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**DECLARATION
OF COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS OF
HANOVER FALLS**

THIS DECLARATION, made on the date hereinafter set forth, is made by MILITARY HOLDINGS, LLC, a Nebraska Limited Liability Company hereinafter referred to as the "Declarant."

PRELIMINARY STATEMENT

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

Lots 1 thru 122, inclusive; and, Outlots "A" thru "C", inclusive, Hanover Falls, as surveyed, platted and recorded in Douglas County, Nebraska;

Such lots are herein referred to collectively as the "Lots" or Hanover Falls and individually as each "Lot."

The Declarant desires to provide for the preservation of the values and amenities of Hanover Falls, for the maintenance of the character and residential integrity of Hanover Falls, and for the acquisition, construction and maintenance of Common Area and Common Area Improvements for the use and enjoyment of the residents of Hanover Falls (hereinafter the "subdivision").

NOW, THEREFORE, the Declarant hereby declares that each and all of the Lots now and hereafter encumbered by this Declaration 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, 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 more fully described herein. The Lots, and each Lot are 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 single-family residential purposes, except for such Lots or parts thereof as may hereafter be conveyed or dedicated by Declarant, or its successors or assigns, for use in connection with a Common Area, or as a church, school, park, or for other nonprofit use.

2. No single-family residence shall be created, altered, placed or permitted to remain on any Lot other than one detached single-family dwelling which does not exceed two and one-half stories in height, as measured from the highest adjacent public sidewalk grade elevation. The main body of the dwelling shall be painted in earth tone colors. The Declarant reserves the right to appoint an architectural review committee to review and approve or disapprove of any and all plans for improvements in the subject subdivision to ensure compatibility and maintenance of the residential integrity.

3. 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" or "For Rent." No business activities of any kind whatsoever, except those home occupation businesses allowed by virtue of city ordinance, shall be conducted on any lot; 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, its agents or assigns, during the construction and sale of the Lots or any other property owned by the Declarant, its agents or assigns.

4. No exterior television, broadcasting or radio antenna of any sort shall be permitted on any Lot, except, those 18" or less in diameter or diagonal measurement, which shall be screened from public view. The foregoing notwithstanding, any earth station, satellite dish or other electronic antenna or aerial specifically exempted from restriction by statute, regulation, binding order of a court or governmental agency shall be maintained in accordance with the strictest interpretation or condition for such use as may be permitted by such order.

5. 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 (other than in an enclosed structure); nor shall vehicles or parts of vehicles, unlicensed or otherwise offensive to the neighborhood, be visibly stored, parked or abandoned on any Lot. Any and all cars parked within the subdivision must be in running condition with all tires inflated. No unused building material, junk or rubbish shall be left exposed on the Lot except during

actual building operations, and then only in as neat and inconspicuous a manner as possible.

6. 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) for more than seven (7) days within a calendar year. 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 or their guests. No grading or excavating equipment, tractors or semi-tractors/trailers shall be stored, parked, kept or maintained in any yards, driveways or streets. However, this section shall not apply to trucks, tractors or commercial vehicles which are necessary for the construction of residential dwellings during the period of construction. All residential Lots shall provide at least the minimum number of off street parking areas or spaces for private passenger vehicles required by the applicable ordinances of the Governing Jurisdiction.

7. 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, rubbish or cutting shall be deposited on any street, road or Lot. No clothes line shall be permitted outside of any dwelling at any time. Produce or vegetable gardens may only be maintained in rear yards.

8. No fence shall be permitted to extend beyond the front line of a main residential structure. Fences constructed adjacent to 156th Street and Bondesson Street Outlots "A" thru "C", inclusive Hanover Falls (Lots 1 thru 12, inclusive; and, Lot 70, Hanover Falls) must be a six (6) foot high, white vinyl, privacy type fence with pickets as manufactured by Kroy Building Products, Style and Model #K84, as depicted on Exhibit "A-1" attached hereto and incorporated herein by reference, or equivalent. Construction of said fence is subject to Zoning, Building and Permit Ordinances, Regulations and/or Requirements, which are subject to change. No chain link fencing shall be permitted on any lot. No hedges or mass planted shrubs shall be permitted more than the (10) feet in front of the front building line. Any fence installed in the Subdivision by an owner or otherwise, shall be in compliance with this Declaration and shall be maintained by the owner of any such lot on which such fence is located, or their successors in interest, at their sole expense. Maintenance shall include keeping such fence in good order, including the removal of graffiti and the prevention of posting of signs, banners or any other thing on said fence, and repair and replace the same with the same style and equal quality fence when and if reasonably necessary.

9. No swimming pool shall be permitted which extends more than one (1) foot above ground level. However, a swimming pool may extend more than one foot above ground level; if a six (6) foot high solid fence is constructed around the pool such that the pool, except slide, is not visible above the fence.

10. Construction of any Improvement shall be completed within one (1) year from the date of commencement of excavation or construction of the improvement. No excavation dirt shall be spread across any Lot in such a fashion as to materially change the grade or contour of any Lot.

11. A public sidewalk shall be constructed of Portland concrete four (4) feet wide by three and one-half (3 1/2") inches thick in front of each Lot and upon each street side of each corner Lot. The sidewalk shall be placed four (4) feet back of the street curb line and shall be constructed by the builder/owner of the Lot prior to the time of completion of the main structure and before occupancy thereof; provided, however, this provision shall vary to comply with any requirements of the Governing Jurisdiction. It is understood, however, that from time to time because of weather or material shortages occupancy may be allowed prior to sidewalk construction, but only after an escrow has been established to assure such construction when weather and material availability permits.

12. Driveway approaches between the sidewalk and curb on each Lot shall be constructed of concrete. Should repair or replacement of such approach be necessary, the repair or replacement shall also be of concrete. No asphalt overlay of driveway approaches will be permitted.

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

14. 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 for one dog house constructed for one (1) dog. Dog houses shall only be allowed at the rear of the residence, screened from public view. No outdoor enclosures for domestic animals (dog runs or kennels) of any kind shall be allowed on any Lot, including similar areas for pot-bellied pigs.

15. 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, including grass clippings, and no vegetation on vacant Lots shall be allowed to reach a height in excess of that allowed by ordinance and regulations of the Governing Jurisdiction.

16. Notwithstanding any provision in this Declaration, Declarant, its agents, successors and assigns, shall be allowed to operate and maintain model homes, sales office trailers and construction trailers within the subdivision. This right does not expire with the sale of the last buildable lot in the subdivision.

17. No structure, carport, detached garage, trailer, basement or tent shall be erected or used on any Lot at any time. Only sheds which do not exceed ten (10') feet wide, twelve (12') feet deep, and eight (8') feet high may be erected on a Lot, so long as materials and colors are similar to those utilized for the construction of the single family residence of that same Lot.

18. No structure or dwelling shall be moved from outside the subdivision to any Lot without the written approval of Declarant. No structure of a temporary character may be used as a dwelling at any time.

19. No noxious or offensive trade or activity shall be carried on upon any Lot nor shall anything be done thereon that may be or become an annoyance or nuisance to the neighborhood.

20. All permanent utility service lines from each Lot line to a dwelling or other improvement shall be underground.

21. Declarant does hereby reserve unto itself the right to require the installation of siltation fences or erosion control devices and measures in such location, configurations, and designs as it may determine appropriate in its sole and absolute discretion.

22. All Lots are subject to the Zoning Ordinance and/or Regulations of the appropriate governing authority, including but not limited to lot use, lot area, front, side and rear yard requirements. If such authority shall amend its ordinances and/or regulations to permit a lesser distance, or a different use either by means of rezoning or the granting of waivers or special use permits; then, such actions shall control over the requirements of these covenants.

