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STATE OF NEBRASKA COUNTY OF WASHINGTON)SS  
ENTERED IN NUMERICAL INDEX AND FILED FOR RECORD  
THIS 20th DAY OF December, A.D. 2005  
AT 3:10 O'CLOCK P.M. AND RECORDED IN BOOK  
478 AT PAGE 708-717  
COUNTY CLERK Charlotte L. Petersen  
DEPUTY Barbara Madson

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Recorded /  
General /  
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Photostat /  
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CHARLOTTE L. PETERSEN  
WASHINGTON COUNTY, CLERK  
BLAIR, NEBR.

**DECLARATION  
OF COVENANTS, EASEMENTS AND RESTRICTIONS  
FOR COTTONWOOD CREEK  
LOTS 1 THROUGH 65**

This Declaration of Covenants, Easements and Restrictions is made as of the \_\_\_ day of \_\_\_\_\_ 2005, by Big Sky Development Group, LLC, a Nebraska limited liability company (hereinafter referred to as "Declarant").

**WITNESSETH:**

WHEREAS, Declarant is the owner of the following legally described real property, to wit:

Lots 1 through 65, inclusive, Cottonwood Creek, a subdivision, as surveyed, platted and recorded in Washington County, Nebraska (unless the context otherwise requires Lots 1 through 65, inclusive, Cottonwood Creek, shall be referred to individually as a "Lot" and collectively as the "Lots"); and

WHEREAS, by virtue of the recording of this Declaration, the Lots shall be owned, held, transferred, sold, conveyed, used, occupied and mortgaged or otherwise encumbered subject to the provisions of this Declaration and every grantee of any interest in the Lots, by acceptance of a deed or other conveyance of such interest, shall own and take subject to the provisions of this Declaration and shall be deemed to have consented to the terms hereof; and

WHEREAS, Declarant does hereby specify, agree, designate and direct that this Declaration and all of its provisions shall be and are covenants to run with the Lots and shall be binding upon all parties having or acquiring any right, title or interest in the Lots or any part thereof, from time to time, and shall inure to the benefit of each owner thereof.

NOW, THEREFORE, for and in consideration of the premises, easements, covenants, conditions, restrictions, and encumbrances contained herein, the sufficiency of which is hereby acknowledged, Declarant hereby agrees that the Lots be subject to the following Declaration of Covenants, Easements and Restrictions ("Declaration") as follows:

**ARTICLE I  
RESTRICTIONS AND COVENANTS**

1. The Lots shall be used for residential purposes only. Farming of any nature for commercial purposes shall not be permitted. Household pets may be kept and maintained on the premises for use, benefit and pleasure of the owner of a Lot and his or her guests provided they are not kept, bred, or maintained for any commercial purpose or in such number as to require

licensing. No swine, goats, poultry, or split-hoofed animal shall be kept or maintained on any of the Lots. Horses may be kept on Lot 2, 3, 4, 5, 10, 11, 12.

2. No residence, building, fence, wall, driveway, patio, patio enclosure, swimming pool, dog house, tree house, pool house, antenna, satellite receiving stations, dishes or discs, flag poles, solar heating or cooling devices, tool or storage shed, or other external improvement, including landscaping, above or below the ground (hereinafter referred to as any "Improvement") shall be constructed, erected, placed or permitted to remain on any Lot, nor shall any grading or excavation for any Improvement be commenced, except Improvements which have been approved by Declarant as follows:

(a) A Lot owner desiring to erect an Improvement on such Lot shall submit construction plans to Declarant. Such plans shall include the following: a site plan showing the location of the proposed Improvement; at least four (4) exterior elevations indicating flues or chimneys, type and extent of siding, roofing, other faces and/or veneer material; a floor plan; a foundation plan; a plot plan; a drainage plan; and the location of any septic system. Concurrent with the submission of the plans, the Lot owner shall notify Declarant of the Lot owner's mailing address. Plans submitted to Declarant will not be returned to the Lot owner.

(b) The decision to approve or disapprove a proposed Improvement shall be exercised by Declarant in Declarant's absolute and sole discretion.

(c) Written notice of any approval or disapproval of a proposed Improvement shall be mailed to the Lot owner at the address specified by such Lot owner upon submission of the plans. If written notice is not mailed within thirty (30) days after submission of the plans, the proposed Improvement shall be deemed approved by Declarant.

