PROTECTIVE COVENANTS

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, Pine Lake Heights Limited Partnership, a Nebraska Limited Partnership (hereinafter referred to as the "Owner"), is the owner of a tract of real estate more particularly described on Exhibit "A" which is attached hereto and incorporated herein by this reference as if fully set forth (hereinafter referred to as the "Property"), said Property being shaded in blue on Exhibit "B" which is attached hereto and incorporated herein by this reference as if fully set forth, and;

WHEREAS, the Owner is currently in the process of final platting and subdividing the Property for residential building sites, and

WHEREAS, the Owner desires to establish a uniform plan for the residential development of the Property; and

WHEREAS, the Owner desires to provide for the maintenance, repair preservation of, and landscaping and snow removal from the Commons and the Common Area (as hereinafter defined), and

WHEREAS, there has been incorporated under the laws of the State of Nebraska, a nonprofit corporation under the name and style of PINE LAKE REIGHTS HOMEOWNERS ASSOCIATION, INC., (hereinafter the "Corporation"), for the purpose of enforcing the covenants and restrictions created and established against and upon the Property pursuant to these Protective Covenants, and for the purpose of maintaining the Commons and the Common Area located on the Property.

NOW THEREFORE, the Owner does hereby create, establish and adopt the following covenants and restrictions against and upon the Property:

I. DEFINITIONS:

(A) As used herein the term "Lot", or "Lots" shall be deemed to mean all single family Lots now or hereafter located on the Property, which are shown on any Final Plat of all or any portion of the Property; provided that said Final Plat has been filed with the Register of Deeds of Lancaster County, Nebraska, and; provided, further, that the term "Lot" or Lots" shall be deemed to specifically exclude any Commons or Common Area (as hereinafter defined) which may now or hereafter be located on any portion of any Lot or Outlot.

- (B) The term "Commons" and "Common Area" shall be deemed to mean all Common Pedestrian Walkways, all Ponds and Detention Ponds, all Waterways, all Outlots and Green Areas Designated for Public Use, as shown on any Final Plat of all or any portion of the Property; provided that said Final Plat has been filed with the Register of Deeds of Lancaster County, Nebraska.
- (C) The term "Lot Owner", shall be deemed to mean the owner or owners of record of any Lot, excluding the Owner, as defined below.
- (D) The term "Property", shall be deemed to mean the Property as described on Exhibit "A" to these Covenants, and; any Additional Property (as described and identified at paragraph XXIV of these Protective Covenants) hereinafter added to the description of the Property described on Exhibit "A" by, or with the consent of, the Owner.
- (E) The term "Corporation", shall be deemed to mean Pine Lake Heights Homeowners Association, Inc., a Nebraska Non-Profit Corporation.
- (F) The term "Owner", shall be deemed to mean Pine Lake Heights Limited Partnership, a Nebraska Limited Partnership, or its successors or assigns.
- (G) The term "Front Lot Line" shall mean the portion of any Lot Line which abuts a street which has been dedicated to the City of Lincoln; the term "Rear Lot Line" shall mean the portion of any Lot Line which is opposite the portion of the Front Lot Line which abuts a street which has been dedicated to the City of Lincoln if such Front Lot Line is determinative of the street address for such Lot; the term "Side Lot Line" shall mean any portion of any Lot Line which is not a Front Lot Line or a Rear Lot Line.
- (H) The term "Common Pedestrian Walkways", shall be deemed to mean all or any portion of any Lots or Outlots designated on any Final Plat of all or any portion of the Property as a hiker-biker trail, or a pedestrian walkway.
- (I) The terms "Ponds", "Detention Ponds", and "Waterways", shall be deemed to mean all or any

portion of any Lots or Outlots designated on any Final Plat of all or any portion of the Property as a Pond, a Detention Pond or a Drainage-Waterway.

