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DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS & RESTRICTIONS OF ROLLING HILLS RIDGE ADDITION

KNOW ALL MEN THESE PRESENTS

Whereas, Woods Investment Company a Nebraska Corporation ("Developer") was and is the developer of a certain tract of real property described as:

Lot 27, I.T., Lot 39 I.T. and Lot 41 I.T. in the West ½, Section 13, T9N, R6E of the 6th P.M., "the Neighborhood."

A portion of the Neighborhood is the real property described as:

Rolling Hills Ridge Addition to Lincoln, Lancaster County, Nebraska, which is more specifically described as:

Lots one (1) through seven (7), Block One (1);
Lots one (1) through twenty-five (25), Block Two (2);
Lots one (1) through three (3), Block Three (3); and,
Outlots A, B, C and D.

which together are hereinafter described as the "Property", and;

WHEREAS, the Developer intends to fully develop the Neighborhood and has preliminarily platted the Neighborhood via the appropriate platting process through the city of Lincoln, Nebraska, which preliminary plat has been filed with the Planning Department of the City of Lincoln. Developer has final platted the Property through the appropriate final platting process through the City of Lincoln, Nebraska by final plat, which final plat is known as "Rolling Hills Ridge Addition" (the "Plat"), and which was filed as instrument Number 04-002885 in the Office of the Register of Deeds of Lancaster County, Nebraska.

WHEREAS, the Developer desires to ensure the orderly and proper development, maintenance and use of the Neighborhood and the Property, in order to protect and preserve the overall character of the Neighborhood and the Property in accordance with its desires to develop a quality residential neighborhood, and in order to provide and maintain a uniform set of rules, regulations and restrictions concerning the construction and use of any structures on the Property and in the Neighborhood, and in order to provide for the maintenance, use and operation of the Common Areas associated with the Neighborhood.

NOW, THEREFORE, the Developer does hereby create, establish, adopt and impose the following covenants, restriction, and conditions on that portion of the Property hereinafter described as the "Lots" or a "Lot" to-wit:

ARTICLE I
Definitions

1. As used herein, the term "Property" shall be deem to mean:

Lots one (1) through seven (7), Block One (1);
Lots one (1) through twenty-five (25), Block Two (2);
Lots one (1) through three (3), Block Three (3)

Outlots A, B, C and D

Rolling Hills Ridge Addition to Lincoln, Lancaster County, Nebraska.

Together with such additional property as may be subsequently added hereto by written declaration of common grantor filed with the Register of Deeds of Lancaster County, Nebraska. It is assumed that Outlot D shall be further developed into an additional 29 Single Family Residential Lots in accordance with the Amendment to Preliminary Plat #96023 and Special Permit #643 approved by the Lincoln City-Lancaster County Planning Commission on October

Hoppe & Harner
5631 S. 48 St #220
Lincoln NE 68516

13, 2003.

2. As used herein, the term "Lots" or "Lot" shall be deemed to mean and refer to any designated portion of the Property as shown on the recorded final plat or recorded final plats for the Neighborhood or any part thereof with the exception of outlots, common areas and streets. "Single Family Lot (s)" or "SFL" shall be deemed to mean and refer to Lots now or hereafter located in the Neighborhood for which the most dense use is a single family residence and which are shown on any final plat recorded in the Office of the Register of Deeds of Lancaster County, Nebraska of all or any portions of the Neighborhood.

3. As used herein, the term "Subdivision" or "Development" or "Neighborhood" shall be deemed to mean:

   Lot 37 I.T., Lot 39 I.T. and Lot 41 I.T. in the West ½, Section 13, T9N, RGE of the 6th P.M. together with such additional common areas as may be subsequently added hereto by written declaration of common grantor filed with the Register of Deeds of Lancaster County, Nebraska.

4. As used herein, the term "Owner" or "Lot Owner" shall be deemed to mean the owner or owners of record of any Lot located in the Neighborhood which has been final platted; the term Single Family Lot Owner or SF Lot Owner shall be deemed to mean the owner or owners of record of any single Family Lot(s) in the Neighborhood which have been final platted. The definition of these terms shall include contract sellers and exclude those having an interest in the property merely as security for the performance of an obligation.

5. As used herein, the term "Association" or "Neighborhood Association" shall be deemed to mean Rolling Hills Ridge Neighborhood Association, Inc., a Nebraska nonprofit Corporation, to be established for the purpose of enforcing and maintaining compliance with these covenants and maintaining and regulating the Common Areas.

6. As used herein, the term "Architectural Review Committee" shall be deemed to mean a committee of not less than three (3), nor more than five (5), persons appointed by the Developer until the Developer transfers that development right to the Board of Directors of the Association and thereafter appointed by the Board of Directors for the purpose of maintaining architectural consistency among the Lots, if so appointed, otherwise the Developer until transfer of that development right to the Board of Directors of the Association and thereafter the Board of Directors.

7. As used herein, the term "Member" shall be deemed to mean those Lot Owners or Owners of Lots in the Neighborhood which have been final platted and who are entitled to vote on matters pertaining to the business of the Association.

8. As used herein, the term "Covenants" shall be deemed to refer to this Declaration of Protective Covenants, Conditions and Restrictions of Rolling Hills Ridge Addition as modified or amended in accordance herewith.

9. As used herein, the term "Developer" shall be deemed to mean Woods Investment Company, A Nebraska Corporation, or its successors or assigns; provided, however, that any successors or assigns of the Developer shall be deemed to be bound by the terms and provisions of these Covenants.

