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LANCASTER COUNTY, NE

DECLARATION OF PROTECTIVE COVENANTS
VILLAS AT LAKESIDE

This Declaration of Protective Covenants is made this 6th day of January, 2004, by Villas at Lakeside L.L.C., a Nebraska limited liability company (the "Declarant"), for itself, its successors, grantees and assigns.

ARTICLE I
DECLARATIONS

1. The Land. Declarant is the record fee simple owner of certain real property located in Lincoln, Lancaster County, Nebraska, more particularly described on Exhibit "A" attached hereto (the "Land").
2. Submission of the Property. Declarant desires to and by this Declaration does hereby restrict and dedicate the Land and all improvements thereon or to be constructed thereon in the future to the protective covenants set forth herein.
3. Improvements. Up to fifty-four (54) townhouses (the "Buildings"), along with other related site improvements, shall be constructed on the Land by Declarant or its agents or contractors in accordance with this Declaration. The anticipated location of the Buildings, which is subject to modification by Declarant, is illustrated on the attached Exhibit B.
4. Covenants, Conditions and Restrictions. The covenants, conditions, and restrictions set forth herein will run with the Land and bind all individuals, firms and entities which now hold or acquire in the future any Interest in and to any Lot or the Common Properties referred to herein and their respective heirs, executors, successors, personal representatives, agents, assigns, employees, invitees, tenants and contractors.
5. Special Declarant Rights. Declarant hereby reserves the Special Declarant Rights to: (a) complete the construction of the Buildings and related improvements; (b) maintain signs on the Common Properties advertising the Buildings; (c) use easements through the Common Properties for the purpose of making improvements throughout the Land; and (d) appoint or remove any officer of the Association or any member of the Board during the period of Declarant Control (as defined in the Bylaws).

1.00 d/s REM

mael Kevin Siebert
Rembolt, Ludthe et al
1201 Lincoln Mall #102
68508

ARTICLE II
DEFINITIONS

1. "Common Assessments" shall mean a charge levied by the Board on behalf of the Association against an Owner and the Owner's Lot, representing the Owner's proportionate share of all Common Expenses, which are to be paid by the Owner to the Association, as provided herein.

2. "Special Assessment" shall mean a charge levied by the Board on behalf of the Association against a particular Owner and the Owner's Lot, equal to the cost incurred by the Association for corrective or other action performed pursuant to the provisions of this Declaration or the Act relating to the improvement, repair, replacement or maintenance of such Owner's Lot.

3. "Association" shall mean Villas at Lakeside Homeowners Association, a Nebraska nonprofit corporation, its successors and assigns.

4. "Board" shall mean the Executive Board of the Association.

5. "Common Properties" shall mean all portions of the Land other than the Lots.

6. "Common Expenses" shall mean and include, without limitation: (a) all charges imposed against the Properties pursuant to the Cross Easement; (b) all costs associated or incurred in connection with the maintenance, management, administration, operation, ownership, improvement, repair, renovation and replacement of the Common Properties; (c) the costs of maintaining any and all utilities located in or serving the Common Properties; (d) costs relating to the management and administration of the Association including, but not limited to, compensation paid by the Association to managers, accountants, attorneys, and other employees or agents; (e) the costs of fire, casualty and liability insurance, workers' compensation insurance, and other insurance maintained by the Association and covering any portion of the Common Properties and/or personal property owned by the Association; (f) all costs relating to the bonding of members of the Board or others involved with the management and/or administration of the Common Properties or Lots and/or the Association; (g) all taxes, fees, assessments and charges levied by any governmental subdivision or lawfully created district and imposed upon or against the Association or property owned by the Association; (h) all costs relating to or incurred in connection with lawn care, trash collection, snow removal and the establishment, maintenance and improvement of landscaping, lighting and other improvements to or serving the Common Properties; (i) all costs relating to utilities serving the Common Properties and all costs incurred by the Association regarding the provision of non-separately metered utilities to the Lots and Buildings; (j) any budgetary allocation for the establishment or maintenance of reserve funds; and (k) all costs incurred by the Association for any reason whatsoever in connection with the use, ownership, maintenance, management, operation, repair and replacement of the Common Properties or Lots or any portion thereof.

7. "Cross Easement" shall mean the Amended and Restated Cross Easement and Maintenance Agreement in the form attached hereto as Exhibit C, as amended from time to time.

8. "Properties" shall collectively mean and refer to the Land, the Buildings, the Common Properties, the Lots and any addition, improvement or annexation to the Land which may be made or completed in the future.
9. "Declarant" shall mean and refer to Villas at Lakeside L.L.C., a Nebraska limited liability company, its successors and assigns.
10. "Declaration" shall mean and refer to this Declaration of Protective Covenants and all amendments thereto.
11. "Member" shall mean and refer to any individual or entity which holds a membership in the Association.
12. Reference in this Declaration to a "Mortgage" shall be deemed to include a deed of trust; reference to a "Mortgagee" shall be deemed to include the beneficiary under a deed of trust; and reference to a "Mortgagor" shall be deemed to include the trustor under a deed of trust.
13. "Owner" shall mean the record owner, whether one or more persons or entities, of a fee simple interest in a Lot, including Declarant with respect to each Lot owned by Declarant, but excluding any person or entity holding any interest in and to any Lot as security for the performance of an obligation.
14. "Person" shall mean a natural individual, a corporation or other entity with a legal right to hold title to real and personal property.
15. "Lot" shall mean and include each separately described legal parcel of Land on which a Building is or is designated to be located, excluding the Common Properties.
16. "Project" means the construction of Phases I and II by Declarant as set forth on Exhibit B.
17. "Allocated Interest" shall mean the undivided interest in the Common Properties, the proportionate liability for payment of Common Expenses and percentage of votes in the Association assigned to each respective Lot and the Owner thereof. The formula used to determine the Allocated Interest of each Lot shall be the percentage which equals one (1) divided by the total number of Lots. This same formula shall be used to determine the Allocated Interest of each Lot in the event Lots are added to or withdrawn from the Land pursuant to this Declaration and/or any amendment thereto in the future unless otherwise provided in any amendment to this Declaration.
18. "Bylaws" means the Bylaws of the Association.
19. Other capitalized terms or words used herein, and not otherwise defined, shall have the meaning ascribed by the Act.

ARTICLE III
RIGHTS OF OWNERS

1. Use of Common Properties. Except as otherwise provided herein, each Owner shall be entitled to use, enjoy and enter upon the Common Properties in any manner which does not hinder or encroach upon the rights of other Owners and is not contrary to any rule or regulation adopted by the Association.
2. Ownership. The Common Properties shall be owned by the Association.

ARTICLE IV
OPERATION OF THE ASSOCIATION

1. Organization. The Association is organized as a Nebraska nonprofit corporation. The Association is charged with the obligations and vested with the rights and powers arising under and described in the Bylaws and this Declaration. The Bylaws shall not, for any reason, be amended or interpreted in a manner which is inconsistent with the provisions set forth in this Declaration.

2. Membership Eligibility. Every Owner shall automatically, upon becoming the Owner of a Lot, be a Member of the Association. An Owner shall remain a Member of the Association until such time as the Member's ownership of the Lot ceases for any reason; at which time, the membership in the Association shall automatically terminate. Each membership shall be appurtenant to the ownership of the Lot to which it relates and shall be transferred automatically upon conveyance of that Lot. Ownership of a Lot shall be the sole qualification for membership in the Association. If title to a Lot is held by more than one person, the membership appurtenant to that Lot shall be shared by all such persons in the same proportionate interests and by the same type of tenancy in which title to the Lot is held. An Owner shall be entitled to one membership in the Association for each Lot owned within the Land. Except as otherwise provided herein or in the Bylaws, each Member shall be entitled to cast a vote on each matter which properly comes before any meeting of the Members. If an Owner holds more than one Lot, said Owner may cast separate votes for each membership held by the Owner.

