-846;

3 (7) a general description of any development rights and other  
4 special declarant rights defined in subdivision subsection (23) of  
5 section 76-827 reserved by the declarant;

6 (8) an allocation to each unit of the allocated interests in the  
7 manner described in section 76-844;

8 (9) any restrictions on use, occupancy, and alienation of the units;  
9 and

10 (10) for a condominium project with more than fifteen units,  
11 exclusive of common area, a plan prepared by a licensed engineer or  
12 architect for the preventive maintenance of the condominium and all  
13 common elements therein, including, but not limited to, depreciation  
14 studies and reserve analyses, an annually updated five-year capital plan,  
15 and minimum financial reserves based on the reserve analyses; and

16 (11) (10) all matters required by sections 76-843 to 76-846, 76-852,  
17 and 76-853, and subsection (d) of section 76-861.

18 (b) Except as otherwise provided in section 76-856, the declaration  
19 may contain any other matters the declarant deems appropriate.

20 Sec. 12. Section 76-844, Reissue Revised Statutes of Nebraska, is  
21 amended to read:

22 76-844 (a) The declaration shall allocate a fraction or percentage  
23 of undivided interests in the common elements and in the common expenses  
24 of the association, and a portion of the votes in the association, to  
25 each unit and state the formulas used to establish those allocations.  
26 ~~Those allocations may not discriminate in favor of units owned by the~~  
27 ~~declarant.~~

28 (b) If units may be added to or withdrawn from the condominium, the  
29 declaration must state the formulas to be used to reallocate the  
30 allocated interests among all units included in the condominium after the  
31 addition or withdrawal.

1 (c) The declaration may provide: (i) that different allocations of  
2 votes shall be made to the units on particular matters specified in the  
3 declaration; (ii) for cumulative voting only for the purpose of electing  
4 members of the executive board; and (iii) for class voting on specified  
5 issues affecting the class if necessary to protect valid interests of the  
6 class. A declarant may not utilize cumulative or class voting for the  
7 purpose of evading any limitation imposed on declarants by the Nebraska  
8 Condominium Act sections ~~76-825 to 76-894~~, nor may units constitute a  
9 class because they are owned by a declarant.

10 (d) Except for minor variations due to rounding, the sum of the  
11 undivided interests in the common elements and common expense liabilities  
12 allocated at any time to all the units must equal one if stated as  
13 fractions or one hundred percent if stated as percentages. In the event  
14 of discrepancy between an allocated interest and the result derived from  
15 application of the pertinent formula, the allocated interest prevails.

16 (e) The common elements are not subject to partition, and any  
17 purported conveyance, encumbrance, judicial sale, or other voluntary or  
18 involuntary transfer of an undivided interest in the common elements made  
19 without the unit to which that interest is allocated, is void.

20 Sec. 13. Section 76-854, Reissue Revised Statutes of Nebraska, is  
21 amended to read:

22 76-854 (a) Except in cases of amendments that may be executed by (1)  
23 a declarant under subsection (f) of section 76-846 or under section  
24 76-847, (2) the association under section 76-831 or 76-850, subsection  
25 (d) of section 76-843, subsection (c) of section 76-845, or subsection  
26 (a) of section 76-849, or (3) certain unit owners under subsection (b) of  
27 section 76-845, subsection (a) of section 76-849, subsection (b) of  
28 section 76-850, or subsection (b) of section 76-855, and except as  
29 limited by subsection (d) of this section, the declaration, including the  
30 plats and plans, may be amended only by vote or agreement of unit owners  
31 of units to which at least sixty-seven percent of the votes in the

1 association are allocated or any larger majority the declaration  
2 specifies up to eighty percent of the votes in the association exclusive  
3 of the declarant. The declaration may specify a smaller number only if  
4 all of the units are restricted exclusively to nonresidential use.

5 (b) No action to challenge the validity of an amendment adopted by  
6 the association pursuant to this section may be brought more than one  
7 year after the amendment is recorded.

8 (c) Every amendment to the declaration must be recorded in every  
9 county in which any portion of the condominium is located and is  
10 effective only upon recordation.