(d) No Lot owner, or combination of Lot owners, or other person or persons shall have any right to any action by Declarant, or to control, direct or influence the acts of the Declarant with respect to the approval or disapproval of any proposed Improvement. No responsibility, liability or obligation shall be assumed by or imposed upon Declarant by virtue of the authority granted to Declarant in this Section 2, or as a result of any act or failure to act by Declarant with respect to any proposed Improvement.

3. No Lot shall be subdivided.

4. All residences shall be constructed with a built-in, back facing, side facing or front facing garage, for a minimum of two automobiles. Detached garages will be allowed only upon the prior written approval of Declarant. Front elevation of all concrete or cement block foundation, if exposed, must be faced with brick or stone. All roofing materials shall be Heritage Singles or a similar style or brand of singles approved in writing by Declarant.

5. Unless otherwise approved in writing by Declarant, no building shall be created, altered, placed or permitted to remain on any Lot other than one detached single family dwelling not to exceed two stories in height, having a garage for not less than two automobiles, and containing finished living areas, exclusive of porches, breezeways, carports, and garages of at least two thousand (2,000) square feet on the ground floor of a one story house; two thousand two hundred (2,200) total square feet on the ground floor and second floor of a one and one-half story house; and two thousand four hundred (2,400) total square feet on the ground floor and second floor of a two story house.

Declarant shall have the right to define the terms "one story", "one and one-half story", "two story", and "multi-level" house. Any house of unusual design not included in the categories herein listed will be considered on an individual basis. Square foot areas are to be computed to the outside surface of enclosed walls.

6. All power and telephone service wires shall be buried underground.

7. No trailer, mobile home, modular home, basement, garage, tent, barn or outbuilding shall be erected on any tract at any time for use as a residence.

8. All accessory buildings shall be enclosed, with sidewalls not exceeding twelve (12) feet in height and a total area of less than two thousand four hundred (2,400) square feet. All accessory buildings shall be constructed with the same roofing and siding material as the residential structure, unless otherwise approved in writing by Declarant. If accessory buildings are to be used for the shelter of animals, they shall not exceed the necessary size of such shelter.

9. All fences erected and installed on any Lot shall be constructed of wood, approved vinyl, or other material approved by Declarant. It is the intention of this regulation to prohibit the use for fencing of wire rope, barbed wire, chain or galvanized chain link fence material, or other materials not approved by Declarant.

10. No automobile, boat, camping trailer, van-type campers, auto-drawn trailer of any kind, mobile home, motorcycle, snowmobile or other self-propelled vehicles (collectively, a "Vehicle") shall be stored or parked outside of an enclosed garage for more than thirty (30) days within a calendar year. All assembly, disassembly or general service work on any Vehicle must be done in the garage.

11. No incinerator or trash burner shall be permitted on any Lot. All trash and garbage shall be contained and enclosed in metal or plastic containers. No garbage or trash container or fuel tank shall be permitted to remain outside of a dwelling unless completely screened from view, except for pickup purposes. No garden, lawn or maintenance equipment of any kind whatsoever shall be stored or permitted to remain outside of a dwelling or suitable storage facility, except when in actual use.

12. Construction of any Improvement must be completed within one (1) year after the date of commencement of excavation or construction of the Improvement.

13. Unless otherwise approved in writing by Declarant, no building or structure shall be erected within fifty (50) feet from the front lot line and all Lots shall have a side yard setback of thirty five (35) feet and a rear yard setback of fifty (50) feet.

14. No garden shall be grown upon that portion of any Lot nearer to the street than provided for minimum building setback lines; and no trees shrubs, hedges or other plants shall be maintained or permitted in such proximity to any Lot as will interfere with the use and maintenance of any street or walk or the unobstructed view at intersections sufficient for the safety of pedestrians and vehicles. Each Lot owner shall take whatever steps are necessary to control noxious weeds on such Lot.

15. Each Lot owner shall comply with all county and state health requirements and permits, and observe all rules and regulations of all lawfully constituted authorities in the use and ownership of such Lot.

16. No objectionable, unlawful or offensive trade or activity shall be carried on upon any Lot nor shall anything be done thereon which may be or become a nuisance or annoyance to the neighborhood or surrounding Lots.

17. No Lot shall be used in whole or in part for the storage of any property or thing that will cause the land to appear in an unclean or untidy condition, or that will be obnoxious to the eye; nor shall any substance or material be kept upon the land that will emit a foul or obnoxious odor, or cause any noise that will or might disturb the peace, quiet, comfort or serenity of the occupants of the neighborhood or surrounding Lots.

