

DECLARATION OF COVENANTS, CONDITIONS,
RESTRICTIONS AND EASEMENTS OF
SPRING RIDGE REPLAT III, SPRING RIDGE, LOTS 1 THROUGH 15,
A PART OF SPRING RIDGE,
A SUBDIVISION IN DOUGLAS COUNTY, NEBRASKA

THIS DECLARATION, executed on the date hereinafter set forth, is made by Spring Ridge Limited Partnership, Inc. a Nebraska Limited Partnership, by and through Spring Ridge Corporation, a Nebraska Corporation, and hereinafter referred to as "Declarant".

PRELIMINARY STATEMENT

The Declarant is the owner of certain real property located within Douglas County, Nebraska and described as follows:

Spring Ridge Replat III, Lots 1 through 15, a subdivision, as surveyed platted and recorded in Douglas County, Nebraska, and herein referred to collectively as the "Lots".

The Declarant desires to provide for the preservation of the values and amenities of Spring Ridge Villas, for the maintenance of character and residential integrity of Spring Ridge Villas.

NOW, THEREFORE, the Declarant hereby declares that each and all of the Lots held, sold and conveyed subject to the following restrictions, covenants, conditions, and easements of the Lots, all the enjoyment of the residents of all which are for the purpose of enhancing and protecting the value, desirability and attractiveness of the Lots, and the enjoyment of the residents of the Lots. These restrictions, covenants, conditions, and easements shall run with such Lots and shall be binding upon all parties having or acquiring any right, title, or interest in each Lot, or any part thereof, as is more fully described herein. The lots, and each Lot is and shall be subject to all and each of the following conditions and other terms:

ARTICLE I.
RESTRICTIONS AND COVENANTS

1. Each Lot shall be used exclusively for single-family residential purposes.
2. No building, fence, wall, driveway, patio, patio enclosure, swimming pool, dog house or dog run, satellite receiving station or "discs", flag pole, solar heating device, or other external improvements, above or below the ground, (herein all referred to as any "Improvement") shall be constructed, erected, placed or permitted to remain on any Lot, nor shall any grading, excavation for an Improvement be commenced, except for Improvements which have been approved by Declarant as Follows:
 - a. Owner desiring to construct or erect any Improvement shall deliver two (2) complete sets each of construction plans, landscaping plans and plot plans, hereinafter collectively referred to as the "plans" to the Design Review Board, hereinafter referred to as the "DRB". Such plans shall include a description of type, quality, color and use of materials proposed for the exterior of such Improvement and to be utilized in landscaping/plantscaping. Owner shall submit such plans to the DRB as more specifically described and required under Article IV. Of the two sets of plans submitted one shall be retained by the DRB, and one shall be returned to the Owner upon approval of the plans by the DRB, with the DRB's written approval.
 - b. The DRB shall review such plans, in relation to the type and extent of improvements constructed, or approved for construction on the adjoining lots and considering any general development scheme or plans formulated and communicated to the DRB from time to time by Declarant. In this regard, Declarant intends that Spring Ridge Villa development within Spring Ridge shall be a developed Townhome/Villa community with Villas/Townhomes constructed of high quality materials. The decision to approve or refuse approval of a proposed Improvement shall be exercised by the DRB to promote development of the lots and to protect the value, character and residential quality of all lots. If DRB determines that the proposed Improvement will not protect and enhance the integrity and character of all the Lots and neighboring

lots as a quality townhome residential community, the DRB may refuse approval of the proposed Improvement.