ARTICLE II. HOMEOWNERS' ASSOCIATION

1. Definitions.

(a) "Association" shall mean and refer to the Hanover Falls Homeowners Association, Inc., a Nebraska nonprofit corporation, its successors and assigns.

(b) "Owner" shall mean and refer to the record Owner, whether one or more persons or entities, of a fee simple title to any Lot that is a part of the Properties, but excluding those having such interest merely as a security for the performance of an obligation or as an encumbrance upon the interest of the beneficial owner.

(c) "Properties" shall mean and refer to: Lots 1 thru 122, inclusive; and, Outlots "A" thru "C", inclusive, Hanover Falls, as surveyed, platted and recorded in Douglas County, Nebraska.

(d) "Lot" shall mean and refer to any platted Lot shown upon any recorded subdivision map of the Properties, except for such Lots or parts thereof as may hereafter be conveyed or dedicated by Declarant, or its successors or assigns, for use in connection with a Common Area, or as a church, school, park, or for other nonprofit use.

(e) "Declarant" shall mean and refer to all persons and entities signing this instrument, their successors and assigns.

(f) "Common Area" shall mean and refer to any land owned by the Association or controlled by an easement in favor of the Association or required as a contractual obligation of the Declarant or the Association, such as Common Area Improvements located within public rights-of-ways, including but not limited to Military Rd; and, Outlots "A" thru "C", inclusive Hanover Falls.

(g) "Common Area Improvements" shall mean and refer only to signs, landscaping, lighting, and sprinkler systems, which may be located from time to time on the Common Area, including those improvements within public rights-of-way.

(h) "Common Area Expenses" means expenditures made on an annual basis by or financial liabilities of the Association, together with any allocations to reserves.

2. General Information. The Association shall be required to maintain the Common Area and the Common Area Improvements in good condition and repair and shall exercise those powers, duties and responsibilities as more particularly set forth in this Declaration, the Articles of Incorporation and the By-Laws of the Association. The fiscal year of the Association shall be the calendar year. The Office of the Association shall be located at such location as the Board of Directors shall designate from time to time.

(a) Additional residential property may be annexed to the Properties by the Declarant or with the consent of two-thirds (2/3) of the votes entitled to be cast. All Lot Owners, by virtue of their ownership of a Lot, are automatically mandatory Members of the Association and shall be entitled to vote on

all matters upon which Members of the Association are entitled to vote, pursuant to the Declaration and in accordance with the By-Laws. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation.

(b) The initial Board of Directors of the Association and all officers of the Association shall be appointed by the Declarant and thereafter be elected as provided for in the By-Laws.

3. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within the Properties, 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 to covenant and agree to pay to the Association annual assessments or charges as hereinafter provided, as such assessments to be established and collected as hereinafter provided. The annual assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them. Upon the sale of any Lot, the current years' assessment shall be prorated between the parties.

4. Membership. The membership of the Association shall consist of all Owners of the designated Lots within Hanover Falls. Membership in the Association shall be mandatory and no Owner during his ownership of a Lot shall have the right to relinquish or terminate his membership in the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation.

5. Succession. The membership of each owner shall terminate when they cease to be an Owner of a Lot, and their membership in the Association shall automatically be transferred to the new Owner succeeding to such ownership interest.

6. Voting. The Association shall have two classes of voting members, Class A Members and Class B Members, defined as follows:

Class A: Class A Members shall be the Owners of all Lots other than Lots owned by Declarant or Lots that are subject to a mortgage or deed of trust in favor of 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 Members; 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 Owners of all Lots owned by Declarant or Lots that are subject to a mortgage or deed of trust in favor of Declarant. Each Class B Member shall be entitled to twenty votes for each Lot owned. Each Class B Member shall be entitled to one vote for each Lot owned upon the occurrence of the first of the following dates:

- (a) The date on which the total votes outstanding in the Class A membership shall equal the total votes outstanding in the Class B membership, or
- (b) January 1, 2017

Except for the Declarant, no Owner shall be eligible to vote, either in person or by proxy, if that Owner is shown in the books or management accounts of the Association to be more than sixty (60) days delinquent in any payment due the Association. As set forth in section 3, above, the Declarant, for each lot owned, shall not become obligated to pay any annual assessments for said Lot unless and until the closing of said Lot occurs, at which time Declarant shall pay its pro rata share of said assessments.

7. Budget. The Board of Directors shall adopt a budget for each calendar year that shall include the estimated funds required to defray annual Common Area Expenses and administrative expenses of the Association.

8. Assessments.

(a) All Owners shall be obligated to pay the assessments imposed by the Board of Directors of the Association to meet the Common Area Expenses of the Association. The Common Area Expenses of the Association shall be equally assessed among all of the Lot Owners. Annual Assessments for the estimated Common Area Expenses of the Association shall be due in advance of the first day of January of each year. The method of assessment described herein may not be amended without the written approval of the Declarant, so long as there is a Class B Membership or thereafter, the owners of two-thirds (2/3) of the votes entitled to be cast.

(b) Each Lot Owner's personal obligation of payment of assessments shall be due on the first day of the month in which the closing of the purchase of said Lot occurs.

(c) Assessments shall be based upon the cash requirements deemed to be such aggregate sum the Board of Directors of the Association shall from time to time determine is to be paid by all of the Lot Owners to provide for the payment of all estimated expenses growing out of or connected with the acquisition, construction, maintenance, repair, operation, alterations and improvements of and to the Common Area and the Common Area Improvements and for the creation of a reasonable contingency and reserve for the same.

(d) The omission or failure to fix the assessment or deliver or mail a statement for any period shall not be deemed a waiver, modification or release of the owner's personal obligation to pay the same.

(e) Within thirty (30) days after adoption of any proposed Budget for the Association, the Board of Directors shall provide a summary of the Budget to all the Lot Owners, and shall set a date for a meeting of the Lot Owners to consider ratification of the Budget that date shall not be less than fourteen (14) nor more than thirty (30) days after mailing of the summary. Unless at that meeting a majority of all the votes entitled to be cast, or any larger vote specified in the Declaration, reject the Budget, the Budget is ratified, whether or not a quorum is present. In the event the proposed Budget is rejected, the periodic Budget last ratified by the Lot Owners shall be continued until such time as the Lot Owners ratify a subsequent budget proposed by the Board of Directors.

9. Association Lien for Non-Payment of Common Area Expenses.

(a) All sums assessed by the Association but unpaid for the share of Common Area Expenses chargeable to any Lot shall constitute a lien on such Lot superior to all other liens and encumbrances, except only for tax and special assessment liens of the Lot in favor of any assessing entity, and all sums unpaid on any Mortgage filed of record prior to the filing of the Declaration, including all unpaid obligatory sums as may be provided by such encumbrances. In the event of default in the payment of the assessment, the owner shall be obligated to pay interest at the maximum rate of interest allowable by law, on the amount of the assessment from due date thereof, together with all expenses, including attorney's fees incurred together with such late charges as provided by the By-Laws of the Association. To evidence such lien, the Board of Directors shall prepare a written notice of lien assessment setting forth the amount of such unpaid indebtedness, the amount of accrued interest, late charges and expenses, including attorney's fees thereon, the name of the owner of the Lot and a description of the Lot. Such notice of lien shall be signed by one of the members of the Association's Board of Directors or by one of the officers of the Association on behalf of the Association and shall be recorded in the Office of the Register of Deeds for Douglas County, Nebraska. Such lien shall attach and be effective from the due date of the assessment until all sums with interest and other charges thereon, shall have been fully paid.