- (J) The term "Outlots and Green Areas Designated for Public Use", shall be deemed to mean all or any portion of any Lots or Outlots designated on any Final Plat of all or any portion of the Property as Green Area or a Public Use Area.
- II. No Lot, nor any dwelling hereafter placed or constructed on any Lot, shall be used for any purpose other than for residential purposes. Any residence constructed on any Lot shall be completed within nine (9) months after the commencement of construction. No residence or garage shall be located on any Lot, to-wit: (i) within 25.0 feet of the Front Lot Line; (ii) within 5.0 feet of any Side Lot Line, nor; (iii) within 30 feet or 20.0% of the depth of the Lot, whichever is less, of the Rear Lot Line. No storage shed or other out-building of any kind or type, shall be located in the Front or Side yards of any Lot, nor within five (5.0) feet of any Lot Line, nor shall any storage shed or other out-building exceed 120 square feet in size, nor be more than ten (10.0) feet in height.
- III. The Owner reserves to itself and its assigns, the exclusive right to establish all grades and slopes upon all Lots, Commons, Common Areas and Roadways and to fix the grade at which any residence or other improvement shall be placed or constructed upon any Lot in conformity with the general plan for the development of the Property. Plans for any residence or other improvement to be placed or constructed upon any Lot shall be submitted to the Owner for approval prior to construction, and shall show the size and exact location of the residence, the garage, and all other improvements to be located on such Lot in relationship to all Lot Lines, and the exterior material and exterior color, for all such improvements; provided, however, that any residence constructed on any Lot shall meet the following minimum standards:
 - (A) Minimum square footage requirements for any residence constructed on the Property shall be as follows: (i) 1,200 square feet (exclusive of any basement area) in the case of a one story ranchstyle or split level residence with or without a fully exposed rear walkout basement, and; (ii) 1,500 square feet (exclusive of any basement area) in the case of a one and one-half story or a full two story residence with or without a fully

exposed rear walkout basement. The minimum square footage requirements set forth herein shall be calculated exclusive of all terraces, patios, porches and garages.

- (B) All residences shall also have at least a full size two stall attached garage. The height of the garage shall not exceed the height of the residence.
- (C) No more than 24 inches of any foundation of any residence or any addition to any residence constructed on any Lot shall be left exposed. The 24-inch portion of any such foundation that is left exposed pursuant to this provision must be painted with a color that matches the approved color scheme of the residence.
- (D) No fencing, except for decorative garden fencing not exceeding 24 inches in height, shall be allowed in the front yard. No chicken wire, goat or cattle fencing material, nor any other type of commonly denominated livestock fencing material shall be allowed on any Lot.

One set of such plans shall be left on permanent file with the Owner. The Construction of any dwelling or other structure on any Lot shall not be commenced unless and until written approval of the plans, exterior color schemes, roofing materials and roofing color scheme for the residence and the garage have first been obtained from the Owner and filed for record with the Register of Deeds of Lancaster County, Nebraska. Written approval or disapproval of such plans shall be given by the Owner within thirty (30) days from and after the receipt thereof. Approval of such plans shall not be unreasonably withheld. the event of the disapproval of such plans, a written statement of the grounds for such disapproval shall be given. The Owner however, reserves to itself and its assigns the exclusive right to approve or disapprove any such plans, if in its sole opinion either the size, the plan, the exterior materials, or the exterior color schemes do not conform to the general design standard, and overall development characteristics of the Property. The written approval by the Owner, or its assigns, of any plans shall be binding upon all Lot Owners.

IV. All dwellings located on any Lot shall be constructed in conformity with the requirements of the applicable building codes of the City of Lincoln, Nebraska. Public sidewalks and

street trees shall be installed as required by the City of Lincoln by Lot Owners other than the Owner.

- V. No partially completed dwelling or temporary building and no tent or shack shall be allowed on or located on the Property shall be used as either a temporary or permanent residence.
- VI. No wires, antennas, satellite dishes or other equipment for electric power or electronic communications shall be permitted on any Lot, except underground or within a building. Provided, however, that a Lot Owner may install on a Lot one exterior Satellite dish which has a diameter of a one foot or less upon receipt of written approval by the Corporation, which shall not be unreasonably withheld.
- VII. No noxious or offensive activity shall be carried on or permitted upon any Lot; nor shall anything be done thereon which is or may become an annoyance or nuisance to the adjoining Lots or endanger the health or unreasonably disturb the quiet of the owners or occupants or adjoining Lots.
- VIII. The Commons, the Common Area and all utilities and other improvements located within the Commons or Common Area shall be permanently repaired and maintained by the Corporation.
- IX. No advertising signs, billboards, or other advertising device shall be erected, placed or permitted on any Lot, provided however, that the Owner may place signs, advertising Lots for sale, and provided further, that a sign advertising a single Lot for sale may be placed upon such Lot by the Lot Owner.
- X. No animals, livestock, or poultry of any kind shall be raised, bred, or kept on any Lot for any commercial purpose; provided, however, that if, in the sole opinion of the Board of Directors of the Corporation, any animal is deemed to be offensive or an annoyance to any other Lot Owners, the Lot Owner keeping such dog or cat may be required to remove the same from the Property.
- XI. Regardless of anything else set forth herein, any Lot Owner, except for the Owner, of a Lot shall install and maintain all public sidewalks located on such Lot, if such sidewalk abuts or is adjacent to a public street. Sidewalks shall be constructed and paid for by such Lot Owner upon the later date of: (i) the construction of a single family residence on such Lot, or; (ii) whenever required by the City of Lincoln, or; (iii) whenever required by the Corporation, whichever is first.

