

**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
OF SAGEWOOD II TOWNHOMES**

THIS DECLARATION, made on the date hereinafter set forth by Celebrity Homes, Inc., a Nebraska corporation, hereinafter referred to as "Declarant."

WITNESSETH:

WHEREAS, Declarant is the owner of certain real property in the County of Douglas, State of Nebraska, which is more particularly described as:

Lots 54 thru 67, inclusive, 81 thru 83, inclusive, and 251 thru 268, inclusive, Sagewood, a subdivision as surveyed, platted and recorded in Douglas County, Nebraska.

NOW THEREFORE, Declarant hereby declares that all of the properties described above shall be held, sold and conveyed subject to the following easements, restrictions, covenants, and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with, the real property and be binding on all parties having any right, title or interest in the described properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I
Definitions

Section 1. "Association" shall mean and refer to Sagewood II Townhome Owners Association, its successors and assigns.

Section 2. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 3. "Properties" shall mean and refer to that certain real property hereinbefore described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association and excluding such properties that are hereafter be detached from jurisdiction of the Association by amendment to this Declaration.

Section 4. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties.

Section 5. "Declarant" shall mean and refer to Celebrity Homes, Inc. their successors and assigns if such successors or assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development.

ARTICLE II
Membership and Voting Rights

Section 1. Every owner of a lot that is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot that is subject to assessment.

Section 2. The Association shall have two classes of voting membership:

Class A. Class A members shall be all Owners, with the exception of the Declarant, and shall be entitled to one (1) vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Lot.

Class B. The Class B member(s) shall be the Declarant and shall be entitled to five (5) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

- a. when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership, or
- b. on June 1, 2025.

ARTICLE III
Covenant for Maintenance Assessments

Section 1. 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.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents in the Properties and of the homes situated upon the Properties, including exterior maintenance as provided hereinafter and maintenance of park area and/or trails owned by or controlled by easement in favor of the Association or with the permission of any owner that is a public entity.

Section 3. Maximum Annual Assessment. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment shall be One Thousand Five Hundred dollars (\$1,500.00) per Lot. For the purposes of determining the amount of the maximum annual assessment, any assessments or charges levied pursuant to Article III, Section 7 and 8 and/or Article IV, Section 2 shall not be included.

a. From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased each year not more than 10% above the maximum assessment for the previous year without a vote of the membership.

b. From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased above 10% by a vote of two-thirds (2/3) of each class of members who are voting in person or by proxy, at a meeting duly called for this purpose.

c. The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

Section 4. Notice and Quorum for Any Action Authorized Under Sections 2 and 3. Written notice of any meeting called for the purpose of taking any action authorized under Sections 2 and 3 shall be sent to all members not less than 30 days nor more than 60 days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast twenty percent (20%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (½) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than 60 days following the preceding meeting.

Section 5. Uniform Rate of Assessment. Except as provided for in Article III, Section 7 and Article IV, Section 2, annual assessments must be fixed at a uniform rate for all Lots and may be collected on a monthly or other periodic basis, as may be established by the Board.

Section 6. Date of Commencement of Annual Assessments: Due Dates. The annual assessments provided for herein shall commence as to all Lots at the sole discretion of the Board. The first 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 period. The assessments may be collected on a monthly or other periodic basis by the Association. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors.

Section 7. Assessments: Apportionment. Assessments shall be paid pro-rata by the owners of all Lots based upon the total number of Lots, however, vacant lots shall not be assessed but shall be maintained by the owners. Assessments may be apportioned against Lots where inordinate wear, tear and/or damage occurs to the items to be maintained by the Association due to the fault or negligence of a Lot owner.

Section 8. Certificate of Payment. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the association or a designated agent of the association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a lot is binding upon the Association as of the date of its issuance.

Section 9. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall be deemed delinquent and shall bear the maximum rate of interest allowable by law. Should any assessment remain unpaid more than sixty (60) days after the due date, the Association may declare the entire unpaid portion of said assessment for said year to be immediately due and payable and thereafter delinquent. The Association may bring an action at law against the Owner personally obligated to pay the same, or may foreclose the lien of such assessment against the property through proceedings in any court having jurisdiction of actions for the enforcement of such liens. No Owner may waive or otherwise escape liability for the assessments provided herein by abandonment of title or transfer of such Owner's Lot. The Board may withhold any service provided to any Owner who's assessment or special assessment remains unpaid more than sixty days after the due date, provided such withholding of service(s) shall not abate or reduce the amount of dues owed to the Association.

