



*WIRIES*  
          

**WINDMILL RIDGE ESTATES  
RESTRICTIVE COVENANTS**

Windmill Ridge, L.L.C., a Nebraska limited liability company ("Declarant") as owner of the real estate being subjected to these Restrictive Covenants, executes these covenants as of this 9<sup>th</sup> day of April, 2009.

**RECITALS**

A. Declarant is the titleholder of record of the following-described real estate:

Lots 1-9, Block 1; Lots 1-2; Block 2; Lots 1-40, Block 3; Lot 1, Block 4; Lot 1, Block 5; Lots 1-4, Block 6; Lots 1-5, Block 7; and Outlots "A", "B", "C", "D", "E", "F", "G", "H", "I", "J", and "K", all located in Windmill Ridge Estates Addition, Lincoln, Lancaster County, Nebraska (collectively the "Properties").

Declarant does hereby create, establish and adopt the following binding covenants and restricts upon the Properties and Commons, hereinafter defined.

1. Use. No lot within the Properties shall be used other than for residential purposes. All lots shall be used for single family dwellings, except for Lots 1-9, Block 1; and Lots 1-9, Block 3; which shall be used for patio homes (the "Patio Home Lots"). Declarant has designated Outlots B, C, D, and E to be used as Commons. Outlot A is reserved and designated by Declarant as a private roadway identified a South 71<sup>st</sup> Street to provide access to the Patio Home Lots. Outlots F, G, H, I, J, and K are reserved and designated for future development of additional single family dwelling lots.

2. Approval of Plans. Declarant or its assignees shall have the exclusive right to establish grades, slopes and/or contours for all lots within the Properties and to fix the grade at which any building or other improvement shall be placed or constructed upon any lot, in conformity with the general plan for the development of the Properties. Once such grades, slopes and/or contours have been established by Declarant, they shall not be changed in connection with the construction of any building or other improvement on a lot without written permission from Declarant, but in no event will any such lot be graded or sloped

*Windmill Ridge LLC  
5700 Frontier Rd  
68516*

so as to change the flow of surface waters to or from adjoining lots. Plans for any dwelling structure to be placed or constructed upon any lot within the Properties shall be submitted to Declarant and shall show the design, size, and exterior material for the building or improvement and the plot plan for the lot. One set of plans shall be left on permanent file with Declarant. Construction of the building or improvement shall not be commenced unless written approval of the plans has been secured from Declarant. Written approval or disapproval of the plans shall be given by Declarant within thirty (30) days after receipt thereof. Approval of the plans shall not be unreasonably withheld, and upon disapproval, a written statement of the grounds for disapproval shall be provided. Declarant shall have the exclusive right to disapprove the plans, if in Declarant's opinion, the plans do not conform to the general standard of development in the Properties. The rights and duties of Declarant under this paragraph, except as to lots of which Declarant is the titleholder, may be assigned by Declarant in writing to the Corporation, hereinafter defined, at any time.

3. General Standards for Dwelling Structures. The following general standards of development shall guide Declarant in the review of any plans for dwelling structures submitted for approval within Windmill Ridge Estates; provided, however, the minimum floor area defined in subparagraph (a) and the setbacks defined in subparagraph (c) shall not apply to the Patio Home Lots. These standards shall not be relied upon, interpreted or applied as absolute requirements for plan approval. Declarant shall have the right, in its sole and absolute discretion, to modify the application and interpretation of these standards when exercising its plan approval authority. Declarant shall have the right to reduce, increase or otherwise explicitly modify these standards within other additions to the Properties.

a. Minimum Floor Area. The minimum floor area for any single family dwelling exclusive of basements, garages, porches, patios, decks or enclosed decks shall be as follows:

- |      |                           |               |
|------|---------------------------|---------------|
| i.   | Single story ranch style: | 1,650 sq. ft. |
| ii.  | Two story:                | 2,150 sq. ft. |
| iii. | Multi-level/split entry:  | 1,850 sq. ft. |

b. Garages. All single family dwelling structures on the Properties shall construct at least a two (2) car garage that is attached to the dwelling.

c. Setbacks. Setbacks of single family dwellings from the lot lines are established as follows:

- i. Interior Lots: 25 feet from front lot line, 5 feet from side lot line
- ii. Corner Lots: 25 feet from front lot line and from other street side and 5 feet from side lot line.
- iii. Six Foot Side Lots: Notwithstanding the above stated side yard requirement, the single family dwellings on the following lots shall have be setback 6 feet from side lot line: Lots 20-35, 37, 39, 40, Block 3; Lot 2-4, Block 6.

