

STATE OF NEBRASKA COUNTY OF WASHINGTON)SS 2002 7085
ENTERED IN NUMERICAL INDEX AND FILED FOR RECORD
THIS 2nd DAY OF December A.D. 20 02
AT 2:37 O'CLOCK P.M. AND RECORDED IN BOOK
383 AT PAGE 32-40
COUNTY CLERK Charlotte L. Petersen
DEPUTY Karen Madrem

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CHARLOTTE L. PETERSEN
WASHINGTON COUNTY CLERK
PLAID, NEBR.

DECLARATION

OF COVENANTS, CONDITIONS, RESTRICTIONS, AND EASEMENTS

FOR CRYSTAL LAKE ESTATES

LOTS 1 THROUGH 9 AND THREE (3) 10 ACRE PARCELS LYING SOUTHWEST OF THE LAKE IDENTIFIED AS TAX LOTS 71, 72 & 73 ON JULY 1, 2001

THIS DECLARATION, made on the date hereinafter set forth by Mark & Crystal C. Bresley and MARBRE LLC, hereinafter referred to as "Declarant":

WITNESSETH:

WHEREAS, Declarant is the owner of the following described real property: Crystal Lake Estates, Lots 1 through 9, as surveyed, platted and recorded in Washington County, Nebraska and the three (3) 10 acre parcels lying southwest of the lake identified as Tax Lots 71, 72 & 73, lying in the S1/2 of the SE1/4 of Section 19, Township 18 North, Range 12 East of the 6th P.M., as surveyed and recorded in Washington County, Nebraska, and

WHEREAS, Declarant desires to create on the herein above described real property an acreage community with a lake, streets, riding trails, and other common facilities for the benefit of said community;

WHEREAS, Declarant desires to provide for the preservation of the values and amenities in said community and for the maintenance of said lake, streets, riding trails and other common facilities; and to this end, desires to subject The Properties to the covenants, restrictions, easements, charges and liens, hereinafter set forth, each and all of which is and are for the benefit of said property and each owner thereof;

WHEREAS, Declarant has deemed it desirable, for the efficient preservation of the values and amenities in said community, to create an agency to which should be delegated and assigned the powers of maintaining, and administering and enforcing the covenants and restrictions and collecting and disbursing the assessments and charges hereinafter created; and

WHEREAS, Declarant has or shall within the immediate future incorporate the Crystal Lake Estates Homeowners Association, under the laws of the State of Nebraska as a non-profit corporation, the purpose of which shall be to exercise the functions aforesaid;

WHEREAS, Declarant will convey the said Lots, subject to certain protective covenants, restrictions, reservations, easements, liens and charges as hereinafter set forth;

NOW, THEREFORE, Declarant hereby declares that all of the Lots described above shall be held, sold and conveyed subject to the following easements, restrictions, covenants, and conditions, all of which are for the purpose of enhancing and protecting the value, desirability and attractiveness of said Lots. These easements, covenants, restrictions, and conditions shall run with the real property and shall be binding upon all parties having or acquiring any right, title or interest in the described properties or any part thereof, and shall inure to the benefit of each Owner thereof.

ARTICLE I

DEFINITIONS

Section 1. "Architectural Control Committee" shall mean the committee appointed by the Board of Directors of Crystal Lake Estates Homeowners Association, a Nebraska non-profit corporation, its successors and assigns.

Section 2. "Association" shall mean and refer to the Crystal Lake Estates Homeowners Association, a Nebraska non-profit corporation, its successors and assigns.

Section 3. "Common Properties" shall mean and refer to those areas of land identified as Out Lot A, the Walking & Bridle Trail and Out Lots B & C, the lake easements as set forth in Article X, Section 3 and the trail easements on Exhibit "A" attached hereto and by this reference incorporated herein, and any additional areas of land declared to be Common Properties in any Supplemental

Recorded	<input checked="" type="checkbox"/>
General	<input checked="" type="checkbox"/>
Numerical	<input checked="" type="checkbox"/>
Photostat	<input checked="" type="checkbox"/>
Printed	<input checked="" type="checkbox"/>

Declaration filed by Declarant pursuant to Article II of the Declaration. All Common Properties shall be devoted to the exclusive common use and enjoyment of the Owners of The Properties.