18. No dwelling house constructed in another area or prefabricated house may be moved onto or permitted to remain on any Lot or portion thereof. No outside radio or television antennas, or satellite dishes exceeding eighteen (18) inches in diameter, may be erected on any Lot or portion thereof.

19. No advertising signs or billboards shall be placed, constructed, or erected on any Lot except one sign per Lot advertising the Lot as "For Sale" or identifying the builder of a dwelling on such Lot; nor shall business activities of any kind whatsoever be conducted on any Lot. Provided, however, the foregoing shall not apply to the business activities, signs and billboards or the construction and maintenance of buildings, if any, by Declarant, its agents or assigns, during the construction and sale of the Lots.

20. Each owner of a Lot that contains an area for drainage ways shall not place or allow to be placed any obstructions such as trees, dams, fences or improvements of any kind in said drainage way. No existing trees or natural terrain shall be disturbed without the prior written approval of Declarant.

21. Declarant shall have the right, should it become necessary, to enter upon any Lot in which a completed residence has not yet been constructed for the purpose of mowing and maintaining any such Lot without being classified as a trespasser; provided, however that the owner of the Lot shall pay any reasonable expense actually incurred on this account.

## ARTICLE II HOMEOWNERS' ASSOCIATION

1. Declarant shall cause the incorporation of Cottonwood Creek Homeowners Association, a Nebraska not for profit corporation (the "Association"). The Association shall have as its purpose the promotion of the health, safety, recreation, welfare and enjoyment of the residents of the Lots, including, but not limited to:

(a) The acquisition, construction, landscaping, improvement, equipping, maintenance, operation, repair, upkeep and replacement of Common Facilities for the general use, benefit and enjoyment of the Members. Common Facilities may include recreational facilities such as swimming pools, tennis courts, health facilities, playgrounds and parks; dedicated and nondedicated roads, paths, ways and green areas; and signs and entrances for Cottonwood Creek. Common Facilities may be situated on property owned or leased by the Association, or on dedicated property.

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

(c) The exercise, promotion, enhancement and protection of the privileges and interests of the residents of Cottonwood Creek; and the protection and maintenance of the residential character of Cottonwood Creek.

2. Each Lot owner shall be a Member of the Association. Membership shall be appurtenant to ownership of each Lot, and may not be separated from ownership of each Lot. Each Lot owner, whether one or more persons or entities, shall be entitled to one vote on each matter properly coming before the Members of the Association.

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

(a) The development, operation and administration of Common Facilities, and the enforcement of the rules and regulations relating to the Common Facilities.

- (b) The fixing, levying, collecting, abatement, and enforcement of all charges, dues, or assessments made pursuant to the terms of this Declaration.
- (c) The expenditure, commitment and payment of Association funds to accomplish the purposes of the Association including, but not limited to, payment for purchase of insurance covering any Common Facility against property damage and casualty, and purchase of liability insurance coverages for the Association, the Board of Directors of the Association and the Members.
- (d) The exercise of all of the powers and privileges, and the performance of all of the duties and obligations of the Association as set forth in this Declaration, as the same may be amended from time to time.
- (e) The acquisition by purchase or otherwise, holding, or disposition of any right, title or interest in real or personal property, wherever located, in connection with the affairs of the Association.
- (f) The deposit, investment and reinvestment of Association funds in bank accounts, securities, money market funds or accounts, mutual fund, pooled funds, certificates of deposit or the like.
- (g) The employment of professionals and consultants to advise and assist the Officers and Board of Directors of the Association in the performance of their duties and responsibilities for the Association.
- (h) General administration and management of the Association, and execution of such documents and doing and performance of such acts as may be necessary or appropriate to accomplish such administration or management.
- (i) The doing and performing of such acts, and the execution of such instruments and documents, as may be necessary or appropriate to accomplish the purposes of the Association.

4. Notwithstanding the provisions of Section 3 of this Article II, Declarant shall be responsible for the acquisition, construction, landscaping, improvement, equipping, maintenance, operation, repair, upkeep and replacement of the Common Facilities until such time as Declarant has conveyed fee simple title to ten (10) Lots. Thereafter, these obligations shall be undertaken by the Association as provided in this Article II. Except as expressly provided herein, Declarant shall not be obligated to exercise any of the powers, or assume any of the obligations, of the Association set forth in this Article II.

5. The Association may fix, levy and charge the owner of each Lot with dues and assessments (herein referred to respectively as "dues and assessments") under the following provisions of this Declaration. Except as otherwise specifically provided, the dues and assessments shall be fixed by the Board of Directors of the Association and shall be payable at the times and in the manner prescribed by the Board.