3. Certain Rights and Obligations of the Association.

(a) Common Properties. The Association, subject to the rights and obligations of the Owners as set forth in this Declaration, shall, subject to the Cross Easement, be responsible for the exclusive management and control of the Common Properties and the Lots and all improvements thereon, other than the Buildings, and shall keep the same in good, clean, attractive, safe and sanitary condition, order and repair.

(b) Powers. The Association may: (i) obtain and pay for the services of any person or entity to manage its affairs, or any part thereof, to the extent the Board deems advisable, as well as such other personnel as the Board shall deem necessary, whether such personnel are furnished or employed directly by the Association or by any person or entity with whom or which it contracts; (ii) obtain and pay for legal and accounting services necessary or desirable in connection with the operation, management, and administration of the Association or the enforcement of the terms,

provisions and covenants set forth in this Declaration; (iii) subject to the Cross Easement, acquire and pay for water, sewer, electrical gas and other necessary utilities to serve the Common Properties (and the Lots to the extent not separately metered); (iv) subject to the Cross Easement, acquire and pay for garbage removal, lawn care, snow removal and other services benefitting the Properties and Members.

(c) Rules and Regulations. The Association, by and through the Board, may make reasonable rules and regulations governing the use of the Common Properties and the Lots. The Association may take legal action against any Owner to enforce compliance with such rules and regulations or other obligations of an Owner arising hereunder, or to obtain damages for non-compliance, all to the fullest extent permitted by law. The Association, by and through the Board, may impose fines and penalties in accordance with the Act against any Owner for failing to strictly adhere to any provision of this Declaration or any rule or regulation adopted by the Association pursuant to this Section.

(d) Cross Easement. Notwithstanding any provision in this Declaration to the contrary, the rights and obligations of the Owners and the Association are subject to additional terms and provisions as set forth in the Cross Easement. The terms and conditions of such Cross Easement are incorporated herein by reference. To the extent any provisions of this Declaration and the Cross Easement conflict or are otherwise inconsistent, the provisions of the Cross Easement shall control. The Association may perform and satisfy any of its obligations under this Agreement which are subject to the Cross Easement by compliance with the provisions thereof. All rights of the Owners pursuant to the Cross Easement with respect to any Properties, including Common Elements and Lots, shall be exercised on behalf of the Association and the Owners solely and exclusively by the Association.

4. Limitation of Association's Liability. The Association shall not be liable for any failure to provide electrical, water or other utilities or services to the Lots, or for injury or damage to person or property caused by the elements or by any Owner or other person entering upon the Properties, or resulting from electricity, water, rain, snow or ice which may leak or flow from any source or from any part of the Properties, unless such damage or loss is directly caused by the gross negligence of the Association or its agents acting within the scope of their agency. No diminution or abatement of any Common Assessment or Special Assessment contemplated under this Declaration shall be claimed or allowed for inconvenience or discomfort incurred by an Owner as a result of repairs, maintenance, improvements or any other action taken by or caused to be taken by the Association in furtherance of performing its obligations arising hereunder and under the Act, including, without limitation, any action taken to comply with any law, ordinance, or orders of a governmental authority.

5. Fidelity Bonds. Blanket fidelity bonds may be required and maintained by the Association for all persons responsible for administering the funds of the Association. Any such bond shall name the Association as an obligee and shall not be in an amount less than the estimated maximum amount of funds including reserve funds, in the custody or under the control of the Association at any given time during the term of such bond.

6. Records Audit. The Association shall keep accurate financial records pertaining to the business and affairs of the Association. All financial and other records of the Association shall be made reasonably available for examination by any Owner and its authorized agents.

7. Maintenance of Association Funds. The Board shall establish a bank account in which all monies paid to the Association shall be deposited and from which all amounts shall be paid by the Association in connection with the Association's performance of its obligations arising under this Declaration, the Bylaws and the Act.

8. Distribution of Surplus Fund. Surplus funds of the Association remaining after payment or provision for payment of Common Expenses and any prepayment of reserves must be paid to the Owners or credited to them in proportion to their respective Allocated Interests. Any credit granted to the Owners pursuant to this Section shall be made for the purpose of reducing the amount of future Common Assessments.

ARTICLE V COVENANT FOR PAYMENT OF ASSESSMENTS

1. Ratification of Budget. Within thirty (30) days after the Board adopts a proposed budget for the Association, the Board shall provide a summary of the budget to all Owners and shall set a date (which shall be specified in a notice delivered simultaneously with the summary) for a meeting of the Owners to consider ratification of the budget. Said meeting shall be held not less than fourteen (14) nor more than thirty (30) days after mailing of the summary. The budget shall be deemed ratified at said meeting, regardless of whether a quorum is present, unless a majority of all votes in the Association are cast in favor of rejecting the budget at the meeting. In the event the proposed budget is rejected, the periodic budget last ratified by the Owners shall continue to be used by the Board in determining the amount of the Common Assessment until such time as the Owners ratify a subsequent budget proposed by the Board in accordance with this Section. Notwithstanding any provision in this paragraph or elsewhere in this Declaration to the contrary, all charges imposed against the Properties pursuant to the Cross Easement shall be deemed to and shall constitute an approved and ratified Common Assessment when made.

2. Creation of the Lien and Personal Obligation of Assessments. Declarant for each Lot owned by it, hereby covenants and agrees to pay, and each Owner, by acceptance of a deed to a Lot, whether or not it shall be so expressed in any such deed, is deemed to covenant and agree to pay to the Association:

(a) the applicable Allocated Interest of all Common Assessments for Common Expenses levied by the Association; and (b) all Special Assessments levied by the Association against said Owner or the Declarant. All assessments shall be established and collected in accordance with the provisions of this Declaration, the Bylaws and the Act. Such assessments, together with interest, costs, and reasonable attorneys fees, shall be a separate, distinct and personal obligation of the person who was the Owner of such Lot at the time when the assessment became due, and shall bind such Owner's successors, heirs, devisees, personal representatives and assigns.

3. Determination of Common Assessments. The Board shall levy a Common Assessment at least annually which shall be based on a budget approved by the Association (or deemed approved with respect to charges imposed pursuant to the Cross Easement in accordance with Section 1 of this Article). All Common Assessments shall be borne by the Owners in proportion to their respective Allocated Interests; provided, however: (a) any Common Expense or portion thereof benefitting fewer than all of the Lots shall be assessed exclusively against the Lots benefitted; (b) the costs of insurance maintained by the Association may, at the discretion of the Board, be assessed in proportion to risk, if reasonably determined; and (c) notwithstanding anything to the contrary in this Declaration, if any Common Expense is caused by the misconduct of any particular Owner, or agent or invitee of such Owner, the Association may assess that expense exclusively against such Owner and such Owner's Lot.

4. Notice of Common Assessment. Written notice of the Common Assessment shall be sent by the Board to every Owner subject thereto, Each Owner shall thereafter pay to the Association its proper share of the Common Assessment in such installments, at such frequency and in such amounts as established by the Board and as set forth in the notice to Owners.

5. Waiver of Use. No Owner shall be exempt from personal liability for payment of Common Assessments and/or any Special Assessment levied against the Owner or the Owner's Lot by the Association, and the Owner's Lot shall not be released from any lien or charge filed or imposed in connection with any such assessment, by the Owners waiver of the use and enjoyment of the Common Properties or by abandonment of the Owner's Lot.

