

99-03043

FILED SARPY CO. NE.

INSTRUMENT NUMBER

99-003043

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Steve G. [Signature]

REGISTER OF DEEDS

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 Verify *AS*
 D.E. *S*
 Proof *M*
 Fee \$ *70.50*
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**DECLARATION
 OF COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS
 FOR NORTH RIDGE ESTATES
 IN SARPY COUNTY, NEBRASKA**

THIS DECLARATION made on the date hereinafter set forth, by West Bay, Inc., a Nebraska corporation ("Declarant").

PRELIMINARY STATEMENT

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

Lots 1 through 71, inclusive, North Ridge Estates, a subdivision as surveyed, platted and recorded in Sarpy County, Nebraska (Such lots are herein referred to collectively as the "Lots" and individually as each "Lot").

The Declarant desires to provide for the preservation, protection and enhancement of the values and amenities of such community and for the maintenance of the character, value, desirability, attractiveness and residential integrity of the Lots.

NOW, THEREFORE, the Declarant hereby declares that each and all of the Lots shall be held, sold and conveyed subject to the following restrictions, covenants, conditions and easements, all of which are for the purpose of enhancing and protecting the value, desirability and attractiveness of the Lots. These restrictions, covenants, conditions and easements shall run with such real estate 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:

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ARTICLE I
RESTRICTIONS AND COVENANTS

1. Each Lot shall be used exclusively for residential purposes except for such Lots or parts thereof as may hereafter or previously have been conveyed or dedicated by Declarant, for use as a school or park.

2. For a period of ten (10) years after the filing of this Declaration, no residence, building, fence, wall, driveway, patio enclosure, rock garden, swimming pool, tennis court, dog house, tree house, antenna, satellite receiving station ("dish"), flag pole, solar heating or cooling device, tool shed, wind mill, wind generating equipment, or other external improvement, 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 or excavation for any Improvement be commenced, except for Improvements which have been approved by Declarant as follows:

(i) An owner desiring to erect an Improvement shall deliver two sets of construction plans, landscaping plans and plot plans to Declarant (herein collectively referred to as the "Plans"). Such Plans shall reflect the type of structure, quality and use of exterior materials, exterior design, exterior color or colors, and location of structure proposed for such Improvement. Concurrent with submission of the Plans, owner shall notify the Declarant of the owner's mailing address.

(ii) Declarant shall review such Plans in relation to the type and exterior of improvements and construction, or approved for construction, on neighboring Lots and in the surrounding area and any general scheme or plans formulated by Declarant. In this regard, Declarant intends that the Lots shall form a developed residential community with homes constructed of high quality materials. If Declarant determines that the proposed Improvement will not protect and enhance the integrity and character of all the Lots and neighboring Lots as a quality residential community, Declarant may refuse approval of the proposed Improvement.

(iii) Written notice of any refusal to approve a proposed Improvement shall be mailed to the owner at the address specified by the owner upon submission of the Plans. Such notice shall be mailed, if at all, within thirty (30) days after the date of submission of the Plans. If notice of refusal is not mailed within such period, the proposed Improvement shall be deemed approved by Declarant.

(iv) The decision to approve or refuse approval of a proposed Improvement shall be exercised by the Declarant to protect the values, character and residential quality of all Lots. However, 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 any proposed Improvement. No responsibility, liability or obligations shall be assumed by or imposed upon Declarant by virtue of the authority granted to Declarant in this Section or as a result of any act or failure to act by Declarant with respect to any proposed Improvement.

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3. The exposed front foundation wall as well as any foundation wall facing a street of all main residential structures must be constructed of or faced with brick or simulated brick or stone. All exposed side and rear concrete or concrete block foundation walls not facing a street must be painted. All driveways must be constructed of concrete, brick, paving stone, or laid stone. All foundations shall be constructed of concrete, concrete blocks, brick or stone. Fireplace chimneys shall be covered with brick, stone or siding. The roof of all improvements shall be covered with asphalt shingles, wood cedar shake or shingles or other materials approved in writing by Declarant.

4. No advertising signs, billboards, unsightly objects or nuisances shall be erected, placed or permitted to remain on any Lot except one sign per Lot consisting of not more than six (6) square feet advertising a Lot as "For Sale"; nor shall the premises be used in any way for any purpose which may endanger the health or unreasonably disturb the owner or owners of any Lot or any resident thereof. Provided, however, this Paragraph shall not apply to the business activities, signs and billboards or the construction and maintenance of buildings, if any, by Declarant, their agents or assigns, during the construction and sale of the Lots.

