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JUL 22 2016 15:54 P 23

Fee amount: 142.00
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Register of Deeds, Douglas County, NE
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**PROTECTIVE COVENANTS
FOR HIGHLAND HILLS**

THESE PROTECTIVE COVENANTS FOR HIGHLAND HILLS, made on the date hereinafter set forth by CR Investments, Inc., a Nebraska corporation, and Celebrity Homes, Inc, a Nebraska corporation, hereinafter both referred to as "Declarant."

NOW, THEREFORE, the undersigned, CR INVESTMENTS, INC., a Nebraska corporation, and CELEBRITY HOMES, INC., a Nebraska corporation (hereinafter referred to as "Declarant" or "Developer"), being the owner of or Declarant, declares the following shall be held, sold and conveyed subject to the following Protective Covenants, which are for the purpose of protecting the value and desirability of, and which shall run with the real property and be binding on all parties having any right, title or interest in the described properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner:

Lots 1 thru 190, inclusive, and Outlots A, B, and C, Highland Hills, a subdivision as surveyed, platted and recorded in Douglas County, Nebraska.

1. Permitted Uses. No lot shall be used except for residential purposes, schools or churches. No home shall be erected, altered, placed or permitted to remain on any lot other than one detached single-family dwelling not to exceed two stories in height with an attached private garage for not less than two or more than three automobiles. No obnoxious or offensive activity shall be carried on upon any lot, nor shall anything be done thereon which may be or become an annoyance.

2. Setbacks and Side Yards. All setbacks, side yards and rear yard requirements shall conform to applicable laws and ordinances.

3. Prohibited Structures. With the exception of temporary sales offices operated by the Declarant, its successors or assigns, no structure of a temporary character, trailer, basement, tent, shack, storage shed, detached garage, barn or other outbuildings shall be permitted.

4. Animals. No animals, livestock or poultry of any kind shall be raised, bred, kept on any lot except dogs, cats or household pets maintained within the dwelling, provided that they are not kept, bred or maintained for any commercial purpose.

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5. Fences and Dog Runs. Fences shall not be located on any lot nearer to the street than the structure located on said lot. Any fence installed on any Lot by the Developer shall be maintained by the owner of such Lot, at the owner's sole expense and the owner shall keep such fence in good order and repair and replace the same with the same style and equal quality fence when and if reasonably necessary. Fencing shall be wood, vinyl or black vinyl chain link. Unless specifically approved by Declarant in writing, no other type of fencing, including chain link and wire fencing, shall be permitted in any instance. No dog runs shall be permitted.

6. Moved Dwellings. Existing houses from other locations or houses built in another location may not be moved or placed on any lot within this subdivision without the written consent of the Developer or its designee.

7. Weeds and Trash. The title holder of each lot, vacant or improved, shall keep his/her lot or lots free from weeds and debris. All trash cans shall be stored inside except on the day of trash collection, or shall be adequately screened from view so that they are not visible from the public street.

8. Conform to Zoning. All structures, including driveways, sidewalks and patios placed upon the above property shall conform to the zoning requirements of the applicable governmental authority and the building code requirements of the applicable governmental authority.

9. Signs/Model Homes. No sign, billboard or other structure for advertising or the display of advertising material of any kind shall be erected, altered, placed or permitted to remain on any lot except that real estate signs shall be permitted temporarily. Developer and/or its designee may however, permit such signs as may be reasonably necessary for the operation and advertisement of model homes. Model homes may be maintained by the Declarant notwithstanding the fact there are no longer any vacant lots within the subdivision for sale.

10. Boats and Trailers. With the exception of temporary sales offices operated by the Declarant, its successors or assigns, no boat, camper, trailer or similar chattel will be maintained on any lot, other than in an enclosed structure, for more than seven (7) days within any calendar year; and no automobile, motorcycle, truck or other vehicle will be repaired, torn down or stored on any lot, other than in an enclosed structure. No boat, camper, trailer, motor home, semi-trailer, tractor, truck or other similar vehicle or chattel shall be parked or left on any street within the subdivision.

11. Outside Antennae Prohibited. No outside radio, television, ham broadcasting, earth station, satellite dish or other electronic antenna or aerial shall be erected or placed on any structure or on any lot. If used, any such antenna or aerial shall be placed in the attic of the house, or in any other place in the house where it will be concealed from public view from any side of the house. The foregoing notwithstanding, any earth station, satellite dish or other electronic antenna or aerial specifically exempted from covenant enforcement by court or governmental agency order shall be maintained in accordance with the strictest interpretation or condition for such use as may be permitted by such order.

12. Sod. A minimum of 3,000 square feet of sod shall be laid in all yards.

13. Architectural Control. No building, fence, wall, driveway, patio, patio enclosure, rock garden, swimming pool, dog house, dog run, flagpole or other external improvement above or below the surface of the ground shall be erected, placed, altered or permitted to remain on any lot, nor shall any grading excavation or tree removal be commenced until the construction plans and specifications, a site grading plan and a plot plan showing the location of the structure or improvement have been approved in writing by Developer, or any person, firm, corporation, partnership or entity designated in writing by Developer, which shall consider such plans and specifications with regard to type, quality and use of exterior materials, exterior design, location of improvements upon the building plot, and proposed finished grades; provided that Developer and its designee specifically reserve the right to deny permission to construct any type of structure, or improvement which it determines will not conform to the master plan for development of the subdivision. The approval or disapproval of the undersigned Developer, or its designee as required in these Covenants shall be in writing. Failure of the Developer or its designee to give either written approval or disapproval of a submitted plan within thirty (30) days after the submittal of said plan, by mailing such written approval or disapproval to the last known address of the applicant for approval as shown on the submitted plan, shall operate as disapproval of the plan as submitted. The restrictions of this paragraph shall terminate when the last lot has a completed dwelling sold, closed and conveyed to a third-party purchaser.