(b) Such lien may be enforced by the foreclosure on the defaulting owner's Lots by the Association in the manner of a deed of trust or mortgage on real property upon the recording of a notice to claim thereof or by an action at law against the Owner personally obligated to pay the same. In any such proceedings, the Owner shall be required to pay the costs, expenses and attorney's fees incurred, and in the event of foreclosure, all additional costs, all expenses and reasonable attorney's fees incurred. The Owner of the Lot being foreclosed or subject to litigation shall be required to pay the Association the monthly assessment for the Lot during the period of foreclosure or litigation, and the Association shall be entitled to a receiver during foreclosure. The Association shall have the power to bid on the Lot at foreclosure or other legal sale and to acquire and hold, lease, mortgage, vote the votes appurtenant to, convey and otherwise deal with the same.

(c) Any Mortgagee holding a lien on a Lot may pay, but shall not be required to pay, any unpaid Common Area Expenses payable with respect to such

Lot, and upon such payment, such encumbrancer shall have a lien on such Lot for the amount paid of the same rank as the lien of this mortgage or encumbrance without the necessity of having to record a notice of claim of such lien. Upon request of a Mortgagee, the Association shall report to the Mortgagee of a Lot any unpaid assessments remaining unpaid for longer than thirty (30) days after the same is due; provided, however, that a Mortgagee shall have furnished to the Association notice of such encumbrance.

(d) The recorded lien may be released by recording a Release of Lien signed by one of the Members of the Association's Board of Directors or by one of the officers of the Association on behalf of the Association and shall be recorded in the Office of the Register of Deeds for of the jurisdiction.

(e) Notwithstanding any of the foregoing provisions, any Mortgagee who obtains a title to a Lot pursuant to the remedies set forth in its mortgage or deed of trust shall take title to the Lot free and clear of all annual assessments levied thereon prior to such transfer of title and free and clear of all liens created as a result of such assessments.

10. Maximum Annual Dues. Unless excess dues have been authorized by the Members in accordance with Section 12, below, the aggregate dues which may become due and payable in any year shall not exceed the greater of:

A. One Hundred Fifty Six and no/100 (\$156.00) per Lot.

B. In each calendar year beginning on January 1, following the incorporation of the Association, one hundred twenty-five percent (125%) of the aggregate dues charged in the previous calendar year.

11. Assessments for Extraordinary Costs. In addition to the dues, the Board of Directors may levy an assessment or assessments for the purpose of defraying, in whole or in part, the costs of any acquisition, construction, reconstruction, repair, painting, maintenance, improvement, or replacement of any Common Area or Common Area Improvement, including fixtures and personal property related thereto, and related facilities. The aggregate assessments in each calendar year shall be limited in an amount to Two Hundred and NO/100ths Dollars (\$200.00) per Lot.

12. Excess Dues and Assessments. With the approval of seventy-five (75%) percent of the votes entitled to be cast by the Members of the Association, the Board of Directors may establish dues and/or assessments in excess of the maximums established in this Declaration.

ARTICLE III.
EASEMENTS

1. A perpetual license and easement is hereby reserved in favor of and granted to Omaha Public Power District, Qwest Communications and any company which has been granted a franchise to provide a cable television system in the area 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 the 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-foot (5') wide strip of land abutting all front and side boundary lot lines; an eight-foot (8') wide strip of land abutting the rear boundary lines of all interior lots; and a sixteen-foot (16') wide strip of land abutting the rear boundary lines of all exterior lots. The term exterior lots is herein defined as those lots forming the outer perimeter of the above-described subdivision. Said sixteen-foot (16') wide easement will be reduced to an eight-foot (8') wide strip when the adjacent land is surveyed, platted and recorded, and we further grant a perpetual 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-foot (5') wide strip of land abutting all cul-de-sac 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.

2. Qwest Communications, Inc. and/or any other telecommunications company may, upon completion of its distribution system, require a connection charge on some or all of the Lots at the time service is requested.

3. Other easements as provided for in the final plat of Hanover Falls, which is filed in the Register of Deeds of Douglas County, Nebraska and other easements provided for in further platting(s).

ARTICLE IV.
GENERAL PROVISIONS

1. Except for the authority and powers specifically granted to the Declarant, 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 to either prevent or restrain any violation or to recover damages or other dues of such violation. Nothing herein contained shall in any way be construed to impose any

obligation, of any kind, upon the Developer and/or Declarant or any successor and assigns of the same, any liability, obligation or requirement to enforce this instrument or any of the provisions contained herein. 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 period of forty (40) years from the date hereof, after which time they shall be automatically extended for successive periods of ten (10) years. 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. Thereafter this Declaration may be amended by an instrument signed by the Owners of not less than seventy-five percent (75%) of the Lots covered by this Declaration.

3. Invalidation of any covenant 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 present to be executed this 11 day of October 2006

DECLARANT:
MILITARY HOLDINGS, LLC.,
a Nebraska Limited Liability Company
By: GDR, LLC, Managing Member

By: 
Eugene J. Graves, Jr., President

STATE OF NEBRASKA)
)ss.
COUNTY OF DOUGLAS)

The foregoing instrument was acknowledged before me this 11th day of October 2006 by Eugene J. Graves, Jr., President, GDR, LLC, Managing Member of Military Holdings, LLC, a Nebraska Limited Liability Company, known to me to be the identical person who executed the above instrument and acknowledged the same to be his voluntary act and deed and the voluntary act and deed of said company.