6. Collection of Common Assessments. From and after the first day of the first month following the date of recordation of a deed to an Owner other than the Declarant, the Board shall fix and collect from each Owner its proportionate share of the Common Expenses. Until the Board makes a Common Assessment hereunder, Declarant shall pay all Common Expenses.

7. Reserve Fund. The Association, at the discretion of the Board, may establish a reserve fund for the maintenance, repair, addition, alteration, improvement and replacement of those portions of the Common Properties which must be replaced periodically. Such reserve fund shall be funded through the payment of Common Assessments.

8. Utilities. Each Owner shall be obligated to pay all charges for any separately metered utility serving the Owner's Lot, including, but not limited to, water, electricity, gas, telephone and cable television. In the event any utility is not separately metered, the costs associated with the provision of such utility to a Lot or the Lots shall constitute a part of the Common Expenses or shall be levied as a Special Assessment, whichever is applicable.

9. No Waiver. The omission or failure of the Association to fix any assessment or to deliver or mail a statement or notice for any period shall not be deemed to constitute a waiver, modification or release of any Owner from the Owner's obligation to pay the same.

10. Joint and Several Liability. All Owners of any particular Lot shall be jointly and severally liable to the Association for the full and timely payment of all assessments attributable to such Lot.

ARTICLE VI
NONPAYMENT OF ASSESSMENTS

1. Delinquency. Any installment of a Common Assessment or Special Assessment levied by the Board pursuant to this Declaration or the Act shall become delinquent if not paid on the due date as established by the Board. With respect to each installment of an assessment not paid within thirty (30) days after its due date, the Board may, at its election, require the delinquent Owner to pay a late charge not to exceed Fifty Dollars (\$50.00), or five percent (5%) of the amount of the delinquent installment, whichever is greater, together with interest at the maximum rate permitted by law on such delinquent sums, calculated from the due date to and including the date full payment is received by the Association, if any installment of an assessment is not paid within sixty (60) days after its due date, the Board shall mail a notice to the delinquent Owner and to each Mortgagee holding an interest in or against the delinquent Owner's Lot which has requested a copy of the notice. Such notice shall specify: (a) the fact that the installment is delinquent and the amount of the delinquent installment, including all charges, late fees and interest thereon; (b) the action required to cure the default; (c) a date, not less than thirty (30) days from the date the notice is mailed to the Owner, by which such default must be cured; and (d) that the delinquent Owner's failure to cure the default on or before the date specified in the notice may result in the Board's acceleration of the due date of the unpaid balance of all remaining installments of the assessment for the then current fiscal year and sale of such delinquent Owner's Lot. The notice shall further inform the delinquent Owner of the right to cure after acceleration and to bring a court action to assert the non-existence of a default or any defense of the Owner to acceleration and sale. If the delinquent installment(s) of the assessment and any charges thereon are not paid in full on or before the date specified in the notice, the Board, at its option, may declare all of the unpaid balance of the annual assessment for the then current fiscal year, attributable to that Owner and that Owner's Lot to be immediately due and payable without further demand and may enforce the collection of the full assessment and all charges thereon in any manner authorized by law, this Declaration, the Bylaws and/or the Act.

2. Liens for Assessments. The Association has a lien on a Lot for any assessment levied against that Lot or fines imposed against its Owner from the time the assessment or fine becomes due and a notice containing the dollar amount of such lien is recorded in the office of the Lancaster County Register of Deeds. The Association's lien may be foreclosed in like manner as a mortgage on real estate; provided, however, the Association shall give reasonable notice of its action to all Mortgagees of the Lot whose interest therein would be affected. The Association shall have the power to bid on the Lot at the foreclosure sale, and to acquire, hold, lease, mortgage and convey the same. The Association may, alternatively, initiate suit to recover a money judgment for unpaid assessments without releasing the lien securing the unpaid assessments. If an assessment is payable in installments, the full amount of the assessment may be a lien from the time the first installment thereof becomes due.

3. Liens Priority. All unpaid assessments levied by the Association against any Lot and any unpaid fine imposed by the Association against an Owner shall constitute a lien on and against such Lot which shall have priority over all other liens other than: (a) liens and encumbrances recorded before the recordation of this Declaration; (b) a first Mortgage on the Lot recorded before the date on which the assessment sought to be enforced becomes delinquent; and (c) liens for real estate taxes and other governmental assessments or charges against the Lot.

4. Statement. The Association, upon written request, shall furnish to an Owner a recordable statement setting forth the amount of unpaid assessments levied against the Owner and the Owner's Lot. The statement must be furnished within ten (10) business days after the Association's receipt of the request. The information included in any such statement shall be binding on the Association, the Board and every Owner.

ARTICLE VII
EASEMENTS AND RIGHT OF ENTRY

1. Easements in General. All easements and rights described herein are appurtenant to and run with the Properties, and shall inure to the benefit of and be binding on the Declarant, its successors and assigns, and any Owner, purchaser, Mortgagee, tenant and other person having an interest in the Properties, or any part or portion thereof. All conveyances of Lots made hereafter, whether by Declarant or otherwise, shall be construed to grant and reserve such reciprocal easements as are provided herein, even though no specific reference to such easements appears in any such conveyance.

2. Easements, Common Properties. Declarant expressly reserves for itself, and for the benefit of the Association and Owners, reciprocal, non-exclusive easements of access, ingress and egress over all of the Common Properties. Such easements shall benefit all Owners, their guests, tenants and invitees. Declarant expressly reserves for itself, and for the benefit of the Board and all agents, officers and employees of the Association, a non-exclusive easement over the Common Properties to maintain and repair the Common Properties and to perform all other obligations and exercise all rights arising under the Act, the Bylaws and this Declaration. Some portions of the Common Properties may be conveniently accessible only through the Lots. The Association shall have an irrevocable, non-exclusive easement to have access to each Lot and to all Common Properties from time to time during such reasonable hours as may be necessary for the Association, or its agents or contractors, to perform maintenance, cleaning, repair or replacement of any portion of the Common Properties accessible only through any Lot and for the purpose of making emergency repairs at any time as may be necessary to prevent damage to the Common Properties or any Lot. In addition, the Association and its agents may enter any Lot when necessary to perform any cleaning, maintenance, repair, replacement, landscaping construction or other action the Association is obligated to perform pursuant to this Declaration. Such entry will be made with as little inconvenience to the Owners as possible, and any damage caused by such entry shall be repaired by the Association.

3. Easement for Utilities. An easement is granted in each Lot for utility services now in place or for the installation and maintenance of any utility service which the Association deems necessary to install in order to serve any Lot or the Common Properties. Utility services will be installed as directed by the Association, with all costs to be paid by the Owner of the benefitted Lot. The Association, and its agents or contractors, may enter any Lot when necessary to service any utility serving the Properties. Declarant expressly reserves for itself, and for the benefit of the Association, the right to grant additional easements and rights-of-way over the Common Properties and Lots to utility companies and public agencies as deemed necessary by Declarant and/or the Association to provide adequate services to the Properties. The Board, with prior approval by a

majority of the votes of the entire Association, shall have the right to grant such other easements and rights-of-way over the Common Properties as deemed necessary or desirable.