Section 4. "Declarant" shall mean and refer to Mark and Crystal C. Bresley and MARBRE LLC, their successors and assigns.

Section 5. "Living Unit" shall mean and refer to any building situated upon The Properties designated and intended for the use and occupancy as a residence by a single family.

Section 6. "Lot" shall mean and refer to any parcel of land, whether all or a portion of any platted lot shown upon any recorded map or plat of The Properties, upon which a Living Unit shall be built, or is proposed to be built, with the exception of the "Common Properties", as heretofore defined. The Lots subject to this Declaration are shown and described on Exhibit "A" attached hereto and by this reference incorporated herein. Any Supplemental Declaration hereinafter filed shall similarly reflect those Lots thereunder subject to this Declaration, or otherwise legally describe the real property to become subject to the Declaration.

Section 7. "Member" shall mean and refer to every person or entity who holds membership in the Association.

Section 8. "Owner" shall mean and refer to the record Owner, whether one or more persons or entities, of a fee simple title to all or any part, parcel or portion of a platted Lot which is a part of The Properties, but excluding those having such interest merely as security for the performance of an obligation.

Section 9. "The Properties" shall mean and refer to all such properties as are subject to this Declaration or any Supplemental Declaration under the provisions of Article II hereof, which shall consist of Lots 1-9, in Crystal Lake Estates, as surveyed, platted and recorded in Washington County, Nebraska and the three (3) 10 acre parcels lying southwest of the lake identified as Tax Lots 71, 72 & 73 on July 1, 2001.

Section 10. "Supplemental Declaration" shall mean and refer to any written instrument filed under the provision of Article II hereof which shall subject additional real estate to this Declaration.

ARTICLE II

PROPERTY SUBJECT TO DECLARATION

The Properties, Lots 1-9 and the three (3) 10 acre parcels southwest of the lake, shall be held, transferred, sold, conveyed and occupied subject hereto. The Association shall have the right at any time subsequent to the filing of this Declaration, to add, annex and subject additional contiguous land to this Declaration by filing in the Office of the Register of Deeds of Washington County, a written instrument duly executed and acknowledged by the Association, to the effect that such additional land is being subjected hereto. The annexation of additional land to be subject hereto shall require written instruments signed by a majority of the membership in the Association. Any real property hereby subjected to this Declaration shall, after said filing, be subject hereto and the owners thereof shall be subject to all the same duties, liabilities and rights hereunder as though said additional property had been originally a part of the real estate described in Article I herein on the date of the filing of this Declaration.

ARTICLE III

PROPERTY RIGHTS IN THE COMMON PROPERTY

Section 1. Owner's Easement of Enjoyment. Every Owner and/or Member of the Association, shall have a right and easement of enjoyment in and to the Common Properties which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) the right of the Association to suspend the voting rights and rights to the use of the Common Properties by an Owner for any period during which any assessment against his/her Lot remains unpaid; and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations.

(b) the right of the Association to dedicate or transfer all or any part of the Common Properties, subject to any then existing ingress and egress requirements in connection therewith, to any public agency, non-profit corporation (to use for purposes similar to those for which the Association was formed), authority or utility for such purposes and

subject to such conditions as may be agreed to by the Owners and/or Members of the Association and by persons holding mortgages on any portion of the subject property. No such dedication or transfer shall be effective unless an instrument signed by Owners entitled to cast two-thirds (2/3) of the votes has been recorded, agreeing to such dedication or transfer, and unless written notice of the proposed action is sent to every Owner not less than 30 days or more than 60 days in advance.

(c) the right of the Association to limit the number of guests of Owners on recreational facilities.

(d) the right of the Association to borrow money for the purpose of improving the Common Properties and facilities and in aid thereof to mortgage said Common Properties and facilities, which mortgage shall be subordinated to the rights of the owners hereunder.

(e) the right of the Association to charge reasonable admission and other fees for the use of the Common Properties by Members and by guests of Members.

(f) the right of the Association, through its Board of Directors, to pass and amend, from time to time, rules and regulations governing the use of certain parts or all of the Common Properties for the welfare and common good of all Owners within The Properties.

