Seacrest & Kalkowski, PC, LLO

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**RESTRICTIVE COVENANTS**

**Louis Carl Estates 1st Addition**

Louis Carl Estates, L.L.C., a Nebraska limited liability company (“Declarant”), is the titleholder of record of the following described real estate:

Lots 1-25, Block 1; Lots 1–15, Block 2; and Lot 1, Block 3; and Outlot A, all in Louis Carl Estates 1st Addition, Hallam, Lancaster County, Nebraska (“1st Addition Properties”).

**Existing Covenants**

Restrictive Covenants Louis Carl Estates Addition have been established which were recorded on October 7, 2019, as Instrument No. 2019039424, and amended by the First Amendment to Restrictive Covenants Louis Carl Estates Addition on November 13, 2019, as Instrument No. 2019045707 (collectively “Covenants”).

**Addition of Properties**

Pursuant to Paragraph 30 of the Covenants, Declarant is exercising its right to add additional real estate to the Properties. The 1st Addition Properties are hereby added to the Properties and are made subject to the Covenants.

**Purpose of Restatement**

The following Restrictive Covenants are intended by the Declarant to modify the general standard set forth in paragraph 7.b., restate the remaining existing Covenants, and make the 1st Addition Properties subject to the terms, conditions and requirements of the Covenants.

**Association**

Louis Carl Estates Homeowners Association (“Corporation”) has been or is in the process of being incorporated in Nebraska for the purposes of enforcing the Restrictive Covenants established upon the Properties, administering and maintaining any Commons and providing services to its members. The terms “Lot” or “Lots” as used herein shall mean all lots now or hereafter located on or within the Properties which are shown on any final plat of all or any portion of the Properties that have been filed with the Lancaster County Register of Deeds.

These Restrictive Covenants are established upon the Properties:

1. Use. No Lot shall be used other than for detached single-family residential purposes.

2. COMMMENCEMENT AND COMPLETION OF CONSTRUCTION ON LOT: Construction of a single-family dwelling must commence upon each Lot within twelve (12) months from the date title to said Lot is transferred by the Declarant. In the event a building permit has not been issued and construction commenced within said twelve (12) month period, Declarant, its successors or assigns, shall have the option to repurchase the Lot for the amount paid to Declarant for the Lot. Declarant shall exercise the option by sending written notice to the then title holder of the Lot within one hundred eighty (180) days after the expiration of the twelve (12) month time period or this option shall be considered waived by the Declarant as to the subject Lot. Any building placed or constructed upon any Lot shall be completed within eight months after the commencement of construction.

3. ANTENNAS: No wiring or antenna for electrical power, telephone, television, radio, or any other use shall be permitted above ground on a Lot, except within a building. One small satellite dish shall be permitted subject to the requirements of paragraph 7.d.

4. Approval of Plans: Plans for any dwelling structure to be placed or constructed upon any Lot shall be submitted to Declarant and shall show the design, size, and exterior material for the building or improvement and the plot plan for the Lot. One set of plans shall be left on permanent file with Declarant. Construction of the building or improvement shall not be commenced unless written approval of the plans has been secured from the Declarant. Written approval or disapproval of the plans shall be given by the Declarant within thirty (30) days after receipt thereof. Approval of the plans shall not be unreasonably withheld and, upon disapproval, a written statement of the grounds for disapproval shall be provided. The Declarant shall have the exclusive right to disapprove the plans if, in the Declarant’s opinion, the plans do not conform to the general standard of development in the Properties. The rights and duties of the Declarant under this paragraph, except as to Lots of which the Declarant is the titleholder, may be assigned by the Declarant in writing to the Corporation at any time.