4. Easements, Encroachments. To the extent any Lot encroaches upon any portion of the Common Properties or any other Lot, and to the extent the Common Properties encroach upon any Lot, a valid easement for the encroachment and for the maintenance of same shall and does exist. Any such encroachment shall not be deemed to constitute an encumbrance upon the Common Properties or Lots. Encroachments referred to herein include, but are not limited to, any error in the plan attached hereto or any change caused by repair, reconstruction or settling of any Building or any part thereof. This easement does not relieve an Owner of liability for the Owner's willful misconduct nor does the easement relieve Declarant or any other person of liability for failure to adhere to applicable plats and plans.

5. Easement, Adjacent Walls. Each Lot shall have the benefit of and be burdened with, a perpetual easement to the extent that any wall, floor or adjacent structural element shall deviate from the vertical or horizontal Lot boundaries contemplated under this Declaration. In the event such wall, floor, or adjacent structural element is injured or damaged by any cause other than the deliberate or negligent conduct of either the Owner of the burdened Lot or the Owner of the burdening Lot, it shall be repaired at the joint expense of such Owners. Each Owner shall have the right of ingress and egress over, upon and across the Common Properties as necessary for access to the Owner's Lot, and each Owner shall have the right to the horizontal, vertical and lateral support of its Lot.

6. Easements, Maintenance. Every Owner shall have a perpetual easement in, upon, under, through and over the Land to keep, maintain, use, operate, repair and replace: (a) the Owners Lot, in its original position, and in every subsequent position to which it changes by reason of the elements or gradual forces of nature; and (b) every ventilation, drainage, wiring or other system serving the Owner's Lot if such system was installed by the Declarant or Declarant's agent or contractor.

7. Easements, Utilities. Every Owner shall have a perpetual easement in, upon, under, through and over the Land for the installation, maintenance and repair of any pipe, cable, wire, or other conduit supplying water, sewage, telephone, radio, television, electricity, heat, steam, or other similar service to the Owner's Lot; provided, however, the installation or repair shall be performed by an agent of the Association or a contractor approved by the Association.

8. Rights of Entry. The Association, the Board and their agents, employees and contractors shall have a limited right of entry in and upon the exterior of all Lots for the purpose of taking any action the Board may deem necessary, in its sole discretion, to fulfill the obligations of the Association arising under this Declaration. However, nothing herein shall be construed to impose any obligation upon the Association to maintain or repair any property to be maintained or repaired by an Owner. Nothing in this Article shall in any manner limit the right of an Owner to exclusive occupancy and control over the interior of the Owner's Lot. However, the Board and its authorized agents shall have a right to enter any Lot in case of emergency originating in or threatening a Lot. Furthermore, an Owner shall have the limited right to enter the Lots of other Owners for the purpose of performing required installation, alteration or repair to the mechanical, electrical, or other utility

systems serving the Owner's Lot; provided, however, the Owner must request such entry in advance and such entry must be at a time reasonably convenient to the Owner whose Lot is to be entered.

ARTICLE VIII
OCCUPANCY AND USE RESTRICTIONS

1. Use and Occupancy. Except any use made by Declarant pursuant to a reserved Special Declarant Right, the Lots shall be occupied and used only for residential purposes.
2. Rentals. An Owner shall have the absolute right to lease its Lot; provided, however: (a) any such lease must be in writing and a true and correct copy of such written lease shall be provided to the Association; and (b) all rights of the tenant shall be subject to the provisions, covenants and restrictions contained in this Declaration and the Bylaws.
3. Obstructions and Waste. There shall be no obstruction of the Common Properties nor shall anything be stored in or on the Common Properties without the prior consent of the Board, except as otherwise expressly provided herein. No waste shall be committed in any portion of the Properties.
4. Insurance Rates. Without the prior written consent of the Board, nothing shall be done on or kept in any portion of the Properties which: (a) will increase the rate of insurance covering the Properties, or contents thereof; (b) will result in the cancellation of insurance on the Properties, any portion thereof or contents thereof; or (c) violates any law, rule, regulation or ordinance.
5. Structural Integrity. No Owner shall do or allow anything to be done in any portion of the Properties which may impair the structural integrity of any Building or any mechanical system serving any portion of the Properties or which may structurally change any Building, or any portion thereof, without the specific prior written consent of the Board.
6. Separate Mortgages. Each Owner shall have the right to mortgage or otherwise encumber the Owner's Lot. However, no Owner shall attempt to or shall have the right to mortgage or otherwise encumber the Common Properties or any part thereof. Any Mortgage or other encumbrance executed after the effective date of this Declaration shall be subordinate to all of the provisions of this Declaration, and in the event of foreclosure, the provisions of this Declaration shall be binding upon any Owner whose title is derived through foreclosure by private power of sale, judicial foreclosure or otherwise.
7. Construction Liens. No labor performed or material furnished for use in, or in connection with the repair or improvement of, any Lot with the consent or at the request of an Owner shall create any right to file a statement of construction lien against any interest in the Common Properties.
8. Alteration of Lots: Subdivision. An Owner: (a) may make any improvement or alteration to the interior of the Owner's Building which does not impair the structural integrity or lessen the support of any portion of the Properties and which is not in violation of any applicable code or any rule adopted by the Association; (b) may not subdivide its Lot into two or more Lots;

and (c) may not make any Improvement or alteration to or otherwise change the appearance or color of the Common Properties or the exterior of the Owners Building or Lot or any other portion of the Properties without the prior written consent of the Board, and as provided in the Cross Easement.

9. Other Restrictions on Use and Occupancy of a Lot.

(a) Subject to Special Declarant Rights reserved by Declarant no "For Sale," "For Rent" or other signs, advertising or other displays shall be maintained or permitted on any part of the Properties except at such location and in such form as shall be approved by the Board and any such sign or display shall conform with all applicable zoning ordinances and other applicable restrictions,

(b) Except as constructed or approved by Declarant, no fence, building, landscaping or other structures, improvements or materials shall be affixed to or placed upon any of the Lots, Lands or Common Properties.

(c) Except as constructed or approved by Declarant, no awning, canopy, shutter, radio or television antenna, satellite dish, wire, cable, vent, duct, or other material shall be affixed to or placed upon the exterior walls or roof of any Building without the prior consent of the Board.

(d) No animals, livestock or poultry of any kind shall be raised, bred, or kept for any commercial purpose on or in any portion of the Properties; provided, however, Owners may keep household pets within the Buildings so long as (i) such pets are not kept, bred or maintained for any commercial purpose, (ii) the ownership and maintenance of such pets by an Owner is in compliance with all rules and regulations adopted by the Association and all applicable provisions of the Lincoln Municipal Code, and (iii) such pets do not create a nuisance or disturbance to other Owners.

(e) No noxious or offensive activity shall be carried on in any portion of the Properties, nor shall anything be done on or within the Properties, either willfully or negligently, which may be or become an annoyance or nuisance to the Owner or occupant of any Lot.

(f) The Land and all other portions of the Common Properties shall be kept free and clear of rubbish, debris and other unsightly materials at all times.

(g) Nothing shall be altered or constructed in or removed from the Common Properties, except upon the written consent of the Board.

(h) Each Owner hereby waives and releases any and all claims which it may have against any other Owner, the Association, the officers and members of the Board, and the Declarant, and their respective successors, employees, agents, contractors and assigns, for damage to the Common Properties, the Lots, or to any personal property located in the Lots or Common Properties caused by fire or other casualty, to the extent that such damage is covered by fire or other form of casualty insurance.