10. As used herein, the term "Front Lot Line" shall be deemed to mean that portion of any lot line which directly abuts a street open to the use of the general public.

11. As used herein, the term "Side or Rear Lot Line" shall be deemed to mean that portion of any Lot line which does not directly abut a street open to the use of the general public.

12. As used herein, the term "Single Family Residence" shall be deemed to mean a building designed to be occupied by one family as defined in the Lincoln City Code as a residence of any architectural style.

13. As used herein the term "Common Area" or "Common Areas" shall be be deemed to mean: areas that are intended to be used in common by two or more other Lot Owners of the Neighborhood and not intended to be exclusive to any single Lot Owner. Common Areas which are lots shall be designated outlots although not all outlots shall be Common Areas.

14. As used herein the term "Private Improvements" shall be and refer to improvements that are not public improvements.

ARTICLE II

Annexation of Additional Property

As long as there is a Class A-2 membership, Developer may, by instrument duly executed by it, approved by the City of Lincoln and recorded, add the remaining land of the neighborhood or other additional land to the property, and additional unencumbered property to the Common Area, and no consent or approval of other members of the Association shall be required, provided however, that such additional property and Common Area shall be located within Section 13, T9N, R6E of the 6th P.M. and that the added property and Common Area is finally platted in conformance with the Community Unit Plan now on file with the City of Lincoln Such additional property may be restricted to the Special Covenants set forth in Articles XIII, XIV, and XV or other special covenants may affect such additional land. Additional residential property and Common Area not within the forgoing provisions or as described in Article I paragraphs 1 and 3 may be annexed only with the consent of two-thirds (2/3) of each class of members.

ARTICLE III
Membership and Organization of the Association

Every person or entity who is a record owner of a fee or undivided fee interest in any Lot which has been final platted and which is subject to the terms of this instrument shall be a member of the Association, including contract sellers, but not including 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, and ownership of such Lot shall be the sole qualification for membership. At its first meeting, the Association shall adopt By-Laws for its organization and the conduct of its business, which By-Laws shall include provision for the election of directors and officers.

ARTICLE IV
Voting Rights

The Association shall have one class of voting membership consisting of two subclasses until a subclass is terminated as hereinafter provided. The votes of each subclass shall be combined in determining the votes of the class:

Class A: (Which includes Class A-1 and Class A-2 so long as Class A-2 exists).

Class A-1: Class A-1 members of the Association shall be all of those Owners of Single Family Lots. Each Single Family Lot shall have one Class A vote. When more than one person holds an interest in any Single Family Lot or Lots, all such persons shall be members, but in no event shall more than one vote be cast with respect to each Lot and the vote for each Lot shall be exercised as they among themselves shall determine. A vote may be cast for each Lot owned on any matter of Association business affecting this class.

Class A-2: The Class A-2 member of the Association shall be the Developer which shall have ten Class A votes for each Single Family Lot owned by the Developer. The Class A-2 membership and voting right shall cease and be converted to Class A-1 membership on the happening of either of the following events whichever first occurs:

a. After Outlot D has been finally platted into 29 additional single family lots, when the total votes outstanding in Class A-1 equals the total votes outstanding in Class A-2, or

b. on December 31, 2040.

Each matter entitled to a vote shall be voted upon by each sub-class of membership and the majority of the votes of the class including all sub-classes shall control.

Suspension. The voting and other membership rights of any Member may be suspended by action of the Directors during any period when the Member has failed to pay any Annual Charges then due and payable; but, upon payment of all the past due Charges, right and privileges shall be automatically restored. If the Directors have adopted and published rules and regulations governing the use of the Common Area or the personal conduct of any person thereon, the voting or other membership right of any Member may be suspended by action of the Board of Directors, after a hearing before the Board at which the Member or any other interested person may be represented by attorney, for a period not to exceed sixty (60) days, if such Member, or any member or a person using the facilities though such Member shall have violated such rules and regulations.

Right of Membership. Each Member is entitled to the use and enjoyment of the Common Areas in accordance with the Declaration(s). Membership rights may be exercised by an Owner and may be delegated to and exercised by all members of a family who reside upon a Lot and the guests of any of them. Each Member shall notify the Secretary of the Association in writing of the name and relationship to the Member of any person who is entitled to exercise membership right under this Section. The right

and privileges of such person are subject to suspension by the Board in the same manner and for the same reasons as those of any Member under the preceding Section.

ARTICLE V
Property Rights in the Common Area

1. Developer hereby covenants for himself, his successors and assigns, that he will convey the Common Area to the Association, free and clear of all encumbrances and liens, prior to the termination of Class A-2 membership in the association.