Witness my hand and Notarial Seal this 11 day of October 2006

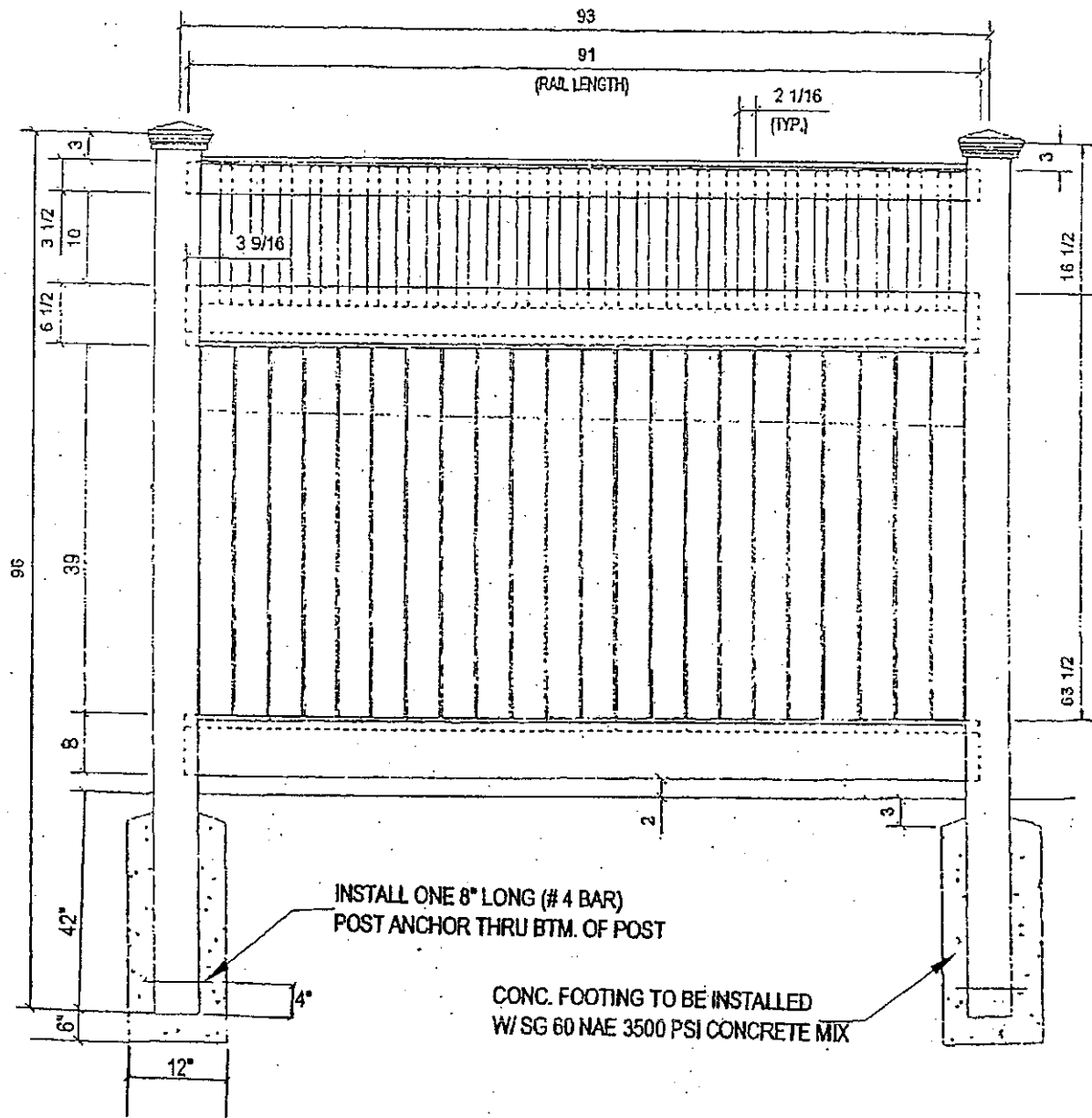
Jana L. McDonald
Notary Public



FENCE MFG. BY
KROY BUILDING PRODUCTS
STYLE AND MODEL # K 84
6' VINYL PRIVACY FENCE W/ PICKETS

POSTS:
(1) 5" X 5" X 96"
RAILS:
(1) 2" X 6" 1/2" X 91" SLOTTED
(1) 2" X 3 1/2" X 91"
(1) 1" X 3 1/2" X 88"
DECORATIVE RAIL
POST CAPS:
(1) 5" X 5" CLASSIC
(1) 2" X 8" X 91" RIBBED BOTTOM

PICKETS:
(25) 1 3/8" X 1 3/8" X 15"
PLANKS:
(1) 1" X 8" T & G X 41 1/2"
WITH "V" GROOVE



6' VINYL FENCE DETAIL

NOT TO SCALE



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**AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS,
RESTRICTIONS AND EASEMENTS OF HANOVER FALLS**

This Amendment to Declaration of Covenants, Conditions, Restrictions and Easements of Hanover Falls (this "Amendment") is entered into by Hearthstone Homes, Inc., a Nebraska corporation ("Hearthstone").

WHEREAS, Military Holdings, LLC, a Nebraska limited liability company ("Military Holdings"), was the original Declarant under that certain Declaration of Covenants, Conditions, Restrictions and Easements of Hanover Falls which was recorded in the office of the Douglas County Register of Deeds on October 16, 2006 as Instrument Number 2006119008 (the "Declaration"), which Declaration was filed against the following described real property, to-wit:

Lots 1 thru 113, inclusive, Lots 115 thru 122, inclusive, and Outlots "A" thru "C", inclusive, Hanover Falls, as surveyed, platted and recorded in Douglas County, Nebraska.

WHEREAS, Military Holdings assigned its rights as Declarant to Hearthstone, and Hearthstone expressly assumed such rights, pursuant to that certain Revocable Assignment and Assumption of Declarant Rights and Notice dated as of October 12, 2006 and recorded with the Douglas County Register of Deeds on October 16, 2006 as Instrument No. 2006119009 (the "Assignment").

WHEREAS, Article IV, Paragraph 2 of the Declaration provides that the Declaration may be amended by the Declarant, or any person, firm, corporation, partnership, or entity designated in writing by the Declarant, in any manner which it may determine in its full and absolute discretion for a period of ten (10) years following October 11, 2006.

NOW, THEREFORE, Hearthstone, as the Declarant, hereby declares as follows:

1. Amendment. The Declaration is hereby amended as follows:
 - a. The second sentence of Paragraph 8 of Article I shall be deleted in its entirety and shall be replaced with the following:

"Fences constructed adjacent to 156th Street and Bondesson Street Outlots "A" and "C", inclusive, Hanover Falls (Lots 1 thru 12, inclusive; and, Lot 70, Hanover Falls) must be a six

(6) foot high privacy type with pickets, which fence must meet the specifications set forth on Exhibit "A-1" attached hereto and incorporated herein by reference, or equivalent."

b. Exhibit "A-1" shall be deleted in its entirety and shall be replaced with Exhibit "A-1" attached hereto.

2. No Other Amendments. Except as set forth herein, all of the other terms and conditions of the Declaration shall remain the same and in full force and effect.

IN WITNESS WHEREOF, the undersigned have caused this Amendment to be executed on the 29th day of March, 2011.

DECLARANT:

Hearthstone Homes, Inc.,
a Nebraska corporation

By: 
Neil Smith, Vice President

STATE OF NEBRASKA)
) ss.
COUNTY OF DOUGLAS)

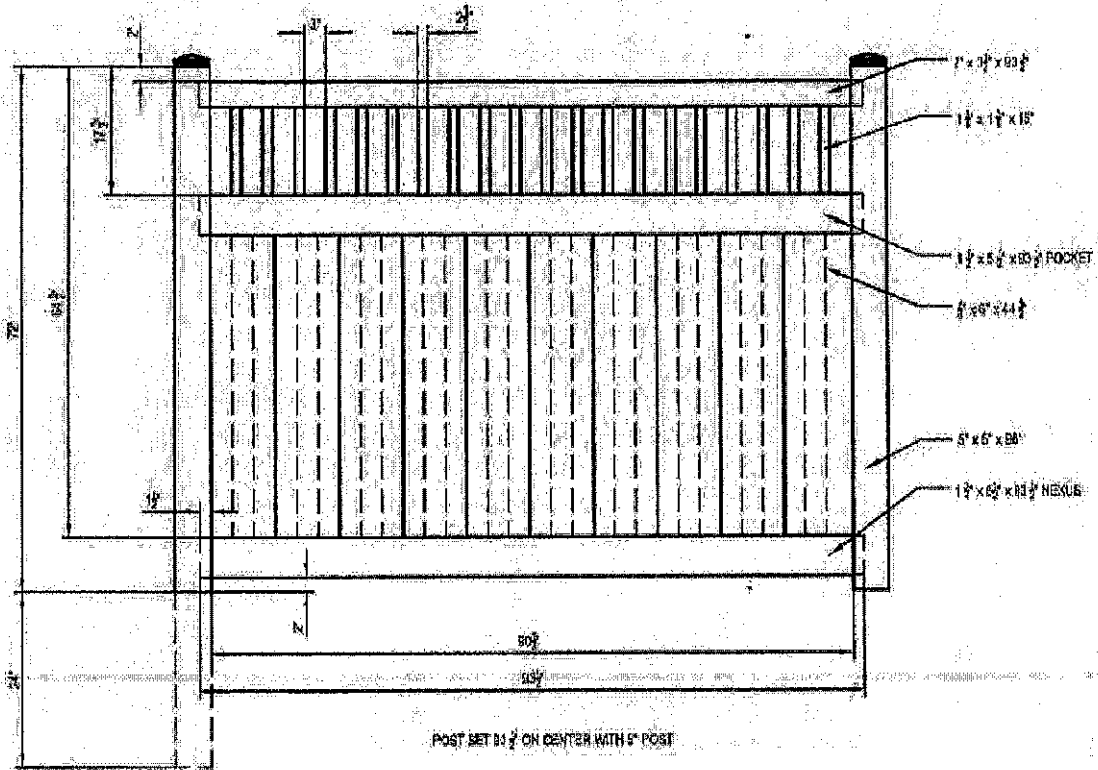
Before me, a notary public, in and for said county and state, personally came Neil Smith, Vice President of Hearthstone Homes, Inc., a Nebraska corporation, known to me to be the identical person who executed the above instrument and acknowledged the execution thereof to be his voluntary act and deed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

Witness my hand and Notarial Seal this 29th day of March, 2011.