11 (d) Except to the extent expressly permitted or required by other  
12 provisions of the Nebraska Condominium Act, no amendment may create or  
13 increase special declarant rights, increase the number of units, or  
14 change the boundaries of any unit, the allocated interests of a unit, or  
15 the uses to which any unit is restricted in the absence of the unanimous  
16 consent of the unit owners. In addition, no amendment may change the  
17 boundaries of any unit, increase the allocated interests of any unit, or  
18 change the uses to which any unit is restricted, without the consent of  
19 the owner of the unit.

20 (e) Amendments to the declaration required by the act to be recorded  
21 by the association shall be prepared, executed, recorded, and certified  
22 on behalf of the association by any officer of the association designated  
23 for that purpose or, in the absence of designation, by the president of  
24 the association.

25 Sec. 14. Section 76-857, Reissue Revised Statutes of Nebraska, is  
26 amended to read:

27 76-857 (a) If the declaration for a condominium provides that any of  
28 the powers described in section 76-860 are to be exercised by or may be  
29 delegated to a profit or nonprofit corporation, or unincorporated  
30 association, which exercises those or other powers on behalf of one or  
31 more condominiums or for the benefit of the unit owners of one or more

1 condominiums, all provisions of the Nebraska Condominium Act sections  
2 ~~76-825 to 76-894~~ applicable to unit owners associations apply to any such  
3 corporation or unincorporated association, except as modified by this  
4 section. However, in no case shall the declaration provide that the power  
5 to institute or intervene as a plaintiff in litigation or administrative  
6 proceedings, other than litigation or administrative proceedings to  
7 enforce covenants, bylaws, or rules against unit owners or the unit  
8 owners association, be delegated to or exercised by any party other than  
9 the unit owners or the declarant.

10 (b) Unless a master association is acting in the capacity of an  
11 association described in section 76-859, it may exercise the powers set  
12 forth in subdivision (a)(2) of section 76-860 only to the extent  
13 expressly permitted in the declarations of condominiums which are part of  
14 the master association or expressly described in the delegations of power  
15 from those condominiums to the master association.

16 (c) If the declaration of any condominium provides that the  
17 executive board may delegate certain powers to a master association, the  
18 members of the executive board have no liability for the acts or  
19 omissions of the master association with respect to those powers  
20 following delegation.

21 (d) The rights and responsibilities of unit owners with respect to  
22 the unit owners association set forth in sections 76-861, 76-866 to  
23 76-868, and 76-870 apply in the conduct of the affairs of a master  
24 association only to those persons who elect the board of a master  
25 association, whether or not those persons are otherwise unit owners  
26 within the meaning of the act sections ~~76-825 to 76-894.~~

27 (e) Notwithstanding the provisions of subsection (f) of section  
28 76-861 with respect to the election of the executive board of an  
29 association, by all unit owners after the period of declarant control  
30 ends, and even if a master association is also an association described  
31 in section 76-859, the articles of incorporation or other instrument

1 creating the master association and the declaration of each condominium  
2 the powers of which are assigned by the declaration or delegated to the  
3 master association may provide that the executive board of the master  
4 association must be elected after the period of declarant control in any  
5 of the following ways:

6 (1) All unit owners of all condominiums subject to the master  
7 association may elect all members of that executive board.

8 (2) All members of the executive boards of all condominiums subject  
9 to the master association may elect all members of that executive board.

10 (3) All unit owners of each condominium subject to the master  
11 association may elect specified members of that executive board.

12 (4) All members of the executive board of each condominium subject  
13 to the master association may elect specified members of that executive  
14 board.

15 Sec. 15. Section 76-859, Reissue Revised Statutes of Nebraska, is  
16 amended to read:

17 76-859 A unit owners association must be organized no later than the  
18 date the units first unit in the condominium equal to one-half of the  
19 total number of units plus one are ~~is~~ conveyed. The membership of the  
20 association at all times shall consist exclusively of all the unit owners  
21 or, following termination of the condominium, of all former unit owners  
22 entitled to distributions of proceeds under section 76-855 or their  
23 heirs, successors, or assigns. The association shall be organized as a  
24 profit or nonprofit corporation or as an unincorporated association.