- c. Written Notice of approval or denial of a proposed Improvement shall be mailed to the Owner at the address specified on the plan. Such notice shall be given within ten (10) days after the date the DRB meets to consider such plans. If for any reason notice of approval is not mailed, delivered, or otherwise received within such period, the Owner's request shall be determined to have been denied. The DRB shall meet on a monthly basis, unless in a given month, there are no pending requests for approval of proposed Improvements.
 - d. No Lot owner, or combination of lot owners, or other person or persons shall have any right to direct any action by Declarant, or to control, direct or influence the acts of the Declarant or the DRB with respect to any proposed Improvements. Nor responsibility, liability, or obligation shall be assumed by or imposed upon the Declarant or the DRB by virtue of the authority granted to Declarant or the DRB in this Section, or as a result of any act of failure to act by the DRB with respect to any proposed Improvement.
3. No advertising signs, unsightly objects or nuisances shall be erected, placed or permitted to remain on any lot except one or two "for Sale" signs and signage which pertains to a lot which might be called a "Model".
4. No exterior television or radio antenna, satellite receiving dish (unless dimensions do not exceed 13"), or exterior solar heating or cooling device of any sort shall be permitted on any Villa Lot or on the structures thereon. Upon approval of the small satellite receiver owner shall attach said dish in such a way, as it will not be viewed from the front of the lot.
5. No repair or storing of any boats, automobiles, motorcycles, trucks, campers or similar vehicles requiring a continuous time period in excess of 48 hours shall be permitted on any driveway at any time; nor vehicles offensive to the neighborhood be visibly stored, parked, or abandoned on any townhome/villa lot except during actual building operation and then only in a neat and inconspicuous manner as is possible.
6. No incinerator or trash burner shall be permitted on any lot. No garbage or trash can or container or fuel tank shall be permitted, 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 any dwelling or suitable storage facility except when in actual use. No garbage, refuse or cutting shall be deposited on any street, road, or Townhome/Villa lot. No clothesline shall be permitted outside of any dwelling.
7. No produce gardens may be planted nor maintained on any part of a lot. Any personal landscaping is the sole responsibility of the Villa lot owner and must be maintained by said owner. Mowing and fertilization will be the responsibility of the Association however; irrigation of said property is the sole responsibility of the lot owner. Swimming pools are allowed, however said owner shall be solely responsible for meeting city and state regulations and said lot owner is entirely responsible for the maintenance and upkeep of said pool. All "pool/spa" plans must be submitted to the DRB.
8. Exterior lighting installed on any lot shall either be indirect or such a controlled focus and intensity as not to disturb the residents of adjacent lots. No trees may be removed, cut, sown, or destroyed without the express approval of the Declarant.
9. Any fence constructed shall be of white PVC material and shall not exceed four (4) feet in height. Placement and set back requirements must be specified and approved by the DRB. Villa owner shall be permitted, subject to approval, to construct a privacy fence area, which fence is constructed of white PVC material; the fence may enclose a maximum of 500 square feet in area, and must be to the rear of the residential structure. The responsibility of care of this private area is the sole responsibility of the Villa Owner. In all events the construction, placement or erection of any fence or wall on a Lot must be approved by the DRB.
10. No stable or other shelter for any animal, livestock, fowl or poultry shall be erected, altered, or permitted to remain on any Villa lot.
11. Vacant townhome/villa lots shall not be used for dumping of any kind.

12. All utility service lines from each lot line to the dwelling or other Improvement shall be underground.

13. Dogs and cats are allowed, however not more than two (2) and they must be "house animals" and must be kept on a leash when outside at all times, and does not disturb or annoy occupants of the adjoining villas. Any damage or unpleasantness caused by the pet shall be the responsibility of its respective owner.

ARTICLE II TOWNHOME/VILLA OWNER ASSOCIATION

1. The Association. Declarant will cause, itself or by its designee, the incorporation of Spring Ridge Villas Association, Inc., a Nebraska not for profit corporation, (hereafter referred to as "the Association"). The Association shall have as its purpose, the preservation of the values and amenities of Spring Ridge Villas, the maintenance of the character and residential integrity of Spring Ridge Villas, as established by the Declarant from time to time, and the promotion of the health, safety, recreation, welfare and enjoyment of the residents of Spring Ridge Villas.

2. Membership and Voting. For purposes of the Spring Ridge Villas homeowners/s Association and voting membership entitlements. Spring Ridge is divided initially into fifteen separate lots. The owner of each Villa or Townhome lot as presently or prospectively configured, shall be a member of this Association. For purposes of this Declaration, the term "Owner: of a Villa Lot means and refers to the record owner whether one or more persons or entities, of fee simple title to the lot, but excluding, however, those parties having any interest in any such lot merely as security for the performance of an obligation (such as a contract seller, the trustee or beneficiary of a Deed of Trust, or a mortgagee). The purchaser of said lot by a land contract or similar instrument shall be considered to be the "Owner" of the lot for purposes of this Declaration. Membership shall be appurtenant to ownership of each Lot, and may not be separated from ownership of each Lot.