Section 2. Delegation of Use. Any Owner may delegate, in accordance with the By-Laws, his/her right of enjoyment of the Common Properties and facilities, together with any other right, license, privilege or easement conferred upon such Owner by this Declaration, to the members of his/her family, his/her tenants, guests or contract purchasers who reside on the property.

ARTICLE IV

MEMBERSHIP

Declarant, and every Owner as defined in Article I, Section 8, under this Declaration shall be a member of the Association. No Owner shall have more memberships than the number of Lots owned by such Owner. Memberships shall be appurtenant to and may not be separated from ownership of the Lots. Ownership of a Lot or Lots shall be the sole Qualification for membership. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation.

ARTICLE V

VOTING RIGHTS

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

ARTICLE VI

COVENANTS FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within The Properties, subject to Section 6 of this Article, and each Owner of any Lot by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, hereby covenant, and agree to pay to the Association: (1) annual assessment or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as herein provided. The annual and special 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. All subsequent purchasers shall take title to the Lot subject to said lien and shall be bound to inquire to the Association as to the amount of any unpaid assessments. 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.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the purpose of promoting the health, safety, welfare and recreation of the residents of The Properties and, in particular, annual assessments shall be used for: the maintenance and repair of the Common Properties; care and maintenance of the lake and riding trails; providing insurance coverage upon the Common Properties as herein set forth; providing for the recreation needs of the residents of The Properties; maintenance of the Constructed Wetland; the maintenance and repair of the Streets; and snow removal, except that the three (3) ten acre parcels southwest of the lake shall not be assessed for maintenance of the Constructed Wetland, maintenance and repair of the Streets or for snow removal.

Section 3. Annual Assessments. The annual assessment for each lot in Crystal Lake Estates shall be 8.44% and for each of the three (3) ten acre parcels southwest of the lake shall be 8% of the annual budget of the Crystal Lake Estates Homeowners Association and shall begin on January 1, 2003. On January 1st of the year immediately following the year in which the first lot in Phase II of Crystal Lake Estates is sold, the annual assessment for each lot in Phase I and II will be adjusted to 4.22% of the annual budget, except the three (3) 10 acre parcels southwest of the lake shall not be assessed for maintenance and repair of the Streets. Each lot in Crystal Lake Estates will be assessed 11.11% of the cost of maintaining and repairing the Streets with the annual assessment adjusted to 5.55% per lot on January 1st of the year immediately following the year in which the first lot in Phase II is sold.

Section 4. Special Assessments for Capital Improvements. 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 Properties, the Constructed Wetland, or within the Streets, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of a majority of the votes of members who are voting in person or by proxy at a meeting called for this purpose. However, the initial construction of the streets and the Constructed Wetland in Crystal Lake Estates shall not be considered a Capital Improvement as described above and the total cost shall be the responsibility of the Declarant and the three (3) 10 acre parcels southwest of the lake shall not be assessed for construction, reconstruction, repair or replacement within the Streets or the Constructed Wetland.

Section 5. Notice and Quorum for Any Action Authorized Under Sections 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 of this Article shall be delivered either personally or by mail to all members no less than 10 days nor more than 60 days in advance of the meeting. Quorum requirements and voting procedures shall be set forth in the By-Laws of the Association.

Section 6. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all Lots and may be collected on a quarterly basis.

The Board of Directors shall adopt a budget for each calendar year, which shall include the estimate of funds required to defray the expenses of the Association in the coming calendar (fiscal) year and provide funds for reserves as herein set forth. The budget shall be adopted in November of each year for the coming calendar year and copies of the budget and proposed annual maintenance and reserve assessments shall be sent to each Owner on or before December 31, preceding the year for which the budget is made. Budgets may be amended during a current year when necessary, but copies of the amended budget and proposed increase or decrease in assessments shall be sent to each Owner as promptly as possible.

