

Recorded 4-15-97 at 9:21^a M. in MWC Book 43 Page 207 Burt Co. NE
222

FILED
1997 APR 15 AM 9:21
LEA DAVIS
BURT COUNTY CLERK

11807
023133

DECLARATION OF

COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS

The undersigned, BUCKTOWN DEVELOPMENT GROUP, L.L.C., a Nebraska limited liability company (the "Declarant"), is the owner of the following described real property:

Lots 1 through 151 inclusive of Northridge Country Club Estates, being a platting of all of the SE 1/4 of Section 13; and also all of the East 1/2 of the SW 1/4 of said Section 13; and also all of Sub Lot 1 of Lot 2 in the NE 1/4 of Section 24; and also all of Sub Lot 2 of Lot 2 in said NE 1/4 of Section 24; and also part of Lot 1 in said NE 1/4 of Section 24; and also all of Sub Lot 1 of Lot 1 in said NE 1/4 of Section 24; all located in Township 21 North, Range 10 East of the 6th P.M., Burt County, Nebraska, more particularly described as follows:

Beginning at the Northeast corner of said SE 1/4 of Section 13; thence S00°11'55"W (assumed bearing) along the East line of said SE 1/4 of Section 13, a distance of 2651.20 feet to the Southeast corner of said SE 1/4 of Section 13, said point also being the Northeast corner of said Lot 1 in the NE 1/4 of Section 24; thence S00°27'04"W along the East line of said NE 1/4 of Section 24, a distance of 1330.04 feet to the Southeast corner of said Sub Lot 1 of Lot 1 in the NE 1/4 of Section 24; thence along the Southerly line of said Sub Lot 1 of Lot 1 in the NE 1/4 of Section 24 and also along the Southerly line of said Lot 1 in the NE 1/4 of Section 24, and also along the Southerly line of said Sub Lot 2 of Lot 2 in the NE 1/4 of Section 24 and also along the Southerly line of said Sub Lot 1 of Lot 2 in the NE 1/4 of Section 24, on the following described courses; thence N64°29'46"W, a distance of 1912.43 feet; thence N61°41'39"W, a distance of 308.26 feet; thence N60°15'10"W, a distance of 726.33 feet to the Southwest corner of said SE 1/4 of Section 13; thence S89°54'49"W along the South line of said SW 1/4 of Section 13, a distance of 1323.19 feet to the Southwest corner of said East 1/2 of the SW 1/4 of Section 13; thence N00°28'09"E, along the West line of said East 1/2 of the SW 1/4 of Section 13, a distance of 2643.55 feet to the Northwest corner of said East 1/2 of

20

the SW 1/4 of Section 13; thence N89°51'33E" along the North line of said SW 1/4 and the North line of said SE 1/4 of Section 13, a distance of 3949.32 feet to the point of beginning.

(hereinafter collectively referred to as the "Properties").

Declarant hereby declares that the Properties shall be held, sold and conveyed subject to the following covenants, conditions, restrictions and easements (collectively referred to as the "Covenants"), which are established for the purpose of protecting the value and desirability of, and which shall run with and bind, the Properties, and each and every part, parcel and lot thereof, and be binding on all parties having any right, title or interest in the Properties, or any part, parcel or lot thereof, and their respective heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I. NORTHRIDGE ESTATES HOMEOWNERS' ASSOCIATION

1.1 Association. Northridge Estates Homeowners' Association (the "Association") will be incorporated under the laws of the State of Nebraska for the purpose of maintaining the Common Areas (as hereinafter defined) and enforcing these Covenants and other rules and regulations applicable to the Properties. Every person or entity who becomes a titleholder of a fee or undivided fee interest in any lot within the Properties (an "owner") shall be a member of the Association. However, any person or entity who holds such interest merely as security for the performance of an obligation shall not be a member.

1.2 Membership. The Association shall have two classes of membership:

1.2.1 Class A Membership. Class A membership shall include all members of the Association, except the Declarant and any successor of the Declarant. Each Class A member of the Association shall be entitled to all the rights of membership and to one (1) vote for each lot in which the interest requisite for membership is held; provided, however, that no more than one vote shall be cast with respect to any such lot.

1.2.2 Class B Membership. Class B membership shall include only the Declarant and any successor of the Declarant. The Class B member shall be entitled to four (4) votes for each lot in which the interest requisite for membership is held; provided, however, that the Class B membership shall be converted to Class A membership at such time as the total number of votes entitled to be cast by Class A members equals or exceeds the total number of votes entitled to be cast by the Class B member.