In order to ensure that a quorum is present for all meetings of the members, and to allow for orderly management of the Association's affairs, it shall be the duty of each member to attend such meetings or execute and deliver the Association a continuing proxy prepared by the Association. This continuing proxy shall operate in lieu of the actual attendance at the meeting by the specific member and shall be void if the member personally attends that meeting to exercise the member's right to vote. A lot owner may provide a superseding proxy to be voted by his duly authorized attorney in fact for one specific meeting only. The proxy shall be subject to the terms of the Nebraska Nonprofit Corporation Act concerning revocability and life span of the proxy. Failure to attend personally or by proxy is a violation of this covenant.

The continuing proxy shall be voted by the president of the Association in his or her discretion at any meeting. It is noted that Nebraska requires that members holding 1/10th of the votes entitled to be cast represented in person or by proxy shall constitute a quorum. The continuing proxy shall provide on its face that it is valid on a continuous basis for an indefinite period of time until revoked in writing by the specific lot owner. All proxies shall be in writing and filed with the Secretary of the Association. Each proxy shall be freely revocable and shall automatically cease when the member giving such proxy shall cease to be an owner of the lot or at such earlier time as shall be specified in the proxy or by operation of law.

The Association shall have two (2) classes of voting members. Class A Members and Class B Members defined as follow:

CLASS A: Class A Members shall be all Owners with the exception of the Declarant. Each Class A Member shall be entitled to one vote for each lot owned. When there shall be more than one person or entity holding an interest in any Lot, all such persons or entities or both, shall be member, provided however that the vote for such Lot shall be exercised as such persons or entities or both, shall determine, but in no event shall more than one vote be cast with respect to any one Lot.

CLASS B: Class B Members shall be the Declarant, or its assigns which shall be entitled to three (3) votes for each Lot owned. For purposes herein, the Declarant shall be considered the owner of a lot notwithstanding the existence of any contract for sale or purchase agreement, with such ownership status continuing in all events until title is transferred by the Declarant through the execution, delivery, and recordation of a Warranty Deed. A Class B membership shall terminate and be converted into Class A membership upon the occurrence of the date on which the total votes outstanding in the

Class A membership shall equal or exceed the total outstanding in the Class B membership.

3. Powers and Responsibilities. The Board of Directors of the Association shall exercise and administer all powers and duties of the Association as such are specified herein. The Association, through its Board of Directors, shall have all power conferred upon not-for-profit corporations by the Nebraska Nonprofit 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 of the Association, shall include, but shall not be limited to, the following:

- a. The Association will provide for, and uniformly as the Board of Directors shall determine, the:
 1. Snow removal of every improved Villa Lot and sidewalk. The public street is not included. The Association shall have no duty to repair, replace or maintain any exterior concrete surfaces; this is an expense of the Villa owner. The exception being the public street which is the responsibility of the SID.
 2. The Association is responsible for normal weekly garbage collection of every improved lot.
 3. The Association shall be responsible for the mowing and lawncare of every improved Villa Lot with the exception of each lot owner is responsible for replacement of all dead perimeter trees on their improved lot after the one-year builder warranty period expires. If the Villa lot owner does not replace the trees in a timely manner the Villa owner agrees to allow the Association to replace such dead trees at the expense of the Villa owner of record at the time of replacement. The Villa Lot owner is responsible for maintenance of private fences, pools, and private landscaping.
 4. All repairs of roofs of improved Villas are the sole responsibility of the Villa lot owner.
 - b. The Board of Directors shall be responsible to enforce the Lot owner to keep in good repair the lot owners Villa after the one-year builder warranty period expires. In the event the need for maintenance or repair of any improved Lot such as exterior maintenance, repair, including painting, and window glass are not replaced or kept in a responsible manner the Villa Owner agrees to allow the Association to repair the issues at the expense of the Villa owner of record at the time of the completion of the repairs.
 - c. The assessing, levying, collecting, abatement, and enforcement of all construction, maintenance and repair charges, dues, or assessments made pursuant to the terms of this Declaration or the actions/resolution of the Board of Directors of the Association.
 - d. The expenditure, commitment and payment of Association funds to accomplish the purposes of the association including, but not limited to, payment for purchase of liability insurance coverage for the Association, the Board of Directors of the Association and the Members.
 - e. 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 the Declaration as the same may be amended from time to time.
 - f. 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.
 - g. The deposit, investment and reinvestment of Association funds in bank accounts, securities, money market funds or accounts, mutual funds, pooled funds, certificates of deposit or the like.
 - h. 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 of the Association.
 - i. 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.