14. Utility, Pipeline and Other Easements. Easements encumber some or all of the real property within the lots encumbered by these Protective Covenants, which include but are not limited to the following:

a. a perpetual easement is hereby reserved in favor of and granted to the Omaha Public Power District, Qwest Communications, and any company which has been franchised to provide a cable television system in the area to be subdivided, their successors and assigns, to erect, operate, maintain, repair and renew underground poles, wires, cables, conduits and other related facilities, and to extend thereon wires or cables for the carrying and transmission of electric current for light, heat and power and for the transmission of signals and sounds of all kinds including signals provided by a cable television system, and the reception on, over, through, under and across a five-foot (5') wide strip of land abutting all front lot lines and all side boundary lot lines;

b. an eight-foot (8') wide strip of land abutting the rear boundary lines of all interior lots; and a sixteen-foot (16') wide strip of land abutting the rear boundary lines of all exterior lots. The term exterior lots is herein defined as those lots forming the outer perimeter of the above-described addition. Said sixteen-foot (16') wide easement will be reduced to an eight-foot (8') wide strip when the adjacent land is surveyed, platted and recorded;

c. a perpetual easement is hereby granted to the Metropolitan Utilities District, their successors and assigns, to erect, install, operate, maintain, repair and renew pipelines, hydrants and other related facilities, and to extend thereon pipes for the transmission of gas and water on, through, under and across a five-foot (5') wide strip of land abutting all cul-de-sac streets;

d. an easement is hereby granted to the Highland Hills Homeowners Association set forth below, their successors and assigns, to, in the sole and absolute discretion of the Association, trim, maintain, replace or remove the boulevard trees installed along North HWS Cleveland Boulevard;

e. other easements, as may be designated on any plat of Highland Hills, or replat thereof or in a separate easement document recorded of record with the Douglas County Register of Deeds.

15. Remedy on Violation. If the parties hereto or any of their heirs, successors or assigns shall violate or attempt to violate any of the covenants or restrictions herein, it shall be lawful for any person or persons owning any other lots in said development or subdivision to prosecute any proceedings at law or in equity against the person or persons violating or attempting to violate any such covenant or restriction, and either prevent him or them from so doing or to recover damages for such violation.

16. Severability. Invalidation of any one of these covenants by judgment or court order shall in no way affect any of the other provisions which shall remain in full force and effect.

17. Binding on Successors. The covenants and restrictions herein contained shall run with the land, and shall be binding upon all persons for a period of twenty-five (25) years from the date hereof. Thereafter the covenants, restrictions and other provisions of this Declaration shall automatically renew for successive ten (10) year periods unless terminated or amended by the owners of not less than seventy-five (75%) percent of said Lots, which termination or amendment shall thereupon become binding upon all Lots. Each of the covenants herein contained is several and separate from the other covenants, and invalidity of any covenant shall not affect the validity of any other provision of this instrument.

18. Enforcement by Developer. Nothing herein contained shall in any way be construed as imposing upon the Developer or any of the undersigned any liability, obligation or requirement to enforce this instrument or any of the provisions contained herein.

19. Amendments. For a period of ten (10) years following the date hereof, Declarant shall have the sole and exclusive right to amend, modify or supplement all of any portion of these Protective Covenants from time to time by executing and recording one or more duly acknowledged Amendments to Protective Covenants in the Office of the Register of Deeds of Douglas County, Nebraska. The right of the Declarant to amend, modify or supplement these Protective Covenants shall include, but not be limited to, the right to add, remove or otherwise detach any Lot or Lots from this Protective Covenant and from the jurisdiction of the Association. Thereafter, these covenants may be amended, supplemented or modified from time to time by recording one or more Amendments to Protective Covenants in the Office of the Register of Deeds of Douglas County, Nebraska duly executed and acknowledged by all owners of at least seventy-five (75%) percent of the lots subject to these Protective Covenants. Such amendments may include, among other things, the inclusion of additional properties to these Protective Covenants, and an extension of the time for which these covenants are to run.

20. HOMEOWNERS ASSOCIATION

i. Definitions.

A. "Association" shall mean and refer to HIGHLAND HILLS HOMEOWNERS ASSOCIATION, its successors and assigns.

B. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

C. "Properties" shall mean and refer to that certain real property hereinbefore described, and such additions thereto as may be subject to the jurisdiction of the Association.

D. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties.