5. GRADING AND EROSION CONTROL.

a. Grading. Declarant or its assignees shall have the exclusive right to establish grades and slopes for all Lots and to fix the grade at which any building or other improvement shall be placed or constructed upon any Lot in conformity with the general plan for the development of the Properties. Once such grades, slopes and/or contours have been established by the Declarant, they shall not be changed in connection with the construction of any building or other improvement on a Lot without written permission from the Declarant, but in no event will any such Lot be graded or sloped so as to change the flow of surface waters to or from adjoining Lots.

b. Erosion Control. Each member of the Corporation shall be responsible for implementing and maintaining adequate erosion control measures on its Lot. The adequacy of erosion control measures on a Lot shall be subject to continual review during construction and until sod or seeding has been established on the Lot as required by paragraph 7.e. Declarant shall have the right to require any member to maintain silt fences, straw bales or other additional measures if soil is observed to be eroding onto abutting Lots, sidewalk or into any street, Commons or storm sewer swale. In the event any member fails or refuses to perform any required implementation or maintenance of erosion control measures, the Declarant or Corporation after twenty-four hours (24) notice to the member in default, may perform the required work or maintenance. The actual cost of performing the work or maintenance, together with a ten percent (10%) administrative fee, shall be the personal obligation of the member who is or was the owner of the Lot failing to perform their obligations, shall bear interest at the rate of fourteen percent (14%) per annum and shall be a lien upon the Lot assessed.

6. General Standards for Dwelling Structures: The following general standards of development shall guide the Declarant in the review of any plans for dwelling structures submitted for approval within the Properties. These standards shall not be relied upon, interpreted or applied as absolute requirements for plan approval. The Declarant shall have the right, in its sole and absolute discretion, to modify the application and interpretation of these standards when exercising its plan approval authority. The Declarant shall have the right to reduce, increase or otherwise explicitly modify these standards within other additions to the Properties.

a. Minimum Floor Area. The minimum floor area for any dwelling exclusive of basements, garages, porches, patios, decks or enclosed decks shall be as follows:

i. Single story ranch style: 1,200 sq. ft.

ii. Two story: 1,600 sq. ft.

iii. Multi-level/split entry: 1,300 sq. ft.

b. Setbacks. Setbacks of dwellings from the lot lines are established as follows:

i. Interior Lots: 25 feet from front lot line, 10 feet from side lot line

ii. Corner Lots: 25 feet from front lot line and from other street side and 10 feet from side lot line

Front line for corner Lots to be determined by Declarant. Declarant shall also have the right to vary the setbacks within the limits established by the Hallam Municipal Code zoning ordinances.

c. Exterior Finish.

1. Approval. All exterior finish materials and colors, except for earth tones, shall be approved by the Declarant.

ii. Front Elevation. The front elevation of any dwelling shall be faced with at least 20% brick or natural stone. There shall be no exposed foundation on the front elevation of the dwelling, except areas where less than 6 inches of foundation is showing.

iii. Exposed Foundation. Exposed foundation walls other than the front elevation shall not exceed an average of 24 inches and shall be painted or sided to match the exterior color scheme of the dwelling.

iv. Roofing Requirements. Roofing materials shall be equal to or better than an architectural-grade shingle which provides an appearance of depth such as the Horizon shingle. The roof must be constructed with a minimum pitch of 5:12.

d. Attached Garage. All dwellings shall have at least a full size, two stall attached garage which shall not exceed the height of the dwelling.

e. Solar Panels. Any active solar panels shall be flush with the roof or side wall of a dwelling and shall not be located in any required yard or upon any accessory structure.

7. General Standards for Improvements and Structures Other Than Dwellings: The following general standards shall be satisfied in the construction and installation of improvements and structures other than the dwelling. Written approval for other improvements and structures is not required, unless otherwise noted, but shall comply with these standards. The Corporation and members of the Corporation shall have the right to enforce these standards.

a. Fencing. Fencing shall not be constructed closer to the street than the front elevation of the dwelling and shall be constructed with the finished side facing the lot line. In addition, on any corner Lot where the dwelling on an adjacent Lot does or will set perpendicular to the dwelling on the corner Lot, fencing along the rear and street side of the corner Lot shall not be constructed within the twenty-five feet (25’) street yard setback unless approved by Declarant. No livestock-type fencing material shall be used for construction of a fence within the Properties.

b. Accessory Structures. Accessory structures such as storage sheds and playhouses shall be constructed of compatible and similar materials and design with the dwelling. These structures shall not exceed 120 square feet, be more than 10 feet in height, and shall not be located in the front or side yard setback or within 5 feet of any Lot line, unless a variance is requested and received from Declarant.