2. Every member shall have the right and easement of enjoyment in and to the Common Area and such easement shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

    a. Subject to the provisions of Section 3 of this Article, use of the common Area shall be restricted to members and their guests, and the Association shall have the right to limit the number of guests or members and to adopt reasonable regulations applicable to use by guests.

    b. The Association shall have the right to charge a reasonable admission or other fee for the use of any recreational facility situated upon the Common Area, and shall also have the right to contract with Developer or with any other person, persons or entity for the charging of reasonable admission or other fees in exchange for management, development, maintenance and improvement of any such recreational area.

    c. The Association shall have the right in accordance with its By-Laws, to borrow money for the purpose of improving the Common Area and facilities and to mortgage said property provided such action has the consent of two-thirds (2/3) of each class of membership and provided, further, that the rights of any mortgagee shall be subject to the right of the members of the Association while any mortgage is current and not in default.

    d. The Association shall have the right to suspend the voting right and right to use the Common Area and recreational facilities thereon by a member in accord with Article IV above.

    e. The Association shall have the right to dedicate or transfer all or any part of the Common Area to the City of Lincoln, with its consent, for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective, however, unless an instrument signed by members entitled to cast two-thirds (2/3) of the votes of the Class A membership has been recorded, agreeing to such dedication or transfer, and unless written notice of the proposed action is sent to every member not less than thirty (30) days nor more than sixty (60) days in advance of the taking of any such action. Developer shall have the right at any time prior to the complete development of the Neighborhood described in Article II to use so much of the Common Area as it deems necessary or advisable for the purpose of aiding in the construction and development of unimproved lots and shall have the further right to dedicate such easement and rights-of -way in the Common Area as it may consider to be necessary or advisable for the purposes of development.

3. In addition to the aforementioned restrictions and conditions, the use of the Common Area shall be subject to the following restrictions:

    a. No use shall be made of the Common Area which will in any manner violate the statutes, rule or regulations of any governmental authority having jurisdiction over such Common Area.

    b. No Owner shall place any structure whatsoever upon the Common Area, nor shall any Owner engage in any activity which would temporarily or permanently deny free access to any part of the Common Area to all members.

    c. The use of the Common Area shall be subject to such rules and regulations as may be adopted from time to time by the Board of Directors of the Association.

4. Any member may delegate, in accordance with the By-Laws of the Association, his right of enjoyment in the Common Area and facilities to members of his family, his tenants, or to contract purchasers who reside on the property.

ARTICLE VI
Covenant for Maintenance Assessments

1. Creation of the Lien and Personal Obligation of Assessments. The Declarant for each Lot owned with the Property 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 to the Association: (1) annual assessments or charges, and (2) special assessments whether for capital improvements or maintenance, repair or improvement costs specially benefitting the Lot Owner, such assessments to be established and collected as thereinafter provided. The annual and special assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. Their personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them or unless a lien therefor has been filed against the Lot.

2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents in the Neighborhood and on the Property and for the improvement and maintenance of the Common Area or of the homes situated on Lots of the Property.

3. Annual Assessment. The Board of Directors shall establish the annual assessments and the due date for the payment thereof. Annual assessments shall commence as determined by the Board and thereafter annually. The first annual assessment may be for a partial year. The Board shall cause written notice of such annual assessment to be sent to each voting member of the Association at least thirty (30) days prior to the commencement of the period covered by such assessment and sixty (60) days prior to the due date. Such assessments shall be final and conclusive as to all members assessed unless prior to the due date such annual assessment is vetoed by the negative vote of two-thirds (2/3) of the entire membership in person or by proxy of each class of the membership affected by such assessment notwithstanding a quorum requirement at any meeting called for the purpose of voting on such assessment.

4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair of replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of members affected thereby who are voting in person or by proxy at a meeting duly called for this purpose. Special assessments may be levied against any class of membership in the Association provided, however, no special assessment shall be levied against a class of membership unless the class is benefitted by the purpose of the assessment and all classes that are benefitted are assessed.

5. Special Assessments for Lot Maintenance or Damage to the Common Area. In the event the Board of Directors has entered upon a Lot to repair, maintain and/or restore the Lot or the exterior of the buildings and any other improvements erected thereon or in the event that a member or someone entitled to the used of the Common Area by virtue of such member is determined to be responsible for damages to the Common Area then the cost of such repairs or maintenance may be assessed against the Lot as a Special Assessment.

   The Board of Directors shall levy and assess such special assessments, but only upon the affirmative vote of two-thirds (2/3) of the Board after hearing before the Board with no less than fifteen (15) days notice thereof to and an opportunity to be heard by the Lot Owner (which may be represented by an attorney). Any interested party may appear at such hearing.

6. Notice and Quorum for Any Action Authorized Under Section 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 4 shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast forty percent (40%) of all of the votes of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called on ten (10) days written notice but setting forth within such notice that the meeting is a rescheduled meeting, and the quorum at the subsequent meeting shall be the voting membership present in person or by proxy at such meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

7. Uniform Rate of Assessment. Both annual and special assessments, except special assessments made under Section 5 above, must be fixed at a uniform rate for all Lots in the case of annual assessments and at a uniform rate for all lots benefitted by special assessments in the case of special assessments, and may be collected on a monthly basis, provided, however, Lots which have not been final platted shall not be assessed. Final platted Lots may be assessed prior to the conveyance of the Common Area to the Association. Special assessments under paragraph 5 above are limited

to the costs and expenses incurred by the Association plus an administration fee of no more than 15% of the direct cost.

8. Certificates: The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association settling forth whether the assessment on a specified Lot has been paid.

9. Effect of Non Payment of Assessments: Remedies of the Association. Any assessment not paid within sixty (60) days after the due date shall bear interest from the due date at the rate per annum as provided by the statutes of the State of Nebraska for delinquent real estate taxes. The treasurer of the Association shall execute, acknowledge and file with the Register of Deeds of Lancaster County, Nebraska, a lien for the amount of said assessment together with interest. Such lien shall include the date of delinquency, the then current interest rate, the legal description of the property and the name and address of the property owner as last shown on the books and record of the Association. The Treasurer shall give notice of such lien by United States mail, postage prepaid at the address of the property owner as last shown on the books and records of the Association. Such notice shall be complete upon mailing. The Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for therein by non-use of the Common Area or abandonment of his Lot.

10. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be effective upon filing with the Register of Deeds. No sale or transfer by foreclosure or trustee sale shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

11. All properties dedicated to and accepted by the City of Lincoln and the Common Area shall be exempt from all annual and special assessments of the Association.

ARTICLE VII
Architectural Control

A. Prior to the construction of any residence on any Lot a set of building plans and a landscape plan for such residence and Lot shall be submitted by the Lot Owner to the Developer for approval. Said building plans shall be signed and certified by the Lot Owner as a true and correct copy of the building plans for the residence to be constructed on such Lot and contain a statement that the Lot Owner will submit to the Developer, for written approval, any amendments, modifications or changes to such building plans. Such building plans shall show elevations and the size, exterior material, design and plot plan for the residence to be constructed on such Lot and shall indicate the location of the residence, any garage and any other structures to be placed or constructed on such Lot. The plans shall also show the design of the mailbox to be used upon the Lot. One set of such building plans, and all amendments, modifications and changes thereto, signed by the Lot Owner shall be left on permanent file with the Developer. No construction of any residence on any Lot shall be commenced unless and until written approval of the building plans for such residence has first been obtained from the Developer and such approval has been filed and recorded in the Office of the Register of Deeds of Lancaster County, Nebraska, which filing shall be at the expense of Owner. Written approval or disapproval of such building plans shall be given by the Developer within thirty (30) days from and after receipt thereof by the Developer. The failure to give written approval shall be deemed disapproval. The Developer shall have the sole and exclusive right, in its sole discretion, to approve or reject any such building plans if, in the opinion of the Developer, either the style, size, material or plot plan of such residence does not conform to the general standard and character of the single family residences constructed or to be constructed on other Lots located within the Neighborhood or Property.

Prior to the construction of any addition to any residence constructed on any Lot, or the change or modification in the exterior of any residence constructed on any Lot, the Lot Owner shall first obtain the written approval of the Developer to proceed with any such construction, change or modification, which approval shall not be reasonably withheld.

The Developer may appoint an Architectural Review Committee which shall serve at its pleasure to exercise the Developers rights to review the plans for each Lot. In such event the Developer retains the right to approve plans under this Article. The Developer may, in the Developer's sole discretion, at such time as the Developer deems appropriate, transfer and assign to the Homeowners Association the right to approve or disapprove building plans as above set forth. In such event, the Homeowners Association may delegate such duties to a Architectural Review Committee. If no committee is appointed by the Board of Directors of the Association, the Board shall act as such committee. The Board or Architectural Review Committee shall act reasonably in any matter regarding the approval of plans and enforcement of covenants. The Board or Committee, as the case may be, shall respect the

approval of plans for construction as prima facie evidence that a house built in accordance with the approved plans does not violate the covenants.

The Developer or the Architectural Review Committee, if appointed, or after turn over of developer rights to the Association, the Board of Directors or the Architectural Review Committee, if appointed, shall be guided by the Architectural Standards but shall not be required to follow them explicitly if in the sole discretion of the Developer, the Architectural Review Committee or the Board of the Association whichever is reviewing the plans that the home built according to such plans will meet the general standard, size, aesthetic appeal and quality of the other homes in the neighborhood. Notwithstanding the requirements of these Covenants concerning the prior approval of building plans by the Developer, the Developer shall have no power to, to-wit: (I) allow, permit or consent to the construction of any residence on any Lot if such residence would violate any of the terms or provisions of Article XI of these covenants, or; (ii) waive any term, condition or restriction imposed by Article XI of these Covenants on such Lot. The recorded approval of plans for construction shall be prima facie evidence that a house built in accordance with the approved plans does not violate the covenants and shall be conclusive that the house meets the architectural standards. Neither the Developer, the Architectural Review Committee nor the Board of Directors of the Association shall be liable for the approval of plans which violate Article XI of these covenants. It is the responsibility of the Lot Owner that the building constructed upon such Lot conforms to Article XI of the covenants.

The architectural standards set forth herein shall guide the Developer, the Board of Directors or the Architectural Review Committee (whichever may be appropriate) in evaluating any plans. These standards shall not be relied upon, interpreted or applied as absolute requirements for approval of plans. The Developer, Board or Committee shall have the right, in their sole discretion, to modify the application and interpretation of these standards when exercising their authority for approval of the plans, without nullifying or violating any other terms of these covenants, provided, however, in the absence of approval of plans by the Developer, Board or Committee filed as hereinbefore required these standards shall be enforced as covenants limiting the use of the Lot in accordance with such standards.

B. Architectural Standards:

1. The exterior of any residence constructed on any Lot must be faced with siding of wood or Hardiplank®(or its equivalent) lap less than seven inches wide or stucco, stone or brick; provided, however, that in no event shall any side of any such single family residence substantially parallel to a front line and the dominant side of the residence be faced with less than sixty percent (60%) brick or stone nor less than fifty percent (50%) brick or stone on the side elevations (not the rear elevation). All exposed foundation walls of any single family residence constructed on any Lot including brick textured poured concrete foundations shall be faced with stone or brick masonry. Chimneys of all wood burning fireplaces on the exterior of any single family residence constructed on any Lot shall be faced with stone or brick masonry. Exterior chimneys that do not extend beyond the roof line [example: fireplaces which are not wood burning and have gas exhausters] need not be faced with stone or brick. Composite or fiberboard siding other than Hardiplank® or it's equivalent shall not be used.