XII. No recreational vehicle as defined by the Lincoln Municipal Code, as the same may hereafter be amended, shall be parked or stored on or in front of any Lot, nor on any portion of any Lot, except within an enclosed structure; provided, however, that recreational vehicles may be temporarily parked on or in front of a Lot for a period of time not to exceed 14 days per year.

XIII. Any Lot Owner of any Lot on which a landscape screen is required to be installed by the City of Lincoln, Nebraska, whether such landscape screen is composed of structural or live plant material, shall continuously maintain such landscape screen.

All front, side and rear Lot yard areas shall be sodded and/or seeded within six (6) months after completion of the construction of the residence.

XIV. Every person or entity who is or shall become a record owner of a fee or undivided fee interest in any Lot shall be a member of the Corporation, provided, however, that any such person or entity who holds an interest merely as a security for the performance of an obligation shall not be a member.

XV. The Corporation shall have two classes of Membership:

Class "A" Memberships shall include all Members of the Corporation except the Owner. Each Class "A" Member of the Corporation shall be entitled to all the rights of Membership and to one vote for each Lot in which the interest requisite for Membership is held, provided, however, that no more than one vote shall be cast with respect to any such Lot.

Class "B" Memberships shall include only the Owner or its assigns, who shall be entitled to 2 votes for every Lot owned by the Owner; provided, however, that for each conveyance of a Lot by the Owner to any Class "A" Member, the number of votes entitled to be cast by the Class B Member shall be reduced by 2.

XVI. Each Member of the Corporation shall have the right to use and enjoy the Commons and the Common Area and shall have an easement over and upon the Commons and the Common Area for the use and enjoyment thereof, which shall be appurtenant to and shall pass with the interest requisite for Membership held by such member; provided, however, that no Lot Owner shall construct any structures, nor plant any plants on the Commons or the Common Area without the prior written consent of the Corporation.

- XVII. The rights of the Members of the Corporation in and upon the Commons and the Common Area shall be subject to the following:
 - (a) All easements shown upon any Final Plat of any portion of the Property recorded with the Register of Deeds of Lancaster County, Nebraska;
 - (b) The right of the Corporation, as provided in its Articles of Incorporation and By-Laws to suspend the use of the Commons and the Common Area by any Member for any period during which any assessment due from such Member to the Corporation remains unpaid, and for any period not to exceed thirty (30) days for any other infraction of the published rules and regulations governing the use and maintenance of the Commons, and the Common Area;
 - transfer all of any part of the Commons or the Common Area to any public agency; authority, or utility subject to such conditions as may be agreed to by the Members, provided, however, that any such dedication or transfer shall be approved by a majority vote at a regular meeting of the Members of the Corporation, providing that notice of the proposed dedication or transfer is contained in the notice of such special meeting;
 - (d) The use of all or any portion of the Commons or the Common Area by the general public pursuant to a public easement granted or to be granted by the Owner.

AVIII. Except for the duty and obligation of each individual Lot Owner to maintain and repair the sidewalks located on their respective Lots (as set forth at paragraph XI), the Corporation hereby covenants, and each Member of the Corporation who is a Lot owner by the acceptance of a deed by which the interest requisite for Membership in the Corporation is acquired, shall be deemed to covenant to:

- (a) Maintain and repair the Commons and the Common Area, including but not limited to all structural or live landscape material now or hereafter located within the Commons or the Common Area;
- (b) Remove snow, ice and debris from all Common Pedestrian Walkways located within the Commons or the Common Area, and;

(c) Maintain and repair all other structures or other improvements now or hereafter located within the Commons or the Common Area.

This covenant by the Members who are Lot Owners shall be satisfied by the payment of a general annual assessment and/or a general special assessment for the administration of the Corporation, and the maintenance and repair of the Commons and the Common Area. Such annual general and special assessments shall be a lien upon the Lot owned by each Lot Owner against which such assessments are made and shall also be the personal obligation of the Member who is a Lot Owner, and who is, or was, the record owner of the Lot assessed at the time of such general or special assessment. Each Lot owned by a Lot Owner shall be equally liable for any such general or special assessments.

XIX. The lien of such annual general and special assessments shall be subordinate to the lien of any first mortgage or first deed of trust now or hereafter placed upon the Lot against which such assessment is made.