c. Dog Kennels. Any dog run or kennel shall be adequately screened from view and shall not be located in the front yard or within 7.5 feet of any Lot line. Dog runs and kennels shall not be located in the front yard or side yard setback.

d. Exterior Restrictions. Any exterior television or radio antenna, or satellite receiving station or dish of any sort shall be located and screened so as to be as unobtrusive as is reasonably possible.

e. Landscaping. All front, side and rear yard areas shall be sodded or have seeding established within six (6) months after completion of any dwelling constructed within the Properties.

f. Opening Elevations. All dwelling opening elevations shall comply with the minimum elevation established for each individual Lot as required by the Village of Hallam (“Village”).

8. Village Requirements: All buildings within the Properties shall be constructed in conformity with the requirements of the applicable building codes of the Village. Public sidewalks and street trees shall be installed during the construction of the dwelling as required by the Village and once planted must be maintained by the Lot Owner.

9. Temporary Structures: No partially completed dwelling or temporary building and no trailer, tent, shack, or garage on any Lot shall be used as either a temporary or permanent structure.

10. Nuisance: No noxious or offensive activity shall be conducted or permitted upon any Lot, nor anything which is or may become an annoyance or nuisance to the neighborhood or which endangers the health or unreasonably disturbs the quiet of the occupants of adjoining Lots.

11. Signs: No signs, billboards, advertising devices or unsightly objects shall be erected, placed or permitted on any Lot except one sign per Lot consisting of not more than six (6) square feet advertising (i) a Lot as “For Sale”, or (ii) a “Garage Sale” on a Lot, no more than one time per year. In addition, Declarant may erect signs of any size advertising Lots for sale within the Properties. This provision shall not prohibit any object or sign from being placed on any Lot that is required by a governmental entity, builder, contractor, subcontractor or tradesman as part of the home marketing and construction process.

12. Animals: No animals, livestock, or poultry of any kind shall be raised, bred, or kept on any Lot for any commercial purpose.

13. STORAGE ON LOT: 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 for over twenty-four (24) hours, other than in an enclosed structure. No motor vehicle may be parked or stored outside on any Lot, except properly licensed and registered vehicles driven on a regular basis by the occupants of the dwelling located on such Lot. 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 Paragraph shall not apply to trucks, tractors or commercial vehicles which are necessary for the construction of residential dwellings or other improvements during the period of construction.

14. Construction Vehicles and Rolloff Service: Declarant may designate and enforce locations through and over which all construction vehicles shall enter and exit the Properties during development. Declarant shall also have the exclusive right to designate a single provider of roll off service within the Properties. The purpose of designating a single provider is to limit and control the number of service trucks operating within the Properties. The rights of the Declarant under this paragraph to designate a roll off provider shall be assigned to the Corporation when residences shall have been placed or constructed upon all of the Lots within the Properties.

15. Homeowners Association: Every person or entity who owns fee simple title to a Lot (“Lot Owner”) shall be a member of the Corporation. However, any person or entity who holds such interest merely as security for the performance of an obligation shall not be a member.

16. Managing Agent: The Declarant or the Corporation may contract for the performance of any of the Corporation’s rights, obligations or responsibilities with any entity or individual (“Managing Agent”). The Managing Agent shall exercise such authority which may be granted by the Declarant or the Corporation. The fee charged by the Managing Agent shall be a common expense of the members.

17. Membership: The Corporation shall have two classes of membership:

Class A membership shall include all members of the Corporation except the Declarant and any successor in interest. Each Class A member of the Corporation shall be entitled to all the rights of membership and to one vote for each Lot.

Class B membership shall include only the Declarant and any successor in interest. The Class B member shall be entitled to fifteen votes for each Lot. However, the Class B membership shall be converted to Class A membership with 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.

18. COMMONS. The Commons shall include all pedestrian walkways that abut two or more lots, drainage ways, ponds and open space, as shown on any final plat of all or any portion of the Properties; provided that such final plat has been filed with the Lancaster County Register of Deeds.

