

COPY

RESTRICTIVE COVENANTS
(Pine Lake Heights 11th and 12th Additions)

The undersigned (Owner) is the Owner of the following-described real estate:

Lots 1-6, Block 1;
Lots 1-7, Block 2;
Lots 1-6, Block 3;
Lots 1-6, Block 4; and
Lots 1-8, Block 5,
Pine Lake Heights 11th Addition, Lincoln, Lancaster County, Nebraska

Lots 1-11, Block 1;
Lots 1-17, Block 2;
Lots 1-7, Block 3;
Lots 1-3, Block 4; and
Lots 1 and 2, Block 5,
Pine Lake Heights 12th Addition, Lincoln, Lancaster County, Nebraska

(Properties).

Pine Lake Heights Homeowners Association, Inc. (Corporation) has been incorporated in Nebraska (whose Articles of Incorporation and Bylaws have been recorded as Instrument Nos. 93-56591 and 93-56592 respectively), for the purposes of enforcing these Restrictive Covenants established upon the Properties ("New Covenants") and certain Protective Covenants established on adjacent real estate which were recorded as Instrument Nos. 93-56590 and 93-44594 as well as Amended Covenants recorded as Instrument No. 95-41138 ("Old Covenants") and of administering and maintaining any Commons provided for under the Old Covenants or New Covenants. The Old Covenants and New Covenants are collectively referred to as "Covenants".

The Old Covenants expressly reserved to Owner the right to make real estate located within the Pine Lake Heights Preliminary Plat ("Additional Property") subject to the jurisdiction and control of the Corporation provided the following conditions were satisfied:

- a. Assessments on residential lot owners for Commons were consistently applied;
- b. Owners of residential lots became Members of the Corporation; and
- c. Restrictions on construction requirements be no less restrictive.

(Items a. through c. are collectively referred to as "Conditions".)

It is the Owner's intent that the New Covenants be interpreted and consistently applied so as to satisfy the Conditions. In the event of any conflict between the provisions of the Old Covenants and New Covenants, the New Covenants shall be construed so as to satisfy the Conditions of the Old Covenants.

These Restrictive Covenants are established upon the Properties.

1. USE: No lot within the Properties shall be used other than for residential purposes.
2. COMPLETION OF CONSTRUCTION: Any building placed or constructed upon any lot within the Properties shall be completed within nine (9) months after the commencement of construction.
3. ANTENNAS: No wiring or antenna for electrical power, telephone, television, radio, or any other use shall be permitted above ground, except within a building. One small satellite dish shall be permitted subject to the requirements of paragraph 6.d.
4. APPROVAL OF PLANS: Owner or its assignees shall have the exclusive right to establish grades and slopes for all lots within the Properties and to fix the grade at which any building or other improvement shall be placed or constructed upon any lot, in conformity with the general plan for the development of the Properties. Plans for any dwelling structure to be placed or constructed upon any lot within the Properties shall be submitted to Owner and shall show the design, size, and exterior material for the building or improvement and the plot plan for the lot. One set of plans shall be left on permanent file with Owner. Construction of the building or improvement shall not be commenced unless written approval of the plans has been secured from the Owner. Written approval or disapproval of the plans shall be given by the Owner within 30 days after receipt thereof. Approval of the plans shall not be unreasonably withheld, and upon disapproval, a written statement of the grounds for disapproval shall be provided. The Owner shall have the exclusive right to disapprove the plans, if in the Owner's opinion, the plans do not conform to the general standard of development in the Properties. The rights and duties of the Owner under this paragraph, except as to lots of which the Owner is the titleholder, may be assigned by the Owner in writing to the Corporation at any time.
5. GENERAL STANDARDS FOR DWELLING STRUCTURES. The following general standards of development shall guide the Owner in the review of any plans for dwelling structures submitted for approval within Pine Lake Heights 11th and 12th Additions. These standards shall not be relied upon, interpreted or applied as absolute requirements for plan approval. The Owner shall have the right, in its sole and absolute discretion, to modify the application and interpretation of these standards when exercising its plan approval authority. The Owner shall have the right to reduce, increase or otherwise explicitly modify these standards within other additions to the Properties, subject to the Conditions of the Old Covenants.
 - a. Minimum Floor Area. The minimum floor area for any dwelling exclusive of basements, garages, porches, patios, decks or enclosed decks shall be as follows:
 - i. Single story ranch style: 1,300 sq. ft.

- ii. Two story: 1,600 sq. ft.
- iii. Multi-level/split entry: 1,300 sq. ft.
- b. Attached Garage. All dwellings shall have at least a full-size, two-stall attached garage which shall not exceed the height of the dwelling.
- c. Setbacks. Setbacks of dwellings from the lot line are established as follows:
 - i. Interior Lots: 25 feet from front lot line, 5 feet side lot line and the lesser of 30 feet or 20% of the lot depth from the rear lot line,
 - ii. Corner Lots: Setbacks on corner lots need only satisfy the requirements of the Lincoln Zoning Ordinance.