E. "Declarant" shall mean and refer to Celebrity Homes, Inc. and/or CR Investments, Inc., its successors and assigns if such successors or assigns should acquire all remaining undeveloped Lots from the Declarant for the purpose of development.

ii. The Association. Declarant has caused or will cause the incorporation of HIGHLAND HILLS HOMEOWNERS ASSOCIATION, a Nebraska nonprofit corporation (hereinafter referred to as the "Association"). The Association has as its purpose the promotion of the health, safety, recreation, welfare and enjoyment of the residents of the Lots, including:

A. The acquisition (by gift, purchase, lease or otherwise), construction, landscaping, improvement, equipment, maintenance, operation, repair, upkeep and replacement of Common Facilities for the general use, benefit and enjoyment of the Members. Common Facilities may include recreational facilities such as playgrounds and parks; dedicated and non-dedicated roads, paths, ways and green areas; and entrance signs for Highland Hills which common facilities may be situated on property owned or leased by the Association, on public property, on private property subject to an easement in favor of the Association or on property dedicated to or owned by a Sanitary Improvement District.

B. The promulgation, enactment, amendment and enforcement of rules and regulations relating to the use and enjoyment of any Common Facilities, provided always that such rules are uniformly applicable to all Members. The rules and regulations may permit or restrict use of the Common Facilities by Members, their families, their guests, and/or by other persons, who may be required to pay a fee or other charge in connection with the, use or enjoyment of the Common Facility.

C. The exercise, promotion, enhancement and protection of the privileges and interests of the residents of Highland Hills; and the protection and maintenance of the residential character of Highland Hills.

iii. Owners' Easements of Enjoyment and Delegation of Use. Every owner shall have a right and easement of enjoyment in and to the Common Facilities which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

A. The right of the Association, its lessor, successor and/or assigns, to promulgate reasonable rules and charge reasonable admission and other fees for the use of any Common Facility;

B. the right of the Association to suspend the voting rights and right to use of the Common Facilities by an owner for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed 60 days for any infraction of its published rules and regulations; and

C. the right of the Association to dedicate or transfer all or any part of the Common Facilities to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer signed by 2/3rds of the Members has been recorded.

Any owner may delegate, in accordance with the rules and regulations of the Association, his right of enjoyment to the Common Facilities to the members of his/her family.

iv. Membership and Voting. Highland Hills is divided into single family residential lots (which are collectively referred to as the "Lots"). The "Owner" of each Lot subject to this Declaration or any other Declaration filed against any or all of the Properties shall be a Member of this Association. For purposes of this Declaration, the term "Owner" of a Lot means and refers to the record owner, whether one or more persons or entities, of fee simple title to a Lot, but excluding however those parties having any interest in any of such Lot merely as security for the performance of an obligation (such as a contract seller, the trustee or beneficiary of a deed of trust or a mortgagee). The purchaser of a Lot under a land contract or similar instrument shall be considered to be the "Owner" of the Lot for purposes of this Declaration. With the exception of the Class B membership, as set forth below, the Owner of each Lot, whether one or more, shall have one vote on each matter properly before the Association. Membership shall be appurtenant to ownership of each Lot, and may not be separated from ownership of each Lot. Additional phases of Highland Hills may be annexed to the Association by amendment to the covenants.

The Association shall have two classes of voting membership:

Class A. Class A members shall be all Owners, with the exception of the Declarant, and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Lot.

Class B. The Class B member(s) shall be the Declarant and shall be entitled to ten (10) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

a. when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership, or

b. on June 1, 2026 or sooner at Declarant's discretion.

v. Purposes and Responsibilities. The Association shall have the powers conferred upon nonprofit corporations by the Nebraska Nonprofit Corporation Act, and all powers and duties necessary and appropriate to accomplish the purposes and administer the affairs of the Association. The powers and duties to be exercised by the Board of Directors, and upon authorization of the Board of Directors by the Officers, shall include but shall not be limited to the following:

A. The acquisition (by gift, purchase, lease or otherwise), development, maintenance, repair, replacement, operation and administration of Common Facilities, and the enforcement of the rules and regulations relating to the Common Facilities.

B. The landscaping, mowing, watering, repair and replacement of parks and other public property and improvements on parks or public property or property, subject to a lease or easement in favor of the Association, within or near Highland Hills.

C. The fixing, levying, collecting, abatement and enforcement of all charges, dues, or assessments made pursuant to the terms of this Declaration.

D. The expenditure, commitment and payment of Association funds to accomplish the purposes of the Association including but not limited to payment for purchase of insurance covering any Common Facility against property damage and casualty; and purchase of liability insurance coverages for the Association, the Board of Directors of the Association and the Members serving thereunder.

E. The exercise of all of the powers and privileges and the performance of all of the duties and obligations of the Association as set forth in this Declaration, as the same may be amended from time to time.

F. The acquisition by purchase or otherwise, holding or disposition of any right, title or interest in real or personal property, wherever located, in connection with the affairs of the Association, including but not limited to any outlots within Highland Hills.

G. The deposit, investment and reinvestment of Association funds in bank accounts, securities, money market funds or accounts, mutual funds, pooled funds, certificates of deposit or the like.

H. The employment of professionals and consultants to advise and assist the Officers and Board of Directors of the Association in the general administration and management of the Association, and execution of such documents and doing and performance of their duties and responsibilities for the Association.

