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**Declaration of Covenants, Conditions, Restrictions,
and Easements, of the Sandy Pointe Lake Subdivision,
located in Saunders County, Nebraska**

This Declaration of Covenants, Conditions, Restrictions, and Easements of the Sandy Pointe Lake Subdivision, located in Saunders County, Nebraska (the "Declaration") is made by the Sandy Pointe Lake Development, LLC, a Nebraska limited liability company (the "Declarant") Nebco, Inc. (Nebco); -----("Existing Homeowner");

PRELIMINARY STATEMENT

The Declarant, Nebco, and the Existing Homeowner are the "Owners" of that certain real property, to be known as the Sandy Pointe Lake Subdivision (the "Subdivision"), located within Saunders County, Nebraska and described as follows:

[Insert Legal Descriptions]

This Subdivision is divided into residential lots and outlots, as identified in the Subdivision's plat. Subject to the restrictions in Article VI, Paragraph 3 of this Declaration, the Subdivision and property subject to these Declarations, may be expanded, reduced or otherwise modified in size by the Declarant from time to time under such terms and conditions established by either of them, without consent or approval of any other Owner, Lot Owner, or the Association. Such expansion(s) may be affected from time to time by Declarant's recordation with the Register of Deeds of Saunders County, Nebraska, an amended Declaration of Covenants, Conditions, Restrictions and Easements, executed and acknowledged, setting forth the identity of the additional residential lots and detailing such changes or modifications to this Declaration, including adjustments of the Common Areas as determined appropriate by the Declarant (hereinafter the "Subsequent Phase Declaration"). Upon the recording of any Subsequent Phase Declaration which expands the residential lots included in the Association, the additional lots identified in the Subsequent Phase Declaration shall be considered to be and shall be included in the "Lots" for purposes of this Declaration, and the Lot Owners of the additional residential lots shall be Members of the Association with all rights, privileges and obligations accorded or accruing to Members of the Association. Any Lot Owner, other than the Declarant, wishing to alter, modify, or otherwise divide lot boundaries must obtain the prior written approval of the Association and the Declarant.

The Owners desire to provide for the preservation of the values and amenities of the Subdivision, as well as for the maintenance of the character and residential integrity of the Subdivision. After the filing and acceptance of this Declaration, from time to time, the Declarant or Nebco may convey the portions of the Common Areas to the Association; provided, however, that the Declarant shall have an easement to alter, amend, reshape or otherwise redefine the Common Areas for the period of Declarant Control set forth in Article VI, Paragraph 3 of this Declaration.

The Owners hereby declare that each Lot shall be held, sold, distributed, and conveyed subject to the following covenants, conditions, restrictions, and easements (collectively, the "Covenants" or the "Declaration"), 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 Covenants shall run with such Lots and shall be binding upon all parties having or acquiring any tight, title, or interest in each Lot, or any part thereof. These Covenants may be amended from time to time by Declarant and its Managers, as deemed necessary and as described below, For purposes of this Declaration, the term "Owner" of a Lot means and refers to the record Owner, whether one or more persons or entities, of fee simple title to a Lot, but excluding however those parties having any interest any of such Lots merely as a lessee or as security for the performance of an obligation (such as a contract seller, the trustee or beneficiary of a deed of trust or a mortgagee). In order to manage the Lake and Common Facilities within the Subdivision, the Declarant will cause incorporation of Sandy Pointe Lake Homeowners Association, Inc., a Nebraska Nonprofit Corporation (the "Association"). Each Lot shall be subject to all of the following conditions and other terms as stated herein and as may be adopted in the future by the Declarant or Association as allowed herein:

ARTICLE I

Restrictions and Covenants

1. a. Each Lot shall be used exclusively for single-family lakeside residential use of the Lot Owner, unless a variance or other permitted use is previously approved by the Declarant. No multi-family, shared usage agreements, rental or lease arrangements or other types of residential use arrangements are permitted without obtaining a variance from the Declarant. If Declarant has failed to assign or name a successor to their rights as Declarant, and in the event of the dissolution of Declarant, the Association's Board of Directors (the "Board of Directors") shall have the right to issue variances under this subsection. The design of all residences shall be approved by the Association's Design Review Board (the "DRB"). The approval period is likely to last at least ten (10) business days; therefore, designs should be presented to the DRB as early as possible.
- b. Construction of all residences must be completed within three (3) years of the date that the Lot was originally purchased from the Declarant. The Declarant retains the sole and exclusive right to grant written extensions of this time to build restriction. Once construction starts on a Lot, the construction process should be completed within twelve (12) months.
- c. If a Lot owner receives a bonafide offer to purchase their undeveloped Lot that the Lot owner originally purchased from the Declarant, then the Declarant shall have the

right to purchase the Lot from the Lot owner for the original purchase price, or the price in the bonafide offer, whichever is less. At least thirty days prior to closing, Lot owners shall notify Declarant in writing that they have received a purchase offer. All written notices to Declarant pursuant to this Declaration shall be provided by certified mail to Sandy Pointe Lake Development, LLC, 6321 Doecreek Cir., Lincoln, Nebraska 68516. Declarant shall then have thirty days to notify the Lot owner whether Declarant's purchase option will be exercised. If the Lot Owner does not receive a response from Declarant within thirty days, it may be assumed that Declarant has chosen not to exercise the purchase option.