ARTICLE II. COMMON AREAS

2.1 Common Areas Defined. The term "Common Areas" shall mean all easements for construction, maintenance and repair of drainage tubes and other drainage vehicles constructed on the Properties and all other areas now or hereafter designated by the Declarant for the common use and benefit of the members of the Association and their tenants and invitees.

2.2 Conveyance of Common Areas. The Declarant shall convey the Common Areas to the Association, free and clear of all liens, prior to the date on which the Declarant's Class B membership in the Association is converted to Class A membership.

2.3 Use of Common Areas. Each member of the Association (or their tenants) and their respective invitees shall have the right to use and enjoy the Common Areas and shall have an easement over and upon the Common Areas for the use and enjoyment thereof, which shall be appurtenant to and shall pass with the requisite interest for membership in the Association.

2.4 Control of Common Areas. The Association shall exercise exclusive control over all Common Areas conveyed to it by Declarant. The rights and easements of the members of the Association, and their respective tenants and invitees, in and upon the Common Areas shall be subject to the following rights of the Association:

2.4.1 Pledge of Common Areas as Collateral. The Association shall have the right to borrow money for the purpose of improving the Common Areas and to pledge the Common Areas as collateral for any such loan.

2.4.2 Protection of Common Areas. The Association shall have the right to take any and all steps reasonably necessary to protect the Common Areas against foreclosure.

2.4.3 Charge Reasonable Admission. The Association shall have the right to charge reasonable admission and other fees for the use and enjoyment of the Common Areas.

2.4.4 Suspend Enjoyment of Common Areas. The Association shall have the right to suspend the use and enjoyment of the Common Areas by any member of the Association, and their respective tenants and invitees, for any period during which an assessment remains unpaid and for a reasonable period of time following any infraction of the published rules and regulations governing the use and enjoyment of the Common Areas.

2.4.5 Dedication for Public Use. The Association shall have the right to dedicate or convey all or any part of the Common Areas to any public entity.

210

2.5 Maintenance of Common Areas. The Association covenants, and each member of the Association (except the Declarant), by the acceptance of a deed by which the interest requisite for membership is acquired, shall be deemed to covenant to maintain the Common Areas, which covenants by the members shall be satisfied by the payment of annual and special assessments for the administration, maintenance and/or improvement of the Common Areas. The covenant to maintain the Common Areas shall include insuring the Common Areas against public liability and property damage, including the addition of the owner of any lot upon which a portion of the Common Areas may be located as an additional insured. Such insurance shall be in commercially reasonable amounts and shall be on commercially reasonable terms. Annual and special assessments shall be based upon the assessment units allocated to the lots within the Properties as provided in Article V hereof. Each such assessment shall be the personal obligation of the member who is, or was, the record owner of the lot assessed at the time of the assessment. If not paid when due, assessments shall bear interest at the rate of two percent (2.0%) over the prime rate published from time to time in the *Wall Street Journal* (the "Prime Rate") in effect at the time such assessment became due. Interest shall accrue on a per annum basis and, when shown of record, all unpaid assessments and accrued interest shall be a lien upon the lot assessed.

2.6 Costs of Administration, Maintenance or Improvement of Common Areas. The costs of administration, maintenance or improvement of the Common Areas shall mean the total cost and expense incurred by the Association in operating, maintaining, repairing and replacing any facility or improvements within the Common Areas. Such costs may include, but are not limited to, the cost of maintaining and resurfacing parking areas, gardening and landscaping, line painting, lighting, maintenance of sanitary control, removal of snow and ice, removal of rubbish and other refuse, construction and maintenance of drainage tubes or other drainage vehicles, public liability and property damage insurance premiums, repairs, reserves for capital replacements, depreciation on equipment and machinery used in such maintenance, postage, photocopies, telephone and fax charges, or other expenses and personnel required to provide such services and management, together with a reasonable charge for overhead, or amounts paid to independent contractors for any or all of such services. The Association shall keep accurate records of the costs associated with the administration, maintenance and improvement of the Common Areas for the purpose of making assessments as provided herein.