The Board of Directors shall fix the amount of the annual assessment to be assessed against each Lot at least thirty (30) days prior to the commencement of the fiscal year of the Association, which shall coincide with the annual assessment period commencing on January 1 of each year and terminating on December 31 thereof. Written notice of the annual assessment shall be sent to each Owner subject thereto at least twenty (20) days prior to the due date for the assessment, or the first installment thereof, including the due dates and amounts thereof. The failure of the Board to so notify each Owner in advance shall not, however, relieve any Owner of the duty and obligation to pay such assessment or any installment thereof. The Board shall have the authority, in its discretion to require that all Owners pay the annual assessment in one payment or in installments becoming due at such time or times during the assessment year and payable in such manner as determined by the Board. The annual assessment shall be and become a lien as of the date of the annual assessment.

The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specific Lot have been paid. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 7. Effect of Non-Payment of Assessments: The Personal Obligation of the Owner; The Lien; Remedies of the Association. If any assessment, or any installment thereof, is not paid on the date when due, then such assessment shall become delinquent and shall, together with such interest thereon and cost of collection thereof as hereinafter provided, thereupon become a continuing lien on the property which shall bind such property in the hands of the then Owner, his heirs, successors, personal representatives and assigns. The personal obligation of the then Owner to pay such assessment, however, shall remain his personal obligation for the statutory period and shall not pass as a personal obligation to his successors in title unless expressly assumed by them.

Any delinquent assessment or installment thereof not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of ten percent (10%) per annum. In the event the unpaid assessment is an installment of an annual assessment, the Association may, after such thirty (30) day period and during the continuance of the default, declare all remaining installments of said annual assessment immediately due and payable, at its option. The Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the Lot, and there shall be added to the amount of such assessment the costs of preparing and filing the complaint in such action, and in the event a judgment is obtained, such judgment shall include interest on the assessment as above provided, and a reasonable attorney's fee to be fixed by the court, together with the costs of the action. No Owner may waive or otherwise escape the liability for the assessments provided for herein by non-use of the Common Properties or abandonment of his Lot. The Mortgagee of the subject property 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 rights of foreclosure to the mortgagee. The Association reserves the right to require the Owner to secure a performance, cash bond or escrow Five Thousand Dollars (\$5,000.00) running to and for the benefit of the Association for the obligations arising under this Declaration to enforce the payment obligation and responsibilities agreed to by the Owners herein. This Five Thousand Dollars (\$5,000.00) sum, if held in escrow, will bear interest which will be paid to the Owner. This Five Thousand Dollars (\$5,000.00) sum will be held by the Association for a period of eighteen (18) months beginning with the Owner's full time occupancy in the Living Unit.

Section 8. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which become due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability or any assessments thereafter becoming due, or from the lien thereof.

ARTICLE VII

ARCHITECTURAL CONTROL COMMITTEE

Section 1. Establishment. The Board of Directors of the Association shall appoint three (3) or more persons to serve as an Architectural Control Committee (the "committee"). The Board as a whole or one or more members thereof may serve as members of the Committee. Such appointees shall serve until resignation or dismissal by the Board. Vacancies need not be filled unless the Committee has less than three (3) members remaining, in which event, a replacement shall be named at the earliest opportunity by the Board.

Section 2. Review of Committee.

(a) Structures. No structures, whether residences, accessory buildings, tennis courts, swimming pools, antennae (on a structure or a Lot), flag poles, fences, walls, driveways, patios, patio enclosures, house numbers, or any other such improvements, shall be constructed or maintained upon any Lot, nor shall any grading or excavation be commenced unless complete plans, specifications, and lot plans therefore, showing the exterior design, height, building material and color scheme thereof, the location of the structure platted horizontally and vertically, the location and size of driveways, the general plan of landscaping, fencing, walls and windbreaks, and the grading plan shall have been submitted to and approved in writing by the Architectural Control Committee, and a copy of such plans, specifications, and lot plans as finally approved, deposited with the Architectural Control Committee. The Committee shall have such other powers and duties as

set forth in this Declaration, the By-Laws of the Association and as delegated by the Board of Directors.

- (b) Structure Procedures. After submission of such plans and requests, the Architectural Control Committee shall make due consideration thereof and shall approve or disapprove all plans and requests in writing within thirty (30) days after submission. In the event the Architectural Control Committee fails to take any action within thirty (30) days after requests have been submitted, approval will not be required, and this Article will be deemed to have been fully complied with. A majority vote of the Committee members is required for approval of proposed improvements.