5. No exposed exterior television, broadcasting or radio antenna of any sort shall be permitted on any Lot, except a 36" diameter satellite dish shall be permitted.

6. No repair of any boats, automobiles, motorcycles, trucks, campers, or similar vehicles requiring a continuous time period in excess of forty-eight (48) hours shall be permitted on any Lot at any time; nor shall vehicles offensive to the neighborhood be visibly stored, parked or abandoned on any Lot. No unused building material, junk or rubbish shall be left exposed on the Lot except during actual building operations, and then only in as needed and inconspicuous manner as possible.

7. No boat, camper, trailer, auto-drawn or mounted trailer of any kind, mobile home, truck, aircraft, camper truck or similar chattel shall be maintained or stored on any part of a Lot (other than in an enclosed structure) except that during the months of May through September vehicles may be parked in the driveway only. No motor vehicle may be parked or stored outside on any Lot, except vehicles driven on a regular basis by the occupants of the dwelling located on such Lot. No grading or excavating equipment, airplanes, tractors or semi-tractors/trailers shall be stored, parked, kept or maintained in any yards, driveways or streets. However, this restriction shall not apply to trucks, tractors, or commercial vehicles which are necessary for the construction of residential dwellings during their period of construction.

8. No outside trash or garbage pile, burner, receptacle or incinerator shall be erected, placed or permitted on any Lot. 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. Lots shall be maintained free of trash and debris. No clothes line shall be permitted outside of any dwelling at any time except one umbrella-type clothes line per residence or a retractable clothes line attached to a home.

9. Exterior lighting installed on any Lot shall either be indirect or of such a controlled focus and intensity as not to disturb the residents of adjacent Lots. No fence shall be permitted to extend beyond the front line of a main residential structure unless written approval is first obtained from Declarant. No hedges or mass

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planted shrubs shall be permitted more than ten (10) feet in front of the front building line. All produce or vegetable gardens shall be maintained only in rear yards.

10. A dwelling on which construction has begun shall be completed within one (1) year from the date the foundation was commenced for such dwelling.

11. A public sidewalk shall be constructed of concrete four (4) feet wide by four (4) inches thick in front of each built upon Lot and upon the street side of each built upon corner Lot. The sidewalk shall be placed four (4) feet back of the street curb line and shall be constructed by the owner of the Lot prior to the time of completion of the main structure and before occupancy thereof.

12. No stable or other shelter for any animal, livestock, fowl or poultry shall be erected, altered, placed or permitted to remain on any Lot, except that a dog house constructed for one (1) dog shall be permitted; provided always that the construction plans, specifications and the location of the proposed structure have been first approved by Declarant, or their assigns, if required by this Declaration. Dog runs and dog houses shall only be allowed at the rear of the building, concealed from public view.

13. Any exterior air conditioning condenser unit shall be placed in the rear yard or any side yards so as not to be visible from public view. No grass, weeds or other vegetation will be grown or otherwise permitted to commence or continue, and no dangerous, diseased or otherwise objectionable shrubs or trees will be maintained on any Lot so as to constitute an actual or potential public nuisance, create a hazard or undesirable proliferation, or detract from a neat and trim appearance. Vacant Lots shall not be used for dumping of earth or any waste materials, and no vegetation on vacant Lots shall be allowed to reach a height in excess of fourteen (14) inches.

14. No structure of a temporary character, trailer, basement, tent, outbuilding or shack shall be erected upon or used on any Lot at any time, either temporarily or permanently. No structures, dwellings or modular housing improvements shall be moved from outside North Ridge Estates to any Lot.

ARTICLE II **EASEMENTS**

A perpetual license and easement is hereby granted to the Omaha Public Power District, US West Communications and any company which has been granted a franchise to provide a cable television system in the area to be subdivided, their successors and assigns, to erect, operate, maintain, repair and renew poles, wires, cables, conduits and other related facilities, and to extend thereon wires or cables for the carrying and transmission of electric current for light, heat and power and for transmission of signals and sounds of all kinds including signals provided by a cable television system, and the reception on, over, through, under and across a five (5') foot wide strip of land abutting all front and side boundary lot lines, an eight (8') foot wide strip of land abutting the rear boundary lines of all exterior lots; and a sixteen-foot (16') wide strip of land abutting the rear boundary line of all exterior lots. The term exterior lots is herein defined as those lots forming the outer perimeter of the above-described addition. Said sixteen-foot (16') wide easement will be reduced to an eight-foot (8') side strip when the adjacent land is surveyed, platted and recorded, and we do further grant a perpetual

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easement to Metropolitan Utilities District of Omaha, their successors and assigns, to erect, install, operate, maintain, repair and renew pipelines, hydrants and other related facilities, and to extend thereon pipes for the transmission of gas and water on, through, under and across a five (5') foot wide strip of land abutting all streets. No permanent buildings or retaining walls shall be placed in the said easement ways, but the same may be used for gardens, shrubs, landscaping and other purposes that do not then or later interfere with the aforesaid uses or rights herein granted. Easements relating to the landscaping areas are set forth in Declaration of Easements which has been filed with the Register of Deeds of Sarpy County, Nebraska.