Notary Public

EXHIBIT A



72" SOLID PRIVACY FENCE WITH ACCENT 8" WIDTH



E&A CONSULTING GROUP, INC.
 ENGINEERING • PLANNING • FIELD SERVICES
2271 NORTH 117TH STREET, SUITE 106, SHERBORN, MASSACHUSETTS 01925

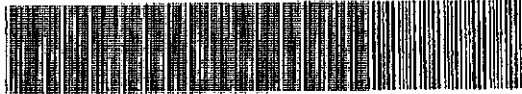
**72" SOLID PRIVACY FENCE WITH ACCENT
 8" WIDTH**

Drawn by: RPF

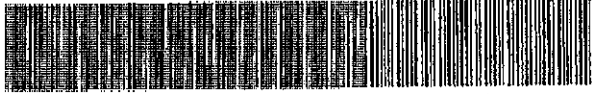
Scale: 1" = 2'

Job No.: P2010.001.001

Date: 12/02/2010



MISC 2010039313



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15/142 misc
 FEE 146.00 FB DJ 35233
 BKP _____ C/O _____ COMP
 DEL _____ SCAN _____ FV _____

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Received - DIANE L. BATTIATO
 Register of Deeds, Douglas County, NE
 5/7/2010 13:49:15.59



2010039313

(Space above line for recording information)

**DECLARATION OF COVENANTS, CONDITIONS,
 RESTRICTIONS AND EASEMENTS
 FOR SHADOWBROOK WEST**

THIS DECLARATION OF COVENANTS, CONDITIONS, RESTRICTION AND EASEMENTS FOR SHADOWBROOK WEST is made effective on this 28 day of April, 2010, by MILITARY HOLDINGS, LLC, a Nebraska Limited Liability Company (hereinafter referred to as the "Declarant").

PRELIMINARY STATEMENT

WHEREAS, the Declarant is the owner of the following legally described real property, to-wit:

Lots 1 though 140, inclusive, and Outlots "A" and "B", Shadowbrook West, as surveyed, platted and recorded in Douglas County, Nebraska.

WHEREAS, the above legally described lots are hereinafter referred to collectively as the "Lots" or Shadowbrook West and individually as a "Lot".

WHEREAS, the Declarant desires to provide for the preservation of the values and amenities of Shadowbrook West, for the maintenance of the character and residential integrity of Shadowbrook West, and for the acquisition, construction and maintenance of Common Area and Common Area Improvements for the use and enjoyment of the residents of Shadowbrook West (hereinafter the "Subdivision").

NOW, THEREFORE, the Declarant hereby declares that each and all of the Lots now and hereafter encumbered by this Declaration shall be owned, developed, used, occupied, improved, mortgaged, transferred, 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, 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

Box 15/142

each Lot, or any part thereof, as more fully described herein. The Lots and each Lot are and shall be subject to all and each of the following conditions and other terms.

ARTICLE I. RESTRICTIONS AND COVENANTS

1.1 Each Lot shall be used exclusively for single-family detached or duplex residential purposes, except for such Lots or parts thereof as may hereafter be conveyed or dedicated by Declarant, or its successors or assigns, for use in connection with a Common Area, or as a church, school, park, or for other nonprofit use.

1.2 No single-family detached or duplex residential structure shall be created, altered, placed or permitted to remain on any Lot other than one attached or detached single-family dwelling which does not exceed two and one-half stories in height, as measured from the highest front elevation of the Lot. The main body of the dwelling shall be painted in earth tone colors. The Declarant reserves the right to appoint an architectural review committee to review and approve or disapprove of any and all plans for improvements in the subject subdivision to ensure compatibility and maintenance of the residential integrity.

1.3 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" or "For Rent." No business activities of any kind whatsoever, except those home occupation businesses allowed by virtue of any state or local laws or ordinances, shall be conducted on any lot; 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 Section shall not apply to the business activities, signs and billboards or the construction and maintenance of buildings, if any, by Declarant, its agents or assigns, during the construction and sale of the Lots or any other property owned by the Declarant, its agents or assigns.

1.4 No exterior television, broadcasting or radio antenna of any sort shall be permitted on any Lot, except, those 18" or less in diameter or diagonal measurement, which shall be screened from public view. The foregoing notwithstanding, any earth station, satellite dish or other electronic antenna or aerial specifically exempted from restriction by statute, regulation, binding order of a court or governmental agency shall be maintained in accordance with the strictest interpretation or condition for such use as may be permitted by such order.

1.5 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 (other than in an enclosed structure); nor shall vehicles or parts of vehicles, unlicensed or otherwise offensive to the neighborhood, be visibly stored, parked or abandoned on any Lot. Any and all cars parked within the subdivision must be in running condition with all tires inflated. No unused building material, junk or rubbish shall be left exposed on the Lot except during actual building operations, and then only in as neat and inconspicuous a manner as possible.

1.6 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) for more than seven (7) days within a calendar year. 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 or their guests. No grading or excavating equipment, tractors or semi-tractors/trailers shall be stored, parked, kept or maintained in any yards, driveways or streets. However, this section shall not apply to trucks, tractors or commercial vehicles which are necessary for the construction of residential dwellings during the period of construction. All residential Lots shall provide at least the minimum number of off street parking areas or spaces for private passenger vehicles required by the applicable ordinances of the Governing Jurisdiction.

1.7 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, rubbish or cutting shall be deposited on any street, road or Lot. No clothes line shall be permitted outside of any dwelling at any time. Produce or vegetable gardens may only be maintained in rear yards.

1.8 No fence shall be permitted to extend beyond the front line of a main residential structure. No chain link fencing shall be permitted on any lot. No hedges or mass planted shrubs shall be permitted more than the (10) feet in front of the front building line. If a perimeter fence is constructed by the developer anywhere along the outer boundary of the Shadowbrook West Subdivision the Homeowners Association shall maintain such fence as identified in Section 3.3, below. Any other fence installed anywhere else in the Subdivision by an owner or otherwise, shall be in compliance with this Declaration and shall be maintained by the owner of any such lot on which such fence is located, or their successors in interest, at their sole expense. Maintenance shall include keeping such fence in good order, including the removal of graffiti and the prevention of posting of signs, banners or any other thing on said fence, and repair and replace the same with the same style and equal quality fence when and if reasonably necessary.

1.9 No swimming pool shall be permitted which extends more than one (1) foot above ground level. However, a swimming pool may extend more than one foot above ground level; if a six (6) foot high solid fence is constructed around the swimming pool such that the swimming pool is not visible above the fence.

1.10 Construction of any Improvement shall be completed within one (1) year from the date of commencement of excavation or construction of the improvement. No excavation dirt shall be spread across any Lot in such a fashion as to materially change the grade or contour of any Lot.