Section 3. Guidelines and Restrictions. The computation of living area shall be exclusive of porches, breezeways and garages. The minimum dwelling size shall be as follows:

- (a) For a ranch style (one level) or split-entry style home, the ground floor (or main level) shall contain not less than 1700 square feet of finished living area.
 (b) For a tri-level or multi-level style home the above grade levels shall contain a total of not less than 1900 square feet of living area.
 (c) For a 1 1/2 or 2 story style home the first and second floors shall contain a total of not less than 2100 square feet of living area.

All exterior paint must be approved by the Architectural Control Committee prior to the initial painting or any repainting or changing of color of any unit. The Architectural Control Committee shall exercise its best judgment to see that all improvements, construction, landscaping and alterations on lands within The Properties conform to and harmonize with existing surroundings and structures.

Section 4. Records. The Committee shall maintain written records of all applications submitted to it, the dates submitted and of all actions it takes in reference thereto and the dates such action is taken.

Section 5. Liability. The Architectural Control Committee shall not be liable in damage to any person submitting requests for approval or to any Owner within The Properties by reason of any action, failure to act, approve, disapprove, or failure to approve or disapprove with regard to such requests.

ARTICLE VIII

COMMON SCHEME RESTRICTIONS

The following restrictions are imposed as a common scheme upon each Lot and Common Properties for the benefit of each other Lot and Common Properties, and may be enforced by any Owner of a Lot or by the Association:

- (a) No Lot shall be used except for residential purposes.
 (b) No noxious or offensive activity shall be carried on upon any Lot, nor shall anything be done thereon which may be, or may become, an annoyance or nuisance to the neighborhood.
 (c) No structure of a temporary character, trailer, basement, tent, shack, barn or other outbuilding shall be erected upon, or used, on any Lot at any time as a residence, either temporarily or permanently.
 (d) Dwellings shall not be moved from outside of Crystal Lake Estates to any Lot within this addition.
 (e) No unused building material, junk or rubbish shall be left exposed on any Lot except during actual building operations. No repair of automobiles will be permitted outside of garages on any Lot at any time.
 (f) No camping trailer, auto-drawn trailer of any kind, mobile home, motorcycle, grading or excavating equipment or other heavy machinery or equipment, vehicle undergoing repair, or aircraft shall be stored outside the garage or in any manner left exposed on any Lot at any time, except one (1) horse trailer or truck may be parked outside, providing it is in working condition. Storage of motor homes and boats shall specifically require written approval by the Architectural Control Committee, unless they are stored inside.
 (g) Except for the purpose of controlling erosion on vacant Lots prior to their initial sale by the Declarant, no field crops shall be grown upon any Lot at any time, however, family gardens are permitted.