2. All improvements within the Subdivision shall be approved by the DRB. An improvement includes, but is not limited to, a building, driveway, patio, patio enclosure, fence, dock, seawall, landscaping or other external improvement, above or below the ground. Owners desiring to erect improvements shall deliver plans to the DRB. The DRB shall have absolute discretion to waive, alter, or modify the restrictions and guidelines in these covenants.
3. The DRB shall review and approve or disapprove the plans based upon whether the submitted documents conform to the general design parameters, as described in Section 9 of this Article (the "General Design Parameters"). The DRB shall have the exclusive right, in its sole discretion, to approve or reject any such building plans. The DRB shall make a good faith attempt to reach a decision within ten (10) business days. Construction of the residence shall not commence unless, and until, written approval of the building plans for such residence have first been obtained from the DRB. The DRB may order removal of any improvements commenced without prior DRB approval at the Owner's sole cost and expense.
4. Prior to the construction of any residence or subsequent addition to any residence on any Lot, a set of building plans for said residence shall be submitted by the Lot Owner to the DRB in an easily readable electronic format for written approval. Plans are required to show the site plan depicting all improvements and landscaping, floor plans declaring associated square footage, elevations showing all four sides, and exterior materials. Plans shall also include any alterations of the site topography and must include erosion control measures, which will contain the erosion of soil from the Lot onto the beachfront area or abutting properties. Use of railroad ties for erosion control is not permitted. Additionally, each set of building plans must include calculations for percentage of glass and percentage of masonry, where required.
5. ***Damage to roads by trucks and equipment used in construction is the responsibility of the Lot owner.*** To minimize damage to the road, we are requiring that all construction vehicles and equipment shall have a hard surface staging area provided by each Lot owner. This hard surface staging area can be asphalt, concrete, crushed rock or mud-rock. Each Lot owner shall provide the location, in the site plan, of this hard surface staging area for the approval by the DRB. This staging area must connect to the asphalt

road in a manner as to eliminate the potential for damage to the Sandy Pointe Lake roadway structure. After the completion of construction, material used for this staging area, must be removed from the Lot. A location for placement of this used material will be provided by the DRB.

6. The Lot owner will also be required to pay a \$1,000.00 damage deposit and design review fee (“Deposit”) to the DRB prior to commencing the design review. If upon completion of construction, no damage or other costs have been incurred by the Association or Declarant as a result of the construction on particular Lot, the DRB will refund up to 50% of this Deposit to the Lot Owner. Notwithstanding the foregoing, the Lot Owner shall indemnify and hold harmless the Association and/or Declarant (“Indemnitee”) for any and all damages to the Indemnitee’s property, or for any costs or expenses caused by Lot Owner, the Lot Owner’s contractors, agents, or others constructing the Lot Owner’s residence.
7. No part of any residence, accessory building, or any other temporary or permanent structure of any kind may be erected or maintained on any of the Lots nearer to the front Lot line than 40 feet, nor nearer to the rear Lot line than 80 feet, nor nearer to the side Lot line than 15 feet. Provided, however, that the DRB shall, as it deems appropriate in its sole discretion, have the power to change any building line on any Lot upon written request of the Owner. The first 40 feet of the rear Lot line or from the waters' edge, whichever is greater, shall be maintained in the existing sand conditions, including topography. ***Each Owner shall grant an easement to all other Lot owners and guests allowing said persons to pass across the first 30 feet of the beachfront back from the waterline.*** The purpose of this easement is to allow for pedestrian traffic similar to a sidewalk in a residential neighborhood. Each Lot Owner is strongly encouraged to maintain a portion of their shoreline in native plant material (deep rooted water grasses) to minimize shoreline erosion. This will also help promote the growth of other aquatic plants at the waters edge which will further minimize shoreline erosion. It will also provide habitat for other aquatic life.
8. Seawalls are not allowed at Sandy Pointe Lake.
9. A drainage ditch may be located adjacent to the roadway. ***Every Lot at Sandy Pointe Lake is required to retain/maintain this ditch unless waived by the DRB.*** Any variation from the standard ditch location must be approved by the DRB. The road ditch shall be maintained in a "natural" state of sand and rock OR sand and rock with natural grasses.
10. Each Lot owner is responsible for all sediment and erosion control on their Lot. Material (dirt or sand) shall not be allowed to wash into the lake. Each Lot owner shall direct all drainage on their Lot to the lake and not onto the adjacent lot or road ditches. Any issues with water pooling in the front yard/road ditch areas shall be addressed by the Lot owner. In most cases that water should be directed to the lake. Unless waived by the DRB, all down spouts and other storm water collection points must be piped to the Lake to

minimize erosion via an at least 12 inch drainage pipe on each side of a Lot. Lot Owners are encouraged to work with neighboring homeowners to share drainage solutions on common lot lines. Any proposed joint or shared draining solutions must still be approved by the DRB prior to construction.