(i) No Owner shall: (i) overload the electric wiring within the Properties or operate any machine, appliance, accessory or item of equipment in such manner as to cause, in the judgment of the Board, an unreasonable disturbance to others; (ii) connect any machine, appliance, accessory or

item of equipment to the heating system or plumbing system within the Properties, without the prior written consent of the Board; or (iii) allow any hazardous material, as defined by any statute, law, ordinance or rule adopted by any governmental agency, to be brought or used on any portion of the Properties and shall not allow any noxious odor or vapor to be emitted from the Owner's Lot; notwithstanding the foregoing, chemicals and other supplies normally associated with industrial services and cleaning, which may be characterized in some instances as hazardous materials, may be used by an Owner on the Properties; provided, however, such Owner shall indemnify and hold harmless the Association and the other Owners from and against any claim or damage arising from such use and shall handle, store and dispose of such chemicals and supplies in compliance with all applicable environmental rules, laws and regulations and all rules adopted by the Association.

(j) No recreational vehicle, as defined by the Lincoln Municipal Code, shall be parked or stored upon the Common Properties.

(k) Each Owner shall promptly report to the Board any need for repairs which the Association is obligated to complete.

(l) No Owner shall conduct, maintain or carry on any industry, business, trade, occupation or profession on any portion of the Properties.

ARTICLE IX REPAIR AND MAINTENANCE

1. Duties of the Association.

(a) Except as otherwise provided in the Act or this Declaration and subject to the Cross Easement, the Association shall maintain, repair and make necessary improvements to the Common Properties, or shall contract for such maintenance, repair and improvements, to assure the maintenance of the Common Properties in reasonable condition and repair. All work performed or caused to be performed by the Association for and on behalf of an individual Owner shall be charged to such Owner as a Special Assessment.

(b) Except as otherwise provided in this Declaration and subject to the Cross Easement, the Association shall repair, mow, water and otherwise maintain that portion of the Lots other than the Buildings. Any repair or maintenance made by the Association hereunder shall be made at the Association's expense, except to the extent the repairs are necessitated by the negligence, nuisance or neglect of the Owner; in which case, such expense shall be charged to the Owner as a Special Assessment.

(c) Except as otherwise provided in this Declaration and subject to the Cross Easement, the Association shall provide for collection of all residential trash from the Buildings.

2. Duties of Owners. Each Owner shall maintain, repair, replace, paint, paper, plaster, tile, finish and restore or cause to be so maintained, repaired, replaced and restored, at the Owner's sole cost and expense, all portions of the Owner's Building. Any such maintenance, repairs, replacements and restorations performed or caused to be performed by an Owner shall: (a) be in

compliance with all applicable codes and any rule or regulation adopted by the Association; and (b) be subject to the restrictions set forth in this Declaration.

3. Interior of Lots. Each Owner shall have the exclusive right to paint, repaint, tile, wax, paper, carpet, or otherwise decorate, alter or improve the surfaces of the walls, ceilings, floors, and doors of the Owner's Building; provided, however, any action taken by an Owner pursuant to this Section shall be subject to all rules and regulations adopted by the Association and shall be in strict compliance with all applicable codes.

ARTICLE X INSURANCE

1. Duty to Obtain Insurance. Commencing not later than the time of the first conveyance of a Lot to an Owner other than the Declarant, the Association shall obtain and maintain, to the extent reasonably available:

(a) Property insurance on the Common Properties insuring against all risks of direct physical loss commonly insured against;

(b) Liability Insurance, including medical payments insurance, in an amount determined by the Board, covering all occurrences commonly insured against for death, bodily injury and property damage arising out of or in connection with the use, ownership, or maintenance of the Common Properties;

(c) Workers' Compensation insurance on employees or agents of the Association, if required by law; and

(d) Any other policy of insurance required to be maintained by the Association pursuant to the Act.

2. Premiums. Premiums for any insurance coverage maintained by the Association pursuant to this Declaration or otherwise shall be a Common Expense to be paid by assessments levied by the Association.

3. Insurance Policies. Insurance policies carried pursuant to this Article must provide that: (a) each Owner is an insured under the policy to the extent of its liability arising out of its use of the Common Properties or its membership in the Association; (b) the insurer waives its right to subrogation under the policy against any Owner; (c) no act or omission by any Owner, unless acting within the scope of the Owner's authority on behalf of the Association, will void the policy or be a condition to recovery under the policy; and (d) if, at the time of a loss under the policy there is other insurance in the name of an Owner covering the same risk covered by the policy, the Association's policy provides primary Insurance.

4. Insurance of Lots. Each Owner shall have the exclusive responsibility to carry casualty, liability, or any other insurance on such Owner's Lot, Building and the activities of such Owner and his guests or invitees.

ARTICLE XI
EMINENT DOMAIN

If part of the Common Properties is acquired by eminent domain, the portion of the award attributable to the Common Properties taken must be paid to the Association. Any acquisition of any Lot must be separately determined.

ARTICLE XII
CONVEYANCES

Any Lot may be conveyed or encumbered by its Owner, subject to the provisions of this Declaration.

ARTICLE XIII
AMENDMENT

1. Amendment by Owners. The Members of the Association may amend the Declaration in the manner set forth in this Section. Notice of the subject matter of a proposed amendment to this Declaration, in reasonably detailed form, shall be included in the notice of any meeting of the Members at which a proposed amendment is to be considered. Adoption of the amendment shall require approval by at least sixty-seven percent (67%) of the votes of the entire membership of the Association. A copy of each amendment shall be certified by the President, or any other authorized officer, of the Association, and the amendment shall be effective when the Certificate of Amendment is recorded in the records of the Lancaster County Register of Deeds. Any such amendment shall be and remain subject to all terms and conditions of the Cross Easement.

2. Limitation. Except to the extent expressly permitted or required by the Act, no amendment to the Declaration, in the absence of the unanimous consent of all Owners, may: (a) create or increase Special Declarant Rights; (b) increase the number of Lots; or (c) change the boundaries of any Lot, the Allocated Interest of a Lot or the uses to which any Lot is restricted.

3. Amendment by Declarant. Notwithstanding the foregoing, until the close of the sale or conveyance of the first Lot, Declarant shall have the right to terminate or modify this Declaration by recordation of a supplement hereto setting forth such termination or modification. For purposes of this Declaration, the close of the sale of the first Lot shall be deemed to be the date upon which a deed conveying title to said Lot is recorded in the office of the Lancaster County Register of Deeds.

ARTICLE XIV
CONVEYANCE OR ENCUMBRANCE OF COMMON PROPERTIES

1. Conveyance or Encumbrance. Portions of the Common Properties may be conveyed or subjected to a security interest by the Association, subject to the provisions of this Declaration and the Cross Easement, if Members entitled to cast at least eighty percent (80%) of the votes in the Association, including eighty percent (80%) of the votes allocated to Lots not owned by the Declarant, agree to such action.

2. Agreement. An agreement to convey Common Properties or subject the same to a security interest must be evidenced by the execution of an agreement, or ratification thereof, which shall be executed, acknowledged and recorded in the same manner as a deed by the requisite number of Owners. The agreement must specify a date after which the agreement will be void unless recorded before that date. Any such agreement, or ratification thereof shall become effective only upon recordation in the records of the Lancaster County Register of Deeds.

ARTICLE XV RESALE OF LOT

1. Provision of Information. Following an Owner's acquisition of a Lot from Declarant or other Owner, the Owner, and any other person in the business of selling real estate who offers a Lot to a purchaser, shall furnish the following to a purchaser prior to conveyance of the Lot: (a) copies of the Declaration, Bylaws and rules and regulations of the Association; (b) a statement setting forth the amount of the monthly Common Assessment and any unpaid Common Assessment or Special Assessment currently due and payable by the selling Owner; (c) any other fee or charge payable by Owners; (d) the most recent regularly prepared balance sheet and income and expense statement, if any, of the Association; (e) the current operating budget of the Association, if any; and (f) a statement that a copy of any insurance policy maintained by the Association for the benefit of Owners is available from the Association upon request.