- (h) No incinerator or trash burner shall be permitted on any Lot unless the same is incorporated into the Living Unit and not exposed to view from the outside of the Living Unit. No garbage or trash can or container or fuel tank shall be permitted to remain outside of any Living Unit unless completely screened from view from every street and from all other Lots in the addition. No garden, lawn or maintenance equipment of any kind whatsoever shall be stored or permitted to remain outside of any Living Unit except when in actual use unless completely screened from view from every street and from all other Lots in the addition, except on the 10 acre parcels where one (1) tractor may be stored outside. No clothes line shall be permitted outside of any Living Unit at any time except one umbrella type clothes line per Lot. Any exterior air-conditioning condenser unit shall be placed in the rear or side yard.
- (i) No animals, livestock, fowl or poultry of any kind shall be raised, bred or kept on any Lot, except that horses, dogs, cats or other household pets may be kept, provided they are not kept, bred or maintained for any commercial purpose, except on the 10 acre parcels where horses may be raised. Horses shall not be allowed in the lake or within 15 feet of the water.
- (j) No outbuildings designed for animals described in ARTICLE VIII, paragraph (i) above shall be constructed or maintained upon any Lot without first receiving written approval from the Architectural Control Committee using the provisions set forth in this ARTICLE VII.
- (k) No sign, billboard or other structure for advertising or the display of advertising material of any kind shall be erected, altered, placed or permitted to remain on any Lot except that real estate for-sale or for-rent signs of a size no greater than 4.5 square feet shall be permitted temporarily in the yards of Living units which are being offered for sale or rent.
- (l) All Living Units shall have indoor garage space for a minimum of two (2) automobiles.
- (m) Fences shall be: 1) Wooden posts at least four inches in diameter with 2 x 6 wood rails, or 2) "Split rail", or 3) Pipe with pipe or wooden posts, or 4) Pipe top rail and no step wire with pipe posts. All posts and rails, other than cedar or redwood, which may remain natural, shall be treated materials and shall be painted white. All fencing must be approved by the Architectural Control Committee prior to construction.
- (n) The setbacks for the Property to be developed for the Living Units shall be the requirements as adopted by Washington County except no building shall be erected, located or permitted to remain nearer than forty (40) feet to the front lot line.
- (o) A Living Unit on which construction has begun must be completed within eighteen (18) months from the date the foundation was dug for said Living Unit.
- (p) Each Owner of a lot or lots shall commence construction of a Living Unit within sixty (60) months from the purchase date of said lot or lots. Notwithstanding the foregoing, if an owner has purchased more than one lot and said lots are adjoining, Owner shall only be required to build on one lot. Commencing construction shall be defined as "breaking ground for construction of the foundation for the Living Unit."
- (q) No use shall be made of the Common Properties which will in any manner violate the statutes, rules or regulations of any governmental authority having jurisdiction over the Common Properties.
- (r) No Owner, other than the Declarant, successors and assigns, shall place any structure whatsoever upon the Common Properties, nor shall any Owner engage in any activity which will temporarily or permanently deny free access to any part of the Common Properties to all members.
- (s) The use of the Common Properties shall be subject to such rules and regulations as may be adopted from time to time by the Board of Directors of the Association.
- (t) No septic system components shall be closer than 50 feet to the lot line or the requirements as adopted by Washington County, whichever is

greater. An inspection must be performed by a representative of the Nebraska Department of Health or other applicable regulatory agency before the underground septic system is covered. The inspection must pass all applicable regulatory requirements.

(u) No hunting shall be allowed on any of The Properties or on the Common Properties and no firearms or archery range shall be allowed on any of The Properties.

(v) No motorized vehicles, including boats with motors, shall be allowed on any of the Common Properties.

ARTICLE IX

INSURANCE

Insurance shall be obtained and maintained and the proceeds thereof disposed of by the Association as follows:

Section 1. Coverage. The Association shall obtain and maintain in effect public liability insurance in such limits as determined by the Board of Directors, but in no event less than \$500,000/\$1,000,000/\$100,000 covering the Common Properties with the Association, Board, its employees and agents as insured's. The Association shall also obtain such other coverage as determined by the Board.

Section 2. Liability of Board. The Board of Directors shall not be liable to any party upon the amount of insurance coverage obtained in settlement of the insurance claim nor the application of the insurance proceeds, except in the event of loss arising from its gross negligence or willful misconduct.

ARTICLE X

EASEMENTS

The Properties are, and shall perpetually be, unless any thereof is terminated, subject to all and each of the following easements for common use, construction, maintenance, support, repair, recreational and other access, private and public water and sewer line construction and services and roadway easements.

Section 1. Utility Easements. Declarant hereby grants to itself and to each member of the Association, HunTel Systems, Omaha Public Power District, and a cable television provider, and their respective assigns and successors, a perpetual easement, together with rights of egress, ingress and other access thereto, for purposes of construction, installing, maintaining, operating, renewing, or repairing their respective telephone, electric or other utility conduits, lines, or other facilities in and under the Common Properties, and each Lot, as confined to noninterference with any driveway, sidewalk or structural element of any approved or permitted Living Unit on any Lot. While the utility easement granted herein is a blanket easement, the easement shall not, nor is it intended to, interfere with the orderly development of each Lot, and the grantees of the above described easement agree to use only so much of the easement as is necessary for their purposes in order to maximize the buildable area of each Lot. The grantees of the above described easement further agree that subsequent to the construction of their respective improvements on the Properties, they shall reduce said blanket utility easement to a specific metes and bounds easement setting forth the actual amount of The Properties used for said improvements, and all Owners hereby covenant and agree to cooperate with the reduction of the blanket utility easement to a specific metes and bounds utility easement. Each such Grantee, by acceptance or use of this easement right, shall be deemed to agree to restore the surface of the soil excavated for any purposes hereunder to the original contour thereof as near as may be possible and to repair or replace the surface of any lawns, streets, parking areas or driveways which may have been disturbed for any purpose hereunder as near as may be possible to their original condition. Such restoration, repair or replacement shall be performed as soon as may be reasonably possible to do so. The easement as to any of the Common Properties shall be determined and granted by the Association in the manner set forth in the By-Laws, as from time to time amended.