I. The doing and performing of such acts, and the execution of such instruments and documents, as may be necessary or appropriate to accomplish the purposes of the Association.

vi. Mandatory Duties of Association. The Association shall maintain, in a generally neat and clean condition, any and all entrance ways, fence, signs, cluster mailboxes, irrigation systems, landscaping, or greenspace which have been installed in easement or other areas of the Highland Hills subdivision and center islands dividing dedicated roads, any drainage easements in favor of the Association, in generally good and neat condition.

vii. Covenant for and Imposition of Dues and Assessments. The Declarant, for each Lot owned, hereby covenants, and each Owner of any Lot by acceptance of a deed therefor,

whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay dues and assessments as provided for herein. The Association may fix, levy and charge the Owner of each Lot with dues and assessments (herein referred to respectively as "dues and assessments") under the following provisions of this Declaration. Except as otherwise specifically provided, the dues and assessments shall be fixed by the Board of Directors of the Association and shall be payable at the times and in the manner prescribed by the Board.

viii. Abatement and Proration of Dues and Assessments. Notwithstanding any other provision of this Declaration, the Board of Directors shall abate one hundred (100%) percent of the dues or assessments due in respect of any Lot owned by the Declarant. Upon Declarant's transfer of its ownership interest in a Lot, said abatement shall cease. Dues or assessments shall be prorated on a monthly basis.

ix. Liens and Personal Obligations for Dues and Assessments. The assessments and dues, together with interest, thereon, costs and reasonable attorney's fees, shall be the personal obligation of the Owner of each Lot at the time when the dues or assessments first become due and payable. The dues and assessments, together with interest, thereon, costs and reasonable attorney's fees, shall also be a charge and continuing lien upon the Lot in respect of which the dues and assessments are charged. The personal obligation for delinquent assessments shall not pass to the successor in title to the Owner at the time the dues and assessments become delinquent unless such dues and assessments are expressly assumed by the successors, but all successors shall take title subject to the lien for such dues and assessments, and shall be bound to inquire of the Association as to the amount of any unpaid assessments or dues.

x. Purpose of Dues. The dues collected by the Association may be committed and expended to accomplish the purpose of the Association described in Section 1 of this Article, and to perform the Powers and Responsibilities of the Association described in Sections 4 and 5 of this Article.

xi. Maximum Annual Dues. Unless excess dues have been authorized by the Members in accordance with Section 12, below, the aggregate dues which may become due and payable in any year shall not exceed the greater of:

A. Beginning January 1, 2016, One Hundred Twenty Five and No/100ths (\$125.00) Dollars per Lot; or

B. In each calendar year beginning on January 1, 2016, one hundred twenty-five percent (125 %) of the aggregate dues charged in the previous calendar year.

xii. Assessments for Extraordinary Costs. In addition to the dues, the Board of Directors may levy an assessment or assessments for the purpose of defraying, in whole or in part, the costs of any acquisition, construction, reconstruction, repair, painting, maintenance, improvement, or replacement of any Common Facility, including fixtures and personal property related thereto, and related facilities. The aggregate assessments in each calendar year shall be limited in amount to Five Hundred and NO/ 100 Dollars (\$500.00) per Lot.

xiii. Excess Dues and Assessments. With the approval of seventy-five percent of the Members of the Association, the Board of Directors may establish dues and/or assessments in excess of the maximums established in this Declaration.

xiv. Uniform Rate of Assessment. Assessments and dues shall be fixed at a uniform rate as to all Lots, but dues may be abated as to individual Lots, as provided in Sections 6 and 7, above.

xv. Certificate as to Dues and Assessments. The Association shall upon written request and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the dues and assessments on a specified Lot have been paid to the date of request, the amount of any delinquent sums, and the due date and amount of the next succeeding dues, assessment or installment thereof. The dues and assessment shall be and become a lien as of the date such amounts first become due and payable.

xvi. Effect of Nonpayment of Assessments - Remedies of the Association. Any installment of dues or assessment which is not paid when due shall be delinquent. Delinquent dues or assessment shall bear interest from the due date at the rate of rate of sixteen percent (16%) per annum or the legal rate of interest, whichever is less, compounded annually. The Association may bring in action at law against the Owner personally obligated to pay the same or foreclose the lien against the Lot or Lots, and pursue any other legal or equitable remedy. The Association shall be entitled to recover as a part of the action and shall, be indemnified against the interest, costs and reasonable attorney's fees incurred by the Association with respect to such action. No Owner may waive or otherwise escape liability for the charge and lien provided for herein by nonuse of the Common Facilities or abandonment of his Lot. The mortgagee of any Lot shall have the right to cure any delinquency of an Owner by payment of all sums due together with interest, costs and attorney's fees. The Association shall assign to such mortgagee all of its rights with respect to such lien and right of foreclosure and such mortgagee may thereupon be subrogated to any rights of the Association.

xvii. Subordination of the Lien to the Mortgagee. The lien of dues and assessments provided for herein shall be subordinate to the lien of any mortgage, contract or deed of trust as collateral for a home improvement or purchase money loan. Sale or transfer of any Lot shall not affect or terminate the dues and assessments lien.


xviii. Additional Lots. Declarant reserves the right, without consent or approval of any Owner or Member, to expand the Association or amend this Declaration to include additional residential lots in any subdivision which is contiguous to any of the Lots. Such expansion(s) may be affected from time to time by the Declarant or Declarant's assignee by recordation with the Register of Deeds of Douglas, Nebraska of an amendment to this Declaration and/or a separate Declaration of Covenants, Conditions, Restrictions and Easements, executed and acknowledged by Declarant or Declarant's assignee, setting forth the identity of the additional residential lots (hereinafter the "Subsequent Phase Declaration").