25 Sec. 16. Section 76-860, Reissue Revised Statutes of Nebraska, is  
26 amended to read:

27 76-860 (a) Except as provided in subsection (b) of this section and  
28 subject to the provisions of the declaration, the association, even if  
29 unincorporated, may:

30 (1) Adopt and amend bylaws and rules and regulations;

31 (2) Adopt and amend budgets for revenue, expenditures, and reserves

1 and collect assessments for common expenses from unit owners;

2 (3) Hire and discharge managing agents and other employees, agents,  
3 and independent contractors;

4 (4) Institute, ~~defend,~~ or intervene as a plaintiff in litigation or  
5 administrative proceedings, other than litigation or administrative  
6 proceedings to enforce covenants, bylaws, or rules against unit owners or  
7 the unit owners association, in its own name on behalf of itself or two  
8 or more unit owners on matters affecting the condominium upon the  
9 affirmative vote of at least eighty percent of the votes in the  
10 association exclusive of the declarant;

11 (5) Make contracts and incur liabilities;

12 (6) Regulate the use, maintenance, repair, replacement, and  
13 modification of common elements;

14 (7) Cause additional improvements to be made as a part of the common  
15 elements;

16 (8) Acquire, hold, encumber, and convey in its own name any right,  
17 title, or interest to real or personal property, but common elements may  
18 be encumbered, conveyed, or subjected to a security interest only  
19 pursuant to section 76-870;

20 (9) Grant easements, leases, licenses, and concessions through or  
21 over the common elements;

22 (10) Impose and receive any payments, fees, or charges for the use,  
23 rental, or operation of the common elements, other than limited common  
24 elements described in subdivisions (2) and (4) of section 76-839, and for  
25 services provided to unit owners;

26 (11) Impose charges for late payment of assessments and, after  
27 notice and opportunity to be heard, levy reasonable fines for violations  
28 of the declaration, bylaws, and rules and regulations for the  
29 association;

30 (12) Impose reasonable charges for the preparation and recordation  
31 of amendments to the declaration, resale statements required by section

1 76-884, or statements of unpaid assessments;

2 (13) Provide for the indemnification of its officers and executive  
3 board and maintain directors' and officers' liability insurance;

4 (14) Assign its right to future income, including the right to  
5 receive common expense assessments, but only to the extent the  
6 declaration expressly so provides;

7 (15) Exercise any other powers conferred by the declaration or  
8 bylaws;

9 (16) Exercise all other powers that may be exercised in this state  
10 by legal entities of the same type as the association; and

11 (17) Exercise any other powers necessary and proper for the  
12 governance and operation of the association.

13 (b) The declaration may not impose limitations on the power of the  
14 association to deal with the declarant which are more restrictive than  
15 the limitations imposed on the power of the association to deal with  
16 other persons.

17 Sec. 17. Section 76-861, Revised Statutes Supplement, 2019, is  
18 amended to read:

19 76-861 (a) Except as provided in the declaration, the bylaws,  
20 subsection (b) of this section, or other provisions of the Nebraska  
21 Condominium Act, the executive board may act in all instances on behalf  
22 of the association. In the performance of their duties, the officers and  
23 members of the executive board are required to exercise ordinary and  
24 reasonable care.

25 (b) The executive board may not act on behalf of the association to  
26 commence litigation on behalf of the unit owners or the unit owners  
27 association, to amend the declaration pursuant to section 76-854, to  
28 terminate the condominium pursuant to section 76-855, or to elect members  
29 of the executive board or determine the qualifications, powers and  
30 duties, or terms of office of executive board members pursuant to  
31 subsection (f) of this section, but the executive board may fill

1 vacancies in its membership for the unexpired portion of any term.