2. Any solar panels placed on any residence constructed on any Lot shall be mounted flush with the roof of such residence, and shall not be located along any exterior wall of such residence nor in any yard area of any Lot.

3. Except as set forth in paragraph 2 above, and except for appropriate gutter and downpour systems, all single family residences constructed on any Lot shall have a roof consisting solely of slate, tile, wood, wood shake shingles or architectural composite heavy asphalt shingles equal to or better than "Heritage II®" or "Certainteed Horizon®", thirty year life or longer . All roofs shall have a pitch of 7:12 or greater for the preponderant majority of the roof. Roofing material shall be natural brown, weathered green, gray or black tone selected in concert with the colors and textures of the structure. No bright colors will be approved. It should be noted that the Developer, the Architectural Review Committee, or the Board, as the reviewer may be, may approve a color or a lesser pitch roof for an architectural style provided the home proposed meets the general standard, quality and character of the single family residences in the Property.

4. Exterior colors shall be low intensity chromas and muted earth tone colors.

5. All mailboxes on a Lot shall be constructed of brick or stone identical to the brick or masonry material utilized in the construction of the home on the same Lot. If the Developer, Board or Committee establishes design specifications for mailboxes for the subdivision they shall be followed.

6. Any exterior air conditioning unit or system placed on any Lot must be located in the side yard at least twenty feet back from the plane of the front of the house or in the rear yard, and be screened by landscape shrubbery or fencing.

7. No fence of any kind shall be installed without prior written approval of the Developer, Board

or Committee as appropriate. Regardless of type or style of material, all sides of all fences, if allowed, facing outward from the Lot line shall be finished. Chain link fence shall not be allowed unless dark in color or dark vinyl covered [bare galvanized fence prohibited.] No walls, fences or hedges which exceed two feet in height may be constructed, placed, planted or maintained in that area within the setback requirement from any public street, Right of Way, or Lot Line.

8. No dwelling or other structure of any kind or type shall be located on any Lot within thirty (30) feet of the Front Lot Line, nor within ten (10) feet of any Side or Rear Lot Line, nor, in the case of a lot abutting two (2) or more streets, within thirty (30) feet of any street, right of way or Lot Line. No cantilever, chimney, or overhang shall extend beyond the foundation and within thirty (30) feet of the Front Lot Line nor within ten (10) feet of any Side or Rear Lot Line, nor in the case of a lot abutting two or more streets, within thirty (30) feet of the lot line abutting any street.

9. No residence shall be constructed on any Lot unless such residence has a minimum floor area, exclusive of terraces, patios, porches, car ports, garages, basements, walkout basements, daylight basements or lower levels, whether finished or not, of, to-wit: (I) 2,300 square feet in the case of a one-story ranch style residence or split entry; or, (ii) 2,600 in the case of a one and one-half story or split-level residence; or, (iii) 2,800 square feet in the case of a full two-story multilevel or three-story residence.

10. All outdoor wiring for any Lot shall be placed underground. No wires for electric power, telephones, radios, televisions or for any other use shall be placed or permitted above the ground on any Lot except inside a residence. No aerials, antennas, television dishes or satellite dishes, poles, towers or other devices shall be placed or permitted above the ground on any Lot except when placed inside the residence constructed on such Lot, except for television dishes of eighteen (18) inch diameter or less placed on the rear side of the home or in the rear yard and below the roof line.

11. Each lot shall have an underground lawn sprinkler system installed prior to occupancy.

12. Side-entry garages shall be required on all lots within the Properties unless in the absolute determination and discretion, not arbitrarily applied, of the Developer, Board or Committee as appropriate that a side entry garage is not feasible or appropriate and in such event architecturally designed garage doors. Garage door colors shall match or be complementary to the predominant color of the structure.

13. All Lots shall be landscaped by the Lot Owner commencing upon the completion of construction of the home thereon in accordance with the landscape plan approved by the Developer. Each plan shall exceed the requirements of the City of Lincoln. The plan shall include the necessary street tree and four trees planted in the area between the front of the home and the front property line: two required front yard trees shall be deciduous with a two and one half inch trunk measured three feet above ground and two shall be evergreen of at least six foot height. The yard shall be sodded with low maintenance fescue or blue grass. If the Lot Owner fails to install the landscape as approved in the landscape plan according to the schedule applied, the Developer or Home Owner's Association may install or may have such landscape installed according to the plan. The cost plus fifteen percent shall be paid by the Lot Owner. The failure to pay such cost shall be levied as an assessment against the Lot. Interest shall accrue on unpaid assessments at 16% per annum commencing one month after the assessment is due.

ARTICLE VIII
Exterior Maintenance

In the event that an Owner of any Lot in the Property shall fail to maintain the lot both lawn and landscape and the improvements situated thereon in a kempt and orderly manner satisfactory to the Board of Directors of the association, the Association, after approval by two-thirds (2/3) decision of the Board of Directors, shall have the right, through its agents and employees, to enter upon said Lot and to repair or maintain the Lot and the exterior of the buildings and any other improvements erected thereon. The cost of such exterior maintenance shall be a separate assessment or added to and become a part of the annual assessments to which such Lot is subject.