11. Exterior Materials/Design Style.

The following General Design Parameters will guide the Owners and the DRB as to what is acceptable. Additional information is available in Appendix "A" Graphic Supplement to Declaration of Covenants.

The descriptive character desired to typify Sandy Pointe Lake ("SPL") residences includes informal, natural, rustic, and open.

Materials consistent with the desired character include timber, stone, and a pronounced use of trim and glass.

Traditional urban styles (Colonial, Tudor, Georgian, etc.) or conventional suburban styles (Ranch, Colonial Revival, etc.) will not be considered.

Styles that embody the SPL ideals are:

Area "A" Nantucket, Mountain Rustic, Log, Southwestern, Mediterranean, Contemporary/International, Prairie Style, Craftsman, or Cottage.

Area "B" Is intended to have more of a fishing/hunting lodge look. The design styles that embody these ideas are: Mountain Rustic, Log, Craftsman, or Cottage.

Materials required/permitted on the exterior surface of all residences: As shown in the approved graphics supplement available from the DRB. (Attachment A).

Natural Timber or Timber Siding

Log homes or homes with wood siding are permitted and, in fact, encouraged.

Masonry

All residences are required to be finished with a minimum of twenty five percent (25%) brick or stone (cultured or natural), established as a percent of the total exterior wall surface of the residence. The masonry must be present on the front and back facades. Masonry is not required if residence is constructed of timber logs, timber siding, wood siding or cement board siding (hardi-plank) stained to look like wood siding. Additionally, masonry will not be required where a style dictates the use of an alternative material.

Stucco/EIFS

Shall be permitted in combination with the minimum requirements for masonry.

Cement Board Siding

Shall be permitted in combination with the minimum requirements for masonry and trim. Cement board siding shall be applied with a maximum 8" exposure.

Exterior Trim

Shall include fascia, frieze boards, and window and door trim. Trim around all wall openings shall be a minimum of 1" x 6" nominal. The use of heavy timber is strongly encouraged as part of the Residential design features.

Windows/Doors

Windows and doors must be of aluminum clad wood construction. Windows are to be organized with regulating lines to form well-proportioned compositions. Facades oriented to the Lake are required to incorporate window and door groupings that constitute a minimum area equal to 25% (33% recommended) of the total lake facade.

Roofs

The roof of each residence may incorporate a pitch as dictated by the style of the home, utilizing heavy asphalt (min. 35 yr warranty) or #1 cedar shingles, or galvalum metal standing seam. Southwestern or Mediterranean style shall have tile roofs or approved equal. Other quality materials may be used if approved by the DRB.

Garages & Accessory Buildings

Garages and accessory buildings must be finished in materials complementary to the residence, as approved by the DRB. Traditional Morton buildings, for example, would not be approved.

- 12. All residences must have a minimum first floor square footage as follows:

Area "A" 1,500 square feet

Area "B" 1,250 square feet

- 13. Any landscape plan must include a minimum of three (3) one and one-half inch caliper deciduous trees to be located in the front yard.
- 14. 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 square feet, advertising a Lot as "For Sale."
- 15. Repair of any boats, automobiles, motorcycles, trucks, or other vehicles between 10:00 p.m. and 6:00 a.m. shall be prohibited. Offensive vehicles shall not be visibly stored,

parked, or abandoned on any Lot.

16. No incinerator or trash burner shall be permitted on any Lot. No garbage or trash can or container shall be permitted, 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, except when in actual use. No garbage, refuse, rubbish, or cutting shall be deposited on any street, road, Lot, outlot, or common area.
17. Exterior lighting installed on any Lot shall either be indirect or of such a controlled focus and intensity as not to disturb other Lot owners or those using the lake at night.
18. 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 a doghouse. Doghouses shall not be allowed in front or back of the residence. No dog runs or kennels may be constructed or installed on any Lot without the written permission of the DRB.
19. No grass, weeds, or other vegetation will be grown or otherwise permitted to commence or continue 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. 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, outlets, and common areas shall not be used for dumping of earth or any waste materials, unless designated by Declarant, and no grasses, weeds, or similar vegetation on vacant Lots shall be allowed to reach a height in excess of twelve (12) inches.
20. While lawns are permitted, applying fertilizer to lawns is not permitted. Runoff/Seepage from fertilizer can accelerate growth of algae in the lake. The maximum lawn coverage on any lot shall not exceed 4,000 square feet. Lawns will not be permitted in the roadside ditch area (first 25 feet adjacent to the roadway). Lawns will also not be permitted within 80 feet of the lake.
21. No structure of a temporary character, carport, trailer, or outbuilding shall be erected upon or used on any Lot at any time, either temporarily or permanently. Pools are discouraged and may only be constructed if given special approval by the DRB.
22. The Declarant grants each waterfront Lot owner a revocable easement to install a dock in the Lake in front of their respective Lot, after dock plans are approved by the DRB. Docks shall not extend more than 35 feet into the Lake unless a waiver is granted by the DRB (in some cases, where a potential conflict exists, the DRB may require shorter docks). Docks and Boat Lifts shall not be placed within 15 feet of either Lot line, unless two adjoining Owners have joint docks or unless written approval is received from the adjoining Lot owner. The DRB encourages Lot Owners to build joint docks on the common lot line. An exception to this rule is if a Lot has less than 100' of shoreline. In

this case the Dock or Boat Lift may be located within 5 feet of the Lot line. The easement may be revoked by the Association or the Declarant for repeated violations of the Association's Rules and Regulations as explained therein.