2.7 Rules and Regulations for Use of Common Areas. All Common Areas shall be subject to the control and management of the Association. The Association shall have the right from time to time to establish, revoke, modify and enforce reasonable rules and regulations with respect to the use and enjoyment of all or any part of the Common Areas.

ARTICLE III. DESIGN RESTRICTIONS

3.1 Approval of Plans. Duplicate sets of plans for any temporary or permanent improvement to be placed or constructed upon any lot within the Properties, either above or below ground, including, but not limited to, homes, garages, other buildings, fences, walls, driveways, patios, patio enclosures, swimming pools, hot tubs, pool houses, basketball backboards, dog houses, and exterior remodeling, reconstruction or additions, shall be submitted to the Association's Board of Directors and shall show (a) the design, size and elevation of all proposed improvements, (b) the type, quality and color of exterior material proposed for the improvement, and (c) the plot plan and landscape plan for the lot. Concurrent with the delivery of the plans, the owner of the lot shall notify the Association of the owner's address. One set of plans, signed by the owner of the lot, shall be left on permanent file with the Association's Board of Directors. No landscaping or construction of any improvement on any lot within the Properties shall commence unless and until written approval of the plans therefor has first been secured from the Association's Board of Directors or a duly appointed committee of the Board of Directors established for the review of such plans. Written approval or disapproval of the plans shall be mailed to the owner at the address specified by the owner within thirty (30) days after receipt of the plans by the Association's Board of Directors. If notice of approval is not mailed within such period, the plans shall be deemed disapproved.

3.2 Standard of Review. Plans shall be reviewed in relation to the type of improvements constructed, or approved for construction, on neighboring lots and in the surrounding area. In this regard, Declarant intends that the lots shall be a developed residential community with homes constructed of high quality materials. The decision to approve or disapprove a proposed improvement or proposed landscaping shall be exercised by the Association's Board of Directors (or a duly appointed committee thereof) to promote development of the lots and to protect the value, character and residential quality of all lots. If it is determined that the proposed improvement or proposed landscaping will not protect or enhance the integrity and character of the Properties as a quality residential community, the proposed improvement may be disapproved.

3.3 Minimum Design Standards. The building and design standards set forth below represent minimum standards to be applied by the Association in connection with its review of plans for landscaping, buildings and other temporary or permanent improvements to be placed or constructed upon any lot within the Properties. Compliance with these minimum standards shall not limit the discretion of the Association to disapprove plans which meet these minimum standards, where the Association's Board of Directors (or a duly appointed committee thereof) has determined, in the exercise of its reasonable discretion, that the proposed landscaping or improvement will not protect or enhance the integrity and character of the Properties as a quality residential community. The Association's Board of Directors (or a duly appointed committee thereof) shall also be free to approve plans which fail to meet these minimum standards if, in the exercise of its reasonable discretion, it determines that the proposed landscaping or

Improvement will protect or enhance the integrity and character of the Properties as a quality residential community.

3.3.1 Minimum Square Footage Requirements. The main floor, above ground, finished and enclosed living area of residential structures, exclusive of porches, breezeways, basements and garages, shall be not less than the following minimum sizes:

- (a) 1100 square feet for all single-family split entry dwellings;
- (b) 1250 square feet for all single-family one story dwellings;
- (c) 1250 square feet for all single-family 1 1/2 story dwellings;
- (d) 625 square feet per level for all single-family 2 story dwellings; and
- (e) 900 square feet per living unit for all multiple family dwellings.

3.3.2 Garages and Utility Sheds. For each single family residential dwelling, there must be erected a private garage containing not less than two, nor more than three, car stalls. For each multiple family residential dwelling, there must be erected a private garage containing not less than one, nor more than two, car stalls per living unit. Each car stall shall be a minimum of 10 feet by 21 feet. Garages containing more than three car stalls for single family residential dwellings and more than two car stalls per living unit of multiple family residential dwellings may be permitted under exceptional circumstances, but only if pre-approved in writing by the Association's Board of Directors (or a duly appointed committee thereof). Detached garages and utility sheds will be permitted only upon a showing of exceptional circumstances and only if pre-approved in writing by the Association's Board of Directors (or a duly appointed committee thereof).

3.3.3 Maximum Height. No building shall exceed two and one-half stories in height.

3.3.4 Minimum Setbacks. All yards shall have the following minimum depths:

Front yard depth: 30 feet
Rear yard depth: 30 feet
Side yard depth: 10 feet

Buildings on corner lots shall provide front yard setbacks of at least 30 feet on both street frontages and designate remaining yards as one rear and one side yard.