2. Association. The Association, within ten (10) days after a request by a Owner, shall furnish in writing all information necessary to enable the Owner to comply with the requirements set forth in Section 1 of this Article.

ARTICLE XVI GENERAL PROVISIONS

1. Legal Proceeding. Failure by an Owner, its guests, employees, invitees or tenants, to comply with any term or provision of this Declaration or of the Bylaws, or with any rule or regulation adopted by the Association, shall be grounds for relief which may include, without limitation, an action to recover sums due for damages, injunctive relief, foreclosure of lien, or any combination thereof, which relief may be sought by Declarant, the Board or, if appropriate, by an aggrieved Owner. Any Owner (not at the time in default hereunder) or the Association shall be entitled to bring an action for damages against any defaulting Owner, and in addition may enjoin any violation of this Declaration. Any judgment rendered in any action or proceeding pursuant hereto shall include a sum for attorney's fees, in such amount as the court may deem reasonable, in favor of the prevailing party, as well as the amount of any delinquent payment, interest thereon, costs of collection and court costs. Each remedy provided for in this Declaration shall be cumulative and not exclusive or exhaustive. Further, Owners shall have similar rights of action against the Association.

2. Failure to Enforce. No term, obligation, covenant, condition, restriction or provision imposed hereby or contained herein shall be abrogated or waived by any failure to enforce the same, no matter how many violations or breaches may occur.

3. Indemnification. Each Owner shall be liable to and shall indemnify the Association for any damage to the Properties of any type or to any equipment or facilities thereon which may be sustained by reason of the negligence of said Owner, its guests, invitees or tenants.

4. Use of Facilities. Subject to the Cross Easement, the Board shall have the right to establish reasonable rules and regulations relating to the use of the Common Properties. All Owners shall strictly comply with said rules and regulations and shall be responsible for ensuring all guests, invitees and tenants of the Owner strictly comply with said rules and regulations.

5. No Representations or Warranties. Except as specifically and expressly set forth in this Declaration, the execution of this Declaration by Declarant shall not constitute a representation or warranty of any kind, express or implied, by Declarant and all Owners acknowledge no representations or warranties have been given or made by Declarant, or its agents or employees, with respect to the Properties or any portion thereof, or any matter relating to the physical condition of the Properties, zoning, compliance with applicable laws, fitness for intended use, or in connection with the subdivision, sale, operation, maintenance, cost of maintenance, taxes or regulation of the Properties as an integrated development, or otherwise. Nothing, however, contained in this Declaration shall in any manner limit or restrict Declarant's representations, warranties or covenants contained in any contract for the construction of the improvements contemplated herein, or in any conveyance or contract for conveyance of any Lot. Any such representation, warranty or covenant shall survive and not merge with the execution or recording of this Declaration.

6. Non-Liabilities and Indemnification. No right or power conferred on the Board, by virtue of this Declaration or the Bylaws, shall be construed as a duty, obligation or disability charged upon the Board or upon any individual member thereof and, except for injuries arising out of malicious acts of any member of the Board, no such member shall be liable to any person for his or her decisions or failure to act in making decisions as a member of the Board. The Association shall pay all expenses incurred by, and satisfy any judgment or fine rendered or levied against, any person who is or has been a Board member, officer, employee or committee member of the Association in any action brought by a third party against such person (whether or not the Association is joined as a party defendant) to impose a liability or penalty on such person while a Board member, officer, employee or committee member of the Association; provided, however, that the Board must determine in good faith that such Board member, officer, employee or committee member was acting in good faith within what he or she reasonably believed to be the scope of his or her employment or authority and for a purpose which he or she reasonably believed to be in the best interests of the Association or its Members before the Association shall be obligated to pay any expense or satisfy any lien or judgment hereunder. Payments include amounts paid and expenses incurred in settling any such action or threatened action. This provision shall be construed to provide for such payments and indemnification to the fullest extent permitted by applicable law.

7. Notices. Notices required or permitted to be given to any Board member or any Owner may be delivered to any member of the Board or such Owner either personally or by mail addressed to such Board member or Owner at the mailing address specified in the records of the Association. Notices required to be given to any devisee or personal representative of a deceased Owner may be delivered either personally or by mail to such party at the address appearing in the records of the court wherein the estate of such deceased Owner is being administered. All such

notices shall be by first class mail, postage prepaid. Each Owner shall register its current mailing address with the Secretary of the Association. Any notice or demand required or permitted to be delivered hereunder shall be deemed to have been delivered when personally delivered or when deposited in the U.S. mail in the manner provided in this Section.

8. Severability. The provisions hereof shall be deemed independent and severable, and the invalidity or partial invalidity or unenforceability of any one provision or portion thereof as may be determined by a court of competent jurisdiction shall not affect the validity or enforceability of any other provision hereof.

9. Headings. The Article and Section headings of this Declaration are solely for the convenience of reference and shall not in any way limit or amplify the terms and conditions hereof.

10. Termination. These covenants and restrictions shall run with the Properties and shall be binding upon and enforceable by the Declarant, the Owners, the Association and their respective heirs, executors, administrators, successors and assigns for a period of twenty-five (25) years from and after the date of recordation of these covenants and restrictions with the Register of Deeds of Lancaster County, Nebraska, and shall be automatically extended for successive periods of ten (10) years thereafter, unless an instrument executed by the Association approved by a majority vote of the Membership of the Association shall have been recorded with the Register of Deeds of Lancaster County, Nebraska, agreeing to a termination or modification of these Covenants.

11. Incorporation of Exhibits. All Exhibits attached hereto are incorporated herein by this reference for all purposes as if fully set forth herein.

IN WITNESS WHEREOF, an authorized representative of the Declarant has executed this Declaration on the date set forth above.

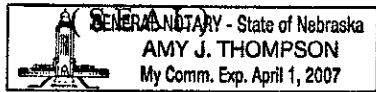
VILLAS AT LAKESIDE L.L.C.,
a Nebraska limited liability company

By: Concorde Management and Development,
Inc., Manager

By: *David M. Schmidt*
President

STATE OF NEBRASKA)
) ss.
COUNTY OF LANCASTER)

The foregoing instrument was acknowledged before me this 1st day of January, 2004, by David M. Schmidt, President of Concorde Management and Development, Inc., Manager of Villas at Lakeside L.L.C., a Nebraska limited liability company, on behalf of the company.