The front lot line for corner lots shall be determined by Declarant. Declarant shall also have the right to vary the setbacks within the limits established by the Lincoln Zoning Ordinance.

d. Exterior Finish.

- i. Approval. All exterior finish materials and all colors shall be approved by Declarant, provided however that Declarant shall approve earth tones.
- ii. Front Elevation. The front elevation of any dwelling shall be faced with 50% brick, natural stone, or Declarant approved maintenance free material.
- iii. Exposed Foundation. All exposed foundation walls on the front and side elevations shall be constructed of or faced entirely with brick or natural stone.
- iv. Roofing Materials. Roofing materials shall be equal to or better than an architectural-grade shingle which provides an appearance of depth such as a laminated shingle, and all roofing material shall include a warranty of at least 30 years.
- v. Siding. If vinyl siding is selected and used on a dwelling, such siding shall be at least 44 mils thick. In addition, Declarant reserves the right to approve additional siding products such as concrete siding material.

e. Roof Pitches. All roof pitches shall be a minimum of 6:12 or as may be dictated by a unique architectural style.

f. Solar Panels. Any active solar panels shall be constructed and maintained in compliance with all applicable provisions of the Lincoln Municipal Code and shall be flush with the roof or side wall of a dwelling. Any solar panels shall not be located in any required yard, upon any accessory structure. Any solar panels shall be designed to be an integral part of the house structure.

g. Basement Depth. All dwellings constructed of the following lots shall include a nine (9) foot basement wall poured at the grade established by Declarant: Lots 1-7, 10-18 and 26-40, Block 3; and Lot 2-4, Block 6.

h. Prohibited Construction. Without limiting the discretion of the Declarant to provide written approval or disapproval of plans submitted to Declarant, the following types of construction are prohibited within Windmill Ridge Estates:

- (i) Geodesic-dome construction;
- (ii) Earth-home construction, whereby the structure is located in a bank with soil spread to a depth upon the roof of such structure;
- (iii) Pre-fabricated home constructed off-site to be placed or erected upon any Lot; and
- (iv) Any building or structure to be moved intact onto any Lot, provided, however, that temporary structures for the storage of tools and materials during the construction of homes and the development of the subdivision by Declarant shall be permitted. Any such temporary structure utilized for the storage of tools and materials during construction shall be removed within sixty (60) days upon completion of such home.

4. General Standards for Improvements and Structures Other Than Dwellings. The following general standards shall be satisfied in the construction and installation of improvements and structures other than the dwelling. Written approval for other improvements and structures is not required but shall comply with these standards. The Corporation and members of the Corporation shall have the right to enforce these standards.

a. Fencing. Fencing shall not be constructed closer to the street than the front elevation of the dwelling. All wooden fences shall be constructed with western red cedar #1 and shall be constructed as either board on board, shadow box, or alternating pattern fences. Non-wood fences shall be constructed of only permitted materials,

which shall be limited to: vinyl, brick, wrought iron, architectural design concrete or alternative material approved by Declarant. All support posts shall be 4" x 4" galvanized posts, 12"x 36" hole and shall be set in mechanically wet mixed concrete. Treated fences and stockade or chain link fences are strictly prohibited except that chain link may be used only for kennels permitted in subparagraph (c) below. All fences are subject to the review of the Declarant.

b. Accessory Structures. Accessory structures such as storage sheds, playhouses, dog houses and other outbuildings shall be constructed of compatible and similar materials and design with the dwelling. All other accessory improvements such as swing sets and sand boxes shall be compatible with the quality of the overall development and shall be maintained in good order and an attractive condition.

c. Dog Kennels. Any dog run or kennel shall be adequately screened from view and shall not be located in the front yard or within 5 feet of any lot line. Dog runs and kennels shall not be located in the front yard or side yard setback. If chain link fencing is used for dog kennels, black or green enamel chain link is preferred and should be used if possible, but galvanized chain link is permitted.

d. Satellite Dishes. Any satellite dish shall be located on an area within the rear 25% of the roof area or house structure of the dwelling and shall be screened so as to be as unobtrusive as is reasonably possible. Any satellite dish shall be roof- or wall-mounted and not to exceed twenty four (24) inches in diameter. No more than two (2) satellite dishes are permitted on any dwelling.

e. Landscaping. All front, side and rear yard areas shall be seeded or sodded within six (6) months after completion of any dwelling constructed within the Properties.