19. Conveyance of Commons: Declarant shall convey any Commons, except the pump station, to the Corporation, free from encumbrance, but subject to easements and restrictions then of record and any requirements of the Village within one year after the conversion of Class B membership to Class A membership. The conveyance shall further reserve to the Village of Hallam a permanent right to enter upon the Commons to maintain the Commons in the same manner as required of the Corporation in the event the Corporation dissolves and the Lot Owners (defined below) fail to perform said maintenance.

20. Use of Commons: Each member of the Corporation shall have the right to use and enjoy the Commons as established by the rules, regulations and requirements of the Corporation and shall have an easement upon the Commons for the use thereof, which shall be appurtenant to the interest requisite for membership. In addition, the Village of Hallam shall have the permanent right and easement to enter upon the Commons to maintain the Commons in the same manner as required of the Corporation in the event the Corporation fails to perform said maintenance or the Corporation dissolves and the Lot Owners (defined below) fail to perform said maintenance.

21. Rights in Commons: The rights and easements of the members of the Corporation shall be subject to:

a. The right of the Corporation to borrow money for the purpose of improving the Commons and to mortgage the Commons. In the event of default, the mortgagee shall have the right, after taking possession of the Commons, to charge admission and other fees as a condition of the continued use of any recreational facilities within the Commons by the members, and to open the facilities to a wider public until the mortgage debt is satisfied. Any mortgage of the Commons shall be approved by the affirmative vote of two-thirds of each class of members entitled to vote, present in person or by proxy, at a regular meeting of the members or at a special meeting of the members, if notice of the proposed mortgage is contained in the notice of the special meeting.

b. The right of the Corporation to take any steps reasonably necessary to protect the Commons against foreclosure.

c. The right of the Corporation to suspend the enjoyment of the facilities by any member for any period during which an assessment remains unpaid, and for a period not to exceed thirty (30) days for any infraction of the published rules and regulations governing the use of the facilities.

d. The right of the Corporation to charge reasonable admission and other fees for the use of the facilities.

e. The right of the Corporation to dedicate or convey all or any part of the Commons to any public entity.

f. The right of the Village of Hallam to enter upon the Commons to maintain the Commons in the same manner as required of the Corporation in the event the Corporation fails to perform said maintenance or the Corporation dissolves and the Lot Owners fail to perform said maintenance.

22. Maintenance of Landscape Screens: Each member of the Corporation who is the titleholder of a Lot on which any landscape screen, whether composed of structural or live plant material, which is installed as required by the Village, shall be deemed to covenant to maintain the screen.

23. General Maintenance Obligations: Each member of the Corporation shall be responsible for the proper storage and disposal of all construction debris and materials associated with the construction of any improvement upon their Lot. Lots shall be periodically mowed and loose debris and materials picked up and properly stored to prevent them from being spread and blown throughout the Properties. Each member shall be responsible for the enforcement and monitoring of these obligations for all contractors and suppliers performing work upon their Lot.

24. Failure to Maintain: In the event any member fails or refuses to perform any required maintenance and upkeep of any landscape screen or general maintenance obligations, the Declarant or Corporation after seven (7) days’ notice to the member in default, may perform the required work or maintenance. The actual cost of performing the work or maintenance, together with a ten percent (10%) administrative fee, shall be the personal obligation of the member who is or was the owner of the Lot failing to perform their maintenance obligations, shall bear interest at the rate of fourteen percent (14%) per annum and shall be a lien upon the Lot assessed.

25. CORPORATION RESPONSIBILITIES: The Corporation shall provide such services to its members as they may determine. The Corporation covenants and each member of the Corporation, by the acceptance of a deed by which the interest requisite for membership is acquired, shall be deemed to covenant to maintain the Commons to the extent not otherwise provided for by these Restrictive Covenants, which Restrictive Covenants by the members shall be satisfied by the payment of annual and special assessments for the administration, maintenance or improvement of the Commons. The Village has approved the final plat of Louis Carl Estates Addition upon the condition that the Commons be maintained by the Declarant on a continuous basis. The Corporation covenants and each member of the Corporation, by the acceptance of a deed by which the interest requisite for membership is acquired, shall be deemed to covenant to assume the obligations of the Declarant to comply with the requirements of the final plat of Louis Carl Estates Addition regarding continuous and permanent maintenance of the Commons. In the event the Corporation dissolves, the members shall remain jointly and severally liable for the cost of administering and maintaining the Commons.

