

PROTECTIVE COVENANTS, RESTRICTIONS AND EASEMENTS

TO WHOM IT MAY CONCERN:

The undersigned, PACESETTER HOMES, INC., a Nebraska corporation, owner of the following real estate:

Lots 34-37, inclusive; 145-161, inclusive; 196-221, inclusive in Millard Highlands South, and Lots 584-586, inclusive in Millard Highlands South Replat III, and Lots 587-671, inclusive in Millard Highlands South Replat IV, a Subdivision in Sarpy County, Nebraska

does hereby state, publish and declare that all of said lots are and shall be owned and held under and subject to the covenants, conditions and restrictions set forth below.

1. The covenants, conditions and restrictions are to run with the land and shall be binding upon all owners, present and future, until January 1, 2009. PROVIDED, however, until January 1, 2009, these covenants may be modified or changed, in whole or in part, upon the written approval of the owner(s) of sixth percent (60%) or more of the lots subject to them. After January 1, 2009, these covenants shall be automatically extended for successive periods of ten (10) years each unless modified or changed, in whole or in part, by written approval of the owners of fifty one percent (51%) or more of the lots subject to them.

2. If the owner of any lot shall violate or attempt to violate any of the covenants herein, it shall be lawful for any owner of any lot to bring legal proceedings against such person violating or attempting to violate such covenants, to prevent him or them from so doing and/or to recover damages or other compensation due for such violation; but this instrument shall not be construed as placing any liability or obligation for its enforcement upon the undersigned. Invalidation of any one of the covenants by judgment or court order shall in no way affect any of the other provisions, which shall remain in full force and effect.

3. All lots shall be used for residential, recreational, church school, or park purposes. PROVIDED, however, model homes constructed by the undersigned developer, its agents and assigns, for the purpose of displaying and selling homes, and for office purposes, will not in any way be a violation of these covenants; and PROVIDED FURTHER that Lots 587 through 591, inclusive, may also be used for commercial purposes, and also Lots 656 through 660, inclusive, may be used for multiple family dwellings.

4. No noxious or offensive trade or activity shall be carried on upon any lot, nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood.

5. No trailer, basement, tent, shack, garage, barn or any structure of any like kind or character erected on said real estate shall at any time be used as a residence temporarily or permanently. Nor dwelling constructed in another area or addition may be moved onto or permitted to remain on any lot in this subdivision, unless the undersigned consents thereto in writing.

6. A perpetual license and easement is hereby reserved in favor of and granted to Omaha Public Power District and Northwestern Bell Telephone Company, any company which has been granted a franchise to provide a cable television system within the lots, their successors and assigns, to erect and operate, maintain, repair, replace and renew buried or underground cables, conduit poles with the necessary supports, sustaining wires, cross-arms, guys and anchors and other instrumentalities and to extend thereon wires for the carrying and transmission of electric current for light, heat and power for all telephone and telegraph and message service over, under, through and upon a five (5) foot strip of land adjoining the rear and side boundary lines of said lots in said addition;

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said license being granted for the use and benefit of all present and future owners of lots in said addition; PROVIDED, however, that said side lot line easements granted upon the specific condition that if both of said utility companies and cable company fail to construct cables, conduits or poles along any of said side lot lines within thirty-six (36) months of date hereof, or if any pole or wires are constructed but are thereafter removed without replacement within sixty (60) days after their removal, then this side line easement shall automatically terminate and become void as to such unused or abandoned easementways. All telephone entrances to residences or other principal structures on any of said lots shall be underground and the owner of each lot shall provide or have constructed at his cost the underground entrance to the residence which shall meet the following specifications: A 1/2-inch standard galvanized electrical conduit shall be put through the rear outside wall in the middle of each structure. This conduit shall extend 24 inches below the final rear grade line and extend flush into the basement area and shall be mechanically attached to the building. No permanent building, trees, retaining walls or loose rock walls shall be placed in the said easementways but same may be used for gardens, shrubs, landscaping and other purposes that do not then or later interfere with the aforesaid uses or rights granted herein.

7. Portland concrete public sidewalks four (4) feet wide by four (4) inches thick, shall be constructed in front of each built-upon lot and along the street side of each built-upon corner lot. The sidewalk shall be placed four (4) feet back of street curb line and shall be constructed by the then owner of the lot at the time of completion of the mainstructure and before occupancy or use thereof. In lieu of the installation of the said sidewalk because of weather, an escrow deposited with mortgagee or undersigned, or any other qualified escrow agent, will be considered acceptable.