ARTICLE IX
Easements

The easements over and across the Lots and Common Area shall be those shown on any recorded plat of the subdivision, and such other easements as may be established pursuant to the provisions of this Declaration, by the Developer or the directors of the Association. Note: there is a easement for pedestrian sidewalk between S. 19th Street and Rolling Hills Court. Such pedestrian walk shall be maintained by the Association. The Association shall have an easement to enter upon any Lot and maintain such Lot upon the failure of the Lot Owner to do so. The Association shall have an easement to enter any Lot for the purpose of maintenance, placement or replacement of landscape screens or berms.

ARTICLE X
General Provisions

1. It shall be the general obligation and duty of the Association to properly maintain and repairs all Common Areas, and the walks, drives, open drainage areas, concrete low flow channel liners, parking areas, parking island, landscaping, recreational facilities, and all structures and improvements therein, or a part of the common system in accordance with reasonable standards as generally required by the City of Lincoln, and nothing in this Declaration shall be construed as any limitation upon the authority of the City of Lincoln to enter upon said property and perform necessary maintenance should the Association fail to do so, and to assess the property with the cost thereof.

2. Any firm, person, corporation or other entity which shall succeed to title of any Owner through foreclosure of a mortgage or other security instrument or through other legal proceedings, shall upon issuance of the official deed to any Lot, become thereupon a member of the Association and succeed herein provided. Conveyance of such person, firm, corporation or other entity shall pass membership in the Association to the Buyer as herein provided.

3. Developer, and the Developer's successors and assigns, hereby reserves the sole and exclusive right to establish all grades, slopes and/or contours on all Lots and to fix the grade upon which any single family residence hereafter is erected or placed on any such Lot. Once such grades, slopes and/or contours have been established by the Developer they will not be changed in connection with the construction of any single family residence on any Lot more than two feet from the grades, slopes and/or contours established by Developer, without prior written permission of the Developer, but in no event shall any such Lot be graded or sloped so as to change the flow of surface waters to or from any adjoining Lots. The Developer may, in the Developer's sole discretion, at such time as the Developer deems appropriate, transfer and assign to the Homeowners Association the right to establish and enforce such grades, slopes and contours.

4. Each Lot Owner, including the Developer, shall by virtue of such lot ownership, automatically become a member of the Association and shall abide by the By-Laws of the Association. Each Lot Owner shall also abide by all rules and regulations of the Association governing the operation, maintenance and use of the Common Areas, as the same may now exist or hereafter be established by the Association.

5. FHA/VA Approval. As long as there is a Class A-2 membership, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration: Annexation of additional properties other than the remainder of the neighborhood, dedication of Common Area, and amendment of this Declaration of Covenants, Conditions and Restrictions.

6. No dirt from grading, excavation or resulting from any other activity may be removed from the boundaries of the Neighborhood without the written permission of Developer and without first offering such dirt to the Developer for placement (at the expense of Lot Owner relocating same) within the Neighborhood at an area or areas designated by the Developer for stockpiling dirt. Dirt placed in such stockpiling areas shall be leveled at the expense of Lot Owner relocating same to allow for mowing and maintenance. The Developer may, in the Developer's sole discretion, at such time as the Developer deems appropriate, transfer and assign to the Association this right to the dirt and the designation of its placement. This right shall expire ninety (90) years less one day after the execution hereof.

7. Portions of the Property were filled and compacted. These areas were tested for compaction and moisture. Lot Owner and his or her building contractor assumes all risk regarding fill and compaction. The Lot Owner shall satisfy themselves that compaction and moisture are adequate for its intended use. Lot Owner shall test the soils before excavation of any controlled fill for building footings. Developer shall not be liable for any costs, expenses or claims for reimbursement to Lot Owner or building contractor on account of fill and compaction.

ARTICLE XI
Specific Restrictions for All Lots

1. The following covenants, conditions and restrictions relate specifically to all SF Lots and all SF Lots created out of Outlot D.

2. No Lot or any residence hereinafter placed or constructed on any Lot shall be utilized for any purpose other than for single family residential purposes.

3. No detached accessory building or any structures of any kind may be constructed or placed on any Lot; provided however, that a detached swimming pool house may be built beside any swimming pool constructed on any Lot so long as, to-wit: (I) the swimming pool house is constructed with the

same architectural style as the single family residence located upon such Lot; (ii) such pool house is not occupied or utilized as a residence or guests house, and; (iii) the swimming pool and the swimming pool house meet the minimum set back requirements. Swimming pools shall be in ground and shall not extend more than one foot above ground level.

4. No tennis courts, sand volleyball courts, basketball or other athletic concrete or asphalt slabs are allowed. Basketball backboards are permitted on driveways but not affixed to the home on front facing garages.

5. No noxious or offensive trade, activity or practice shall be carried on upon any Lot, nor shall anything be done on any Lot which may be or become an annoyance or nuisance to the neighbors or neighborhood.

6. No trailer, mobile home, basement, tent, shack, barn or any other outbuilding erected in or on any lot shall at any time be used as a residence, temporarily or permanent; nor shall any structure of a temporary character be used as a residence. No trailer, mobile home, motor coach, recreation vehicle, jet ski, boat or other similar recreational equipment, device or vehicle shall be stored or parked in any front or side yard.