Upon the recording of any Subsequent Phase Declaration which expands the residential lots included in the Association, the additional lots identified in the Subsequent Phase Declaration shall be considered to be and shall be included in the "Lots" for purposes of this Section and this Declaration, and the Owners of the additional residential lots shall be Members of the Association with all rights, privileges and obligations accorded or accruing to Members of the Association.

21. Waiver for Hardship. Until such time as all lots are improved, Developer shall have the right in its discretion to waive any one or more of the covenants, conditions or restrictions herein contained for hardship or other cause.

Dated this 18th day of JULY 2016.

CR INVESTMENTS, INC., Declarant,

By 
CHAD LARSEN, Vice-President


STATE OF NEBRASKA)
) ss.
COUNTY OF DOUGLAS)

The foregoing instrument was acknowledged before me this 18 day of July, 2016, by Chad Larsen, Vice-President, on behalf of CR Investments, Inc., a Nebraska corporation.



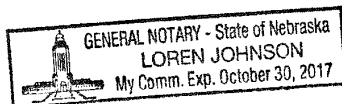

Notary Public

CELEBRITY HOMES, INC., a Nebraska corporation, Declarant

By: 
Chad Larsen, Vice-President

State of Nebraska)
)ss.
County of Douglas)

The foregoing instrument was acknowledged before me this 18 day of July, 2016 by Chad Larsen, Vice-President, on behalf of Celebrity Homes, Inc., a Nebraska corporation.




Notary Public

**ARTICLES OF INCORPORATION OF
HIGHLAND HILLS HOMEOWNERS ASSOCIATION**

In compliance with the requirements of the Nebraska Nonprofit Corporation Act, the undersigned, all of whom are of full age, have this day voluntarily associated themselves together for the purpose of forming a corporation not for profit and do hereby certify:

ARTICLE I

Name

The name of the corporation is Highland Hills Homeowners Association, hereafter called the "Association."

ARTICLE II

Mutual Benefit Corporation

The Association is a mutual benefit corporation.

ARTICLE III

Principal Office

The principal office of the Association is located at 6239 S. 90th Street Omaha, NE 68127.

ARTICLE IV

Registered Agent and Office

Kim Henrichson, is hereby appointed the initial registered agent of this Association and the registered office of the Association is located at 6239 S. 90th Street, Omaha, NE 68127.

ARTICLE V

Purpose and Powers of the Association

This Association does not contemplate pecuniary gain or profit to the members thereof, and the specific purposes for which it is formed are to provide for maintenance, preservation and architectural control of the residence Lots and Common Area within that certain tract of property described as:

Lots 1 thru 190, inclusive, and Outlots A, B, and C, Highland Hills, a subdivision as surveyed, platted and recorded in Douglas County, Nebraska subject to change by any annexations, detachments or other additions thereto made by the Declarant,

and to promote the health, safety and welfare of the residents within the above-described property, of the homes situated on the above-described property, any Common Area and any additions thereto as may hereafter be brought within the jurisdiction of this Association for this purpose to:

The Association shall have the powers conferred upon nonprofit corporations by the Nebraska Nonprofit Corporation Act, and all powers and duties necessary and appropriate to accomplish the purposes and administer the affairs of the Association. The powers and duties to be exercised by the Board of Directors, and upon authorization of the Board of Directors by the Officers, shall include but shall not be limited to the following:

A. The acquisition (by gift, purchase, lease or otherwise), development, maintenance, repair, replacement, operation and administration of Common Facilities, and the enforcement of the rules and regulations relating to the Common Facilities.

B. The landscaping, mowing, watering, repair and replacement of parks and other public property and improvements on parks or public property or property, subject to a lease or easement in favor of the Association, within or near Wood Valley.

C. The fixing, levying, collecting, abatement and enforcement of all charges, dues, or assessments made pursuant to the terms of this Declaration.

D. The expenditure, commitment and payment of Association funds to accomplish the purposes of the Association including but not limited to payment for purchase of insurance covering any Common Facility against property damage and casualty; and purchase of liability insurance coverages for the Association, the Board of Directors of the Association and the Members serving thereunder.

E. The exercise of all of the powers and privileges and the performance of all of the duties and obligations of the Association as set forth in this Declaration, as the same may be amended from time to time.

F. The acquisition by purchase or otherwise, holding or disposition of any right, title or interest in real or personal property, wherever located, in connection with the affairs of the Association, including but not limited to any outlots within Highland Hills.

G. The deposit, investment and reinvestment of Association funds in bank accounts, securities, money market funds or accounts, mutual funds, pooled funds, certificates of deposit or the like.

H. The employment of professionals and consultants to advise and assist the Officers and Board of Directors of the Association in the general administration and management of the Association, and execution of such documents and doing and performance of their duties and responsibilities for the Association.

I. The doing and performing of such acts, and the execution of such instruments and documents, as may be necessary or appropriate to accomplish the purposes of the Association.