- XX. Annual general assessments shall be made by the Board of Directors of the Corporation for purposes of providing the Corporation sufficient funds, as determined by the Board of Directors of the Corporation, in order to allow the Corporation, on an annual basis, to:
 - (a) Perform the obligations and duties imposed upon on the Corporation and its Members pursuant to subparagraphs (a), (b) and (c) of paragraph XVIII above;
 - (b) Pay for the normal annual operating administrative expenses incurred by the Corporation, and;
 - (c) Pay, prior to their delinquency, all real estate taxes and special assessments levied against the Commons and Common area, subsequent to the execution and recordation of these Protective Covenants.

Special assessments for capital improvements of or to the Commons or the Common Area may be made by the Board of Directors, provided, however, that such special assessments for capital improvements shall be approved by the affirmative vote of two-thirds (%) of the Members entitled to vote, present in person or by proxy, at a regular meeting of the Members or at a special meeting of the Members, provided notice of such special

assessment shall be contained in the notice of such special meeting.

XXI. All Lot Owners and Members of the Corporation agree to abide by all rules and regulations promulgated by the Corporation.

XXII. These covenants and restrictions shall run with the Property and shall be binding upon and enforceable by the Owner, the Corporation, all Members of the Corporation, all Lot Owners and their respective heirs, executors, administrators, successors and assigns for a period of twenty-five (25) years from and after the date of recordation of these covenants and restrictions with the Register of Deeds of Lancaster County, Nebraska, and shall be automatically extended for successive periods of ten (10) years thereafter. Provided, however, these covenants and restrictions may be amended, altered, modified or terminated as to all or anyportion of the Property, at any time by an instrument executed by the Corporation and approved by a % vote of the Membership of the Corporation. Any decision approved by a % vote of the Membership of the Corporation concerning the interpretation of these Covenants or the compliance or non-compliance with these Covenants concerning any dwelling, garage structure or other improvement placed on any Lot, shall be binding upon all Lot Owners.

XXIII. The enforcement of these covenants and restrictions shall be by proceedings at law or in equity against any person or persons violating or attempting to violate any provisions hereof. Such proceedings may be to restrain such violation or to recover damages and, by the Corporation, to enforce the payment of any assessment or any lien or obligation created hereby. If any action is brought in any court to enforce the terms or provisions of any of these covenants, or to collect any unpaid assessment against any Lot owned by any Lot Owner, then if the person instituting such proceeding is successful it, he or she shall also be entitled to an award of all costs and fees (including reasonable attorneys fees) incurred in connection with such proceeding.

XXIV. The Property as described herein, and on Exhibit "A" hereto, is a part of Pine Lake Heights Preliminary Plat as filed with the City of Lincoln, a true and correct copy of said Preliminary Plat being attached hereto as Exhibit "B" and incorporated herein by this reference as if fully set forth (the "Preliminary Plat"). The Property described on Exhibit "A" hereto is shaded in blue, and is located within that portion of the Preliminary Plat circled by a heavy black line on the Preliminary Plat. The entire area located within the heavy black

line on the Preliminary Plat is more particularly described on Exhibit "C" which is attached hereto and incorporated herein by this reference as if fully set forth. The Owner may, in the Owner's sole discretion, add, or consent to the addition of, additional Lots, Commons and Common Area (the "Additional Property") to the Property described on Exhibit "A" hereto upon the filing of a Final Plat for such Additional Property with the Register of Deeds of Lancaster County, Nebraska, if such Additional Property is located within that portion of the Preliminary Plat which is shaded in yellow on the Preliminary Plat, and within the boundaries of the property described on Exhibit "C" which is attached hereto and incorporated herein by this reference as if fully set forth. Any additional Lots located within such Additional Property which is added to Property described on Exhibit "A" hereto by the Owner shall be subject to assessment for the maintenance, upkeep, repair and landscaping of the Commons and the Common Area on the same basis as set forth herein, and; provided, further, that any Lot Owner of any residential Lot located on such Additional Property shall automatically become a Member of the Corporation, and; provided, further, the restrictions on the type of residential dwellings and other improvements to be constructed on any Lots located within such Additional Property shall be no less restrictive than the provisions set forth in Paragraphs II through XIII inclusive as set forth herein. Any Commons or Common Area located within such Additional Property which is added to the Property described on Exhibit "A" hereto by the Owner shall be maintained and repaired by the Corporation as set forth in paragraph XVIII hereof, and shall be subject to the use and enjoyment of the Members of the Corporation as set forth herein.

XXV. Any instrument amending, modifying, abrogating or cancelling these protective covenants pertaining to the structure, existence or financing of the Homeowner's Association must be approved by the City of Lincoln in writing and recorded before it shall be effective.

XXVI. The invalidation of any one of the covenants and restrictions shall not affect the validity of the remaining provisions hereof which shall remain in full force and effect.