Section 10. Subordination of Assessments. The lien on the assessments provided for herein shall be subordinate to the lien of any first mortgage, and the holder of any first mortgage, on any Lot may rely on this provision without the necessity of the execution of any further subordination agreement by the Association. Sale or transfer of any Lot shall not affect the status or priority of the lien for assessments made as provided herein. The Association, if authorized by its Board of Directors, may release the lien of any delinquent assessments on any Lot as to which the first mortgage thereon is in default, if such Board

of Directors determines that such lien has no value to the Association. No mortgagee shall be required to collect any assessments due. The Association shall have sole responsibility to collect all assessments due.

Section 11. Special Assessments for Capital Improvements and Extraordinary Expenses. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, or to account for the expenditure of any extraordinary and unanticipated expense of the Association, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes eligible to be cast at a meeting of the members who are voting in person or by proxy at a meeting duly called for this purpose.

ARTICLE IV **Exterior Maintenance**

The Association may provide exterior maintenance upon each Lot as set forth hereinafter.

Section 1. Assessments levied against each Lot may be assessed for, but not limited to, the following:

- (a) Maintenance, including mowing, fertilizing and trimming, of trees and shrubs, lawns, and other exterior landscaping or other improvements as originally installed by the builder, except such improvements as may have been installed by or at the direction of an Owner, which improvements shall be the responsibility of the Owner. The Owner is responsible for replacement of all dead landscaping improvements after the one year warranty period expires and the owner agrees to allow the Association to replace such dead landscape improvements at the expense of the Owner at the time of replacement and the Owner shall reimburse the Association on demand.
- (b) Operation and maintenance of an underground watering system on each Lot, except that it shall remain the Owner's sole responsibility to provide water to such watering system and not interfere with the Association's operation and maintenance of such watering system. If any Owner interferes with such watering system, the Association's costs resulting from such interference may be assessed against such Owner's Lot, which shall be a lien against such Lot and may be recorded of record. Owner shall remain liable for any damage caused to such system by any act or omission of such Owner or Owner's invitee, licensee or guest;
- (c) [Intentionally omitted];
- (d) Providing trash pickup service for each Lot;
- (e) Providing snow removal for driveways, front sidewalks, front stoops and front steps for each Lot, provided that snow removal equipment can cause damage to concrete and the Association shall not be responsible for any damage caused to any concrete surface as a result of it performing its obligations hereunder;
- (f) Maintaining any mailboxes upon the Properties;

- (g) Providing such other services or maintenance as may be deemed appropriate by the Board or by a two-thirds (2/3) vote of the Association.

No repair, replacement, maintenance or other work ordered or otherwise requested by anyone other than the Association by and through its designated officers or property manager shall be the responsibility of the Association. Any repair, replacement, maintenance or other work requested by any Owner shall be the sole responsibility of such Owner, whether or not such maintenance or other work shall relate to any responsibility of the Association.

Section 2. With the exception of improvements to Common Area and any duties undertaken pursuant to section 1 of this Article, the Association shall have no duty to repair, replace or maintain any concrete surfaces, buildings, systems, fences or other improvements to the Properties, but may, at its discretion, in the event that any Owner of any Lot in the Properties has not maintained, replaced or kept repaired the premises and the improvements situated thereon in a manner satisfactory to the Board of Directors, the Association, after approval by two-thirds (2/3) vote of the Board of Directors, shall have the right, through its agents and employees, to enter upon said parcel and to maintain, repair (including painting), restore and replace the Lot and the exterior of the buildings and any other improvements erected thereon, including, but not limited to any roofs, gutters, concrete, exterior walls, glass surfaces, doors, door openers, and cooling units for air condition systems which have not been so maintained, repaired or replaced. The cost of such exterior maintenance shall be added to and become part of the assessment to which such Lot is subject.

ARTICLE V **Architectural Control**

No fence shall be commenced, erected or maintained upon the Properties, except fences erected by the Developer or Declarant. No exterior painting shall be commenced upon the Properties except such painting as shall be approved by the Association. The Association shall have the right to control what color paint is used, the type of paint and when painting is scheduled for all the Properties. In the event a homeowner refuses to paint in accordance with the Association rules and regulations, the Association shall have the right, but not the obligation, to paint the exterior as it determines and to levy an assessment against the Lot in the same manner as provided in Articles III and IV above. No building, wall or other structure shall be commenced, erected or maintained upon the Properties, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials, color and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography, and in relation to other trees, shrubs and plantings, by the Board of Directors of the Association, its successors or assigns, or by an architectural committee composed of three (3) or more representatives appointed by the Board. In the event said Board, or its designated committee, fails to act upon such design and location within thirty (30) days after said plans and specifications have been submitted to it, such failure to act shall be deemed disapproval. The Architectural Control referred to in this paragraph shall not be applicable to initial construction by any builder or Owner, the plans and specifications of which have been approved by the Declarant.