ARTICLE III
NOTICE OF POTENTIAL TELEPHONE
FACILITIES CHARGE

U.S. West Communications, Inc. may, upon completion of its distribution system, require a connection charge on some or all of the lots at the time service is requested.

ARTICLE IV
HOMEOWNER'S ASSOCIATION

A. The following definitions shall apply for the purposes of this Article:

1. "Association" shall mean and refer to the North Ridge Estates Homeowners Association, Inc., its successors and assigns, a Nebraska non-profit corporation.

2. "Improved Lot" shall mean and refer to any Lot of the Properties on which a dwelling has been erected and the construction thereof is substantially complete.

All other definitions contained in Article I will likewise be applicable to this Article.

B. Every owner shall be a member of the North Ridge Estates Homeowner's Association to be established for the purpose of maintaining the perimeter fencing, landscaping and lighting and entry-way signage, fencing, landscaping, outlots and lighting for North Ridge Estates. The Homeowner's Association shall cover all of the Lots in North Ridge Estates. Membership shall be appurtenant to and may not be separated from ownership of any Lot.

C. The Declarant, for each Lot owned within the Properties as defined herein, hereby covenants and each owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed covenant and agreed to pay to the Association regular annual assessments for the charges for the purposes hereinafter set forth, which assessments, together with interest, costs, and reasonable attorneys' fees shall be and constitute, until paid, a continuing charge against and a lien upon such Lot or property against which each such assessment is made.

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D. The assessments levied by the Association shall be used exclusively without any part of the net earnings inuring to the private benefit of its members, to maintain, repair and replace when necessary the North Ridge Estates Subdivision perimeter fencing, landscaping and lighting and the entryway islands landscaping, fencing, lighting and signage, if any.

E. Before each fiscal year, the Board of Directors of the Association shall adopt and fix in reasonably itemized detail an annual budget for the then anticipated fiscal affairs and general operations for the Association for that year, and shall levy and collect annual assessments from each Lot on the Properties, which shall be sufficient to fund the budget for the fiscal year; provided, however, the annual assessment against each Lot shall not exceed more than 150% over the prior year's annual budget unless approved in writing by a vote of the majority of the members of the Association. The regular assessment for each unimproved Lot shall be no more than Twenty-Five (\$25.00) Dollars.

F. The regular annual assessments provided for herein shall commence as to all Lots on the first day of the month following the filing of this Declaration. The regular annual assessments provided herein as to all improvement Lots shall commence the first day of the month following the month during which the dwelling was substantially completed. The first regular annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment. Written notice of the annual assessment shall be sent to every owner subject thereto. The due date shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certification signed by an officer of the Association setting forth whether the assessment on a specified Lot has been paid.

G. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of nine (9%) percent per annum. The Association may foreclose the lien against the property in the same manner as provided by law for foreclosure of mortgages.

H. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to a mortgage foreclosure or any proceeding in lieu thereof shall extinguish the lien of such assessments to payment which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

I. All Properties dedicated to, and accepted by, a local public authority and all Properties owned by a charitable or non-profit organization exempt from taxation by the laws of the State of Nebraska shall be exempt from the assessments created herein. However, no land or improvements devoted to dwelling use shall be exempt from said assessments.

J. The Homeowner's Association is a non-profit corporation originally formed by the Declarant and its Articles of Incorporation and Bylaws, to the extent not inconsistent with this Declaration, are hereby incorporated herein by this reference. In the event of any conflict between the Articles and/or Bylaws of the corporation and this Declaration, then this Declaration shall control.

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ARTICLE V
GENERAL PROVISIONS

1. The Declarant or any owner of a Lot named herein shall have the right to enforce by a proceeding at law or in equity, all reservations, restrictions, conditions and covenants now, or hereinafter imposed by the provisions of this Declaration either to prevent or restrain any violation or to recover damages or other dues of such violation. Failure by the Declarant or by any 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. The covenants and restrictions of this Declaration shall run with and bind the land for a term of twenty (20) years from the date this Declaration is recorded. Thereafter the covenants, restrictions and other provisions of this Declaration shall automatically renew for successive ten (10) year periods unless terminated or amended by the owners of not less than seventy-five (75%) percent of said lots, which termination or amendment shall thereupon become binding upon all the lots. This Declaration may be amended by Declarant or any person, firm, corporation, partnership, or entity designated in writing by Declarant, in any manner which it may determine in its full and absolute discretion for a period of ten (10) years from the date hereof.