4. Imposition of Dues and Assessments. The Association may assess, levy and charge the Owner of each Villa Lot with maintenance and repair dues and assessments, monthly or special, (herein referred to respectively as "dues and assessments") under the various provisions of this Declaration. The dues and assessments shall be fixed from time to time and shall be payable at the times and in the manner prescribed from time-to-time by the Board of Directors.
5. Abatement of Dues and Assessments. Notwithstanding any other provision of this Declaration, the Board of Directors may abate all or part of the dues or assessments due in respect to any Villa Lot, and shall abate all dues and assessments that would otherwise be or become in respect to any Villa Lot during the period such Villa Lot is owned by the Declarant.
6. Liens and Personal Obligations for Dues and Assessments. The assessments and dues, together with interest thereon chargeable from date of delinquency through date of payment at the highest legally allowable rate, costs and reasonable attorneys' fees shall be the personal obligation of the Owner of each Villa Lot at the time when the dues or assessments first become due and payable. The dues and assessments, together with interest thereon chargeable from the date of delinquency through date of payment at the highest legally allowable rate, costs, and reasonable attorneys' fees, shall also be a charge and continuing lien upon the Villa 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, but all successor in title to the Owner at the time the dues and assessments become delinquent, 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.
7. Purpose of Dues. The dues collected by the Association may be committed and expended to accomplish the purposes of the Association.
8. Uniform Rate of Assessment. Assessments and dues shall be fixed at a uniform rate as to all Villa Lots. Expenditures for lawncare, snow removal, and garbage collection shall be shared and assessed equally among the exact number of Villa structure/owners.
9. Certificate as to Dues and Assessments. 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 Villa 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 against a lot as of the date such amounts first become due and payable.
10. Effect of nonpayment of Assessments - Remedies of the Association. Any installment of dues or assessments, which is not paid when due, shall be delinquent. Delinquent dues or assessments shall bear interest from the due date at the highest legally allowable rate, compounded annually. The association may bring an action at law against the Owner personally obligated to pay the sum, or foreclosure the lien against the Owner personally obligated to pay the same, or foreclosure against the Villa Lot, and pursue an other legal or equitable remedy. The Association shall be entitled to recover a part of the action and shall be indemnified against the interest, cost, and reasonable attorneys' fees incurred by the Association with respect to such action. No Owner may waive or otherwise escape liability. The mortgagee of any Villa 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 liens and right of foreclosure then existing and such mortgagee may thereupon be subrogated to any rights of the Association.
11. Subordination of the Lien to Mortgagee. 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 an original Villa construction or purchase money loan. Sale or transfer of any Villa Lot shall not affect or terminate the dues and assessment lien.

ARTICLE III
THE SPRING RIDGE VILLA HOMEOWNERS ASSOCIATION, INC.
MEMBERSHIP, VOTING, AND ASSESSMENTS

1. Spring Ridge, a subdivision in Douglas County, Nebraska, for which Spring Ridge Villas are located within, has nonetheless created a homeowners association known as The Spring Ridge Homeowners Association, Inc.

2. The Declarant declares that Spring Ridge Villas are not a part of the Spring Ridge Homeowner's Association and therefore Spring Ridge Villa homeowners will not be assessed Spring Ridge Homeowners dues nor will they be a voting member of the Spring Ridge Homeowners Association.

ARTICLE 1V
DESIGN CONTROL -TO PRESERVE
THE BEAUTY, QUALITY, AND VALUE OF THE NEIGHBORHOOD

1. Necessity of Design Review and Approval. No improvement or structure of any kind, including without limitation, any residence, other building, landscaping, plantscaping, fence, wall, swimming pool, screen enclosure, sewer, drain, disposal system, decorative building, landscape device or object, or other improvement shall be commenced, erected, placed or maintained upon any lot, nor shall any addition, change or alteration therein or thereof be made unless and until the plans, specifications and location of the same shall have been submitted to and approved in writing by the DRB. All plans and specifications shall be evaluated as to harmony of external design and location in relation to surrounding structures and topography and as to conformance with the covenants, conditions, restrictions and easements set forth within and throughout this Declaration and any amendments, thereto.