5. Completion of Construction. Any building placed or constructed upon any lot within the Properties shall be completed within twelve months after the commencement of construction. All basement excavated dirt that is removed from any lot during construction shall be the property of Declarant. Said dirt must be clean and free from all construction debris and rubble and must be disposed of in compliance with Paragraph 25 of these Covenants.

6. Antennae. No wiring or antenna for electrical power, telephone, television, radio, or any other use shall be permitted above ground, except within a building.

7. City Requirements. All buildings within the Properties shall be constructed in conformity with the requirements of the applicable building codes of the City of Lincoln, Nebraska. Public sidewalks and street trees shall be installed during the construction of the dwelling as required by the City of Lincoln, Nebraska. If Declarant installs street tree on a Lot, the lot owner is responsible to Declarant for all costs of installation.

8. Temporary Structures. No partially completed dwelling or temporary building and no trailer, tent, shack, or garage on any lot within the Properties shall be used as either a temporary or permanent residence.

9. Nuisance. No noxious or offensive activity shall be carried on upon any lot, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the community or which endangers the health or unreasonably disturbs the quiet of the occupants of adjoining lots. No grass, weeds or other vegetation will be grown or otherwise permitted to commence or continue, and no dangerous, diseased or otherwise objectionable shrubs or trees will be maintained on any lot so as to constitute an actual potential public nuisance, create a hazard or undesirable proliferation, or detract from a neat and trim appearance. Vacant lots and Outlots shall not be used for dumping of earth or any waste materials. No vegetation on vacant lots, excluding vacant lots owned by Declarant, shall be allowed to reach a height in excess of six (6) inches. In the event vegetation on a vacant lot not owned by Declarant is allowed to reach a height in excess of six (6) inches, the Association shall have the right to enter upon and mow the lot, and to assess the mowing charges against the lot. Such charges, when shown of record, shall be a lien upon the lot and shall bear interest at the rate of sixteen percent (16%) per annum, or the maximum rate allowed by law, whichever is less, until paid.

10. Signs. No advertising signs, for sale signs, with the exception Real Estate for sale signs, billboards, or other advertising devices shall be permitted on any lot within the Properties; provided, however, Declarant may erect signs of any size advertising lots for sale within the Properties.

11. Animals. No animals, livestock, or poultry of any kind shall be raised, bred, or kept on any lot within the Properties for any commercial purpose.

12. Repair and Storage on Lot. No repair of any boats, automobiles, motorcycles, trucks, campers, or similar vehicles requiring a continuous time period in excess of forty-eight (48) hours shall be permitted on any lot at any time; nor shall vehicles offensive to the neighborhood be visibly stored, parked or abandoned on any lot. No recreational vehicle, as defined by the Lincoln Municipal Code, shall be parked or stored upon any

lot within the Properties, except within an enclosed structure. Recreational vehicles may be temporarily parked or stored upon a lot for a period of time not to exceed fourteen (14) days per year.

13. Construction Vehicles and Roll-off Service. Declarant may designate and enforce locations through and over which all construction vehicles shall enter and exit the Properties during development. At no time during construction of a lot shall vehicles park on or travel across another lot and no materials of any kind shall be stored, permanently or temporarily, upon another lot. During construction of any residence on a lot, a dumpster shall be placed on the lot and no material may be staged or stored in any street, road or on another lot. Such dumpster shall be covered and must be emptied when full. Lot owner shall cause all holding material, wrappers and other waste to be placed in the dumpster, and shall promptly pick up and properly dispose of any debris caused by wind, vandalism, or careless disregard which is on the lot or has been distributed upon neighboring lots. Declarant shall also have the exclusive right to designate a single provider of roll off service within the Properties. The purpose of designating a single provider is to limit and control the number of service trucks operating within the Properties. The rights of Declarant under this paragraph to designate a roll off provider shall be assigned to the Corporation when residences shall have been placed or constructed upon all the lots within the Properties.