Amy J. Thompson
Notary Public

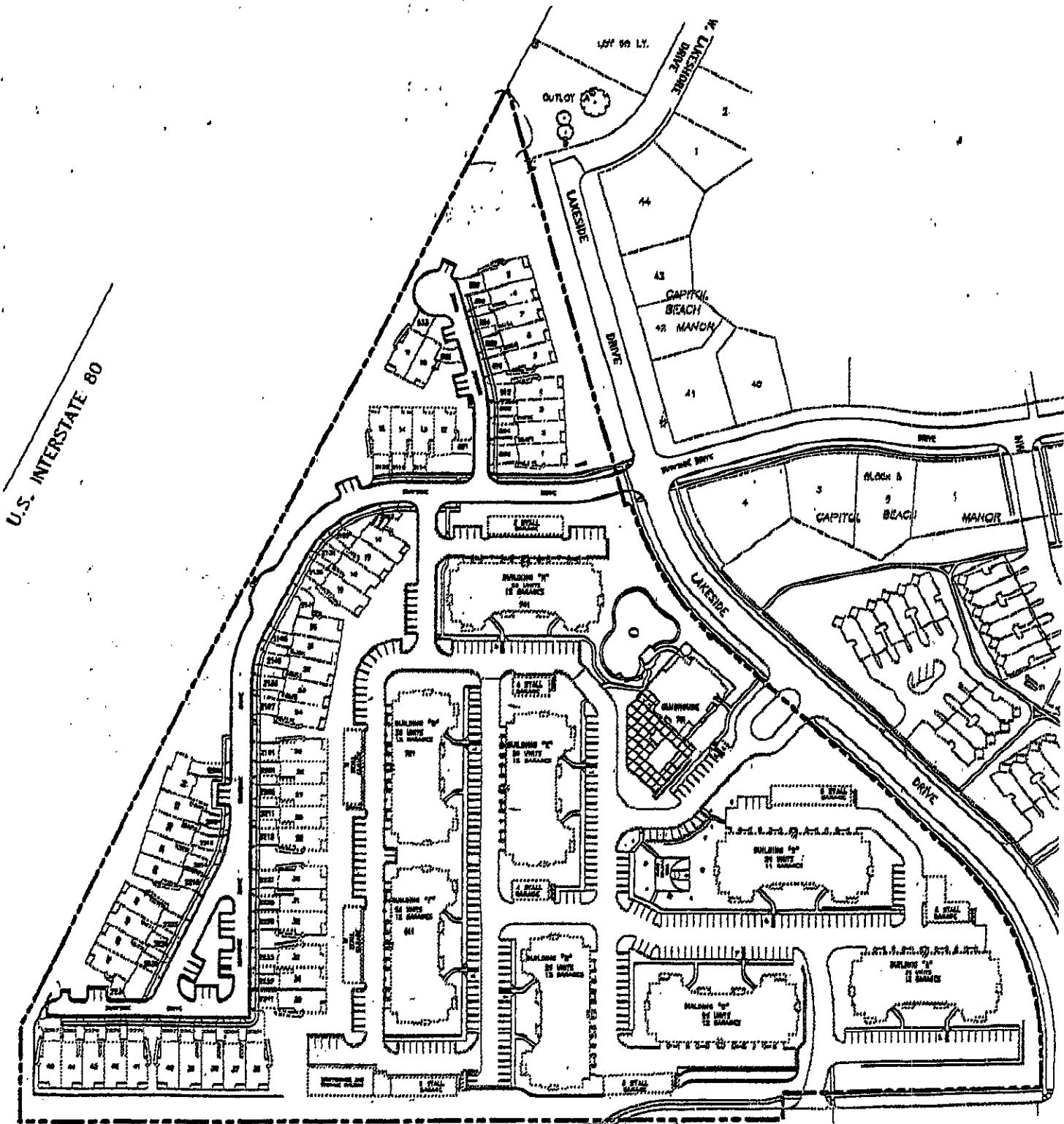
LIST OF EXHIBITS

Exhibit A	Legal Description of Land
Exhibit B	Building Site Plan
Exhibit C	Amended and Restated Cross Easement and Maintenance Agreement

EXHIBIT A
LEGAL DESCRIPTION

Lots One (1) through Fifty-four (54), inclusive, and Outlot A, Lakeside Village
Third Addition, Lincoln, Lancaster County, Nebraska.

EXHIBIT B BUILDING SITE PLAN



AMENDED AND RESTATED
CROSS EASEMENT AND MAINTENANCE AGREEMENT

This Amended and Restated Cross Easement and Maintenance Agreement (“Agreement”) is made this 6th day of January, 2004, by and between Lakeside Village L.L.C., a Nebraska limited liability company, in its own capacity and on behalf of all future owners of Lots One (1) and Two (2), Lakeside Village, Lincoln, Lancaster County, Nebraska (hereinafter “Lakeside Village Owner”), Lakeside Partners L.L.C., a Nebraska limited liability company, on its own behalf and on behalf of all future owners of Lot One (1), Lakeside Village Second Addition, Lincoln, Lancaster County, Nebraska (“hereinafter “Second Addition Owner”), Villas at Lakeside L.L.C., a Nebraska limited liability company, as success in interest to Second Addition Owner and on its own behalf and on behalf of all future owners of Lots One (1) through Fifty-four (54), inclusive, and Outlot A, Lakeside Village Third Addition, Lincoln, Lancaster County, Nebraska (“Villas Owner”), and Federal Home Loan Mortgage Corporation (“FHLMC”), with respect to the following facts:

A. Lakeside Village Owner owns Lot One (1) and Two (2), Lakeside Village, Lincoln, Lancaster County, Nebraska (“Lakeside Village”), Second Addition Owner owns Lot One (1), Lakeside Village Second Addition, Lincoln, Lancaster County, Nebraska (“Second Addition”), and Villas Owner owns Lots One (1) through Fifty-four (54) and Outlot A, inclusive, Lakeside Village Third Addition, Lincoln, Lancaster County, Nebraska (“Villas Addition”).

B. Lakeside Village Owner, Second Addition Owner and Villas Owner are developing residential properties on Lakeside Village, Second Addition and Villas Addition respectively, which will include common parking, recreational, maintenance, office and open areas.

C. Lakeside Village Owner, Second Addition Owner, and, as successor in interest to Second Addition Owner with respect to Villas Addition, Villas Addition Owner, are parties to a Cross Easement and Maintenance Agreement dated August 1, 2002 and recorded August 22, 2002 as Instrument Number 2002-55904, records of Lancaster County, Nebraska (the “Cross Easement”).

D. Lakeside Village Owner and Second Addition Owner have established a plan for the improvement and development of Lakeside Village and Second Addition as described herein and by the recorded Special Permit No. 622E, and plans filed pursuant thereto, and Villas Owner has established a plan for the improvement of Villas Addition by Special Permit No. 622F, and plans filed pursuant thereto (collectively “Use Permit”), which are incorporated herein by this reference, as may be amended from time to time.

E. The parties desire to amend and restate the Cross Easement to reflect developments since the Cross Easement was entered into.

F. FHLMC is the holder of a Multifamily Note secured by a Multifamily Deed of Trust, Assignment of Rents and Security Agreement with respect to Lakeside Village.

NOW, THEREFORE, in consideration of the foregoing, the terms and conditions of this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lakeside Village Owner, Second Addition Owner and Villas Owner agree to amend and supplement the Cross Easement as follows, and FHLMC hereby consents to such amendment and supplement:

1. Ingress/Egress and Parking Easements. Lakeside Village Owner hereby grants to Second Addition Owner and Villas Owners a permanent easement (hereinafter "Ingress/Egress Easement") on and over Lakeside Village roadways, driveways, curb cuts, sidewalks, parking areas and public street access, all as shown on the Use Permit, as may be amended from time to time, for the purpose of ingress and egress and traveling across for the use and benefit of Second Addition. Second Addition Owner hereby grants to Lakeside Village Owner and Villas Owner a permanent easement (hereinafter "Ingress/Egress Easement") on and over Second Addition roadways, driveways, curb cuts, sidewalks, parking areas and public street access, all as shown on the Use Permit, as may be amended from time to time, for the purpose of ingress and egress and traveling across for the use and benefit of Lakeside Village. Villas Owner hereby grants to Lakeside Village Owner and Second Addition Owner a permanent easement (hereinafter "Ingress/Egress Easement") on and over Villas Addition roadways, driveways, curb cuts, sidewalks, parking areas and public street access, all as shown on the Use Permit, as may be amended from time to time, for the purpose of ingress and egress and traveling across for the use and benefit of Second Addition.