3.3.5 Basketball Backboards. Basketball backboards shall be constructed of plexiglass or acrylic materials and shall be supported by a metal post or posts, painted white or with a color which blends with the house, and anchored in concrete or mounted to the house. Backboards must be perpendicular to and

adjacent to the driveway, or to the side of the house, or shall be located in the backyard. All basketball backboards shall be positioned so as not to constitute a nuisance or visual obstruction to adjacent homeowners.

3.3.6 Building Materials. All exposed foundation walls facing any street must be constructed of or faced with brick or other material consistent with the overall design of the Properties. All driveways must be constructed of concrete from street to garage with a minimum width of 22 feet. All foundations shall be constructed of concrete, concrete blocks, brick or stone. Fireplace chimneys shall be covered with brick or other material consistent with the overall design of the Properties. The roof of all improvements shall be covered with wood shingles, asphalt shingles or clay tile. Other roof coverings may be allowed under exceptional circumstances with prior written approval of the Association's Board of Directors (or a duly appointed committee thereof).

3.3.7 Lighting. Exterior lighting on any lot shall either be indirect or of such a controlled focus and intensity as not to disturb the residents of adjacent lots.

3.3.8 Fences and Hedges. No perimeter fencing is allowed. Limited privacy fencing (up to 6 feet in height) may be permitted around swimming pools and patios. Perimeter plantings may be permitted, but shall not exceed 4 feet in height and may not be located within 20 feet of the rear lot line.

3.3.9 Pools and Hot Tubs. No swimming pool may extend more than one foot above ground level. Pools must be in the rear of the home and must be located at least 20 feet from the rear lot line. Hot tubs must be kept in the patio area near the home.

3.3.10 Landscaping. All yard areas shall be landscaped, sodded or seeded and maintained in a professional manner and in accordance with an approved landscaping plan. No plantings over 10 feet in height may be located within 20 feet of the rear lot line or 10 feet of any side lot line.

3.3.11 Outdoor Air-Conditioning Units. Any exterior air conditioning unit may be placed in the rear yard or a side yard, but not in a front yard. All exterior air conditioning units must be appropriately screened so as not to be visible from any street.

3.3.12 Utility Lines. All utility service lines crossing any lot shall be underground.

3.3.13 Grading. The Association shall have the exclusive right to establish grades and slopes for all lots within the Properties and to fix the grade at which

21

any building shall be placed or constructed upon any lot, in conformity with the general plan for the development of the Properties.

3.3.14 Address Identification. All residential dwelling units shall be equipped with address numerals which conspicuously identify the address of the dwelling unit.

3.3.15 Governmental Requirements. All landscaping, buildings and improvements within the Properties shall be constructed and maintained in conformity with all applicable building and zoning codes.

3.4 Fees for Review of Plans. The Association may assess a fee for the review of plans, which shall be paid by the owner submitting plans for approval. The Association shall adopt a fee schedule for the review of plans, which may be amended from time to time by the Association as it deems necessary or appropriate. No submission for approval of plans will be considered until the designated fee has been paid. Such fee shall be commensurate with the cost of professional review of submittals and the services of a consultant to administer the matter to its completion, including inspections which may be required.

3.5 Waiver. The approval of plans for any landscaping, building or other improvement to be placed or constructed on any lot within the Properties, or for any other matter requiring prior approval, shall not be deemed a waiver of the right to withhold approval of any similar plan subsequently submitted for approval.

3.6 Liability. No lot owner, or combination of lot owners, or other person or persons shall have any right to control, direct or influence the acts of the Association's Board of Directors (or any committee thereof) with respect to the approval or disapproval of any proposed plans. No responsibility, liability or obligation shall be assumed by or imposed upon the Association's Board of Directors (or any committee thereof) by virtue of the authority granted to it in this article, or as a result of any act or failure to act with respect to any proposed plans. Neither the Association, nor any of its directors or any member of a committee thereof shall be liable to any owner or to any other person for any damage suffered or claimed on account of any act or omission which occurs in connection with the review, approval or disapproval of plans, so long as the persons involved acted in good faith on the basis of information they then possessed.