14. Subdivision. No lot may be split, divided or subdivided for sale, resale, gift, transfer, or otherwise without the prior written approval of Declarant of plans and specifications for such split, division or subdivision. This provision does not apply to Declarant.

15. Homeowners Association. Windmill Ridge Estates Association ("Corporation") has been incorporated in the state of Nebraska for the purposes of enforcing the Restrictive Covenants established upon the Properties, administering and maintaining the Commons and providing services to its members. Every person or entity who owns a lot within the Properties shall be a member of the Corporation. However, any person or entity who holds such interest merely as security for the performance of an obligation shall not be a member.

16. Managing Agent. Declarant or the Corporation may contract for the performance of any of the Corporation's rights, obligations or responsibilities with any entity or individual ("Managing Agent"). The Managing Agent shall exercise such authority which may be granted by Declarant of the Corporation. The fee charged by the Managing Agent shall be a common expense of the members.

17. Membership. The Corporation shall have three classes of membership:

- a) Class A membership shall include all members of the Corporation except Declarant and any successor in interest that owns any of the following lots: Lots 1-2, Block 2; Lots 10-40, Block 3; Lot 1, Block 4; Lot 1, Block 5; Lots 1-4, Block 6; Lots 1-5, Block 7. Each Class A member of the Corporation shall be entitled to all the rights of membership and to one vote for each lot.
- b) Class B membership shall include all members of the Corporation except Declarant and any successor in interest that owns any of the following lots: Lots 1-9, Block 1; and Lots 1-9, Block 3. Each Class B member of the Corporation shall be entitled to all the rights of membership and to one vote for each lot. Each Class B member shall additionally be subject to further covenants recorded with the Lancaster County Register of Deeds that apply specifically to the Patio Home Lots.
- c) Class C membership shall include only Declarant and any successor in interest. The Class C member shall be entitled to ten votes for each lot. However, the Class C membership shall be converted to Class A membership when the total number of votes entitled to be cast by Class A and Class B members equals the total number of votes entitled to be cast by the Class C member

(collectively, the "Members").

18. Commons. The Commons shall include all pedestrian walkways that abut two or more lots, drainage ways, ponds and open space, as shown on any final plat of all or any portion of the Properties; provided that such final plat has been filed with the Lancaster County Register of Deeds.

19. Conveyance of Commons. Declarant shall convey any Commons to the Corporation, free from encumbrance, but subject to easements and restrictions then of record and any requirements of the City of Lincoln no later than one (1) year after the conversion of Class C membership to Class A membership.

20. Use of Commons. Each member of the Corporation shall have the right to use and enjoy the Commons as established by the rules, regulations and requirements of the Corporation and shall have an



easement upon the Commons for the use thereof, which shall be appurtenant to the interest requisite for membership.

21. Rights in Commons. The rights and easements of the members of the Corporation shall be subject to:

a. The right of the Corporation to borrow money for the purpose of improving the Commons and to mortgage the Commons. In the event of default, the mortgagee shall have the right, after taking possession of the Commons, to charge admission and other fees as a condition of the continued use of any recreational facilities within the Commons by the members, and to open the facilities to a wider public until the mortgage debt is satisfied. Any mortgage of the Commons shall be approved by the affirmative vote of two-thirds of each class of members entitled to vote, present in person or by proxy, at a regular meeting of the members or at a special meeting of the members, if notice of the proposed mortgage is contained in the notice of the special meeting.

b. The right of the Corporation to take any steps reasonably necessary to protect the Commons against foreclosure.

c. The right of the Corporation to suspend the enjoyment of the facilities by any member for any period during which an assessment remains unpaid, and for a period not to exceed thirty (30) days for any infraction of the published rules and regulations governing the use of the facilities.

d. The right of the Corporation to charge reasonable admission and other fees for the use of the facilities.

e. The right of the Corporation to dedicate or convey all or any part of the Commons to any public entity.