2 (c) Within thirty days after adoption of any proposed budget for the  
3 condominium, the executive board shall provide a summary of the budget to  
4 all the unit owners, and shall set a date for a meeting of the unit  
5 owners to consider ratification of the budget not less than fourteen nor  
6 more than thirty days after mailing of the summary. Unless at that  
7 meeting a majority of all votes in the association or any larger vote  
8 specified in the declaration reject the budget, the budget is ratified,  
9 whether or not a quorum is present. In the event the proposed budget is  
10 rejected, the periodic budget last ratified by the unit owners shall be  
11 continued until such time as the unit owners ratify a subsequent budget  
12 proposed by the executive board.

13 (d) Subject to subsection (e) of this section, the declaration may  
14 provide for a period of declarant control of the association, during  
15 which period a declarant, or persons designated by him or her, may  
16 appoint and remove the officers and members of the executive board.  
17 Regardless of the period provided in the declaration, a period of  
18 declarant control terminates no later than the earlier of: (i) Sixty days  
19 after conveyance of ninety percent of the units which may be created to  
20 unit owners other than a declarant; or (ii) two years after all  
21 declarants have ceased to offer units for sale in the ordinary course of  
22 business. A declarant may voluntarily surrender the right to appoint and  
23 remove officers and members of the executive board before termination of  
24 that period, but in that event he or she may require, for the duration of  
25 the period of declarant control, that specified actions of the  
26 association or executive board, as described in a recorded instrument  
27 executed by the declarant, be approved by the declarant before they  
28 become effective. Successor boards following declarant control may not  
29 discriminate nor act arbitrarily with respect to units still owned by a  
30 declarant or a successor declarant.

31 (e) Not later than sixty days after conveyance of fifty ~~twenty-five~~

1 percent of the units which may be created to unit owners other than a  
2 declarant, at least one member and not less than twenty-five percent of  
3 the members of the executive board shall be elected exclusively by unit  
4 owners other than the declarant. ~~Not later than sixty days after~~  
5 ~~conveyance of fifty percent of the units which may be created to unit~~  
6 ~~owners other than a declarant, not less than thirty-three and one-third~~  
7 ~~percent of the members of the executive board shall be elected~~  
8 ~~exclusively by unit owners other than the declarant.~~

9 (f) Not later than the termination of any period of declarant  
10 control, the unit owners shall elect an executive board of at least three  
11 members, at least a majority of whom must be unit owners. The executive  
12 board shall elect the officers. The executive board members and officers  
13 shall take office upon election.

14 (g) Notwithstanding any provision of the declaration or bylaws to  
15 the contrary, the unit owners, by a two-thirds vote of all persons  
16 present and entitled to vote at any meeting of the unit owners at which a  
17 quorum is present, may remove any member of the executive board with or  
18 without cause, other than a member appointed by the declarant.

19 (h) The association shall file with the register of deeds of the  
20 county in which the condominium is located a condominium statement  
21 listing the name of the association and the names and addresses of the  
22 current officers of the association. Such filing shall be made every year  
23 on or before December 31. The receipt of any legal notice by or service  
24 of process on such officer personally or at such officer's filed address  
25 shall constitute notice to the association. If the association fails to  
26 make the filing required by this subsection, the posting of the legal  
27 notice or process at the entrance, main office, or other prominent  
28 location in the common area of the condominium shall constitute notice to  
29 the association until such filing is made.

30 Sec. 18. Section 76-867, Reissue Revised Statutes of Nebraska, is  
31 amended to read:

1           76-867 (a) Unless the bylaws provide otherwise, a quorum is present  
2 throughout any meeting of the association if persons entitled to cast  
3 ~~thirty-five~~ twenty percent of the votes which may be cast for election of  
4 the executive board are present in person or by proxy at the beginning of  
5 the meeting.

6           (b) Unless the bylaws specify a larger percentage, a quorum is  
7 deemed present throughout any meeting of the executive board if persons  
8 entitled to cast fifty percent of the votes on that board are present at  
9 the beginning of the meeting.