Owner shall also have the right to vary the setbacks within the limits established by the Lincoln Zoning Ordinance.
- d. Exterior Finish
 - i. Approval. All exterior finish materials and colors shall be approved by the Owner.
 - ii. Exposed Foundation. Exposed foundation walls shall not exceed 24 inches and shall be painted or sided to match the exterior color scheme of the dwelling.
- e. Solar Panels. Any active solar panels shall be flush with the roof or side wall of a dwelling and shall not be located in any required yard or upon any accessory structure.

6. GENERAL STANDARDS FOR IMPROVEMENTS AND STRUCTURES OTHER THAN DWELLINGS. The following general standards shall be satisfied in the construction and installation of improvements and structures other than the dwelling. Written approval for other improvements and structures is not required but shall comply with these standards. The Corporation and members of the Corporation subject to these Restrictive Covenants shall have the right to enforce these standards.

- a. Fencing. Fencing shall not be constructed closer to the street than the front elevation of the dwelling and shall be constructed with the finished side facing the lot line. No livestock-type fencing material shall be used for construction of a fence within the Properties.
- b. Accessory Structures. Accessory structures such as storage sheds and playhouses shall be constructed of compatible and similar materials and design with the dwelling. These structures shall not exceed 120 square feet, be more than ten (10) feet in height, shall not be located in the front or side yard

setback, or within five (5) feet of any lot line. All other accessory improvements such as swing sets and sand boxes shall be compatible with the quality of the overall development and shall be maintained in good order and an attractive condition.

- c. Dog Kennels. Any dog run or kennel shall be adequately screened from view and shall not be located in the front yard or within 5 feet of any lot line. Dog runs and kennels shall not be located in the front yard or side yard setback.
- d. Satellite Dish. Any satellite dish shall be located and screened so as to be as unobtrusive as is reasonably possible.
- e. Landscaping. All front, side and rear yard areas shall be seeded or sodded within six (6) months after completion of any dwelling constructed within the Properties. Within one year of the occupancy of the dwelling, not less than \$500 shall be spent on each lot within the Properties for landscaping other than the lawn.

7. COMMON FENCING: Owner shall have the option to install on the lot line of any lot within the Properties abutting an arterial or collector street, a common fence and shall have a temporary construction easement as may be necessary to exercise this option. Upon construction of any such common fence, Owner shall record a notice upon the lots affected and any fence so constructed shall become Commons as provided for in these Covenants. Owner's option under this paragraph shall terminate upon the conversion of Class B membership to Class A membership.

8. CITY REQUIREMENTS: All buildings within the Properties 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 during the construction of the dwelling as required by the City of Lincoln, Nebraska.

9. TEMPORARY STRUCTURES: No partially completed dwelling or temporary building and no trailer, tent, shack, or garage on any lot within the Properties shall be used as either a temporary or permanent residence.

10. NUISANCE: No noxious or offensive activity shall be conducted or permitted upon any lot within the Properties, nor anything which is or may become an annoyance or nuisance to the neighborhood or which endangers the health or unreasonably disturbs the quiet of the occupants of adjoining lots.

11. SIGNS: No advertising signs, billboards, or other advertising devices shall be permitted on any lot within the Properties larger than 24 inches by 36 inches. However, Owner may erect signs of any size advertising lots for sale within the Properties, and a sign advertising a single lot for sale may be erected upon any lot.

12. ANIMALS: No animals, livestock, or poultry of any kind shall be raised, bred, or kept on any lot within the Properties for any commercial purpose. The Corporation may require a

member to remove any animal which, after notice and hearing to the member, is reasonably determined to be a nuisance to other members.

13. RECREATIONAL VEHICLES: No recreational vehicle, as defined by the Lincoln Municipal Code, shall be parked or stored upon any lot within the Properties, except within an enclosed structure. Recreational vehicles may be temporarily parked or stored upon a lot for a period of time not to exceed 14 days per year.

14. CONSTRUCTION VEHICLES AND REFUSE COLLECTION. Owner may designate and enforce locations through and over which all construction vehicles shall enter and exit the Properties during development. Owner shall also have the exclusive right to designate a single provider of all refuse and rolloff service within the Properties. The purpose of designating a single provider is to limit and control the number of service trucks operating within the Properties. The Corporation may establish rules, regulations and fines to enforce this provision against any member failing or refusing to use the designated provider. The rights of the Owner under this paragraph to designate a refuse provider shall be assigned to the Corporation when residences shall have been placed or constructed upon all of the lots within the Properties.

15. HOMEOWNERS ASSOCIATION: Every person or entity who owns a lot within the Properties shall be a member of the Corporation. However, any person or entity who holds such interest merely as security for the performance of an obligation shall not be a member.