22. Shared Commons. Declarant reserves the right to develop Shared Common areas with the owner of an adjacent subdivision, including pedestrian walkways, drainage ways, ponds and open space as shown on any final plat of all or any portion of the Properties, or any final plat of all or any portion of the adjacent property, provided that such final plat has been filed with the Lancaster County Register of Deeds and any Shared Commons shall be clearly dedicated as such and expressly agreed upon by Declarant and the adjacent developer/homeowner's association (the "Adjacent Association").

a. Interest in Shared Commons. Declarant shall continue to own the Commons, but such Commons may be subjected to use rights of

the Adjacent Association, provided such Adjacent Association grants use rights to the Members in the adjacent common areas on a reciprocal basis.

b. Use of Shared Commons. Each member shall have the same right to use and enjoy Shared Commons as a member has with respect to the Commons, as set forth in paragraph 20 of these Covenants.

c. Rights in Shared Commons. The Corporation shall have the same rights with respect to its interest in the Shared Commons as it has with respect to the Commons, as set forth in paragraph 21 of these Covenants. All decisions regarding admission and other fees for the use of facilities on the Shared Commons shall be mutually agreed upon by the Corporation and the Adjacent Association.

d. Maintenance of Shared Commons. The Corporation shall arrange with the Adjacent Association for maintenance in substantially the same manner as required of the Commons pursuant to these Covenants. The cost of maintenance and other expenses, including any capital improvements, shall be divided between the Corporation and the Adjacent Association based on each association's percentage of the total number of lots that have a right to use the Shared Commons. The Corporation's share of Shared Common maintenance expenses shall be included as part of the annual dues.

23. Maintenance of Landscape Screens. Each member of the Corporation who is the titleholder of a lot or living unit on which any landscape screen, whether composed of structural or live plant material, which is installed as required by the City of Lincoln, Nebraska, shall be deemed to covenant to maintain the screen.

24. General Maintenance Obligations. Each member of the Corporation shall be responsible for the proper storage and disposal of all construction debris and materials associated with the construction of any improvement upon their lot. During construction on any lot, a member shall be responsible to erect and maintain adequate erosion control measures, including silt fences, straw bales or other measures to prevent soil runoff upon adjoining lots or streets. Lots shall be periodically mowed and loose debris and materials picked up and properly stored to prevent them from being spread and blown throughout the Properties. Each member shall be responsible for the enforcement and monitoring of these obligations for all contractors and suppliers performing work upon their lot.

25. Grading and Erosion Control. Declarant shall have the sole and exclusive right to establish grades, slopes and/or contours on all lots

and to fix the grade upon which any residence shall be placed or constructed upon any lot. Once such grades, slopes and/or contours have been established by Declarant, they shall not be changed in connection with the construction of any residence on a lot without written permission from Declarant, but in no event will any such lot be graded or sloped so as to change the flow surface waters to or from adjoining lots. If any damage is caused to an abutting lot during construction, the lot owner of the lot upon which construction is taking place shall be responsible for repairing such damage and returning the abutting lot to its original condition. If upon notice from Declarant to repair an abutting lot, the lot owner of the lot upon which construction is or has taken place or his/her contractor fails to comply with in seven (7) days of delivery of such notice, Declarant may take such measures as may be necessary to repair the damage done to the abutting lot and charge the cost of the measures to the lot owner. Such charges, when shown of record, shall be lien upon the lot and shall bear interest at the rate of sixteen percent (16%) per annum or the maximum rate allowed by law, whichever is less, until paid.

Lot owner shall be responsible at all times during construction to have in place erosion control measure including, but not limited to, silt fences, straw bales, or other additional measures, which will contain erosion of soil on the lot and prevent tracking of mud onto streets by construction vehicles. The adequacy of erosion control measures on a lot shall be subject to continual review during construction. Declarant shall have the right to require any lot owner to maintain silt fences or other additional measures if soil is observed to be eroding onto abutting lots, sidewalks or into any street or private roadway. If upon notice from Declarant to repair, maintain or take additional measures to control erosion the lot owner of any lot or his/her contractor fails to comply within forty-eight hours of delivery of such notice, Declarant may take such measures as may be necessary to control the erosion and charge the cost of the measures to the lot owner. Such charges, when shown of record, shall be lien upon the lot and shall bear interest at the rate of sixteen percent (16%) per annum, or the maximum rate allowed by law, whichever is less, until paid.

Lot owner acknowledges that by acceptance of a deed to a lot, lot owner automatically assumes responsibility for continuing compliance with the NPDES SWPPP permit requirements relating to the lot, including, but not limited to, proper maintenance of erosion control structures in place. **Prior to commencement of any construction activity on the lot, lot owner shall (i) submit an Individual Lot Notice of Intent (NOI) and Storm Water Pollution Prevention Plan for the lot to the City of Lincoln Building and Safety Department; and (ii) provide Declarant with a copy of said Individual Lot NOI and SWPPP.** Any liability associated with noncompliance with the NPDES SWPPP Permit or Individual

Lot NOI and SWPPP relating to the lot after the date it has been transferred by Declarant shall be the sole responsibility of lot owner and no responsibility shall accrue to Declarant.