ARTICLE VI **[Intentionally Omitted]**

ARTICLE VII
General Restrictions and Other Provisions

Section 1. Every Owner shall have full rights of ownership and full use and enjoyment of his Lot, subject to the following restrictions:

(a) Other than as carried on by the Declarant or his assigns, agents or successors, in respect to the sale, marketing, construction and improvement of the Lots or any other commercial activity on the Properties, no business, trade, occupation or profession of any kind shall be conducted, maintained or permitted on any part of the Properties, or, without the prior written authorization of the Association, shall any "For Sale" signs be displayed by any Person, firm or corporation, bank, savings and loan association, lending institution, or insurance company who as holder of a deed of trust against any Lot acquired ownership thereof through foreclosure (or by deed in lieu of foreclosure), or the agent of any of them. In no event shall any "For Sale" sign larger than 9 square feet be displayed on any Lot, on any property adjacent to any Lot, or at the entryway to the subdivision. In no event shall any "For Rent" sign be displayed anywhere on any Lot, within any Improvement on any Lot, on any property adjacent to any Lot, or at the entryway to the subdivision. The Association shall have the right to remove any signs violating any prohibition contained in this Section or to levy a fine in the amount of Ten and NO/100ths (\$10.00) Dollars per day per sign for each sign violating this subsection. Nothing in this Section is intended to restrict the right of any Lot Owner from keeping his or her personal business or professional records or accounts therein, or handling his or her personal business calls or correspondence therefrom, but all the express restrictions herein contained about use of displays and signs shall nonetheless be and remain in full force and effect and prohibits such activity concerning any personal business or professional records or accounts. In accordance with the foregoing, the Lots shall be and are restricted exclusively to residential use and no trade or business of any kind other than as set forth hereinabove may be conducted in or from a Lot.

(b) No animals, livestock, or poultry of any kind shall be raised, bred, or kept on any part of the Property, other than non-exotic household pets. All pets shall be leashed when outside of the residential structure and patio area. No such pet shall be kept, bred, or maintained for any commercial purposes. The Board of Directors of the Association shall make reasonable rules and regulations for the accommodation of pets.

(c) No fences, except those erected by the Developer, or enclosures of any type or nature whatsoever shall ever be constructed, erected, placed or maintained on any Lot within the Properties.

(d) No vehicle repairs, other than emergency repairs or repairs of a minimal nature needed to be performed to move a vehicle off the properties shall be allowed on the Properties. The Association is expressly authorized to tow away, at an offending owner's expense, any vehicle referred to in this Section which is in violation hereof or in violation of the rules and regulations governing parking as may be adopted by the Board of Directors. No boats, boat trailers, campers, canoes, recreational vehicles, vehicles used primarily for recreational purposes, vehicles primarily used for commercial purposes, or

vehicles with commercial writings on their exterior shall be stored, allowed to remain, or parked in the subdivision, except in an area, if any, designated by the Board of Directors or except as otherwise permitted by the Association's Board of Directors or Declarant.

(e) Except as placed or erected by Declarant or his assigns, agents or successors, in respect to the sale, marketing, construction and improvement of the Lots or as provided in Section 1(a) of this Article, no sign, billboards, unsightly objects, or nuisances shall be erected, placed, or permitted to remain on the Properties subject to this Declaration, nor shall such Properties be used in any way or for any purpose which may endanger the health or unreasonably disturb the Owner of any Lot thereof.

(f) No offensive or unsightly appearance shall be maintained or allowed to exist upon the Properties, nor shall any trash, ashes or other refuse be thrown, placed, or dumped upon any Lot, nor shall anything ever be done which may be or become an annoyance or nuisance to the neighborhood. The Association shall have the right to require all owners to place trash and garbage in containers in specified areas for pick-up as may be designated by the Association. No incinerators shall be kept or maintained on any Lot. All rubbish, trash, and garbage shall be regularly removed from the premises and shall not be allowed to accumulate thereon. Trash cans, garbage cans and other receptacles for trash and/or garbage shall be stored indoors or screened from view of any public street and/or sidewalk except for one day per week specifically for garbage and/or trash collection by a professional garbage and/or trash hauler designated by the Association. Trash and garbage containers and other refuse may only be visible from public view on any Lot when placed in front of the Lot on trash pick-up day, and, after pickup, such containers and anything not picked-up shall be returned to the dwelling of the Lot within eight (8) hours after trash collection has occurred.