10          Sec. 19. Section 76-869, Reissue Revised Statutes of Nebraska, is  
11 amended to read:

12          76-869 (a) Neither the association nor any unit owner except the  
13 declarant is liable for that declarant's torts in connection with any  
14 part of the condominium which that declarant has the responsibility to  
15 maintain. Otherwise, an action alleging a wrong done by the association  
16 must be brought against the association and not against any unit owner.  
17 If the wrong occurred during any period of declarant control and the  
18 association gives the declarant reasonable notice of and an opportunity  
19 to defend against the action, the declarant who then controlled the  
20 association is liable to the association or to any unit owner only ~~:(i)~~  
21 ~~For all tort losses not covered by insurance suffered by the association~~  
22 ~~or that unit owner, and (ii) for all costs which the association would~~  
23 ~~not have incurred but for a breach of contract or other negligent~~  
24 ~~wrongful act or omission by the declarant. Whenever the declarant is~~  
25 ~~liable to the association under this section, the declarant is also~~  
26 ~~liable for all litigation expenses, including reasonable attorney's fees,~~  
27 ~~incurred by the association. Any statute of limitation affecting the~~  
28 ~~association's right of action under this section is tolled until the~~  
29 ~~period of declarant control terminates.~~ A unit owner is not precluded  
30 from bringing an action contemplated by this section because he or she is  
31 a unit owner or a member or officer of the association. Liens resulting

1 from judgments against the association are governed by section 76-875.

2 (b) The declarant shall not be liable for any action, loss, or cost  
3 pursuant to this section if at the time the loss occurred, insurance  
4 required by section 76-871 was in place.

5 Sec. 20. Section 76-870, Reissue Revised Statutes of Nebraska, is  
6 amended to read:

7 76-870 (a) Portions of the common elements may be encumbered or  
8 conveyed or otherwise subjected to a security interest by the association  
9 if persons entitled to cast at least sixty-seven ~~eighty~~ percent of the  
10 votes in the association, including sixty-seven ~~eighty~~ percent of the  
11 votes allocated to units not owned by a declarant, or any larger  
12 percentage the declaration specifies, agree to that action; but all the  
13 owners of units to which any limited common element is allocated must  
14 agree ~~in order~~ to encumber or convey that limited common element or  
15 subject it to a security interest. The declaration may specify a smaller  
16 percentage only if all of the units are restricted exclusively to  
17 nonresidential uses. Proceeds of the sale are an asset of the  
18 association.

19 (b) An agreement to encumber or convey common elements or subject  
20 them to a security interest must be evidenced by the execution of an  
21 agreement, or ratifications thereof, in the same manner as a deed, by the  
22 requisite number of unit owners. The agreement must specify a date after  
23 which the agreement will be void unless recorded before that date. The  
24 agreement and all ratifications thereof must be recorded in every county  
25 in which a portion of the condominium is situated and is effective only  
26 upon recordation.

27 (c) The association, on behalf of the unit owners, may contract to  
28 encumber or convey common elements or subject them to a security  
29 interest, but the contract is not enforceable against the association  
30 until approved pursuant to subsections (a) and (b) of this section.  
31 Thereafter, the association has all powers necessary and appropriate to

1 effect the conveyance or encumbrance, including the power to execute  
2 deeds or other instruments.

3 (d) Any purported conveyance, encumbrance, judicial sale, or other  
4 voluntary transfer of common elements, unless made pursuant to this  
5 section, is void.

6 (e) A conveyance or an encumbrance of common elements pursuant to  
7 this section does not deprive any unit of its rights of access and  
8 support.

9 (f) Unless the declaration otherwise provides, a conveyance or an  
10 encumbrance of common elements pursuant to this section does not affect  
11 the priority or validity of preexisting encumbrances.