Mandatory Duties of Association. The Association shall maintain, in a generally neat and clean condition, any and all entrance ways, fence, signs, cluster mailboxes, irrigation systems, landscaping, or greenspace which have been installed in easement or other areas of the Wood

Valley subdivision and center islands dividing dedicated roads, any drainage easements in favor of the Association, in generally good and neat condition.

ARTICLE VI

Membership

The corporation shall have members. Every person or entity who is a record owner of a fee or undivided fee interest in any Lot which is subject by covenants or record to assessment by the Association, including contract sellers, shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association.

ARTICLE VII

Voting Rights

The Association shall have two classes of voting membership:

Class A. Class A members shall be all Owners, with the exception of the Declarant, and shall be entitled to one (1) vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Lot.

Class B. The Class B member(s) shall be the Declarant and shall be entitled to ten (10) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

- a. when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership, or
- b. on June 1, 2026.

ARTICLE VIII

Board of Directors

The affairs of this Association shall be managed by a Board of not less than three (3) Directors nor more than five (5), who need not be members of the Association or be Owners. The initial Board shall consist of three (3) members. The number of directors may be changed by amendment of the By-Laws of the Association.

At the first annual meeting the members shall elect one director for a term of one year, one director for a term of two years and one director for a term of three years; and at each annual meeting thereafter the members shall elect one director for a term of three years.

ARTICLE IX

Dissolution

The Association may be dissolved with the assent given in writing and signed by not less than two-thirds (2/3) of the members. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any nonprofit corporation, association, trust or other organization to be devoted to such similar purposes.

ARTICLE X
Duration

The corporation shall exist perpetually.

ARTICLE XI
Amendments

These Articles may be amended at a regular or special meeting of the members, by a vote of a majority of a quorum of members present in person or by proxy.

ARTICLE XII
INCORPORATOR

Brian Doyle is the initial incorporator with the address of 14002 L Street, Omaha, Nebraska 68137.

IN WITNESS WHEREOF, the undersigned, being duly authorized under the laws of the State of Nebraska, has executed these Articles of Incorporation of Highland Hills Homeowners Association this 18th day of JULY, 2016.

INCORPORATOR


Chad Larsen

**BY-LAWS OF
HIGHLAND HILLS HOMEOWNERS ASSOCIATION, INC.**

ARTICLE I
NAME AND LOCATION

The name of the Corporation is HIGHLAND HILLS HOMEOWNERS ASSOCIATION, INC., hereinafter referred to as the "Association". The principal office of the corporation shall be as designated by the Board of Directors from time to time, and meetings of Members and Directors may be held at such places within Douglas County, Nebraska, as may be designated by the Board of Directors.

ARTICLE III
MEMBERSHIP

Section 1: Membership. The owner of each Lot subject to the Protective Covenants recorded in the Register of Deeds of County as Instrument Number who has paid the annual dues assessment set by the Board of Directors shall have one membership for each Lot owned.

Section 2: Succession. The membership of each Owner shall terminate when they cease to be an Owner of a Lot or have not paid the annual dues assessment, and their membership in the Association shall automatically be transferred to the new Owner succeeding to such ownership interest, provided such succeeding owner has paid the annual dues assessment.

ARTICLE IV
MEMBERSHIP MEETINGS

Section 1: Annual Meeting. The annual meeting of the Association shall be held at the office of the Association during the month of January on the second Tuesday in each year, commencing at 4:00 p.m., or such other time or place as may be designated by the Association's Board of Directors. Each annual meeting shall be for the purpose of electing Directors and transacting any other business authorized to be transacted by the Members. If the date set for the annual meeting of the membership is a legal holiday, the meeting will be held at the same hour on the first day following such legal holiday.

Section 2: Special Meetings. Special meetings shall be held whenever called by the President or Vice-President or by a majority of the Association's Board of Directors, and must be called by such officers upon receipt of a written request from Members entitled to cast one-third of the votes of the entire membership.

Section 3: Notice of Meetings. Notice of all meetings, stating the time, date, place and purpose for which the meeting is called, shall be given by the President, Vice-President or Secretary, unless waived in writing. Such notice shall be in writing to each Member and shall be mailed, e-mailed, posted on the Association's website or by any other means designated by the

Board of Directors at least ten (10) days but no more than sixty (60) days prior to the date of the meeting. Proof of Notice shall be made by affidavit. Notice of meeting may be waived before or after any such meeting.

Section 4: Quorum. A Quorum at any meeting shall consist of ten (10%) percent of those Members entitled to cast all votes of the Association. A Quorum is represented by persons in attendance and by proxy. If any meeting of the Members cannot be organized because a quorum has not attended, the Members present either in person or by proxy, shall adjourn the meeting for seven (7) days, and the Quorum requirement shall be reduced by half.

Section 5: Voting. Each Owner shall have one vote for each membership owned. If an Owner consists of more than one Person, then all persons constituting an Owner of such Lot shall, simultaneously with or immediately after their acquisition of such Lot, deliver to the Association a written instrument appointing one Person as the agent for all Persons constituting the Owner of such Lot, which agent shall thereupon receive notices of Assessment and other notices, demands, cast votes hereunder, and take any and all actions required or permitted to be taken by an Owner under the terms of this Declaration. An Owner may change its designated agent by written notice to the Association as set forth above, which change shall be effective only upon actual receipt of such notice by the Association. No change in the ownership of a Lot shall be effective for voting purposes until the Board receives written notice of such change together with satisfactory evidence thereof. An Owner may assign all, but not less than all, of its voting rights to a Lessee, which shall be effective only upon actual receipt of such notice by the Association. If more than one Person casts or attempts to cast a vote for a particular Lot, all such votes shall be deemed void.