ARTICLE IV. GENERAL BUILDING AND USE RESTRICTIONS AND COVENANTS

4.1 Use of Lots. Lots 1-99 and 130-151 shall be used exclusively for single family residential purposes, and Lots 100-129 shall be used exclusively for single family or multiple family residential purposes. Notwithstanding the foregoing, Declarant, or its successors, may convey or dedicate such lots or parts thereof for any use which it, in the exercise of its reasonable discretion, deems appropriate in furtherance of the

development of the Properties as a quality residential community. Declarant, on behalf of itself and its successors, also reserves the right to continue to use unsold lots for agricultural purposes.

4.2 Division of Lots. A building site shall consist of at least one lot, or a parcel comprised of more than one lot. No lot shall be divided after the initial transfer thereof by Declarant without the prior written approval of the Association. No parcel comprised of more than one lot conveyed for the purpose of constructing a single or multiple family dwelling thereon, shall be subdivided or conveyed other than as a single indivisible parcel without the prior written approval of the Association, unless title thereto reverts to Declarant.

4.3 No Commercial Use. No trade, business or professional activities shall be conducted or operated on any lot or Common Areas within the Properties; provided, however, that Declarant may continue to use unsold lots for agricultural purposes and may maintain an office and model home or homes for the purpose of the development, construction and sale of the lots and homes in the Properties. The prohibition of any trade, business or professional activities includes, but is not limited to, the use of any Common Area, lot or any structure thereon for a school, children's day care center, half-way house, treatment center, nursing home, shelter home, or other similar use, including use for the full time care and residence of unrelated physically and mentally handicapped persons.

4.4 Prohibited Activities. Noxious acts or uses of any portion of the Properties, including, but not limited to, acts or uses causing noise which interferes with the peaceable enjoyment of neighboring properties is prohibited. No activities shall be conducted on any portion of the Properties, and no improvement shall be constructed on any portion of the Properties, which creates a safety hazard to the residents or guests of the Properties. However, nothing contained herein shall prohibit or restrict the operation of a golf course and practice facilities on the Properties within the areas designated for such activities on the final plat.

4.5 Completion of Construction. Construction of any improvement shall be completed within 1 year from the date of commencement of excavation or construction of the improvement.

4.6 Temporary and Removed Structures. No structure of a temporary character, carport, trailer or shack shall be erected upon or used on any lot at any time, either temporarily or permanently. No building or other improvement shall be moved from outside the Properties to any lot contained within the Properties without the prior written approval of the Association's Board of Directors (or a duly appointed committee thereof). No trailer, basement, tent, shack, garage, barn or other building or improvement erected on any lot shall at any time be used as a residence temporarily or permanently, nor shall

216

any structure of a temporary character be used as a residence until all exterior construction is fully completed according to the approved plans.

4.7 No Mobile Homes. No house trailer (single wide or double wide), mobile home or steel framed home shall be allowed to be used as a permanent or temporary residence; provided, however, that new factory-built modular housing may be permitted if approved by the Association's Board of Directors (or a duly appointed committee thereof) in accordance with Article III hereof.

4.8 Signs. No signs, billboards or objects constituting a nuisance shall be erected, placed or permitted to remain on any lot, except a contractor's sign during construction or one sign per lot consisting of not more than six square feet advertising a lot as "For Sale", "Model Home" or other wording pre-approved in writing by the Association's Board of Directors (or a duly appointed committee thereof).

4.9 Exterior Antennas. No exterior television or radio antenna, satellite dish or exterior solar heating or cooling device of any sort shall be permitted on any lot, except a satellite receiving disc which is attached to the home and does not exceed 36 inches in diameter.

4.10 Repair of Vehicles. No repair of any boat, automobile, motorcycle, truck, camper, all terrain vehicle, recreational vehicle or any other type of vehicle shall be permitted on any lot outside of an approved structure, unless such repair is completed within a 48 hour time period.

4.11 Trash. No unused building material, junk or rubbish shall be left on any lot, except during actual building construction, and then only in as neat and inconspicuous a manner as possible. No incinerator, trash burner or fuel barrel shall be permitted on any lot. All outdoor garbage or trash cans or containers shall be screened from public view, except for pickup purposes. No garbage, refuse, rubbish, compost piles or cuttings shall be deposited on any street, road, lot or Common Area, except when in an appropriate container for pick-up and then only during normal pick-up hours.

4.12 Firewood. All firewood outside of a residential dwelling unit or other approved structure must be stacked neatly and screened from public view.