3. Invalidation of any one of these covenants by judgment or court order shall in no way affect any of the other provisions hereof which shall remain in full force and effect.

IN WITNESS WHEREOF, the Declarant has caused these presents to be executed this 29th day of January, 1999.

By: [Signature]
Title: President

STATE OF NEBRASKA)
)ss.
COUNTY OF DOUGLAS)

Before me, a Notary Public qualified for said County and State, personally came Thomas E. Smith, President of Smith Land Company, 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 on behalf of said corporation.

WITNESS my hand and Notary Seal on this 29th day of January 1999.



Charlene I. Hunziker
Notary Public

FILED SARPY CO. NE.
INSTRUMENT NUMBER
2000 21776

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Glenn J. Newburg

REGISTER OF DEEDS

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FIRST AMENDMENT TO COVENANTS

THIS FIRST AMENDMENT TO COVENANTS is made the date hereinafter set forth by West Bay, Inc., a Nebraska corporation.

RECITALS

A. On February 1, 1999, a document entitled Declaration of Covenants, Conditions, Restrictions and Easements for North Ridge Estates in Sarpy County, Nebraska (hereinafter the "Declaration") for Lots One (1) through Seventy-one (71), inclusive, all in NORTH RIDGE ESTATES, a subdivision as surveyed, platted and recorded in Sarpy County, Nebraska, was recorded by West Bay, Inc., a Nebraska corporation, Declarant, in the office of the Register of Deeds of Sarpy County, Nebraska as Instrument No. 99-03043.

B. Article V, Paragraph 2 of the Declaration provides that for a period of ten (10) years following January 29, 1999, the Declarant shall have the exclusive right to amend the Declaration.

NOW, THEREFORE, Developer hereby declares that the Declaration recorded on February 1, 1999 as Instrument No. 99-03043 in the office of the Register of Deeds of Sarpy County, Nebraska should be and hereby are amended in the following manner:

I. by deleting therefrom Paragraph 3 of Article I and adding in its place and stead the following:

The exposed front foundation wall as well as any foundation wall facing a street of all main residential structures must be constructed of brick, stone, or concrete etched with a brick pattern or faced with brick or simulated brick or stone. All exposed side and rear concrete block foundation walls not facing a street must be painted. All driveways must be constructed of concrete, brick, paving stone, or laid stone. All foundations shall be constructed of concrete, concrete blocks, brick or stone. Fireplace chimneys shall be covered with brick, stone or siding. The roof of all improvements shall be covered with asphalt shingles, wood cedar shake or shingles or other materials approved in writing by Declarant.

II. by deleting therefrom Paragraph 4 of Article I and adding in its place and stead the following:

No advertising signs, billboards, unsightly objects or nuisances shall be erected, placed or permitted to remain on any Lot except one sign per Lot consisting of not more than six (6) square feet advertising a Lot as "For Sale"; nor shall the premises be used in any way for any purpose which may endanger the health or unreasonably disturb the owner or owners of any Lot or any resident thereof. Provided, however, this Paragraph shall not apply to the business activities, signs and billboards or the construction and maintenance of buildings, including but not limited to model homes and temporary modular or manufactured structures used as sales offices, if any, by Declarant, its agents, successors or assigns, and any entity or person, whose business, occupation or profession is the development and sale of single family homes provided such entity or person acquires more than one Lot in North Ridge Estates for the purpose of development and sale.

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III. by deleting therefrom Paragraph 13 of Article I and adding in its place and stead the following:

No grass, weeds or other vegetation will be grown or otherwise permitted to commence or continue, and no dangerous, diseased or otherwise objectionable shrubs or trees will be maintained on any Lot so as to constitute an actual or potential public nuisance, create a hazard or undesirable proliferation, or detract from a neat and trim appearance. Vacant Lots shall not be used for dumping of earth or any waste materials, and no vegetation on vacant Lots shall be allowed to reach a height in excess of fourteen (14) inches.