12 Sec. 21. Section 76-884, Reissue Revised Statutes of Nebraska, is  
13 amended to read:

14 76-884 (a) Except in the case of a sale where delivery of a public-  
15 offering statement is required or unless exempt under subsection (b) of  
16 section 76-878, the unit owner and any other person in the business of  
17 selling real estate who offers a unit to a purchaser shall furnish to a  
18 purchaser before conveyance a copy of the declaration other than the  
19 plats and plans, the bylaws, the rules or regulations of the association,  
20 and the following information:

21 (1) a statement setting forth the amount of the monthly common  
22 expense assessment and any unpaid common expense or special assessment  
23 currently due and payable from the selling unit owner;

24 (2) any other fees payable by unit owners;

25 (3) the most recent regularly prepared balance sheet and income and  
26 expense statement, if any, of the association;

27 (4) the current operating budget of the association, if any;

28 (5) a statement that a copy of any insurance policy provided for the  
29 benefit of unit owners is available from the association upon request;  
30 and

31 (6) a statement of the remaining term of any leasehold estate

1 affecting the condominium and the provisions governing any extension or  
2 renewal thereof; and -

3 (7) a disclosure of any threatened or pending litigation involving  
4 the unit or the association.

5 (b) The association, within ten days after a request by a unit  
6 owner, shall furnish in writing the information necessary to enable the  
7 unit owner to comply with this section. A unit owner providing  
8 information pursuant to subsection (a) of this section is not liable to  
9 the purchaser for any erroneous information provided by the association  
10 and included in the certificate.

11 (c) A purchaser is not liable for any unpaid assessment or fee  
12 greater than the amount set forth in the information prepared by the  
13 association. The unit owner or any other person in the business of  
14 selling real estate who offers a unit to a purchaser is not liable to a  
15 purchaser for the failure or delay of the association to provide such  
16 information in a timely manner.

17 Sec. 22. Section 76-890, Reissue Revised Statutes of Nebraska, is  
18 amended to read:

19 76-890 (a) A judicial proceeding for breach of any obligation  
20 arising under section 76-887 or 76-888 must be commenced within two ~~four~~  
21 years after the cause of action accrues, but the parties may agree to  
22 reduce the period of limitation to not less than one year ~~two years~~. With  
23 respect to a unit that may be occupied for residential use, an agreement  
24 to reduce the period of limitation must be evidenced by an instrument  
25 executed by the purchaser. Prior to commencing any judicial proceeding  
26 under this section, the person seeking to commence the judicial  
27 proceeding must (1) provide written notice of the proposed proceeding and  
28 the specific alleged defect or defects to the prospective defendant or  
29 defendants and (2) give the prospective defendant or defendants at least  
30 three months to cure the alleged defect or defects. If the defect or  
31 defects are such that they cannot reasonably be cured within three

1 months, the cure period shall extend as long as the prospective defendant  
2 has commenced and is diligently proceeding with repairs. Providing the  
3 notice in this section in a manner reasonably understood to inform the  
4 prospective defendant of the specific alleged defect or defects shall  
5 toll any applicable statute of limitations until the alleged defect or  
6 defects are cured. Any proceeding commenced without strict compliance  
7 with this section is subject to dismissal for such noncompliance.

8 (b) Subject to subsection (c) of this section, a cause of action for  
9 breach of warranty, regardless of the purchaser's lack of knowledge of  
10 the breach, accrues:

11 (1) as to a unit, at the time the purchaser to whom the warranty is  
12 first made enters into possession if a possessory interest was conveyed  
13 or at the time of acceptance of the instrument of conveyance if a  
14 nonpossessory interest was conveyed; and

15 (2) as to each common element, at the time the common element is  
16 completed or, if later, (i) as to a common element that may be added to  
17 the condominium or portion thereof, at the time the first unit therein is  
18 conveyed to a bona fide purchaser, or (ii) as to a common element within  
19 any other portion of the condominium, at the time the first unit in the  
20 condominium is conveyed to a bona fide purchaser.

21 (c) If a warranty explicitly extends to future performance or  
22 duration of any improvement or component of the condominium, the cause of  
23 action accrues at the time the breach is discovered or at the end of the  
24 period for which the warranty explicitly extends, whichever is earlier.

25 Sec. 23. Original sections 25-223, 76-842, 76-844, 76-854, 76-857,  
26 76-859, 76-860, 76-867, 76-869, 76-870, 76-884, and 76-890, Reissue  
27 Revised Statutes of Nebraska, and section 76-861, Revised Statutes  
28 Supplement, 2019, are repealed.

29 5. Renumber the remaining section accordingly.

30 2. Renumber the remaining amendments accordingly.