No dirt from the basement excavation on any lot may be removed from the Properties without the prior written permission of Declarant. Declarant will designate an area or areas within the Properties for stockpiling any clean dirt resulting from basement excavation. Any lot owner or contractor placing dirt in such areas will only place clean dirt free from all construction debris and rubble therein and will level it so as to allow for mowing and maintenance. Declarant may, in the Declarant's sole discretion, at such time as Declarant deems appropriate, transfer, convey and assign to the Corporation the right to designate an area for stockpiling dirt.

26. Failure to Maintain. In the event any member fails or refuses to perform any required maintenance and upkeep of any landscape screen or the general maintenance obligations, Declarant or Corporation after seven (7) days notice to the member in default, may perform the required work or maintenance. The actual cost of performing the work or maintenance together with a ten percent (10%) administrative fee shall be the personal obligation of the member who is or was the owner of the lot failing to perform their maintenance obligations, shall bear interest at the rate of fourteen percent (14%) per annum and shall be a lien upon the lot assessed.

27. Corporation Responsibilities. The Corporation shall provide such services to its members as they may determine. These services and responsibilities of the Corporation shall include, but are not limited to, the following:

a. Maintenance of Commons. The Corporation covenants and each member of the Corporation, by the acceptance of a deed by which the interest requisite for membership is acquired, shall be deemed to covenant to maintain the Commons to the extent not otherwise provided for by these Restrictive Covenants, which Restrictive Covenants by the members shall be satisfied by the payment of annual and special assessments for the administration, maintenance or improvement of the Commons, including the Shared Commons. The City has approved the final plat of Windmill Ridge Estates upon the condition that the Commons be maintained by Declarant on a continuous basis. The Corporation covenants and each member of the Corporation, by the acceptance of a deed by which the interest requisite for membership is acquired, shall be deemed to covenant to assume the obligations of Declarant to comply with the requirements of the final plat of Windmill Ridge Estates

regarding continuous and permanent maintenance of the Commons. In the event the Corporation dissolves, the members shall remain jointly and severally liable for the cost of administering and maintaining the Commons.

b. Refuse Services. The Corporation shall have the option to enter into a contract to provide to each member refuse collection services through a single designated provider. If the Corporation enters into a such a contract, the cost of collection services shall be paid for by the members as a part of their annual dues and assessments. Annual dues and special assessments for the services provided to the members shall be uniform as to each lot within the Properties, except as provided in paragraph 30.

28. Lien of Dues and Assessments. The lien of any dues or special assessment shall, until shown of record, be subordinate to the lien of any mortgage placed upon the lot against which the assessment is levied.

29. Annual Assessments and Liens. Annual dues and special assessments, other than for capital improvements, may be levied by the Board of Directors of the Corporation. Any special assessment for capital improvements may be rejected at any time within thirty (30) days of the notice of the levy by the vote of a majority of each class of members affected and entitled to vote, at a regular meeting of the members or at a special meeting of the members, if notice of a special assessment is contained in the notice of the special meeting.

The members shall pay annual dues and special assessments to the Corporation or Managing Agent as billed. Each member's dues shall be determined on an annual basis for each fiscal year prorating a fractional year which may occur by issuance of a building permit for any dwelling. The initial annual dues are established at \$\_\_\_\_\_ per year per Class A lot, and \$100 per year for each Class B lot. The Class B Lots consisting of the Patio Homes shall be further subjected to the Covenants and Restrictions of Windmill Village applicable solely to the Patio Homes to provide additional services to such Class B Members. Changes in the amount of future annual dues shall be based upon an estimate of the Corporation's cost for administration, maintenance and improvement of the Commons and each member shall pay the annual dues so established in advance. At the end of each fiscal year, a statement of the total year's Common's operating costs may be presented to the members of the Corporation and the members shall pay any excess charge to the Corporation within thirty (30) days of the statement.