7. No previously constructed building or any prefabricated building of any kind whatsoever shall be moved onto any Lot.

8. No nuisance, advertising sign, billboard, or other advertising device of any kind or type shall be permitted, erected, placed or suffered to remain on any Lot or on any structure or improvement located on any such Lot. It is intended that vehicles with conspicuous advertising be parked or housed only temporarily on any street or the exterior of any Lot of the Subdivision. Vehicles with such signage shall be permanently parked or kept within the garage. No Lot shall be used in any way or for any purpose which may in any way endanger the health or unreasonably disturb the peace and quiet of other Lot Owners. No business of any kind or anything that may be construed as a business of any kind may be conducted on or from any Lot; provided, however, that this paragraph shall not prevent nor prohibit the Developer from placing on any Lot owned by Developer, signs advertising the sale of such lot or the Development as a whole, and; provided, further, that this paragraph shall not prevent nor prohibit any Lot Owner, or his agent, from placing upon any Lot owned by such Lot Owner a "For Sale" sign, or a political yard sign. This covenant shall not prohibit tradesmen from working upon a Lot in the construction or maintenance of any home upon the Lot.

9. In the construction of a residence or thereafter each Lot Owner shall establish and maintain all grades, slopes and/or contours on his/her lot in accordance with the established grading plan for the subdivision.

10. Each Lot Owner, other than the Developer, shall have, and does hereby assume, any and all responsibility or liability for the construction and installation for public sidewalks parallel to each street which abuts the Lot or Lots owned by such Lot Owner. All sidewalks parallel to each street which abuts a Lot shall be constructed and paid for by such Lot Owner, to-wit: (i) at the final completion of the construction of the residence on such Lot; or, (ii) whenever required by the City of Lincoln as condition of the final plat establishing such Lot; or, (iii) three (3) years following conveyance of such lot by Developer; whichever is first. Each individual Lot Owner, other than the Developer, shall indemnify and save the Developer harmless from any liability or cost incurred in connection with the installation or payment of any public sidewalk parallel to each street which abuts the Lot owned by such Lot Owner.

11. Lot Owner shall commence construction of the home on any Lot within twenty-four (24) months of the date of conveyance to the lot Owner from the Developer. Once construction of any single family residence is begun on any Lot, such single family residence shall be completed, in accordance with the building and landscaping plan approved by the Developer, within one (1) year. If the construction of the home is not started within twenty-four (24) months of conveyance from the Developer and diligently pursued to completion then the Developer shall have a right to repurchase the lot from the owner at the price for which the Developer sold the lot.

12. No animals, livestock or poultry of any kind may be raised, bred or kept on any Lot, except dogs, cats or other household pets; provided such dogs, cats or other household pets are not kept, bred or maintained for commercial purposes.

13. No Lot may be utilized, maintained or used as a dumping ground for rubbish, including but not limited to leaf and grass clippings. All waste, garbage and trash must be kept in sanitary containers and removed from such Lot on a weekly basis. No incinerators may be constructed or maintained upon any Lot. All Lots shall be kept free of debris and weeds and shall be kept mowed.

14. All dog runs shall be in the backyard. No dog run shall be within ten (10) feet of a side or back lot line.

15. The titleholder of each Lot within the properties upon which a landscape screen or berm is installed as required by the City of Lincoln, or the Developer shall maintain the screen or berm whether such screen or berm is composed of structural or live plant material. The Lot owner shall water (with its sprinkler system) the landscape screen or berm. The Association shall replace structural or plant material in the landscape screen which dies or is damaged due to no fault of the Lot Owner. Upon failure to comply with this Paragraph, the Corporation may contract for the services reasonably necessary to maintain the screen and to bring the lot into compliance with the design standards of the City of Lincoln, Nebraska. The actual costs of such services, plus a 15% administrative charge, may be assessed against the lot as a special assessment. If not paid when due, assessments shall bear interest at the rate of 16% annum and, when notice of nonpayment is filed with the Lancaster County Register of Deeds, shall be a lien upon the lot. The Association shall have an easement to enter onto a Lot and maintain the landscape or berm if not maintained by the Lot Owner.

16. No trailer, mobile home, motor coach, boat, jet ski or similar recreational vehicle or devise may be stored or parked in any front yard or side yard of any Lot within the Properties.

17. Until commencement of construction on any Lot, the Developer shall keep and retain the first option to purchase such Lot from the original grantee of the Developer. The purchase price under such option shall be the price at which it was originally conveyed from the Developer.

18. No walls, fences or hedges which exceed two feet in height may be constructed, placed, planted or maintained within the thirty (30) foot setback from the front lot line or in the case of a lot abutting two (2) or more streets, within thirty (30) feet of any street, right of way or Lot Line. However, the Developer may install a landscape screen in such setbacks separating the Property from Skyline Rolling Hills 8th Addition and such landscape screen shall not violate this covenant. This may affect Lot 1, Block 1; Lots 5, 6, 21, 22, Block 2; and Lot 1, Block 3.

19. Each Lot Owner shall nurture, maintain, be responsible for and, if necessary, replace any street tree or other landscaping required by the City of Lincoln or the Developer as a condition or part of the plat or plans for the subdivision or Lot or otherwise. The Developer shall initially install the street trees required by the City of Lincoln.