Lakeside Village Owner and Second Addition Owner hereby grant each other easements for parking on Lakeside Village and Second Addition parking areas, respectively. Lakeside Village Owner and Second Addition Owner shall not have an easement for parking on Villas Addition and Villas Addition Owner shall not have an easement for parking on Lakeside Addition or Second Addition.

2. Maintenance Easement. Second Addition Owner and Villas Owner hereby grant to Lakeside Village Owner a permanent easement ("Maintenance Easement") on, over, above and under all land and all other properties, excluding the interior of buildings, for the purpose of mowing, watering, landscaping, maintaining, improving and operating Second Addition and Villas Addition, respectively.

3. Common Elements Easement. Lakeside Village Owner hereby grants to Second Addition Owner and Villas Owner a permanent easement (hereinafter "Common Elements Easement") for the shared use, benefit and enjoyment of Common Elements located on Lakeside Village.

Common Elements, as used in this Agreement, shall mean the clubhouse, swimming pool, multipurpose courts, and open areas on Lot 2 of Lakeside Village and any similar, related or replacement structures, improvements or areas. Notwithstanding any provision to the contrary, such use shall be on the same basis and subject to the same reasonable restrictions and requirements as imposed by Lakeside Village Owner on itself and its invitees and guests.

4. Agreement to Grant Additional Easements and the Right for Use and Enjoyment.

It is recognized and agreed by Lakeside Village Owner, Second Addition Owner and Villas Owner that their mutual cooperation in granting to each other additional rights, licenses and easements to enter and make use of portions of their respective lots may be required in order for any and all the Common Elements Easements and Ingress/Egress Easements to be functional and useful. It is hereby agreed that such additional rights, licenses and easements as may be necessary or reasonable for proper operation of Common Elements Easements and Ingress/Egress Easements shall be granted by each party to the other without additional consideration being required to provide a reasonable and beneficial use to the benefitted property for the intended purposes pursuant to the Use Permit.

5. Further Assurances. Lakeside Village Owner, Second Addition Owner and Villas Owner will, whenever it shall be reasonably requested to do so by the other, promptly execute, acknowledge and deliver, or cause to be executed, acknowledged or delivered, any and all such further conveyances, confirmations, instruments or further assurances and consents as may be necessary or proper, in order to effectuate the covenants and agreements herein provided. Each of the parties hereto shall cooperate in good faith with the other and shall do any and all other acts and execute, acknowledge and deliver any and all documents so requested in order to carry out the intent and purposes of this Agreement.

6. Maintenance and Assessments. Lakeside Village Owner will maintain, repair, replace, alter, operate and improve the Common Elements as required on a permanent and continuous basis, and will also mow, water, landscape and maintain, repair and replace all areas (including lots and outlots) of Villas Addition except roadways, driveways, curb cuts, sidewalks, parking areas and buildings in Villas Addition, and will mow, water, landscape and maintain, repair and replace all exterior areas, including roadways, driveways, curb cuts, sidewalks, parking areas and building exteriors, on Second Addition. Lakeside Village will also provide for residential garbage collection and roadway, parking area, private driveway and sidewalk snow removal for Second Addition and Villas Addition. All Common Elements and other areas to be maintained will be maintained, repaired, replaced, altered, or improved in a timely, safe, professional, and high quality fashion similar to the standard and quality as of this date. The expenses for the Common Elements responsibility and mowing, watering, landscaping, garbage removal and snow removal and maintenance and repairs, together with reasonable reserves, and together with a reasonable usage fee for the Common Elements, shall be allocated proportionally to Lakeside Village, Second Addition and Villas Addition as follows:

Lakeside Village	5/13
Second Addition	3/13
Villas Addition	5/13

Expenses for maintenance of roadways, driveways, curb cuts, sidewalks, parking areas and building exteriors in Lakeside Village and Second Addition shall be allocated 5/8 to Lakeside Village and 3/8 to Second Addition.

Projected charges shall be assessed by Lakeside Village to Second Addition Owner and Villas Owner on an annual basis, payable monthly, pursuant to and as set forth in a notice setting forth the projected charges. Failure of a party to pay its proportionate share of expenses shall entitle Lakeside Village to damages in the amount of such expenses.

7. Notices. All notices pursuant to this Agreement shall be sent by regular U.S. Mail, postage prepaid, by facsimile, or by hand delivery at the following address:

Lakeside Partners L.L.C.
Concorde Management and Development, Inc.
1225 L Street, Suite 501
Lincoln, NE 68508

Lakeside Village L.L.C.
Concorde Management and Development, Inc.
1225 L Street, Suite 501
Lincoln, NE 68508

Villas at Lakeside Homeowners Association
701 Lakeside Drive
Lincoln, NE 68528

8. Binding Effect. These covenants, easements, conditions, reservations and restrictions run with the land and shall be binding on and inure to the benefit of the lot owners and their executors, personal representatives, heirs, successors and assigns as owners of Lakeside Village, Second Addition and/or Villas Addition.

IN WITNESS WHEREOF, the undersigned have caused this instrument to be executed on the date first above written.

LAKESIDE PARTNERS L.L.C., a Nebraska
limited liability company,

By: Concorde Management and Development, Inc.,
Manager

By: 
David M. Schmidt, President

LAKESIDE VILLAGE L.L.C., a Nebraska
limited liability company,


By: Lakeside Partners L.L.C., Manager

By: Concorde Management and Development, Inc.,
Manager

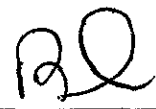
By: 
David M. Schmidt, President

VILLAS AT LAKESIDE L.L.C., a Nebraska
Limited liability company,

By: Concorde Management and Development,
Inc., Manager

By: 
David M. Schmidt, President

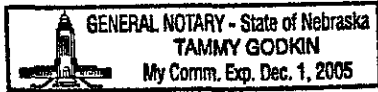
FEDERAL HOME LOAN
MORTGAGE CORPORATION

By: 
Its: Assistant Secretary / Treasurer

STATE OF NEBRASKA)
) ss.
COUNTY OF LANCASTER)

The foregoing instrument was acknowledged before me this 7th day of May, 2004, by David M. Schmidt, President of Concorde Management and Development, Inc., Manager of Lakeside Village L.L.C., a Nebraska limited liability company, on behalf of the company.

(SEAL)

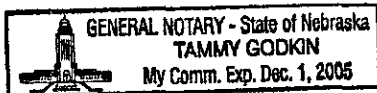


Tammy Godkin
Notary Public

STATE OF NEBRASKA)
) ss.
COUNTY OF LANCASTER)

The foregoing instrument was acknowledged before me this 7th day of May, 2004, by David M. Schmidt, President of Concorde Management and Development, Inc., Manager of Lakeside Partners L.L.C., Manager of Lakeside Village L.L.C., a Nebraska limited liability company, on behalf of the company.

(SEAL)



Tammy Godkin
Notary Public

STATE OF NEBRASKA)
) ss.
COUNTY OF LANCASTER)

The foregoing instrument was acknowledged before me this 7th day of May, 2004, by David M. Schmidt, President of Concorde Management and Development, Inc., Manager of Villas at Lakeside L.L.C., a Nebraska limited liability company, on behalf of the company.

(SEAL)



Tammy Godkin
Notary Public

STATE OF Virginia)
) ss.
COUNTY OF Fairfax)

The foregoing instrument was acknowledged before me this 17th day of March, 2004, by BRYAN DICKSON, Asst. Sec. Treas. of Federal Home Loan Mortgage Corporation, on behalf of the company.

(SEAL)

Catherine M. Hinton
Notary Public