a. Budgets. The Corporation or Managing Agent shall prepare, approve and make available to each member a pro forma operating

statement (budget) containing: (1) estimated revenue and expenses on an accrual basis; (2) the amount of any cash reserves of the Corporation currently available for replacement or major repair of the Commons and for contingencies; (3) an itemized estimate of the remaining life of, and the methods of funding to defray repair, replacement or additions to, major components of the Commons; and (4) a general statement setting forth the procedures used by the Corporation in the calculation and establishment of reserves to defray the costs of repair, replacement or additions to major components of the Commons.

b. Additional Charges. In addition to any amounts due or any other relief or remedy obtained against a member who is delinquent in the payment of any dues or assessments, each member agrees to pay such additional costs, fees, charges and expenditures ("Additional Charges") as the Corporation or Managing Agent may incur or levy in the process of collecting from each member monies due and delinquent. All Additional Charges shall be included in any judgment in any action brought to enforce collection of delinquent dues or assessments. Additional Charges shall include, but not be limited to, the following:

i. Attorney's Fees. Reasonable attorney's fees and costs incurred in the event an attorney(s) is employed to collect any dues, assessment or sum due, whether by suit or otherwise.

ii. Late Charges. A late charge in an amount to be fixed by the Corporation to compensate the Corporation for additional collection costs incurred in the event any dues, assessment or other sum is not paid when due or within any "grace" period. The late charge shall not exceed ten percent (10%) of the delinquent assessment or Twenty Dollars (\$20), whichever is greater.

iii. Costs of Suit. Costs of suit and court costs incurred as allowed by the court.

iv. Filing Fees. Costs of filing notice of lien in the Office of the Register of Deeds.

v. Interest. Interest on all dues and assessments at the rate of fourteen percent (14%) per annum or the maximum rate allowed by law, whichever is less, commencing thirty (30) days after the assessment becomes due.

vi. Other. Any other costs that the Corporation may incur in the process of collecting delinquent dues and assessments.

c. Lien. The dues and assessments shall be the personal obligation of the member who is the owner of the lot assessed at the time of the assessment and when shown of record shall be a lien upon the lot assessed.

d. Fines. The Corporation may create a schedule of fines for violation of Corporation rules and regulations which fine shall be treated and billed as a special assessment to the offending member's lot.

30. Abatement of Dues and Assessments. Notwithstanding any other provision of these Restrictive Covenants, the Board of Directors may abate all or part of the dues or assessments due in respect of any lot, and shall abate all dues and assessments due in respect of any lot during the period such lot is owned by Declarant.

31. Additions. Declarant may add additional contiguous or adjacent real estate to the Properties or the Commons, at any time, without the consent of the members of the Corporation. Additions shall be made by the execution and recordation of Restrictive Covenants upon the additional real estate, making the addition subject to these Restrictive Covenants; provided the general standards set forth in paragraphs 3 and 4 may be reduced, increased or otherwise modified within any such addition.

32. Amendments. These Restrictive Covenants shall run with the land and shall be binding upon and enforceable by Declarant and all persons claiming under Declarant. These Restrictive Covenants may be terminated or modified, in writing, by the owners of two-thirds (2/3) of the lots within the Properties, at any time. However, the provisions of these Restrictive Covenants governing membership in the Corporation and the maintenance of the Commons shall not be terminated or modified without the consent of the City of Lincoln, Nebraska.

33. Enforcement. The enforcement of these Restrictive Covenants may be by proceedings at law or in equity against any person violating or attempting to violate any provision hereof. The proceedings may be to restrain the violation, or to recover damages and, by the Corporation or Declarant, may be to enforce any lien or obligation created hereby. The City shall have the right to enforce all restrictive covenants regarding maintenance of the Commons by proceedings at law or in equity against any person violating or attempting to violate said provisions.

34. Severability. The invalidation of any one of these Restrictive Covenants shall not affect the validity of the remaining provisions hereof.

Dated this 9 day of April, 2009.

WINDMILL RIDGE, LLC, a Nebraska limited liability company

By: Carl R. Schmidt, Manager  
Carl R. Schmidt, Manager

STATE OF NEBRASKA        )  
  ) ss.  
COUNTY OF LANCASTER    )

The foregoing instrument was acknowledged before me this 9<sup>th</sup> day of April, 2009, by Carl R. Schmidt, Manager of Windmill Ridge, LLC, on behalf of the company.



Judith E. Elgert  
Notary Public