23. All persons and their watercraft and motorized vehicles using the Lake and other Common Facilities must comply with the Association's rules and regulations, known as the Rules and Regulations of the Sandy Pointe Lake Subdivision (the "Rules and Regulations"), as may be amended from time to time. Additionally, all watercraft operating on the Lake must comply with applicable laws, regulations, and ordinances, including, but not limited to, the rules of the Nebraska Boating Guide.
24. Watercraft speeding on the Lake is prohibited. The Association may establish the speed limit on the Lake as set forth in the Rules and Regulations. All watercraft operating on the Lake must comply with all applicable laws, regulations, ordinances, and the Association's Rules and Regulations.
25. All Members and any other person or entity using or entering the Subdivision shall be responsible for taking reasonable steps to ensure the safety of all Members and guests. Any condition or obstruction within the Subdivision that may pose a risk of safety to the Members or their guests shall be reported to Declarant and the Association's Board of Directors immediately. Furthermore, each Member shall take reasonable steps to warn or otherwise abate the condition or obstruction until the Board of Directors has had time to address the situation.
26. The Board of Directors shall have the authority to adopt and enforce rules and regulations that are in the best interests of the Members, even though not explicitly set forth herein. No Member shall face any discipline under a new rule or regulation until such rule or regulation has been adopted by a majority of the Board of Directors, and the Member has been informed of such a new rule or regulation.
27. No camper, auto-drawn or mounted trailer of any kind, mobile home, truck, camper truck or similar chattel shall be maintained or stored on any part of a Lot. An exception to this rule is boat and other watercraft trailers. No motor vehicles 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 shall not apply to trucks, tractors, or commercial vehicles that are necessary for the construction of residential dwellings or other Improvements during the period of construction. All residential Lots shall provide at least six (6) off street parking areas or spaces for private passenger vehicles required by the County or the Association.
28. Camping overnight, whether in a tent, mobile home, or otherwise, is prohibited on all Lots, outlots, and common areas.

29. Daytime use of the Lake and Common Facilities by the Lot owners is permitted as a revocable privilege. However, Declarant or the Association may revoke this privilege as to specific Owners or any other person or entity for violations of the Covenants or Rules and Regulations, as provided in these documents and as circumstances necessitate.
30. Each Lot Owner will be required to carry an umbrella liability policy, as outlined in the Association's Rules and Regulations.
31. The central fresh water system shall only be used for normal household consumption. This includes drinking water, and water for sinks, toilets, and showers. The central fresh water system should not be used for watering lawns or to facilitate the operation of a heat pump.
32. The central sanitary sewer system shall only be used for normal household waste. This includes drain water for sinks, toilets, dishwashers, and showers. The central sanitary sewer system shall not be used for sump pump draining or to facilitate the operation of a heat pump.
33. No residences or Lots shall be rented or leased for any consideration whatsoever to any other person, firm, or corporation. Additionally, no lot shall be sub-divided or otherwise modified without prior approval from the Declarant.
34. In order to keep a stable ecosystem in the lake, please don't dump bait or introduce any foreign fish such as minnows into the lake.
35. In the event of a fire emergency, Lot owners will allow the fire department access to the lake via their property. Fire hydrants in the development are capable of providing some fire protection, but most likely cannot deliver the same fire fighting capacity as typical urban fire hydrants.
36. Residences shall be built using the latest Specification for Utility Service Materials available from the Declarant or the Homeowners Association.
37. Much of this development is in a floodplain. While a few lots on the property may provide for walkout basements, minimum elevation requirements are likely to prevent walkout basements on most Lots. Only Lots officially designated in writing by the Declarant and its managers may be used for walkout basements (no exceptions).
38. Several Lots at the Subdivision have existing trees. No Tree may be removed without written approval of the DRB.
39. Only single family ownership is permitted, no joint ventures, partnerships, or multi-family type ownership structure of a single Lot at Sandy Pointe Lake is allowed.

40. Each Lot Owner is allowed to have up to 25 guests at a given time. For parties larger than 25 guests, Lot owners must receive written approval from the Board of Directors.

ARTICLE II.

Sandy Pointe Lake Homeowners Association, Inc.