Section 6: Proxies. Votes may be cast in Person or by proxy.

ARTICLE V BOARD OF DIRECTORS

Section 1: Number. The business of the Association shall be managed by a Board of Directors consisting of at least three (3) Directors nor more than five (5) Directors, who shall serve without compensation. However, any Director may be reimbursed for his actual expenses incurred in the performance of his or her duties as a Director. The Directors do not need to be Members of the Association.

Section 2: Term of Office. The Directors shall be elected as provided in this Declaration. The Directors shall be elected for terms staggered on a one (1), two (2) and three (3) year basis. One (1) Director shall be elected for one (1) year, one (1) Director shall be elected for two (2) years and one (1) Director shall be elected for three (3) years. After the initial term of each such Director, all Directors shall thereafter be elected for three (3) year terms. In the event that there are more than three (3) Directors, each additional Director shall be for three (3) year terms. Each

Director shall serve for the term set forth hereinabove and until his or her successor is duly elected and qualified, or until removed from office as provided herein.

Section 3: Removal. Any Director may be removed from the Board, with or without cause, by concurrence of a two thirds (2/3) majority of the votes cast by the quorum present at any regular or special meeting of the Association called for that purpose.

Section 4: Vacancies. In the event of the death, resignation or removal of a Director, their successor shall be selected by a majority of the remaining members of the Board and shall serve for the unexpired term of their predecessor.

ARTICLE VI NOMINATION AND ELECTION OF DIRECTORS

Section 1: Nomination. Nomination for election to the Board shall be made by a nominating committee. Nominations may also be made from the floor at the annual meeting by a Member in good standing. The nominating committee shall be appointed by the Board of Directors at least sixty (60) days prior to each annual meeting and shall serve until such annual meeting has been concluded. The nominating committee shall make as many nominations for election to the Board as it shall, in its discretion, determine but not less than the number of vacancies that are to be filled.

Section 2: Election. The election shall be by ballot (unless dispensed with by unanimous consent) and by a plurality of votes cast. Each person entitled to vote may cast his vote for each of as many nominees as there are vacancies to be filled. There shall be no cumulative voting.

VOTING VII MEETING OF DIRECTORS

Section 1: Regular Meeting. Regular meetings of the Board of Directors shall be held at such times and places which are determined, from time to time, by a majority of the Association's Board of Directors. Notice of Regular meetings shall be given to each Director, personally or by mail, telephone or equivalent service, at least three (3) days prior to the date of any Regular meeting. Notice of meeting may be waived before or after any such meeting.

Section 2: Special Meetings. Special meetings of the Board of Directors may be held at the request of the President, Vice-President or Secretary, and must be held at the written request of two-thirds (2/3) of the Directors. Notice of special meetings shall be given to each Director, personally or by mail, telephone or equivalent service, at least five (5) days prior to the date of any special meeting. Such Notice shall state the time, date, place and purpose of the special meeting. Notice of meeting may be waived before or after any such meeting.

Section 3: Quorum. A quorum at Director's meetings shall consist of fifty-one (51%) percent of the votes thus represented of the entire Association's Board of Directors present at the beginning of a meeting. The acts approved by a majority of those Directors present at any meeting at which a quorum is present shall constitute the acts of the Association, except where approval by a greater number of Directors is required by the Declaration or these By-Laws. If at any meeting of the Board of Directors less than a quorum is present, the majority of those present may adjourn the meeting until a quorum is present. Upon reconvening an adjourned meeting, any business called may be transacted without the necessity of providing any further notice.

Section 4: Action Taken Without A Meeting. The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

ARTICLE VIII
POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1: Powers. The Board of Directors shall have the power to:

- (a) Elect and remove the officers of the Association;
- (b) Adopt and publish rules and regulations governing the use of the Common Area;
- (c) Engage the services of an agent, manager, independent contractors or employees as they deem necessary to maintain, repair, replace, administer and operate the Common Area, or any part thereof, and manage all other affairs and business of the Association for all of the Members, upon such terms and for such compensation as the Board may approve. Any agreement for the services of any such agent, manager, independent contractor or employee shall provide for termination by the Association with or without cause, and without payment of a termination fee, upon thirty (30) days' written notice, and no such agreement shall be of a duration in excess of one (1) year, renewable by agreement of the parties for successive one (1) year periods;
- (d) Maintain, keep in good repair and upkeep, and replace the Common Area, as such repairs are required or necessary for the safety and convenience of the Owners or their respective Permittees and Occupants, or for the preservation or protection of the Common Area;

(e) Grant or relocate easements over, across or through the Common Area as the Board may determine to be beneficial to the Members;

(f) Declare the office of a Member of the Board to be vacant in the event such Member shall be absent from three (3) consecutive regular meetings of the Board; and

(g) Exercise for the Association all powers, duties and authority vested in or delegated to the Association and not reserved to the Members by other provisions of these By-Laws and the Articles of Incorporation.