(g) No machinery or equipment of any kind shall be placed, operated or maintained upon the Properties, except such machinery or equipment as is usual and customary in connection with the Declarant's sales, marketing, maintenance or construction of buildings, improvements or structures which are within the permitted uses of such Property, and except that which Declarant or the Association may require or permit for the operation and maintenance of the Common Area.

(h) No outside clothes lines or other outside facilities for drying or airing clothes shall be erected, placed or maintained on any of the Lots.

(i) No television antenna or radio receiver, satellite dish exceeding 24ⁱⁿ in diameter, or other similar device shall be attached to or installed on any Lot, unless contained entirely within the interior of a dwelling or other structure, nor shall radio or television signals, nor any other form of electromagnetic radiation, be permitted to originate from any Lot, which may unreasonably interfere with the reception of television or radio signals within the Properties. Any antenna, radio receiver, satellite dish or similar device installed shall be installed so that it is not visible from any public street abutting the Lot on which such device is located.

(j) No improper, offensive, or unlawful use shall be made on any part of the Properties. All valid laws, zoning ordinances, and regulations of all government bodies

having jurisdiction over the subdivision shall be observed. Any violation of such laws, zoning ordinances or regulations shall be a violation of this Declaration.

(k) No salt or de-icing material shall be utilized, at any time, on any driveway, sidewalk, stoop or step within the Properties.

(l) No playground equipment, swimming pool, pond, landscaping or other obstruction, as determined by the Association in its sole and absolute discretion, shall be installed on any Lot. In the event of a violation of this Section, the Association shall have the right to enter upon such Lot and remove such obstruction.

In addition to the restrictions above, the Association shall have the right to make and to enforce reasonable rules and regulations governing the use of the Lots.

ARTICLE VIII **Access**

The Association, its officers, employees and agents, and contractors and repairmen designated by the Association, shall have the right to go on any Lot for the purpose of performing maintenance and repair, making inspections and performing the duties of the Association hereunder, and the Association is hereby granted a specific easement for such purposes.

ARTICLE IX **Insurance**

Section 1. Townhome Owner's All-Risk Insurance. Each Owner shall procure and maintain all-risk coverage insurance for the Owner's Lot and improvements thereon in amounts satisfactory to the Association. Proof of insurance shall be submitted annually to the Association according to the rules and regulations established by the Association.

Section 2. Liability Insurance. The Association shall purchase and provide general liability coverage insurance in such amounts as shall be determined from time to time by the Board of Directors of the Association. The Association may provide liability coverage insurance for the Association's Officers, and members of the Board of Directors. In addition, the Association may purchase such additional insurance against other hazards as may be deemed appropriate by the Board of Directors.

Section 3. Annual Review of Policies. All insurance policies shall be reviewed at least annually by the Board of Directors in order to ascertain whether the coverage contained in the policies is sufficient.

ARTICLE X **Utility, Pipeline and Other Easements**

1. A perpetual easement is hereby reserved in favor of and granted to the Omaha Public Power District, Century Link, Cox Communications, and any company which has been franchised to provide 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 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, except those side boundary lines which are occupied by the common wall between

the duplex units; an eight-foot (8') wide strip of land abutting the rear boundary lines of all 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 addition. 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 a perpetual easement is hereby granted to the Metropolitan Utilities District and Aquila, Inc., 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 streets, avenues and circles, whether public or private;

No permanent buildings or retaining walls shall be placed in the said easement ways, but, if not contrary to the easement granted, 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.

ARTICLE XI **General Provisions**

Section 1. Enforcement. The Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association 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.

Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions which shall remain in full force and effect.

Section 3. Amendment. 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, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be changed, altered, modified or otherwise amended during the first twenty (20) year period by the Declarant, in its sole and absolute discretion, which shall include, but not be limited to, the right to add, remove or otherwise detach any Lot or Lots from this Declaration and from the jurisdiction of the Association for the purpose of converting the use of said Lot or Lots to single family residential use and, if applicable, including such Lot or Lots in the single family homeowners association created by Declarant. Thereafter, this Declaration may be amended by an instrument signed by not less than seventy-five percent (75%) of the Lot Owners. Any amendment must be recorded.

Section 4. Annexation. Additional residential property may be annexed to the Properties by the Declarant, in its sole and absolute discretion, or with the consent of two-thirds (2/3) of the members of the Association.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand and seal this 15TH day of MAY 2015.

CELEBRITY HOMES, INC., a Nebraska corporation, Declarant,

By: _____

Chad Larsen, Vice-President

State of Nebraska)
)ss.
County of Douglas)

The foregoing instrument was acknowledged before me this 15th day of May, 2015 by Chad Larsen, Vice-President of Celebrity Homes, Inc., Inc. a Nebraska corporation, on behalf of the corporation.

SEAL


Notary Public