4.13 Clothes Lines. No outdoor clothes line shall be permitted on any lot, except in an enclosed patio area in the rear yard located in close proximity to a residential dwelling unit.

4.14 Gardens. Produce or vegetable gardens may only be planted and maintained in rear yards. Gardens are not to exceed 400 square feet on any lot and are to be no closer than 20 feet to the rear lot line.

4.15 Maintenance of Landscaping and Vegetation. No grass, weeds, shrubs, trees or other vegetation will be permitted on any lot which constitutes an actual or potential public nuisance, creates a hazard or which detracts from a neat and trim appearance of the Properties. Vacant lots shall not be used for dumping of earth or any waste materials, and no vegetation on vacant lots shall be allowed to reach a height in excess of 12 inches. Landscaping and vegetation shall be watered, pruned, cut and maintained weed-free according to good landscape practices.

4.16 Parking and Storage of Vehicles. No garden, lawn or maintenance equipment of any kind whatsoever shall be stored or permitted to remain outside of any dwelling or approved storage facility, except when in actual use. No boat, camper, trailer, all terrain vehicle, recreational vehicle, auto-drawn or mounted trailer of any kind, mobile home, truck, aircraft, camper truck or similar item shall be maintained or stored on any part of a lot (other than in an approved enclosed structure) for more than seven (7) consecutive days or for more than twenty (20) cumulative days within a calendar year. The only motor vehicles which may be parked or stored outside of an enclosed structure on any lot shall be the passenger vehicles driven on a regular basis by the occupants of the dwelling unit(s) located on such lot and their guests, and then only on approved driveways. No grading or excavating equipment, tractors or semi-tractors/trailers shall be stored, parked, kept or maintained on the Properties (except in an approved enclosed structure); provided, however, that trucks, tractors or commercial vehicles which are necessary for the construction of residential dwellings or other improvements during the period of construction shall be permitted to remain outside of an enclosed structure during the period of construction. All residential lots shall provide at least the minimum number of off street parking areas or spaces for private passenger vehicles required by the applicable zoning ordinances. No general day to day parking is allowed on the street. Parking bays, areas or driveways are prohibited, unless specifically approved in writing by the Association's Board of Directors (or a duly appointed committee thereof).

4.17 Animals. No stable or other shelter for any animal, livestock, fowl or poultry shall be erected, altered, placed or permitted to remain on any lot, except for one dog house constructed for one dog, the plans for which must first be approved by the Association's Board of Directors (or a duly appointed committee thereof) in accordance with Article III hereof. Dog houses shall only be allowed in rear yards, concealed from public view. No dog runs or kennels may be constructed or installed on any lot. Animals may not be bred or maintained for any commercial purpose on any lot. There shall be no more than two dogs and two cats permitted on any lot without the prior written approval of the Association. All animals located on the Properties shall be properly restrained and controlled at all times. Chronic dog barking shall be considered a nuisance and must be controlled.

4.18 Speed Limit. The maximum speed limit in the Properties by any motorized or non-motorized vehicle shall be no greater than 20 miles per hour.

18

4.19 Erosion Control. During construction on any lot in the Properties, the owner of such lot shall be responsible for controlling soil erosion.

4.20 Exterior Maintenance. Each member of the Association covenants to maintain their lot and improvements in a neat and attractive manner. The Association, by and through its Board of Directors, may adopt from time to time minimum exterior maintenance standards applicable to lots within the Properties.

4.21 Remedial Action. In the event a member fails to maintain a lot according to these Covenants or according to maintenance standards adopted by the Association, the Association, through its agent(s), may (but shall not be required to) enter upon the lot and take such action as is necessary to place the lot in conformity with these Covenants and applicable standards adopted by the Association. Prior to entering a lot to perform such maintenance, the Association shall provide the member with written notice, which shall specify the required action and the time in which it must be completed. If a member fails to comply and the Association performs such action, the Association may assess the cost thereof against the lot. When shown of record, such assessment shall be a lien upon the lot and shall bear interest on a per annum basis until paid at the rate of two percent (2.0%) over the Prime Rate then in effect.