1.11 A public sidewalk shall be constructed of Portland concrete four (4) feet wide by three and one-half (3 1/2") inches thick in front of each Lot and upon each street side of each corner Lot. The sidewalk shall be placed four (4) feet back of the street curb line and shall be constructed by the builder/owner of the Lot prior to the time of completion of the main structure and before occupancy thereof. It is understood, however, that from time to time because of weather or material shortages occupancy may be allowed prior to sidewalk construction, but only after an escrow has been established to assure such construction when weather and material availability permits. Notwithstanding any provision herein to the contrary, to the extent that the laws or ordinances of any Governing Jurisdiction vary from the requirements set forth herein, the Lots shall be subject to such laws and ordinances and the more restrictive requirement shall apply.

1.12 Driveway approaches between the sidewalk and curb on each Lot shall be constructed of concrete. Should the approach be in need of repair or replacement, such repair or replacement shall be constructed using concrete materials. No asphalt overlay of driveway approaches will be permitted.

1.13 No animals, livestock, or poultry of any kind shall be raised, bred or kept on any Lot, except that dogs, cats or other household pets may be kept, provided they are not kept, bred or maintained for any commercial purposes.

1.14 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 for one dog house constructed for one (1) dog. Dog houses shall only be allowed at the rear of the residence, screened from public view. No outdoor enclosures for domestic animals (dog runs or kennels) of any kind shall be allowed on any Lot, including similar areas for pot-bellied pigs.

1.15 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, including grass clippings, and no vegetation on vacant Lots shall be allowed to reach a height in excess of that allowed by ordinance and regulations of the Governing Jurisdiction.

1.16 Notwithstanding any provision in this Declaration, Declarant, its agents, successors and assigns, shall be allowed to operate and maintain model homes, sales office trailers and construction trailers within the subdivision. This right does not expire with the sale of the last buildable lot in the subdivision.

1.17 No structure, carport, detached garage, trailer, basement or tent shall be erected or used on any Lot at any time. Only sheds which do not exceed ten (10') feet wide, twelve (12') feet deep, and eight (8') feet high may be erected on a Lot, so long as materials and colors are similar to those utilized for the construction of the single family residence of that same Lot.

1.18 No structure or dwelling shall be moved from outside the subdivision to any Lot without the written approval of Declarant. No structure of a temporary character may be used as a dwelling at any time.

1.19 No noxious or offensive trade or activity shall be carried on upon any Lot nor shall anything be done thereon that may be or become an annoyance or nuisance to the neighborhood.

1.20 All permanent utility service lines from each Lot line to a dwelling or other Improvement shall be underground.

1.21 Declarant does hereby reserve unto itself the right to require the installation of silt fences or erosion control devices and measures in such location, configurations, and designs as it may determine appropriate in its sole and absolute discretion.

1.22 All Lots are subject to the Zoning Ordinance and/or Regulations of the appropriate governing authority, including but not limited to lot use, lot area, front, side and rear yard requirements. If such authority shall amend its ordinances and/or regulations to permit a lesser distance, or a different use either by means of rezoning or the granting of waivers or special use permits; then, such actions shall control over the requirements of these covenants.

ARTICLE II. HOMEOWNERS' ASSOCIATION

2.1 Definitions.

(a) "Association" shall mean and refer to the Shadowbrook West Homeowners Association, a Nebraska nonprofit corporation, its successors and assigns.

(b) "Owner" shall mean and refer to the record Owner, whether one or more persons or entities, of a fee simple title to any Lot, but excluding those having such interest merely as a security for the performance of an obligation or as an encumbrance upon the interest of the beneficial owner.

(c) "Declarant" shall mean and refer to all persons and entities signing this instrument, their successors and assigns.

(d) "Common Area" shall mean and refer to any land owned by the Association or controlled by an easement in favor of the Association or required as a contractual obligation of the Declarant or the Association, such as Common Area Improvements located within public rights-of-ways.

(e) "Common Area Improvements" shall mean and refer only to signs, landscaping, lighting, exterior sidewalks within the subdivision, perimeter fencing as identified

in Section 3.3, below, and any sprinkler systems that may be located from time to time within the Common Area, and any other improvements located within public rights-of-way that are required to be maintained by the Association.

(f) "Common Area Expenses" means expenditures made on an annual basis by or financial liabilities of the Association, together with any allocations to reserves, for the operation of the Association and the maintenance obligations of the Association as set forth herein.

2.2 General Information. The Association shall be required to maintain the Common Area and the Common Area Improvements in good condition and repair and shall exercise those powers, duties and responsibilities as more particularly set forth in this Declaration, the Articles of Incorporation and the By-Laws of the Association and the Shadowbrook West Subdivision Agreement. The Association shall enter into a maintenance agreement as required by the Shadowbrook West Subdivision Agreement. The fiscal year of the Association shall be the calendar year. The office of the Association shall be located at such location as the Board of Directors shall designate from time to time.

(a) Additional residential property may be annexed into the Shadowbrook West Subdivision by the Declarant or with the consent of two-thirds (2/3) of the votes entitled to be cast. Upon the annexation of such additional residential property, each Lot created thereby shall become a part of the Association and each Lot Owner, by virtue of their ownership of such Lot, shall automatically become a mandatory Member of the Association and shall be entitled to vote on all matters upon which Members of the Association are entitled to vote, pursuant to the Declaration and in accordance with the By-Laws. The foregoing is not intended to include persons or entities that hold an interest merely as security for the performance of an obligation.

(b) The initial Board of Directors of the Association and all officers of the Association shall be appointed by the Declarant and thereafter be elected as provided for in the By-Laws.

2.3 Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within the Shadowbrook West Subdivision, hereby covenants, and each Owner of any Lot by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association annual assessments or charges as hereinafter provided, as such assessments to be established and collected as hereinafter provided. The annual assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them. Upon the sale of any Lot, the current years' assessment shall be prorated between the parties.

2.4 Membership. The membership of the Association shall consist of all Owners of the Lots within Shadowbrook West. Membership in the Association shall be mandatory and no Owner during his ownership of a Lot shall have the right to relinquish or terminate his membership in the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation.

2.5 Succession. The membership of each owner shall terminate when they cease to be an Owner of a Lot, and their membership in the Association shall automatically be transferred to the new Owner succeeding to such ownership interest.

2.6 Voting. The Association shall have two classes of voting members, Class A Members and Class B Members, defined as follows:

Class A: Class A Members shall be the Owners of all Lots other than Lots owned by Declarant or Lots that are subject to a mortgage or deed of trust in favor of 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 Members; 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 Owners of all Lots owned by Declarant or Lots that are subject to a mortgage or deed of trust in favor of Declarant. Each Class B Member shall be entitled to twenty votes for each Lot owned. Each Class B Member shall be entitled to one vote for each Lot owned upon the occurrence of the first of the following dates:

(a) The date on which the total votes outstanding in the Class A membership shall equal the total votes outstanding in the Class B membership, or

(b) April 1, 2020.

Except for the Declarant, no Owner shall be eligible to vote, either in person or by proxy, if that Owner is shown in the books or management accounts of the Association to be more than sixty (60) days delinquent in any payment due the Association. As set forth in section 3, above, the Declarant, for each lot owned, shall not become obligated to pay any annual assessments for said Lot unless and until the closing of said Lot occurs, at which time Declarant shall pay its pro rata share of said assessments.

2.7 Budget. The Board of Directors shall adopt a budget for each calendar year that shall include the estimated funds required to defray annual Common Area Expenses and administrative expenses of the Association.