2. Design Review Board. Design review shall be performed by the Design Review Board (DRB), which shall be that board created and organized within and pursuant to the DECLARATION OF COVENANTS, CONDITIONS, AND EASEMENTS OF SPRING RIDGE, A SUBDIVISION OF DOUGLAS COUNTY, NEBRASKA, as set forth therein and restated hereunder. The DRB shall consist of three (3) members who need not be members of the association. The Declarant shall have the right to appoint all members. Members of the DRB as whom the Declarant may relinquish the right to appoint, and all members of the DRB as whom the Declarant after Declarant no longer owns at least one lot in Spring Ridge, shall be appointed by, shall serve at the pleasure of the Board of Directors of the Spring Ridge Homeowners Association. All members of the DRB appointed by Declarant shall serve of the Declarant. At any time or times, upon notice from Declarant, a member of the DRB appointed by Declarant maybe immediately removed without cause or without recourse. The Declarant may immediately, upon giving notice of removal, appoint a replacement member of the DRB. A meeting of not less than 80 % of the member of the DRB shall constitute a quorum to transact business at any meeting of the DRB, and the action of the majority present at a meeting at which a quorum is present shall constitute the action of the DRB. Any vacancy occurring on the DRB because of death, resignation or other termination of service of any member thereof, shall be filled by the Declarant.

3. Duties of the DRB. The DRB shall have the following duties:

- a. To require submission to the DRB of two (2) complete sets of all construction plans, landscaping plans, and plot plans, and specification of any improvement or structure of any kind, including, without limitation, any residence, other building, fence wall, driveway, patio, patio enclosure, basketball backboards, doghouse, dog run, flagpole, swimming pool, sewer drain, disposal system, decorative building, landscape device or object, or other improvement, the construction or placement of which is proposed for use on any lot, and may require such additional information as reasonably may be necessary for the DRB to completely evaluate the proposed structure or improvement.
- b. To submit in writing to Declarant, DRB's decision for approval or denial of any improvement or change or modification thereto, the construction erection, performance or replacement of which is proposed upon any lot in Spring Ridge, and to approve or disapprove any exterior additions, changes, modification or alteration therein or thereon. The determination of the DRB, shall, in all events, be dispositive. In the event the vote of the DRB on an Owner's original application is not unanimous, either the Declarant or the Owner may request reconsideration of the application. A request for reconsideration must be made, in writing, to the DRB within five (5) days of receipt of notice of approval or denial. Reconsideration by the DRB shall occur at the DRB's next regularly scheduled meeting. In the event of approval of plans, one complete set of plans shall be returned to the Owner with DRB's written notation.
- c. Provided there are applications to be considered or applications requested to be considered the DRB shall meet at least once each calendar month. The DRB members may conduct their meetings and convey their proxy to another DRB member by conference telephone or similar communication equipment, and participation by such means shall constitute presence in person at such meeting including presence for purpose of determining the existence of a quorum. In the event the DRB fails to act upon any application or

application for reconsideration within thirty (30) days of the date of its monthly meeting, it shall be deemed that the DRB's decision was for denial.

- d. In making its decision, the DRB may consider any and all factors that the DRB determines to be appropriate. The DRB's determination shall be based upon criteria and factors expressed within and throughout this Declaration of Covenants as well as any supplemental, written documentation of standard and Design Criteria. All such factors and criteria shall nonetheless provide a standard for construction and appearance that is in conformity to the harmony of external design and location in relation to surrounding structures. These standards for review as applied by the DRB, may include, without limitation, the plans, specifications, exterior colors, material, size location, elevation, landscaping and use of the proposed exterior structure.

- e. Neither the Declarant, the Association, the Board of Directors, the DRB, and member of the DRB, nor any member of the Association shall be personally liable to any person for any action or inaction taken with respect to any matter submitted for approval, for reconsideration, for the adoption of any rules, regulations or guidelines or for the enforcement of or failure to enforce any restrictions or covenants contained in this Declaration. By accepting a Deed for a lot in Spring Ridge, each owner hereby knowingly and expressly waives any and all Causes for Action for any matters described herein.