8. Dwellings shall be restricted to the following finished living square-foot areas, exclusive of garages, breezeways and porches:

- a) Nine Hundred (900) square feet on the ground floor of a one-story home;
- b) Nine Hundred (900) square feet throughout the home for a bi-level, tri-level, split-level, split-entry, 1-1/2 story or higher;
- c) The minimum setbacks for a residential structure shall be front yard, twenty (20) feet, and side yard, five (5) feet. Notwithstanding said requirements, the side and front yard limitations shall automatically be amended and changed in the event Sarpy County (or whatever governmental authority has jurisdiction) or any of its regulatory boards, shall determine and permit a lesser area or distance.

9. Motor vehicles of every type parked anywhere in the subdivision out in the open must be in operating condition; otherwise, said cars at the request or action of any landowner may be towed away at the expense of the car's owner. Motor vehicles must be parked in garages, on concrete slabs or driveways, and all repair work must be done indoors. All boats, trailers and campers, self-propelled or otherwise, of every kind and description must be parked or stored indoors so as not to be visible from outside.

10. No fences shall be permitted to be erected or maintained in front of the main residential structure.

11. No outside radio, television, ham broadcasting or any electronic antenna or aerial shall be erected or placed on any structure or on any lot, except such model homes used by the undersigned developer, its agents or assigns, for an office or display and selling of homes in the addition.

12. In no event will any construction begin or any structure be erected or permitted to remain on any lot until the plans and specifications, plot plan and lot grading plan have been first submitted to and have received the written approval of the undersigned as to the exterior design, use of exterior materials, exterior colors, lot grading and placement of structures on

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the lot. No sign or billboard of any kind or size shall be erected, placed or permitted to remain on any lot until the undersigned has given its written approval therefor, except only "For Sale" signs not exceeding four (4) square feet in area will be permitted. The above restrictions as to signs does not apply to those erected by the undersigned developer, its agents and assigns, all in connection with the sale of property in the subdivision.

13. No animals, livestock or poultry of any kind shall be raised bred or kept on any lot, except dogs, cats or other household pets, provided they are not kept, bred or maintained for any commercial purpose.

14. In the event that ninety percent (90%) of all lots within a particular phase of Millard Highlands South, Millard Highlands South Replat II and Millard Highlands South Replat IV Subdivision are not improved within 5 years from the date that Northwestern Bell Telephone Company shall have completed of its distribution system within such phase of said subdivision and filed notice of such completion ("Five Year Term"), then every Lot that is unimproved at the end of the Five Year Term shall be subject to a charge of Four Hundred Fifty Dollars (\$450.00) by Northwestern Bell Telephone Company or its successors. A Lot shall be considered as unimproved if construction of a permanent structure has not commenced on that Lot. Construction shall be considered a having commenced if a footing inspection has been made on the Lot in question by officials of the City or other appropriate governmental authority.

Each development phase of Millard Highlands South, Millard Highlands South Replat II and Millard Highlands South Replat IV Subdivision shall be considered separately in determining whether ninety percent (90%) of the Lots within that Phase have been improved within the Five Year Term. In determining the date Northwestern Bell Telephone Company shall have completed the installation of its distribution system, each development phase shall also be considered separately.

Such charge shall be due and owing immediately upon the expiration of the Five Year Term, and if such charge is not paid within 60 days after the sending of written notice by Northwestern Bell Telephone Company or its successors to the owner of an unimproved lot that such charge is due, then such charge will begin drawing interest commencing upon the expiration of the 60 day period at the rate of twelve percent (12%) per annum, or the maximum rate allowed by law if said maximum rate is less than 12% per annum at that time.

DATED this 1st day of January, 1988

PACESETTER HOMES, INC.

Attest:

*[Signature]*  
\_\_\_\_\_

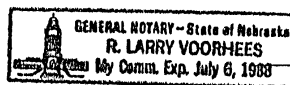
*[Signature]*  
By: \_\_\_\_\_  
Ralph J. Heavrin, President

STATE OF NEBRASKA )  
                          ) ss.  
COUNTY OF SARPY )

On this 1st day of January, 1988, before me, the undersigned a Notary Public in and for said County, personally came RALPH J. HEAVRIN, President of Pacesetter Homes, Inc., a corporation, to me known to be the President and the identical person whose name is affixed to the foregoing instrument and acknowledged the execution thereof to be his voluntary act and deed as such officer and the voluntary act and deed of the said corporation, and that the seal of said corporation was thereto affixed by its authority.

WITNESS my hand and seal the day and year last above written.

FILED IN INSTRUMENT NO PER 88-01700



*[Signature]*  
Notary Public

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REGISTRAR OF DEEDS