2.8 Assessments.

(a) All Owners shall be obligated to pay the assessments imposed by the Board of Directors of the Association to meet the Common Area Expenses of the Association. The Common Area Expenses shall include but are not limited to the following: upkeep of decorative street lighting, if any, subdivision and entranceway signage, fencing that was installed by the Declarant or the Association, landscaping and related fixtures within the Common Areas medians, street islands and other areas designated in this Declaration as Common Areas and that may be required by the Subdivision Agreement for Shadowbrook West entered into by and between the appropriate governing authority and the Declarant or its predecessor-in-interest. The Common Area Expenses of the Association shall be equally assessed among all of the Lot Owners. Annual Assessments for the estimated Common Area Expenses of the Association shall be due in advance of the first day of January of each year. The method of assessment described herein may not be amended without the written approval of the Declarant, so long as there is a Class B Membership or thereafter, the owners of two-thirds (2/3) of the votes entitled to be cast.

(b) Each Lot Owner's personal obligation of payment of assessments shall be due on the first day of the month in which the closing of the purchase of said Lot occurs.

(c) Assessments shall be based upon the cash requirements deemed to be such aggregate sum the Board of Directors of the Association shall from time to time determine is to be paid by all of the Lot Owners to provide for the payment of all estimated expenses growing out of or connected with the acquisition, construction, maintenance, repair, operation, alterations and improvements of and to the Common Area and the Common Area Improvements and for the creation of a reasonable contingency and reserve for the same.

(d) The omission or failure to fix the assessment or deliver or mail a statement for any period shall not be deemed a waiver, modification or release of the owner's personal obligation to pay the same.

(e) Within thirty (30) days after adoption of any proposed Budget for the Association, the Board of Directors shall provide a summary of the Budget to all the Lot Owners, and shall set a date for a meeting of the Lot Owners to consider ratification of the Budget that date shall not be less than fourteen (14) nor more than thirty (30) days after mailing of the summary. Unless at that meeting a majority of all the votes entitled to be cast, or any larger vote specified in the Declaration, reject the Budget, the Budget is ratified, whether or not a quorum is present. In the event the proposed Budget is rejected, the periodic Budget last ratified by the Lot Owners shall be continued until such time as the Lot Owners ratify a subsequent budget proposed by the Board of Directors.

2.9 Association Lien for Non-Payment of Common Area Expenses.

(a) All sums assessed by the Association but unpaid for the share of Common Area Expenses chargeable to any Lot shall constitute a lien on such Lot superior to all other liens and encumbrances, except only for tax and special assessment liens of the Lot in favor of any assessing entity, and all sums unpaid on any Mortgage filed of record prior to the filing of the Declaration, including all unpaid obligatory sums as may be provided by such

encumbrances. In the event of default in the payment of the assessment, the owner shall be obligated to pay interest at the maximum rate of interest allowable by law, on the amount of the assessment from due date thereof, together with all expenses, including attorney's fees incurred together with such late charges as provided by the By-Laws of the Association. To evidence such lien, the Board of Directors shall prepare a written notice of lien assessment setting forth the amount of such unpaid indebtedness, the amount of accrued interest, late charges and expenses, including attorney's fees thereon, the name of the owner of the Lot and a description of the Lot. Such notice of lien shall be signed by one of the members of the Association's Board of Directors or by one of the officers of the Association on behalf of the Association and shall be recorded in the Office of the Register of Deeds for Douglas County, Nebraska. Such lien shall attach and be effective from the due date of the assessment until all sums with interest and other charges thereon, shall have been fully paid.

(b) Such lien may be enforced by the foreclosure on the defaulting owner's Lots by the Association in the manner of a deed of trust or mortgage on real property upon the recording of a notice to claim thereof or by an action at law against the Owner personally obligated to pay the same. In any such proceedings, the Owner shall be required to pay the costs, expenses and attorney's fees incurred, and in the event of foreclosure, all additional costs, all expenses and reasonable attorney's fees incurred. The Owner of the Lot being foreclosed or subject to litigation shall be required to pay the Association the monthly assessment for the Lot during the period of foreclosure or litigation, and the Association shall be entitled to a receiver during foreclosure. The Association shall have the power to bid on the Lot at foreclosure or other legal sale and to acquire and hold, lease, mortgage, vote the votes appurtenant to, convey and otherwise deal with the same.

(c) Any Mortgagee holding a lien on a Lot may pay, but shall not be required to pay, any unpaid Common Area Expenses payable with respect to such Lot, and upon such payment, such encumbrancer shall have a lien on such Lot for the amount paid of the same rank as the lien of this mortgage or encumbrance without the necessity of having to record a notice of claim of such lien. Upon request of a Mortgagee, the Association shall report to the Mortgagee of a Lot any unpaid assessments remaining unpaid for longer than thirty (30) days after the same is due; provided, however, that a Mortgagee shall have furnished to the Association notice of such encumbrance.

(d) The recorded lien may be released by recording a Release of Lien signed by one of the Members of the Association's Board of Directors or by one of the officers of the Association on behalf of the Association and shall be recorded in the Office of the Register of Deeds for of the jurisdiction.

(e) Notwithstanding any of the foregoing provisions, any Mortgagee who obtains a title to a Lot pursuant to the remedies set forth in its mortgage or deed of trust shall take title to the Lot free and clear of all annual assessments levied thereon prior to such transfer of title and free and clear of all liens created as a result of such assessments.

2.10 Maximum Annual Dues. Unless excess dues have been authorized by the Members in accordance with Section 12, below, the aggregate dues which may become due and payable in any year shall not exceed the greater of:

A. One Hundred Fifty Six (\$156.00) Dollars per Lot.

B. In each calendar year beginning on January 1, following the incorporation of the Association, one hundred twenty-five percent (125%) of the aggregate dues charged in the previous calendar year.

2.11 Assessments for Extraordinary Costs. In addition to the dues, the Board of Directors may levy an assessment or assessments for the purpose of defraying, in whole or in part, the costs of any acquisition, construction, reconstruction, repair, painting, maintenance, improvement, or replacement of any Common Area or Common Area Improvement, including fixtures and personal property related thereto, and related facilities. The aggregate assessments in each calendar year under this Section 2.11 shall be limited to the sum of Two Hundred (\$200.00) Dollars per Lot.

2.12 Excess Dues and Assessments. With the approval of seventy-five (75%) percent of the votes entitled to be cast by the Members of the Association, the Board of Directors may establish dues and/or assessments in excess of the maximums established in this Declaration.

ARTICLE III. EASEMENTS

3.1 A perpetual license and easement is hereby reserved in favor of and granted to Omaha Public Power District, Qwest Communications and any company which has been granted a franchise to provide a cable television system in the area 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 the 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-foot (5') wide strip of land abutting all front and side boundary lot lines; an eight-foot (8') wide strip of land abutting the rear boundary lines of all interior lots; and a sixteen-foot (16') wide strip of land abutting the rear boundary lines of all exterior lots. The term exterior lot is herein defined as those lots forming the outer perimeter of the above-described subdivision. Said sixteen-foot (16') wide easement will be reduced to an eight-foot (8') wide strip when the adjacent land is surveyed, platted and recorded, and we further grant a perpetual 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-foot (5') wide strip of land abutting all cul-de-sac 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.

3.2 Qwest Communications, Inc. and/or any other telecommunications company may, upon completion of its distribution system, require a connection charge on some or all of the Lots at the time service is requested.

3.3 Other easements as provided for in the final plat of Shadowbrook West, which is filed in the Register of Deeds of Douglas County, Nebraska and other easements provided for in further platting(s).

ARTICLE IV. GENERAL PROVISIONS

4.1 Except for the authority and powers specifically granted to the Declarant, 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 to either prevent or restrain any violation or to recover damages or other dues of such violation. Nothing herein contained shall in any way be construed to impose any obligation, of any kind, upon the Developer and/or Declarant or any successor and assigns of the same, any liability, obligation or requirement to enforce this instrument or any of the provisions contained herein. 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.