26. DISSOLUTION OF CORPORATION; LOT OWNER RESPONSIBILITIES. Each Lot Owner by the acceptance of a deed by which the interest requisite for membership in the Corporation is acquired, shall be deemed to covenant that, in the event the Corporation dissolves, such Lot Owner shall remain jointly and severally liable along with all other owners of Lots within the Properties (“Lot Owners”) for the cost of administering and maintaining the Commons in the same manner as required of the Corporation under paragraph 25 above. In the event such Lot Owners fail or refuse to perform any required maintenance and upkeep of the Commons, the Village of Hallam after seven (7) days’ notice to such Lot Owners, may perform the required maintenance and assess each Lot and Lot Owner for the cost of the performance of such maintenance on an equal per lot basis. Each assessment of the Village’s actual costs of performing the maintenance shall be the personal obligation of each Lot Owner who is the owner of the Lot at the time of assessment and shall be a lien upon the Lot assessed. To evidence such lien for unpaid assessments, the Village shall prepare a written notice setting forth the amount, the name of the Lot Owner, and a legal description of the Lot. Such notice shall be signed on behalf of the Village by the Mayor and shall be recorded with the Register of Deeds of Lancaster County, Nebraska. Each Lot Owner shall pay the Lot Owner’s pro-rata share of the Village’s actual cost of maintaining the Commons within thirty days following receipt of an assessment therefor. Delinquent payments shall be subject to a late charge of 10% of the delinquent payment or twenty dollars ($20) whichever is greater.

27. LIEN OF DUES AND ASSESSMENTS: The lien of any dues or special assessments shall, until shown of record, be subordinate to the lien of any mortgage placed upon the Lot against which the assessment is levied.

28. ANNUAL ASSESSMENT AND LIENS: Annual dues and special assessments, other than for capital improvements, may be levied by the Board of Directors of the Corporation. Any special assessment for capital improvements may be rejected at any time within 30 days of the notice of the levy by the vote of a majority of each class of members affected and entitled to vote, at a regular meeting of the members or at a special meeting of the members, if notice of a special assessment is contained in the notice of the special meeting.

The members shall pay annual dues and special assessments to the Corporation or Managing Agent as billed. Each member’s dues shall be determined on an annual basis for each fiscal year, prorating a fractional year which may occur when the Lot is transferred by the Declarant. Changes in the amount of future annual dues shall be based upon an estimate of the Corporation’s costs for the administration, maintenance and improvement of the Commons and each member shall pay the annual dues so established in advance. At the end of each fiscal year, a statement of the total year’s Commons operating costs may be presented to the members of the Corporation and the members shall pay any excess charge to the Corporation within thirty (30) days of the statement.

a. Budgets. The Corporation or Managing Agent shall prepare, approve and make available to each member a pro forma operating statement (budget) containing: (1) estimated revenue and expenses on an accrual basis; (2) the amount of any cash reserves of the Corporation currently available for replacement or major repair of the Commons and for contingencies; (3) an itemized estimate of the remaining life of, and the methods of funding to defray repair, replacement or additions to, major components of the Commons; and (4) a general statement setting forth the procedures used by the Corporation in the calculation and establishment of reserves to defray the costs of repair, replacement or additions to major components of the Commons.

b. Additional Charges. In addition to any amounts due or any other relief or remedy obtained against a member who is delinquent in the payment of any dues or assessments, each member agrees to pay such additional costs, fees, charges and expenditures (“Additional Charges”) as the Corporation or Managing Agent may incur or levy in the process of collecting from each member monies due and delinquent. All Additional Charges shall be included in any judgment in any action brought to enforce collection of delinquent dues or assessments. Additional Charges shall include, but are not limited to, the following:

1. Attorney’s Fees: Reasonable attorney’s fees and costs incurred in the event an attorney(s) is employed to collect any dues, assessment or sum due, whether by suit or otherwise;

2. Late Charges: A late charge in an amount to be fixed by the Corporation to compensate the Corporation for additional collection costs incurred in the event any dues, assessment or other sum is not paid when due or within any “grace” period. The late charge shall not exceed ten percent (10%) of the delinquent assessment or twenty dollars ($20), whichever is greater.