IV. by deleting therefrom Paragraph 14 of Article I and adding in its place and stead the following:

No structure of a temporary character, trailer, basement, tent, outbuilding or shack shall be erected upon or used on any Lot at any time, either temporarily or permanently. No structures, dwellings or modular housing improvements shall be moved from outside North Ridge Estates to any Lot. Provided, however, that this paragraph shall not apply to those persons or entities privileged pursuant to paragraph 4 of the Declaration, and any amendments thereto, to maintain temporary modular or manufactured sales offices in North Ridge Estates.

All other terms of said Protective Covenants shall remain in full force and effect.

Dated this 27 day of August 2000.

WEST BAY, INC.

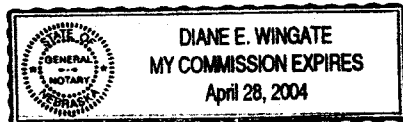
By


Thomas E. Smith, President

STATE OF NEBRASKA)
) ss.
COUNTY OF DOUGLAS)

On this 27 day of August 2000, the foregoing instrument was acknowledged before me, a Notary Public, by Thomas E. Smith, President of West Bay, Inc., who acknowledged the execution of said instrument to be his voluntary act and deed on behalf of said corporation.


Notary Public



FILED SARPY CO. NE.

INSTRUMENT NUMBER

2001-20650

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Glenn J. Dowling

REGISTER OF DEEDS

Counter *ST KS*

Verify *AD*

D.E. *AD*

Proof *AD*

Fee \$ 45.00

Ck

Cash

Chg

SEC

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**ASSIGNMENT AND ASSUMPTION OF DECLARANT RIGHTS
PURSUANT TO THE DECLARATION OF
COVENANTS CONDITIONS, RESTRICTIONS AND EASEMENTS
FOR NORTH RIDGE ESTATES IN
SARPY COUNTY, NEBRASKA**

This Assignment is entered into by and between West Bay, Inc., a Nebraska corporation ("Assignor") and HearthStone Homes, Inc., a Nebraska corporation ("Assignee").

WHEREAS, Assignor is the Declarant under that certain Declaration of Covenants, Conditions, Restrictions and Easements for North Ridge Estates, which was recorded in the office of the Sarpy County Register of Deeds on February 1, 1999, as Instrument No. 99-003043, against the following described real property, to-wit:

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Lots 1 through ~~7~~, inclusive, North Ridge Estates, a subdivision as surveyed, platted and recorded in Sarpy County, Nebraska (hereinafter referred to as the "Declaration").

WHEREAS, Assignor agrees to assign and Assignee agrees to assume Assignor's rights, obligations and duties under the Declaration.

NOW, THEREFORE, the parties agree:

1. Assignor hereby assigns to Assignee all of its rights, obligations and duties as Declarant under the Declaration.
2. Assignee hereby assumes all of Assignor's rights, obligations and duties as Declarant under the Declaration.
3. Accordingly, Assignee is hereby the Declarant under the Declaration effective immediately.

IN WITNESS WHEREOF, the undersigned have caused these presents to be executed on the day and year set forth below.

WEST BAY, INC., a Nebraska corporation,

By:

Thomas E. Smith

Thomas E. Smith, President

SEC

2001-20650A

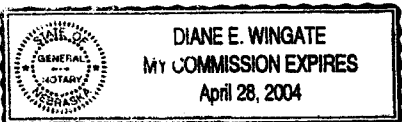
HEARTHSTONE HOMES, INC., a Nebraska corporation,

By: [Signature]
John J. Smith, President

STATE OF NEBRASKA)
)ss.
COUNTY OF DOUGLAS)

Before me, a notary public, in and for said county and state, personally came Thomas E. Smith, President, of West Bay, Inc., a Nebraska corporation, known to me to be the identical person who executed the above instrument and acknowledged the execution thereof to be his voluntary act and deed and the voluntary act and deed of said corporation.

Witness my hand and Notarial Seal this 6 day of June, 2001.

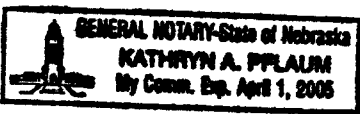


[Signature]
Notary Public

STATE OF NEBRASKA)
)ss.
COUNTY OF DOUGLAS)

Before me, a notary public, in and for said county and state, personally came John J. Smith, President, of HearthStone Homes, Inc., a Nebraska corporation, known to me to be the identical person who executed the above instrument and acknowledged the execution thereof to be his voluntary act and deed and the voluntary act and deed of said corporation.

Witness my hand and Notarial Seal this 6 day of JUNE, 2001.



[Signature]
Notary Public

RETURN TO:
FULLENKAMP, DOYLE & JOHNSON
11440 WEST CENTER ROAD
OMAHA, NEBRASKA 68144-4482
ATTN: LAT