4.22 Insurance. Each Class A member of the Association, by the acceptance of a deed by which the interest requisite for membership in the Association is acquired, shall be deemed to covenant to maintain fire and extended coverage insurance on the improvements thereon, in an amount equal to the full insurable value thereof. Any proceeds of such insurance shall be applied, to the extent required in the discretion of the Association, to the repair and reconstruction of such improvements. The Association may (but shall not be required to) maintain such insurance and add the cost thereof to the annual assessments against the lot. Each Class A member of the Association shall provide proof of such insurance to the Association's Board of Directors if so requested.

ARTICLE V. ANNUAL AND SPECIAL ASSESSMENTS

5.1 Assessments. Annual and special assessments, other than for capital improvements to the Common Areas, may be levied by the Board of Directors of the Association in accordance with these Covenants. Any special assessment for capital improvements to the Common Areas shall be approved by the affirmative vote of the holders of two-thirds of the cumulative total of voting rights established under Section 1.2 hereof, without regard to class of membership, 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. All assessments shall be due thirty (30) days after billing.

5.2 Allocation of Assessment Units. Assessment units shall be allocated among the lots within the Properties as follows:

5.2.1 Lots Owned by Class A Members. Any lot within the Properties owned by a Class A member shall be allocated four (4) assessment units.

5.2.2 Lots Owned by Class B Member. Any lot within the Properties owned by the Class B member shall be allocated one (1) assessment unit until such time that the Class B membership shall be converted to Class A membership, at which time any lot owned by the Class B member shall be allocated four (4) assessment units.

5.3 Lien of Assessments. If any member shall fail to pay an annual or special assessment assessed against his or her lot, the following shall apply:

5.3.1 Interest. The assessment shall bear interest at the rate of two percent (2.0%) over the Prime Rate in effect at the time such assessment was due. Interest shall accrue on a per annum basis, commencing from the due date of the assessment and continuing until the assessment is paid.

5.3.2 Attachment of Lien. The Association shall have a lien on the lot for any assessment levied against that lot from the time the assessment becomes due. The lien may be foreclosed in like manner as a mortgage on real property. If an assessment is payable in installments, the full amount of the assessment shall be a lien from the time the first installment thereof becomes due.

5.3.3 Priority of Lien. A lien under this section is prior to all other liens and encumbrances on a lot, except (a) liens and encumbrances recorded before the recordation of these Covenants and (b) liens for real estate taxes and other governmental assessments for charges against the lot. The lien under this section is not subject to the homestead exemption under NEB. REV. STAT. § 40-101, *et seq.*

5.3.4 Other Remedies. Notwithstanding the foregoing, the Association is free to file an action to recover the amount of the assessment or pursue any other remedy available at law or equity to collect the assessment. The Association is also free to take a deed in lieu of foreclosure.

ARTICLE VI. RESERVED RIGHTS OF DECLARANT

6.1 General Reservation of Rights. Nothing contained herein shall limit the Declarant's right to (a) further subdivide any portion of the Properties, (b) grant licenses and reserve rights-of-way and easements over any portion of the Properties, (c) complete excavation, grading and construction of improvements to and on any portion of the Properties owned by Declarant, (d) alter its excavation, grading and construction plans and designs, or (e) construct such additional improvements as Declarant deems advisable.

220

6.2 Additions. Declarant may add any real property or facilities to the Properties or the Common Areas at any time on such terms as it, in its sole and absolute discretion, deems advisable, without the consent of the members of the Association.

6.3 Water Rights. Declarant retains exclusive rights to any and all ground water beneath the Properties. No other wells may be drilled within the Properties without the prior written consent of Declarant. Declarant may, but shall not be required to, assign the rights reserved in this section to the Association or to any public entity.

ARTICLE VII. EASEMENTS

7.1 Easements Identified on Final Plat. There shall be easements over and upon each lot within the Properties as shown on the final plat of the Properties, as amended from time to time.

7.2 Party Walls. Any wall placed or constructed on any common lot line lying between two adjoining lots within the Properties shall be a party wall. Any expense for structural repair, replacement or reconstruction of a party wall, or for the protection of a party wall against the natural elements shall be borne equally by the members who are the owners of such adjoining lots. The provisions of this section shall not operate to relieve any member from any liability which such member may incur by reason of a negligent or willful act or omission resulting in the damage or destruction of a party wall.