Section 2: Duties. It shall be the duty of the Board of directors:

(a) To cause to be kept a record of all acts and corporate affairs;

(b) To supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) To prepare, adopt and distribute a budget;

(d) To fix the amount of the Assessment for each membership, and

(d) To issue, or cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. Such certificates shall be conclusive evidence of the payment of any assessment therein stated to have been paid;

(e) To cause the Common Area to be maintained; and

(f) To cause all other affairs and business of the Association to be properly conducted and administrated in accordance with the Articles of Incorporation and these Bylaws.

ARTICLE IX

OFFICERS AND THEIR DUTIES

Section 1: Enumeration of Officers. The executive officers of the Association shall consist of a President, (who must also be a Director), a Vice-President, Treasurer, and Secretary.

Section 2: Election of Officers. The election of officers shall be made by a majority vote of the Board of Directors at the first meeting of the Board following each annual meeting of the membership.

Section 3: Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless they shall sooner resign, or shall be removed, or otherwise become disqualified to serve.

Section 4: Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5: Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6: Vacancies. A vacancy in any officer may be filled by a majority vote of the quorum present of the Directors. The officer elected to such vacancy shall serve for the remainder of the term of the officer they replace.

Section 7: Multiple Offices. Any two or more offices may be held by the same person, except the offices of President and Secretary.

Section 8: Duties. The duties of the officers are as follows:

- (a) President. The President shall be the Chief Executive Officer of the Association, and shall supervise and control all of the business and affairs of the Association. The President shall, when present, preside at all meetings of the Members and all meetings of the Board. The President may sign, with or without any other officer of the Association as authorized by the Board, deeds, mortgages, bonds, contracts or other instruments which the Board has authorized to be executed, except where the signing and the execution thereof shall be expressly delegated by the Board or by these By-Laws to some other officer or agent of the corporation or shall be required by law to be otherwise signed or executed.

The President shall have the power to appoint and remove one or more administrative Vice-Presidents of the Association and such other assistants to the various elected officers of the Association as is necessary of the accomplishment of their duties. In general, the President shall perform all duties incident to the office of the President and such other duties as may be prescribed by the Board.

(b) Vice-President. In the absence of the President, or in the event of the President's death, inability or refusal to act, the Vice-President, or if there is more than one Vice-President, the Senior Vice-President, shall perform the duties of the President, and when so acting shall have all the powers, of, and be subject to, all the restrictions upon the President. Otherwise, such Senior and other Vice-Presidents shall perform only such duties as may be assigned by the President or by the Board.

(c) Secretary. The Secretary shall keep the minutes of the meetings of the Members and the Board in one or more books provided for that purpose; see that all notices are duly given in accordance with the provisions of these By-Laws, or as required by law; be custodian of the records of the Association, except those of the Treasurer; keep or cause to be kept under their general supervision by a registrar or transfer agent appointed by the Board, a register of the name and post office address of each Member as furnished by such Member; have general charge of the transfer books of the corporation; and in general perform all duties incidental to the office of the Secretary and such other duties as may be assigned to them by the President or by the Board.

(d) Treasurer. The Treasurer shall have charge and custody of, and be responsible for, all funds and securities of the Association; receive and give receipts for monies due and payable to the corporation from any source whatsoever, and deposit all monies in the name of the Association in such banks, trust companies or other depositories as shall be directed by the Board; shall sign all checks and promissory notes of the Association except in those instances where the Board has delegated the authority to sign checks to a managing agent employed by the Association; shall keep proper books of account; and shall prepare an annual budget and a statement of income and expenditures to be presented to the Members at the regular annual meeting of the Members, and shall deliver a copy of such to the Members.

Section 9: Committees. The Board shall appoint a nominating committee, as provided in the Declaration, and shall appoint other committees as the Board may deem appropriate to carry out the purposes of the Association.

ARTICLE X
BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member. The Declaration, the Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any Member at the principal office of the Association. A copy shall be provided initially for the Owners of each Lot, and additional copies shall be made available for purchase by Members at reasonable costs.

ARTICLE XI
INDEMNIFICATION

Section 1: General. The Association shall indemnify and hold harmless each of its Directors and Officers against any and all liability arising out of any acts or the Directors, Officers, Committee Members, or Board arising out of their status as Directors, Officers, or Committee Members, unless any such act is a result of gross negligence or criminal intent. It is intended that the foregoing indemnification shall include indemnification against all costs and expenses including, by way of illustration but not of limitation, attorney's fees and costs reasonably incurred in connection with the defense of any claim, action or proceeding, whether civil, criminal, administrative or other, in which any such Director, Officer, Committee or Member may be involved by virtue of such person having the status of a Director, Officer, Committee or Member provided, however, that such indemnity shall not be operative with respect to any matters to which such person shall have been finally adjudged in such action or proceeding to be liable for gross negligence or criminal intent in the performance of his duties.


ARTICLE XII
AMENDMENTS

These By-Laws may be changed, modified or amended, at a regular or special meeting of the Members, by fifty-one (51%) percent of the votes entitled to be cast by the Members at a regular or special meeting called for that purpose.

ARTICLE XV
MISCELLANEOUS

The fiscal year of the Association shall begin on the first day of January and end on the last day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

HIGHLAND HILLS HOMEOWNERS
ASSOCIATION, INC., a Nebraska
nonprofit
corporation,

By: 
Its: PRESIDENT