1. The Association has as its purpose the promotion of the health, safety, recreation, welfare and enjoyment of the Sandy Pointe Lake Subdivision for the benefit of the Lot owners, residents, and their family. The Association shall have all lawful authority, including, but not limited to, the following:
 - a. To promulgate, enact, amend, and enforce the Rules and Regulations relating to the use and enjoyment of the Lake and Common Facilities. The Rules and Regulations may permit or restrict use of the Lake and Common Facilities by Members, their families, their guests, and/or by other persons. Guests and other persons may be required to pay a fee or other charge in connection with the use or enjoyment of the Lake and Common Facilities;
 - b. To promulgate, enact, amend and enforce the Rules and Regulations relating to collecting dues for the operation and maintenance of the Lake and Common Facilities;
 - c. To acquire, construct, landscape, improve, equip, maintain, operate, repair, keep up, and replace the Lake and Common Facilities for the general use, benefit, and enjoyment of the Members. The Lake and Common Facilities may include but are not limited to the Lake, playgrounds and parks, dedicated and non-dedicated roads, pathways, entry areas, green areas, and signs and entrances for the Subdivision. The Lake and Common Facilities may be situated on property owned or leased by the Association, on private property subject to an easement in favor of the Association, or on public property; and
 - d. To enforce this Declaration and the Rules and Regulations, with authority to bring the appropriate court action, including an action for a temporary restraining order, preliminary injunction, or permanent injunction enjoining such violations.
2. Membership and Voting. There shall be only one Owner for each Lot. The Owner of each Lot shall automatically be a member of the Association. Should more than one person or entity hold fee title to a Lot, a majority of the co-owners must designate a single voting member, in writing, and provide said designation to the secretary of the Association. Membership shall be appurtenant to ownership of each Lot, and may not be separated from ownership of each Lot.

The Association shall have three classes of voting membership:

Class A. Class A membership shall include all members of the Association except

Declarant and any successor in interest. Each Class A member of the Association shall be entitled to all the rights of membership and to one vote for each Lot. The Existing Homeowner shall be a member of the Association and be deemed to own (1) Lot entitled to (1) vote.

Class B. Class B membership shall include only the Declarant and any successor in interest. The class B member shall be entitled to five (5) votes for each Lot of which the Declarant is the record Owner. However, the Class B membership shall be converted to Class A membership when the total number of votes entitled to be cast by Class A members equals the total number of votes entitled to be cast by the Class B member.

Class C. Class C membership shall include Nebco and any of its successors in interest. The Class C member shall be entitled to 150 votes, provided; however that if the Class C members' property is included in subsequent phases of the Development, the Owner of each Lot in any of the subsequent phases shall automatically become a Class A member, and the number of Class C votes shall be reduced accordingly.

No Owner shall be entitled to vote if all dues and assessments levied against the Owner are not fully paid. Furthermore, the Association's Board of Directors may suspend a Member's voting privileges for violations of the Association's Rules and Regulations.

3. Purposes and Responsibilities. The Association shall have all of the powers conferred upon nonprofit corporations by the Nebraska Nonprofit Corporation Act, and all powers and duties necessary and appropriate to accomplish the purposes and to administer the affairs of the Association. The powers and duties to be exercised by the Board of Directors, and upon authorization of the Board of Directors by the officers of the Association (the "Officers"), shall include but shall not be limited to the following:
 - a. The acquisition, development, maintenance, repair, replacement, operation, and administration of the Lake, Lake amenities, and any other Common Facilities, and the enforcement of the Rules and Regulations regulating the Lake and Common Facilities;
 - b. The landscaping, mowing, watering, repair, and replacement of parks and other Common Facilities property, and improvements on parks, medians, thoroughfares, or other Common Facilities property within or near the Subdivision;
 - c. The fixing, levying, collecting, abatement, and enforcement of all charges, dues, or assessments;
 - d. The expenditure, commitment, and payment of Association funds to accomplish the purposes of the Association, including payment for purchase of insurance covering any Common Facility against property damage and casualty and purchase of liability insurance coverages for the Association, the Board of Directors of the Association, and the Members;

- e. The exercise of all of the powers and privileges, and the performance of all of the duties and obligations of the Association as set forth in this Declaration, as the same may be amended from time to time;
 - f. The acquisition by purchase or otherwise, holding or disposition of any right, title, or interest in real or personal property, wherever located, in connection with the affairs of the Association;
 - g. The deposit, investment, and reinvestment of Association funds in bank accounts, securities, money market funds or accounts, mutual funds, pooled funds, certificates of deposit, or the like;
 - h. The employment of professionals and consultants to advise and assist the Officers and Board of Directors of the Association in the performance of their duties and responsibilities for the Association. The Board of Directors shall have the right to hire a management company to manage and operate all or part of the Lake and Common Facilities and to assist in the collection of dues;
 - i. The nomination of such committees as deemed necessary to carry out the purposes of the Association.
 - j. General administration and management of the Association, and execution of such documents and doing and performance of such acts as may be necessary or appropriate to accomplish such administration or management;
 - k. The doing and performing of such acts, and the execution of such instruments and documents, as may be necessary or appropriate to accomplish the purposes of the Association; and
 - l. The exercise of any and all rights assigned to the Association by Declarant including but not limited to the architectural control of the improvements constructed in the Subdivision.
 - m. The maintenance of the property line between the Property and the adjacent property owned by the City of Lincoln, and the Association shall take reasonable shoreline protection measures to prevent erosion, prevent trespass into the lake or onto the Property, and to protect against unlicensed use of the Lake and the Property. The Association may assess the costs of any such improvement and charge the Owner as provided elsewhere in these Covenants.
4. Imposition of Dues and Assessments. The Association may fix, levy, and charge the Owner of each Lot with dues and assessments under this Declaration as now existing or as revised and amended in the future as permitted herein. Except as otherwise specifically

provided, the dues and assessments shall be fixed by the Board of Directors of the Association and shall be payable at the times and in the manner prescribed by the Board.