20. No walls, fences, structure, planting or other materials shall be constructed, placed, planted, maintained or permitted to remain on any easement areas reserved for the installation and maintenance of utilities or drainage, as shown on recorded plate of the Subdivision, if such wall, fence, structure or planting would, to-wit: (I) damage or interfere with the installation or maintenance of any such utilities, (including the supply of utilities to the common areas, roundabouts and cul-de-sacs) or; (ii) change the direction of flow of the surface water drainage channels in any such easement area, or; (iii) obstruct or retard the flow of water through any drainage channels over the easement area. The Lot Owner upon which such an obstruction sits shall be responsible for the cost of removal of such obstruction. The Association shall not be liable for any damage to such an obstruction in the course of maintenance or operation of the common areas.

ARTICLE XII
Miscellaneous

1. The herein enumerated restrictions, right, reservations, limitations, agreements, covenants and conditions shall be deemed as covenants and not as conditions hereof and shall run with the land and shall bind the several Lot Owners, their successors, assigns, heirs and devisees until the first day of January, 2034 and continuously thereafter for successive ten (10) year periods unless and until any proposed change which affects a class of membership or group of Lot owners shall have been approved in writing by a two-thirds (2/3) affirmative vote of the members of such class unless otherwise provided herein; and, provided, further that any such change shall also be first approved in writing by the City of Lincoln, Nebraska.

2. The enforcement of these Covenants shall be by proceedings at law or in equity, and may be instituted by either the Developer, the Association or any Lot Owner (including the Developer) against any person or persons violating or attempting to violate any provisions hereof. In addition, the City of Lincoln, Nebraska, shall have the right to enforce by proceedings at law or in equity all restrictions, conditions, and covenants regarding the maintenance of the Common Area (Article X, paragraph 1), maintenance of the landscape screen or berm (Article XI, paragraph 15) and maintenance of any street tree or other landscaping (Article XI, paragraph 19). Such proceedings may be to restrain such violation or to recover damages, and may also be instituted to enforce any lien or obligations created hereby. If the Developer, the Association, or any Lot Owner is successful in any action, whether at law or equity, to enforce any term or provision of these

Covenants, then the Developer, association or the Lot Owner instituting such action, as the case may be, shall be entitled to an award of reasonable attorney's fees and court costs, which shall constitute a lien on the Lot owned by the person against whom enforcement is sought, in the same manner and with the same priority as a lien for annual or special assessments. Failure by the Developer, an association, any member thereof or the City of Lincoln to enforce any covenant or restrictions herein contained shall in no event be deemed a waiver of the right to do so.

3. In the event that the Association, the members thereof, or the directors thereof shall fail or neglect to perform its right, duties and obligations in accordance with the intents, purposes, and provisions of this Declaration, then Developer reserves the right to call such meetings, make such appointments and to take such further action as may be necessary, from time to time, to ensure that the objects and purposes of the Declaration are being fulfilled.

4. The invalidation of any one of the covenants or restrictions set forth herein shall not affect the validity of the remaining provisions hereof, all of which shall remain in full force and effect.

5. The Developer or, after transfer of Developer's rights hereunder to the Homeowners Association, the Homeowners Association shall, upon the written request of any lot Owner, issue a written statement stating, to-wit: (I) whether or not such Lot Owner, and the Lot owned by such Lot Owner, is in compliance with the terms and provisions of these Covenants; (ii) whether or not such Lot Owner is liable for nay past due assessments that may become a lien on the Lot owned by such Lot Owner; (iii) the amount, if any, of the last annual assessment levied by the Homeowners Association; (iv) the amount, if any, of any proposed special assessment against such individual Lot Owner requesting the written statement (v) the amount, if any, of any proposed special assessment to be levied ratably against all of the Lots located within the Property and/or, if appropriate, (vi) the amount of general or special assessments for the Patio Home Lots.

6. These covenants may be amended by the affirmative action of two-thirds of the owners of the Lots as set forth in Article I paragraph 1 except the owners of Outlots A, B and C shall have no vote on account of such Outlots and the Owner of Outlot D shall have 29 votes on account of such Outlot or such other number of Lots into which Outlot D may be subsequently platted. Such action may be shown by the owners of two-thirds of such lots jointly executing a document setting forth the amendments and filing the same with the Register of Deeds of Lancaster County together with a statement of the Developer or Secretary of the Homeowner Association indicating the number of Lot Owners eligible to vote. No amendment to the covenants shall impose more severe restrictions upon any Lot than those existing prior to the amendment without that Lot Owners consent.

7. In the event the Homeowners Association dissolves, the Lot owners shall remain jointly and severally liable for the cost of maintenance of the common area, landscape screening, and street trees provided for in paragraph 2 above which would be or otherwise have been a responsibility and cost of the Association.

Dated May 7, 2004.

The foregoing Declaration of Protective Covenants, Conditions, and Restrictions of Rolling Hills Addition are hereby approved for the limited purpose of transferring maintenance of the common area, private improvements, landscape screening, and street trees, from the developer to the Homeowners Association and/or the individual Lot Owners.

Asst. City Attorney, City of Lincoln, Nebraska
Lincoln, Nebraska

Woods Investment Company
A Nebraska Corporation

F. Pace Woods, II
President

STATE OF NEBRASKA)
) ss.
LANCASTER COUNTY)

Subscribed and sworn to before me by F. Pace Woods, II, President of Woods Investment Company, a Nebraska Corporation, on this 7th day of May, 2004.

GENERAL NOTARY-State of Nebraska
WARD F. HOPPE
My Comm. Exp. July 10, 2004

Notary Public