16. MANAGING AGENT. The Owner or the Corporation may contract for the performance of any of the Corporation's rights, obligations or responsibilities with any entity or individual ("Managing Agent"). The Managing Agent shall exercise such authority which may be granted by the Owner or Corporation. The fee charged by the Managing Agent shall be a common expense of the members.

17. MEMBERSHIP: The Corporation shall have two classes of membership:

Class A membership shall include all members of the Corporation except the Owner and any successor in interest. Each Class A member of the Corporation shall be entitled to all the rights of membership and to one vote for each lot.

Class B membership shall include only the Owner and any successor in interest. The Class B member shall be entitled to two votes for each lot.

18. CONVEYANCE OF COMMONS: Owner shall convey any Commons to the Corporation, free from encumbrance, but subject to easements and restrictions then of record and any requirements of the City of Lincoln within one year after its termination of Class B membership.

19. USE OF COMMONS: Each member of the Corporation shall have the right to use and enjoy the Commons as established by the rules, regulations and requirements of the Corporation and shall have an easement upon the Commons for the use thereof, which shall be appurtenant to the interest requisite for membership.

20. **RIGHTS IN COMMONS:** The rights and easements of the members of the Corporation shall be subject to:

- a. The right of the Corporation to borrow money for the purpose of improving the Commons and to mortgage the Commons. In the event of default, the mortgagee shall have the right, after taking possession of the Commons, to charge admission and other fees as a condition of the continued use of any recreational facilities within the Commons by the members, and to open the facilities to a wider public until the mortgage debt is satisfied. Any mortgage of the Commons shall be approved by the affirmative vote of two-thirds of each class of 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, if notice of the proposed mortgage is contained in the notice of the special meeting.
- b. The right of the Corporation to take any steps reasonably necessary to protect the Commons against foreclosure.
- c. The right of the Corporation to suspend the enjoyment of the facilities by any member for any period during which an assessment remains unpaid, and for a period not to exceed 30 days for any infraction of the published rules and regulations governing the use of the facilities.
- d. The right of an abutting member of the Corporation to landscape and establish a garden space upon the Commons consistent with the rules, regulations and requirements of the Corporation.
- e. The right of the Corporation to charge reasonable admission and other fees for the use of the facilities.
- f. The right of the Corporation to dedicate or convey all or any part of the Commons to any public entity.

21. **MAINTENANCE OF LANDSCAPE SCREENS:** Each member of the Corporation who is the titleholder of a lot or living unit on which any landscape screen, whether composed of structural or live plant material, which is installed as required by the City of Lincoln, Nebraska, shall be deemed to covenant to maintain the screen.

22. **GENERAL MAINTENANCE OBLIGATIONS.** Each member of the Corporation shall be responsible for the proper storage and disposal of all construction debris and materials associated with the construction of any improvements upon their lot. Lots shall be periodically mowed and loose debris and materials picked up and properly stored to prevent them from being spread and blown throughout the Properties. Each member shall be responsible for the enforcement and monitoring of these obligations for all contractors and suppliers performing work upon their lot.

23. **FAILURE TO MAINTAIN.** In the event any member fails or refuses to perform any required maintenance and upkeep of any landscape screen or the general maintenance obligations, the Owner or Corporation after seven (7) days notice to the member in default, may

perform the required work or maintenance. The actual cost of performing the work or maintenance together with a 10% administrative fee shall be the personal obligation of the member who is or was the owner of the lot failing to perform their maintenance obligations, shall bear interest at the rate of 14% per annum and shall be a lien upon the lot assessed.

24. **MAINTENANCE OF COMMONS:** The Corporation covenants and each Class A member of the Corporation, by the acceptance of a deed by which the interest requisite for membership is acquired, shall be deemed to covenant to maintain the Commons to the extent not otherwise provided for by these Covenants, which Covenants by the members shall be satisfied by the payment of annual and special assessments for the administration, maintenance or improvement of the Commons. Annual and special assessments shall be uniform for all Class A members within the Properties.

25. **LIEN DUES AND ASSESSMENTS:** The lien of any dues or special assessment shall, until shown of record, be subordinate to the lien of any mortgage placed upon the lot against which the assessment is levied.

26. **ANNUAL ASSESSMENTS AND LIENS:** Annual general assessments (dues) and special assessments, other than for capital improvements, may be levied by the Board of Directors of the Corporation. Any special assessment for capital improvements must be approved by the affirmative vote of two-thirds of the members affected and entitled to vote, at a regular meeting of the members or at a special meeting of the members, if notice of a special assessment is contained in the notice of the special meeting.