5. Abatement of Dues and Assessments. Notwithstanding any other provision of this Declaration, the Board of Directors may abate all or part of the dues or assessments due in respect of any Lot, and shall abate all dues and assessments due in respect of any Lot during the period such Lot is owned by the Declarant or Nebco.
6. Liens and Personal Obligations for Dues and Assessments. The dues and assessments, together with interest thereon, costs and reasonable attorneys' fees, shall be the personal obligation of the Owner of each Lot at the time when the dues or assessments first become due and payable. The dues and assessments, together with interest thereon, costs and reasonable attorneys' fees, shall also be a charge and continuing lien upon the Lot in respect of which the dues and assessments are charged. All successors or assigns of the Owner shall take title subject to the lien for such dues and assessments, and shall be bound to inquire of the Association as to the amount of any unpaid assessments or dues. Failure to pay dues and assessments may result in foreclosure proceedings against the Owner, revocation of all Lake and Common Facilities privileges, and any other legal remedies or punishments allowed by the Association's Rules and Regulations.
7. Purpose of Dues. The dues collected by the Association may be committed and expended to accomplish any of the lawful purposes of the Association.
8. Maximum Annual Dues. Unless excess dues have been authorized by the Members in accordance with Section 10, below, the regular annual dues which may become due and payable in any year shall not exceed the greater of:
 - a. One Thousand Five Hundred and no/100 dollars (\$1,500.00) per Lot per year, or
 - b. One hundred five percent (105%) of the dues charged in the previous calendar year.
9. Special Assessments for Extraordinary Costs. In addition to the annual dues and assessments, the Board of Directors may levy special 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 the Lake, Lake improvements and amenities, and of any other Common Facility, including fixtures and personal property related thereto, access roads, and related facilities. The aggregate special assessments in each calendar year shall be limited to One thousand and no/100 dollars (\$1000.00) per Lot. This amount shall increase by 5% each year, regardless of whether an assessment was made the prior year.
10. Excess Dues and Assessments. With the written approval of sixty-six and two-thirds percent (66 2/3%) of the votes of the Members of the Association, the Board of Directors may establish dues and/or assessments in excess of the maximums established in this

Declaration.

11. Uniform Rate of Assessment. Assessments and dues shall be fixed at a uniform rate as to all Lots, but dues may be abated as to individual Lots, as provided in Section 5 of this Article, above.
12. Effect of Nonpayment of Assessments - Remedies of the Association. Any installment of dues or assessments that are not paid when due shall be delinquent. Delinquent dues or assessments shall bear interest from the due date at the rate of twelve percent (12%) per annum, compounded annually. The Association may bring an action at law or equity against the Owner personally obligated to pay the same, or foreclose the lien against the Lot or Lots, and pursue any other legal or equitable remedy. The Association shall be entitled to recover as a part of the action and shall be indemnified against the interest, costs, and reasonable attorneys' fees incurred by the Association with respect to such action. No Owner may waive or otherwise escape liability of the charge and lien provided for herein by nonuse of the Lake or Common Facilities or abandonment of his Lot. The mortgagee of any Lot shall have the right to cure any delinquency of an Owner by payment of all sums due, together with interest, costs, and fees. The Association shall assign to such mortgagee all of its rights with respect to such lien and right of foreclosure and such mortgagee may thereupon be subrogated to any right of the Association.

ARTICLE III.

Association Rules and Regulations

The Association will establish the initial Rules and Regulations of the Sandy Pointe Lake Subdivision. At the time an Owner purchases a Lot, the Owner shall request the then current Rules and Regulations for the use of the Lake, and will acknowledge receipt of such Rules and Regulations by executing the appropriate receipt. All Owners are hereby notified that they, and their guests, are bound by the Rules and Regulations established by the Association, as such rules are now stated and hereafter amended from time to time.

ARTICLE IV.

Easements

- a. A perpetual license and easement is hereby reserved to erect and operate, maintain, repair, and renew buried or underground sanitary sewers, storm sewers, roads and common driveways, water and gas mains and cables, lines or conduits and other electric current for light, heat, and power; for all telephone, telegraph, and message services; for the transmission of signals and sounds of all kinds, including signals provided by a cable television system; and for the reception on, over, through, under, and across land abutting boundary lines of the Lots, as platted and recorded.
- b. A perpetual, non-exclusive easement burdening all portions of the Property is hereby