7.3 Common Driveways. Each member of the Association who is the owner of a lot that has access to a street by way of a private drive and/or common driveway serving two or more lots shall have an easement over such private drive and/or common driveway, and shall be deemed to covenant to maintain such private drive and/or common driveway. The covenants by such members may be satisfied by the payment of annual and special assessments for the maintenance of such private drive and/or common driveway. Each such assessment shall be the personal obligation of the member who is, or was, the record owner of the lot assessed at the time of such assessment, shall bear interest on a per annum basis until paid at the rate of two percent (2.0%) over the Prime Rate in effect at the time of such assessment and, when shown of record, such assessment and unpaid interest shall be a lien upon the lot assessed.

7.4 Common Utility Lines. When any utility lines shall be constructed on two or more adjoining lots within the Properties, each member who is the owner of one of the adjoining lots shall have an easement for the maintenance, repair and replacement of the utility line upon all of the adjoining lots, which easement shall be appurtenant to the interest requisite for membership. Any expense of maintenance, repair or replacement of such utility line shall be borne equally by the members who are the owners of such adjoining lots. The provisions of this section shall not operate to relieve any member from any liability which such member may incur by reason of negligent or willful acts or omissions resulting in damage or destruction of such utility line.

7.5 Golf Course Easement. Every person or entity who becomes the owner of a lot within the Properties does so with notice that golfers will from time to time hit golf balls from the golf course onto lots within the Properties, and that normal operation and maintenance of the golf course will involve the use of sprinklers, mowers and other power equipment during the evening and early morning hours. Easements are hereby retained by Declarant and its successors and assigns upon all lots within the Properties for the intrusion of errant golf shots and the intrusion of noise from sprinklers and power equipment used for maintenance of the golf course at all hours of the day and night. Every person or entity who becomes an owner of any lot within the Properties shall, by acceptance of a deed to the lot, waive any claim for personal injury or property damage occurring as a result of an errant golf shot hit onto the owner's lot. Such waiver shall not apply to any shot hit negligently, intentionally, recklessly, or in violation of the rules established by the operator of the golf course or driving range.

7.6 Drainage Easement. An easement is hereby retained by Declarant and its successors and assigns across all of the Properties for the purpose of establishing, constructing and maintaining drainage tubes or other drainage vehicles which may be necessary to facilitate the proper drainage of water on the Properties. Such easement shall include such rights of entry upon, passage over, deposit of excavated earth and storage of material and equipment on, such area as may be necessary or useful for the construction, maintenance, cleaning and repair of such drainage vehicles.

ARTICLE VIII. ENFORCEMENT

8.1 Enforcement. The Association and/or the Declarant may exercise all available legal and equitable remedies available to prevent or discontinue any unauthorized use of the Properties and to prevent or remove any unauthorized or unapproved landscaping, construction or improvement on the Properties. The other lot owners (excluding Declarant) may also take such action, but only if the Association fails to act within a reasonable period of time following the delivery of written notice of the unauthorized or unapproved activity.

8.2 Fees and Costs of Enforcement. The Declarant, Association or any person entitled to enforce any of the terms hereof who obtains a judgment or decree in an action brought to enforce any of the provisions hereof shall, to the extent permitted by law, be entitled to recover reasonable fees of attorneys and other professionals and all expenses incurred or anticipated to be incurred in enforcing these Covenants or any other rules or regulations adopted by the Association with regard to the Properties.

8.3 Failure to Enforce. Neither the Declarant nor the Association shall be liable to any person for damages arising out of the enforcement or non-enforcement of these Covenants. The failure to enforce any of the Covenants shall not be deemed a waiver of the right to subsequently do so.

222

ARTICLE IX. MISCELLANEOUS

9.1 Amendments. These Covenants shall run with the land and shall be binding upon and enforceable by Declarant, the Association and all persons claiming under the Declarant. These Covenants may be terminated or modified, at any time, by the holders of two-thirds of the cumulative total of voting rights established under Section 1.2 hereof, without regard to class of membership at any time.

9.2 Severability. The invalidation of any provision of these Covenants shall not affect the validity of the remaining provisions hereof.

Dated this 17 day of November, 1995.

BUCKTOWN DEVELOPMENT GROUP, L.L.C.

By: Larry Nelson
Larry Nelson, President

STATE OF NEBRASKA)
COUNTY OF Burt) ss.

The foregoing instrument was acknowledged before me this 17 day of November, 1995, by Larry Nelson, President of Bucktown Development Group, L.L.C., a Nebraska limited liability company, on behalf of the limited liability company.



Norman E. Kassmeier
Notary Public

52637004003.2

X