The members shall pay annual general (dues) and special assessments to the Corporation or Managing Agent as billed. Each member's dues shall be determined on an annual basis for each fiscal year, prorating a fractional year which may occur by issuance of a building permit for any dwelling. Changes in the amount of future annual dues shall be based upon an estimate of the Corporation's costs for administration, maintenance and improvement of the Commons and each member shall pay the annual dues so established in advance. At the end of each fiscal year, a statement of the total year's Common's operating costs may be presented to the members of the Corporation and the members shall pay any excess charge to the Corporation within thirty (30) days of the statement.

- a. **Budgets.** The Corporation or Managing Agent shall prepare, approve and make available to each member a pro forma operating statement (budget) containing: (1) estimated revenue and expenses on an accrual basis; (2) the amount of any cash reserves of the Corporation currently available for replacement or major repair of the Commons and for contingencies; (3) an itemized estimate of the remaining life of, and the methods of funding to defray repair, replacement or additions to, major components of the Commons; and (4) a general statement setting forth the procedures used by the Corporation in the calculation and establishment of reserves to defray the costs of repair, replacement or additions to major components of the Commons.
- b. **Additional Charges:** In addition to any amounts due or any other relief or remedy obtained against a member who is delinquent in the payment of any dues or assessments, each member agrees to pay such additional costs, fees, charges and expenditures ("Additional Charges") as the Corporation or

Managing Agent may incur or levy in the process of collecting from each member monies due and delinquent. All Additional Charges shall be included in any judgment in any action brought to enforce collection of delinquent dues or assessments. Additional Charges shall include, but not be limited to, the following:

- i. Attorney's Fees: Reasonable attorney's fees and costs incurred in the event an attorney(s) is employed to collect any dues, assessment or sum due, whether by suit or otherwise;
 - ii. Late Charges: A late charge in an amount to be fixed by the Corporation to compensate the Corporation for additional collection costs incurred in the event any dues, assessment or other sum is not paid when due or within any "grace" period. The late charge shall not exceed ten percent (10%) of the delinquent assessment or twenty dollars (\$20), whichever is greater.
 - iii. Costs of Suit: Costs of suit and court costs incurred as allowed by the court;
 - iv. Filing Fees: Costs of filing notice of lien in the Office of the Register of Deeds;
 - v. Interest: Interest on all dues and assessments at the rate of 14% per annum, commencing thirty (30) days after the assessment becomes due; and
 - vi. Other: Any other costs that the Corporation may incur in the process of collecting delinquent dues and assessments.
- c. Lien. The dues and assessments shall be the personal obligation of the member who is the owner of the lot assessed at the time of the assessment and when shown of record shall be a lien upon the lot assessed.
 - d. Fines. The Corporation may create a schedule of fines for violation of Corporation rules and regulations which fine shall be treated and billed as a special assessment to the offending member's lot.

27. ADDITIONS: The Owner may add additional contiguous or adjacent real estate to the Properties or the Commons, at any time, without the consent of the members of the Corporation. Additions shall be made by the execution and recordation of Restrictive Covenants upon the additional real estate, making the addition subject to these Restrictive Covenants; provided the general standards set forth in paragraphs 5 and 6 may be reduced, increased or otherwise modified within any such addition.

28. AMENDMENTS: These Restrictive Covenants shall run with the land and shall be binding upon and enforceable by the Owner and all persons claiming under the Owner. These Restrictive Covenants may be terminated or modified, in writing, by the owners of two-thirds of

the lots within the Properties, at any time. However, the provisions of these Restrictive Covenants governing membership in the Corporation and the maintenance of the Commons shall not be terminated or modified without the consent of the City of Lincoln, Nebraska. Further, the provisions of these Restrictive Covenants necessary to satisfy the Conditions of the Old Covenants shall not be terminated or modified without complying with the requirements of the Old Covenants.

29. **ENFORCEMENT:** The enforcement of these Restrictive Covenants may be by proceedings at law or in equity against any person violating or attempting to violate any provision hereof. The proceedings may be to restrain the violation, or to recover damages and, by the Corporation or Owner, may be to enforce any lien or obligation created hereby.

30. **SEVERABILITY:** The invalidation of any one of these Restrictive Covenants shall not affect the validity of the remaining provisions hereof.

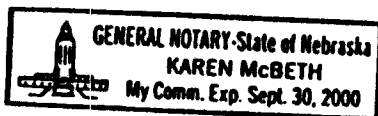
Dated: August 25, 1997.

PINE LAKE HEIGHTS LIMITED PARTNERSHIP,
a Nebraska limited partnership

By: Stephen C. Schleich General Partner

STATE OF NEBRASKA)
) ss.
COUNTY OF LANCASTER)

The foregoing instrument was acknowledged before me this 25th day of August, 1997, by STEPHEN C. SCHLEICH, General Partner of Pine Lake Heights Limited Partnership, a Nebraska limited partnership, on behalf of the limited partnership.



Karen McBETH
Notary Public

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