reserved by Declarant and granted to NEBCO, Inc., Concrete Industries, Inc., (“Existing Industrial User”)and any affiliate, successor, or business division of either of them, for the purpose of allowing the conditions created from time to time by the conduct of industrial operations and for sand and gravel operations on and within five (5) miles of the Property, as well as operations causing traffic to and from nearby property upon which the industrial and/or sand and gravel operations are conducted. This easement shall include, but not be limited to, an easement for conditions created by such industrial and sand and gravel operations, including but not limited to blowing sand, noise levels, truck traffic, and other visual and audible conditions, and the easement provided for herein shall be for such purposes as entering upon the Property or otherwise impacting or affecting the Property in the ordinary course of such industrial and/or sand and gravel operations. Notwithstanding the foregoing, however, the Existing Industrial User shall only actively engage in industrial and or sand and gravel operations on the Industrial Property as defined on Exhibit XX attached hereto, and the easement granted hereunder is limited to conditions created or resulting from the Existing Industrial User’s industrial and or sand and gravel operations conducted on the Industrial Property whether now in existence or expanded as articulated in Article VI.7.b.

ARTICLE V.
Property Rights

Each Owner and the family members of the Owner residing on the Owner's Lot shall have a nonexclusive right and easement to use and enjoy the Lake and Common Facilities in common with other Owners, subject to the following:

- a. The Rules and Regulations of the Association relating to the use and enjoyment of the Lake and Common Facilities. Such rules and regulations shall apply uniformly to all Owners, and shall not authorize exclusive use of any part of the Lake and Common Facilities by any Owner.
- b. The right of the Association or Declarant to suspend the right and easement to the use of the Lake and Common Facilities by an Owner: (i) during any period in which any dues or assessments against his Lot remain unpaid; (ii) as deemed necessary by the Declarant, and (iii) as further described in the Rules and Regulations of the Association.
- c. Rules and Regulations relating to use and enjoyment of the Lake and Common Facilities by invitees and guests of an Owner.
- d. The Express Representation that neither Declarant, nor any other party including but not limited to NEBCO, Inc., Concrete Industries, Inc., or any division thereof, makes not expressly or implied warranty and each of them expressly disclaims warranties of any kind that any mining or industrial activities, the construction of the water areas, or placement of stripping dirt and fine sand in or on the Property is suitable for the construction of residences or other improvements or for any other use whatsoever including but not limited to recreational use or that the Property meets or complies

with any federal, state, or local regulation, statute, ordinance, or guideline regarding the use of any portion of the Property. Owners expressly release and shall hold Declarant, NEBCO, Inc., Concrete Industries, Inc., and any division of each of them, including any successor and assign of each of them, harmless from any and all claims, actions, judgments, liability and costs arising or of any use or development or attempted use or development of the Property by any person. The hold harmless obligations provided for in this paragraph shall also include an obligation to hold harmless from any and all claims, actions, suits, and costs incurred by Declarant, NEBCO, Inc., Concrete Industries, Inc., or any division or successor of any of them, for any claim, assertion, suit, or action seeking to prevent operations relating to or in any way attendant to the sand and gravel and industrial operations for which an easement has been granted by these Covenants.

e. The covenants, conditions, restrictions, and easements set forth in this Declaration.

ARTICLE VI. 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 any proceeding at law or in equity, all covenants, conditions, restrictions, and easements now or hereinafter imposed by the provisions of this Declaration either to prevent or restrain any violation or to recover dues or damages for such violation. The sole remedy for a violation of Article I, Section 1.b. is as follows: Declarant may, in its sole discretion, repurchase the affected Lot at 70% of the price the Lot owner originally paid for the Lot.
2. FAILURE BY THE DECLARANT OR BY ANY OWNER TO ENFORCE ANY COVENANT, CONDITION, RESTRICTION, OR EASEMENT HEREIN CONTAINED SHALL IN NO EVENT BE DEEMED A WAIVER OF THE RIGHT TO DO SO THEREAFTER.
3. THE COVENANTS, CONDITIONS, RESTRICTIONS, AND EASEMENTS OF THIS DECLARATION SHALL RUN WITH AND BIND THE LAND IN PERPETUITY. THIS DECLARATION MAY BE AMENDED BY DECLARANT IN ANY MANNER WHICH IT MAY DETERMINE TO BE NECESSARY IN ITS FULL AND ABSOLUTE DISCRETION, UNTIL ALL LOTS HAVE BEEN SOLD, OR FOR A PERIOD OF TWENTY FIVE (25) YEARS FROM THE DATE HEREOF, WHICHEVER FIRST OCCURS (THE PERIOD OF "DECLARANT CONTROL"). LOTS SOLD BY DECLARANT SHALL NOT INCLUDE LOTS SOLD TO CONTRACTORS FOR FUTURE CONSTRUCTION OF HOMES. THEREAFTER THIS DECLARATION MAY BE AMENDED BY AN INSTRUMENT SIGNED BY THE OWNERS OF NOT LESS THAN SEVENTY-FIVE (75) PERCENT OF THE LOTS COVERED BY THIS DECLARATION.
4. Sandy Pointe Lake Development, LLC, its successors, or assigns shall have the right to

transfer status as Declarant to a successor or assign, including but not limited to Nebco, Inc.. Sandy Pointe Lake Development, LLC, its successors, or assigns may terminate its status as Declarant under this Declaration, at any time, by filing a Notice of Termination of Status as Declarant. If Declarant has not transferred its status as Declarant to a successor, and upon the filing of a Notice of Termination, the Association's Board of Directors shall appoint the Association or another entity, association, or individual to serve as Declarant, and such appointee shall thereafter serve as Declarant with the same authority and powers as the original Declarant. Until the Board of Directors appoints a successor Declarant, the Association shall automatically accept and serve as the interim Declarant. If the Declarant has not appointed a successor under this Declaration, upon the dissolution of Declarant, the Association shall serve as the Declarant.