Section 2. All telephone and electric power service lines and other utilities for Crystal Lake Estates shall be underground.

Section 3. Lake & Trail Easements. Declarant hereby grants to itself and to each member of the Association, a perpetual easement as recorded against Tax Lots 71, 72 and 73, together with right of egress, ingress and other access thereto, for the purpose of use and enjoyment of the lake and trails.

ARTICLE XI

GENERAL PROVISIONS

Section 1. Duration. The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association, or the Owner of any land subject to this Declaration, their respective legal representatives, heirs, successors, and assigns, for a term of twenty (20) years from the date this Declaration is recorded.

Section 2. Amendments. The covenants and restrictions of this Declaration may be amended by the Declarant, or any person, firm, corporation, partnership, or entity designated in writing by the Declarant, in any manner it shall determine in its full and absolute discretion, until such time as the Declarant has conveyed fee simple title to twelve (12) of the Lots. (a 10 acre parcel is considered a lot for this purpose) Thereafter this Declaration may be amended by an instrument signed by the Owners of not less than two-thirds (2/3) of the Lots covered by this Declaration. Written notice of any proposed amendment and a meeting to be called for such purpose must be sent at least sixty (60) days but not more than ninety (90) days prior to such proposed meeting, by the Board of Directors of the Association. The notice will contain the full text of the proposed amendment and the date, time and place of the meeting. Any such amendment so adopted and executed must be properly recorded.

Section 3. Notices. Any notice required to be sent to any Member, Owner or Mortgagee under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postpaid, to the last known address of the person who appears as Member or Owner on the records of the Association at the time of such mailing; Provided, that it shall be the sole responsibility of each contract purchaser and mortgagee to notify the Association in writing of its interest in a Lot prior to the responsibility arising in the Association to notify said contract purchaser or mortgagee as required under any of the provisions herein established. In the absence of such notice, the Association shall be free from any liability or responsibility to such party or parties arising by reason of performing its duties hereunder.

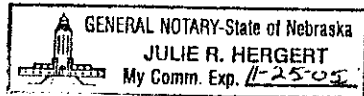
Section 4. Enforcement. Enforcement of these covenants and restrictions shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate any covenant or restriction, either to restrain violation or to recover damages, and against the land to enforce any lien created by these covenants; and failure by the Association or any Owner to enforce any covenant or restriction therein contained shall in no event be deemed a waiver of the right to do so thereafter. Enforcement by the usage of cost bond postage shall also be available to the Declarant and/or the Association.

Section 5. Severability. Invalidation of any one of these covenants or restrictions by judgment or Court order shall in no way affect any other provision, which shall remain in full force and effect. IN WITNESS WHEREOF, the Declarant has caused these presents to be executed this 22 day of November, 2002.

Crystal Lake Estates
Mark E. Bresley
Mark E. Bresley, owner
Crystal C. Bresley
Crystal C. Bresley, owner
Mark E. Bresley
Mark E. Bresley, President MARBRE LLC
John Marcuzzo
John Marcuzzo, Secretary/Treasurer
MARBRE LLC

STATE OF NEBRASKA)
) ss
COUNTY OF DOUGLAS)

The foregoing instrument was acknowledged before me this 22nd day of November, 2002 by Mark E. Bresley and by Crystal C. Bresley and by John Marcuzzo on behalf of Crystal Lake Estates and MARBRE LLC



Julie R. Hergert
Notary Public