3. Costs of Suit: Costs of suit and court costs incurred as allowed by the Court;

4. Filing Fees: Cost of filling notice of lien in the Office of the Register of Deeds;

5. Interest: Interest on all dues and assessments at the rate of sixteen percent (16%) per annum, commencing thirty (30) days after the assessment becomes due; and

6. Other: Any other cost that the Corporation may incur in the process of collecting delinquent dues and assessments.

c. Lien. The dues and assessments shall be the personal obligation of the member who is the owner of the Lot assessed at the time of the assessment and when shown of record shall be a lien upon the Lot assessed.

d. Fines. The Corporation may create a schedule of fines for violation of the Corporation governing documents, which shall include the Articles of Incorporation and Bylaws of the Corporation, these Restrictive Covenants, and any rules and regulations created by the Corporation, which fines shall be treated and billed as a special assessment to the offending member’s Lot.

29. ABATEMENT OF DUES AND ASSESSMENTS: Notwithstanding any other provision of these Restrictive Covenants, the Board of Directors may abate all or part of the dues and 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.

30. Additions: The Declarant may add additional contiguous or adjacent real estate to the Properties or the Commons, at any time, without the consent of the members of the Corporation. Additions shall be made by the execution and recordation of Restrictive Covenants upon the additional real estate, making the addition subject to these Restrictive Covenants; provided the general standards set forth in paragraphs 6 and 7 may be reduced, increased or otherwise modified within any such addition.

31. Amendments: These Restrictive Covenants shall run with the land and shall be binding upon and enforceable by the Declarant and all persons claiming under the Declarant. These Restrictive Covenants may be terminated or modified, in writing, by the owners holding two-thirds of the total votes for the Lots within the Properties, at any time. However, the provisions of these Restrictive Covenants governing membership in the Corporation and the maintenance of the Commons shall not be terminated or modified without the consent of the Village.

32. Enforcement: The enforcement of these Restrictive Covenants may be by proceedings at law or in equity against any person violating or attempting to violate any provision hereof. The proceedings may be to restrain the violation or to recover damages and, by the Corporation or Declarant, may be to enforce any lien or obligation created hereby. The Village shall have the right to enforce all restrictive covenants regarding maintenance of the Commons by proceedings at law or in equity against the Corporation or any person violating or attempting to violate said provisions. In the event the Corporation dissolves, the Village proceedings may be to restrain violation of the duty to maintain the Commons, to recover a money judgment upon the personal obligation and debt of the Lot Owner to pay the Lot Owner’s pro-rata share of the Village’s cost to maintain the Commons or to foreclose upon the defaulting Lot Owner’s Lot in a like manner as mortgages on real property. In any such foreclosure or lawsuit, the Lot Owner shall be required to pay the cost and expenses of such proceedings, including reasonable attorney fees, costs of suit, and court costs incurred as allowed by the court. Suit to recover a money judgment for unpaid assessments for the cost to maintain the Commons shall be maintainable without foreclosure of the Lot Owner’s Lot or waiving the lien securing the assessment.

33. Severability: The invalidation of any one of these Restrictive Covenants shall not affect the validity of the remaining provisions hereof.

34. VILLAGE MAINTENANCE OF THE COMMONS: In the event that the Village of Hallam determines it is necessary to administer and/or maintain the Commons, after seven (7) days written notice delivered by U.S. Mail to the last known address of the Corporation, the Village may perform the required work or maintenance. The actual cost of performing the work or maintenance, together with a ten percent (10%) administrative fee, shall be the obligation of the Corporation and the owners of each Lot herein for failing to perform their collective obligations, and shall bear interest at the rate of fourteen percent (14%) per annum and shall be a lien upon all Lots assessed.

**LOUIS CARL ESTATES, L.L.C.,** a Nebraska limited liability company

Cynthia Heier, Member