5. All affiliates of the Declarant, of NEBCO, Inc., and of Concrete Industries, Inc., are intended to be third party beneficiaries of these Covenants and all references to the Declarant shall include the affiliates of Declarant, affiliates of NEBCO, Inc., and affiliates of Concrete Industries, Inc., and each of them as if each was the same party. The Declarant, or any affiliate thereof, as well as NEBCO, Inc. and Concrete Industries, and any affiliate of either of them, may assign each of their respective rights under these Covenants to one or more assignees and any such assignee shall be entitled to the benefit of these Covenants and may enforce these Covenants. For the purposes of these Covenants, the term "affiliate" or "affiliates" of the Declarant, of NEBCO, Inc., or of Concrete Industries, Inc., shall mean any Declarant, NEBCO, Inc., or Concrete Industries, Inc., or any other entity which is owned in whole or in part by the Declarant, by NEBCO, Inc., or by Concrete Industries, or by any subsidiary of the Declarant, of NEBCO, Inc., or Concrete Industries, Inc., or by any owner of the Declarant, NEBCO, Inc., or Concrete Industries, Inc. respectively.
6. The Existing Homeowner shall be deemed the Owner of (1) Lot in the Subdivision and shall be entitled to access the Lake and Common Facilities of the Subdivision, provided the Existing Homeowner and his/her successors and assigns agree to be fully bound to this Declaration, and all Rules and Regulations of the Association, as they may be amended from time to time. The Existing Homeowner agrees that he/she will not be allowed to subdivide their property or Lot, and shall not be permitted in any other way to grant access to the Lake and Common Facilities to the general public. Furthermore, any repairs, remodels, additions or changes in the structures or any new construction on the Existing Homeowner's Lot must be in full compliance with the terms and conditions of this Declaration and all Rules and Regulations of the Association, as they may be amended from time to time.
7. Declarant discloses that NEBCO, Inc. and Concrete Industries, Inc., and various business divisions of each of them, conducts and may conduct future industrial operations and sand and gravel operations on real property within five (5) miles of the Property affected hereby and upon other real property located near the boundary of the Property (all such property shall be referred to herein as the "Industrial Property" and **shall be identified on**

Exhibit XX hereto). Each owner, by acceptance of a deed or other conveyance of any of or any portion of the Property acknowledges and represents, as a condition precedent to taking ownership:

(a) Each said owner has taken title to all or a portion of the Property with the knowledge that NEBCO, Inc. and Concrete Industries, Inc., and various business division of each of them, are conducting and may continue to conduct industrial operations and sand and gravel operations on the Industrial Property, and each owner consents to such industrial and to such sand and gravel operations being conducted on the Property and to the easements afforded such operations by these Covenants;

(b) Each owner agrees that the scope of the industrial operations and of the sand and gravel operations may change and expand in the future, all of which operations are and shall be encompassed within the easement set forth in Article IV of these Covenants; and

(c) Each owner agrees that the recording of these Covenants is an essential part of, and a material inducement to, the Declarant's ability to obtain the Property from NEBCO, Inc. and from Concrete Industries, Inc., and that such conveyance would not have transpired and that no agreement to allow development of the Property would have been obtained without the recording of these Covenants, easements, and restrictions, granted herein.

(d) Each Owner agrees to hold NEBCO, Inc. and Concrete Industries, Inc., and any affiliate or division of each them ("the Indemnitees") harmless from any and all claims relating to the Industrial Property or any operations of any Indemnatee upon the Industrial Property or attendant thereto, and each owner acknowledges that should any suit, proceeding, or claim be brought against NEBCO, Inc. and Concrete Industries, Inc., by the owner of any lot upon the Property or as a result of any such owner initiating a proceeding or filing a complaint with a governmental agency, to prevent or in any way inhibit the operations disclosed hereby or attendant thereto, the owner through or on whose behalf such suit, complaint, or claim is brought agrees to indemnify each defendant, respondent, or responsible party for any and all costs incurred in defending and responding in any way to such suit, complaint, claim, all of which costs shall exist as a lien against the owner(s) property pursuant to these covenants in favor of the party paying such costs, until such amounts have been reimbursed in full. Such lien can be enforced by any beneficiary or third party beneficiary of these covenants.

8. Declarant discloses that the Nebraska Army National Guard holds an indefinite license for the Department of Defense (DoD) property, Camp Ashland, located east of the Sandy Pointe Lake Development. Current and future activities include but are not limited to the

executed the foregoing instrument.

Notary Public