6. Notwithstanding any other provision of this Declaration, the Board of Directors may abate all or part of the dues or assessments due in respect of any Lot, and shall abate all dues and assessments due in respect of any Lot during the period such Lot is owned by the Declarant.

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

8. The dues collected by the Association may be committed and expended to accomplish the purposes of the Association described in Section 1 of this Article II, and to perform the Powers and Responsibilities of the Association described in Section 3 of this Article II.

9. Unless excess dues have been authorized by the Members in accordance with Section 11 of this Article II, the aggregate dues which may become due and payable in any year shall not exceed the greater of:

(a) Two Hundred Dollars (\$200.00) per Lot.

(b) In each calendar year beginning on January 1, 2006, one hundred twenty-five percent (125%) of the aggregate dues charged in the previous calendar year.

10. In addition to the dues, the Board of Directors may levy an assessment or assessments for the purpose of defraying, in whole or in part, the costs of any acquisition, construction, reconstruction, repair, painting, maintenance, improvement, or replacement of any Common Facility, including fixtures and personal property related thereto, and related facilities. The aggregate assessments in each calendar year shall be limited in amount to Two Hundred Dollars (\$200.00) per Lot.

11. With the approval of seventy-five percent (75%) of the Members of the Association, the Board of Directors may establish dues and/or assessments in excess of the maximums established in this Declaration.

12. Assessments and dues shall be fixed at a uniform rate as to all Lots, but dues may be abated as to individual Lots, as provided in Section 6 of this Article II.

13. The Association shall, upon written request and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the dues and assessments on a specified Lot have been paid to the date of request, the amount of any delinquent sums, and

the due date and amount of the next succeeding dues, assessment or installment thereof. The dues and assessment shall be and become a lien as of the date such amounts first become due and payable.

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

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

### ARTICLE III GENERAL PROVISIONS

1. If the present or future owners, users or occupants of the Lots shall violate or attempt to violate any covenant contained in this Declaration, it shall be lawful for any other person or persons owning any other Lot to prosecute proceedings at law or equity against the person violating or attempting to violate any such covenant and either prevent him from so doing or to recover damages for such violation. Failure by Declarant or any Lot owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

2. As long as Declarant owns one (1) Lot, Declarant shall have the right at any time subsequent to the filing of this Declaration, to add, annex and subject additional contiguous land in Douglas County, Nebraska to this Declaration by filing in the Office of the Register of Deeds of Douglas County a written instrument duly executed and acknowledged by Declarant, to the effect that such additional land is being subjected hereto. Any real property thereby subjected to this Declaration shall, after said filing, be subject hereto and the owners thereof shall be subject to all the same duties, liabilities and rights hereunder as though said additional property had been originally a part of the real estate described herein on the date of the filing of this Declaration.

3. As long as Declarant owns one (1) Lot, this Declaration may be amended or rescinded by Declarant, or any person, firm, corporation, partnership, or entity designated in writing by Declarant, in any manner it shall determine in its full and absolute discretion. Thereafter, this Declaration may be amended by an instrument signed by the owners of not less



than seventy-five percent (75%) of the Lots covered by this Declaration. This Declaration shall run with and shall bind the land for a term of twenty (20) years from the date this Declaration is recorded, after which time this Declaration shall be automatically extended for a successive period of ten (10) years, unless an instrument terminating this Declaration is signed by the owners of seventy-five percent (75%) of the Lots and has been recorded prior to the commencement of any ten year period.

4. Invalidation of any provision of this Declaration by judgment or court order shall in no way affect any of the other provisions hereof which shall remain in full force and effect.

[remainder of the page intentionally left blank]

IN WITNESS WHEREOF, Declarant has caused these presents to be executed on the day and year first above written.

**DECLARANT:**

Big Sky Development Group, LLC

By: [Signature]

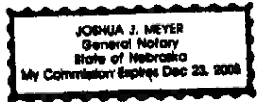
Name: STEVE HURBOR

Title: Member

STATE OF NEBRASKA )  
  )ss.  
COUNTY OF DOUGLAS )

Before me, a Notary Public qualified for said County and State, personally came Steve Hurbor, Member of Big Sky Development Group, LLC, known to me to be the identical person who signed the foregoing instrument and acknowledged the execution thereof to be his voluntary act and deed and the voluntary act and deed on behalf of said corporation.

WITNESS my hand and Notary Seal on this 19<sup>th</sup> day of December 2005.



[Signature]  
Notary Public