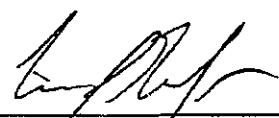
4.2 The covenants and restrictions of this declaration shall run with and bind the land for a period of forty (40) years from the date hereof, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended by Declarant, or any person, firm 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, including, but not limited to the type of residential housing that may be constructed within the Shadowbrook West Subdivision, the architectural character and/or design of the residential housing that may be constructed within the Shadowbrook West Subdivision, the annexation of additional property into the Shadowbrook West Subdivision, and/or the detachment of property from the Shadowbrook West Subdivision. In the event any property is detached from the Shadowbrook West Subdivision, the Declarant or its designee shall have the right to release and discharge the property from the provisions of this Declaration. Thereafter this Declaration may only be amended by an instrument signed by the president of the Association upon the approval of not less than seventy-five percent (75%) of the Owners of the Lots covered by this Declaration at a meeting called for such purpose and at which a quorum is present.

4.3 Invalidation of any covenant 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 present to be executed this 28th day of April 2010.

DECLARANT:

MILITARY HOLDINGS, LLC, a Nebraska limited liability company,


By: 
Its: member

STATE OF NEBRASKA)
)ss.
COUNTY OF DOUGLAS)

The foregoing instrument was acknowledged before me this 28th day of April 2010, by Eugene Graves, member of Military Holdings, LLC, a Nebraska Limited Liability Company known to me to be the identical person who executed the above instrument and acknowledged the same to be his/her voluntary act and deed and the voluntary act and deed of said limited liability company.

Witness my hand and Notarial Seal this 28th day of April 2010.




Notary Public

CONSENT OF HEARTHSTONE HOMES, INC.

Hearthstone Home, Inc. hereby consents to the recordation of the foregoing Declaration of Covenants, Conditions, Restrictions and Easements for Shadowbrook West, a Subdivision, as surveyed, platted and recorded in Douglas County, Nebraska.

Executed this 12th day of April, 2010.

HEARTHSTONE HOMES, INC., a
Nebraska corporation,

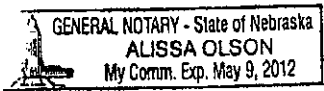
By: [Signature]
Its: Secretary
Title: _____

STATE OF NEBRASKA)
)ss.
COUNTY OF DOUGLAS)

The foregoing instrument was acknowledged before me this 12 day of April, 2010, by Neil Smith, Secretary of Hearthstone Homes, Inc., a Nebraska corporation, on behalf of said corporation.

SEAL

[Signature]
Notary Public



CONSENT OF TRUSTEE AND BENEFICIARY UNDER DEEDS OF TRUST

In consideration of One Dollar (\$1.00) and other valuable consideration, the receipt and sufficiency whereof is hereby acknowledged, First American Title Insurance Company, as Trustee and Wells Fargo Bank, N.A., as Beneficiary, under that certain Deed of Trust and Construction Security Agreement filed February 8, 2006, as Instrument No. 2006014401 (the "Trust Deed"), in the of the Office of the Register of Deeds of Douglas County, Nebraska (the "Recorder's Office"), hereby consents to the foregoing Declaration of Covenants, Conditions, Restrictions and Easements for Shadowbrook West (the "Declaration") such that the Trust Deed shall be subject to said Declaration, and that for itself and its successors and assigns, hereby agrees that in the event of foreclosure of any of the Deeds of Trust, it shall not take any action to terminate the foregoing Declaration.

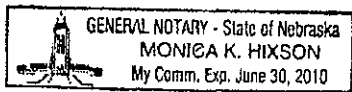
Executed this 7 day of May, 2010.

FIRST AMERICAN TITLE INSURANCE COMPANY, as Trustee

By: *Elex Albrecht*
Name: Elex Albrecht
Its: Vice President

STATE OF Nebraska)
) ss.
COUNTY OF Douglas)

The foregoing instrument was acknowledged before me on this 7 day of May, 2010, by Elex Albrecht, as Vice President of FIRST AMERICAN TITLE INSURANCE COMPANY, as Trustee.



Monica K. Hixson
Notary Public

WELLS FARGO BANK, N.A., as Beneficiary,

By: Scott Horton
Name: Scott Horton
Its: Vice President

STATE OF Colorado
COUNTY OF Denver) ss.

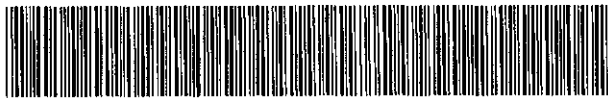
The foregoing instrument was acknowledged before me on this 27th day of April, 2010, by Scott Horton, as Vice President of WELLS FARGO BANK, N.A., as Beneficiary, on behalf of said national association.

[Signature]
Notary Public





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AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS FOR SHADOWBROOK WEST

This Amendment to Declaration of Covenants, Conditions, Restrictions and Easements of Shadowbrook West (this "Amendment") is entered into by Hearthstone Homes, Inc., a Nebraska corporation ("Hearthstone").

WHEREAS, Military Holdings, LLC, a Nebraska limited liability company ("Military Holdings"), was the original Declarant under that certain Declaration of Covenants, Conditions, Restrictions and Easements for Shadowbrook West, which was recorded in the office of the Douglas County Register of Deeds on May 7, 2010 as Instrument Number 2010039313 (the "Declaration"), which Declaration was filed against the following described real property, to-wit:

Lots 1 thru 140 inclusive, and Outlots "A" and "B", Shadowbrook West, as surveyed, platted and recorded in Douglas County, Nebraska.

WHEREAS, Military Holdings assigned its rights as Declarant to Hearthstone, and Hearthstone expressly assumed such rights, pursuant to that certain Assignment and Assumption of Declarant Rights of the Declaration of Covenants, Conditions, Restrictions and Easements for Shadowbrook West (the "Assignment") dated as of the date hereof, which Assignment is to be recorded with the Douglas County Register of Deeds immediately prior to the recording of this Amendment.

WHEREAS, Article IV, Paragraph 2 of the Declaration provides that the Declaration may be amended by the Declarant, or any person, firm, corporation, partnership, or entity designated in writing by the Declarant, in any manner which it may determine in its full and absolute discretion for a period of ten (10) years following May 7, 2010.

NOW, THEREFORE, Hearthstone, as the Declarant, hereby declares as follows:

- 1. Amendment. Article II, Section 2.1(a) shall be deleted in its entirety and shall be replaced with the following:
 - a. "Association" shall mean and refer to the Hanover Falls Homeowners Association, Inc., a Nebraska nonprofit corporation, its successors and assigns.

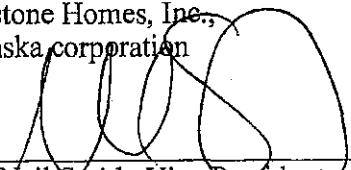
Box 1512

2. No Other Amendments. Except as set forth herein, all of the other terms and conditions of the Declaration shall remain the same and in full force and effect.

IN WITNESS WHEREOF, the undersigned have caused this Amendment to be executed on the 27th day of June, 2011.

DECLARANT:

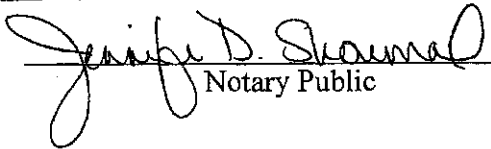
Hearthstone Homes, Inc.,
a Nebraska corporation

By: 
Neil Smith, Vice President

STATE OF NEBRASKA)
) ss.
COUNTY OF DOUGLAS)

Before me, a notary public, in and for said county and state, personally came Neil Smith, Vice 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 27th day of June, 2011.


Notary Public

