

Board of Directors

Aric Wenzl - President
Sara Komen - Vice President
Chris Vacanti - Secretary
Earl vonRenzell - Treasurer
Zach Roth - Member-at-Large
Robyn LaMar, Mgr.

Applewood Heights Homeowners Association

October 8, 2015

Re: Notice of Annual Meeting
Board Nominee
Third Quarter Update

Dear Association Members,

The Applewood Heights Homeowners Association ("Association") will hold its annual meeting on Wednesday, November 4th, at 7:00 p.m., at Hitchcock Elementary School. We will discuss the Association's financial condition, present the 2016 budget, and open the floor to lot owners' comments and concerns. Pizza and soft drinks will be served at the meeting, and three lot owners in attendance will win the payment of their 2016 Association dues!

Most importantly, **the Association needs to elect one (1) new Board member at the annual meeting.** If you would like to be nominated to the Board, please email Robyn LaMar at Robyn@applewoodhoa.com so that she can add your name to the ballot. The Board meets approximately once per calendar quarter and from time-to-time via telephonic conference call. No prior board experience is required, only the desire to contribute to the betterment of your neighborhood.

Please take a minute to review the summary of the Association's covenants attached to this letter. Essentially, the covenants are a contract that you entered into with the Association when you purchased your home. If you fail to adhere to the covenants you can be liable to the Association for damages caused by your "breach" or otherwise be ordered to comply with the covenants. As we consider one the Board's primary objectives to be covenant enforcement, our point here is simply to make you aware of the important role the covenants play in the Association's governance.

Based on past experience, the three most common covenant violations that the Board is likely to encounter involve the storage of yard equipment, trash cans, and recreation vehicles or trailers. On these three issues, the covenants are clear:

"No garbage or trash can or container shall be permitted to remain outside of any dwelling unless completely screened from view from every street and from all other Lots in the subdivision. No garden, lawn or maintenance equipment of any kind whatsoever shall be stored or permitted to remain outside of any dwelling except while in actual use."
(Phase I and Phase II at Article III(L); Phase III at Article III(M))

"No automobile, boat, camping trailer, van-type campers, auto-drawn trailer of any kind, mobile home, motorcycle, snowmobile or other self-propelled vehicles shall be stored outside of the garage. For purposes of the preceding provision, 'stored outside of the garage' shall mean, parking the vehicle or trailer overnight on the driveway, or any other part of the Lot, outside of the garage, for seven (7) or more consecutive days. . .The dedicated street right-of-way located between the pavement and the Lot line of any residential Lot shall not be used for the parking of any vehicle, boat, camper or trailer." (Phase I and Phase II at Article III(M); Phase III at Article III(N))

"All Lots shall be kept free of rubbish, debris, merchandise and building material; however, building materials may be placed on Lots when construction is started on the main residential structure intended for such Lot." (Phase I and Phase II at Article III(N); Phase III at Article III(O))

From a financial standpoint, the Association has collected \$30,076 in dues and fees through September 30, 2015, for a collection rate of 96%. The Association is under budget from an expense standpoint, and we are predicting a profit of approximately \$8,000 for the year. In terms of due collections, as of September 30, 2015, 20 members have not paid their 2015 dues, and the Board will be filing liens at the end of the month against these members' lots. In addition, there are currently two liens outstanding, representing approximately \$3,600 in unpaid dues, interest and filing fees from prior years.

I want to acknowledge the efforts of the Architectural Control Committee ("ACC") members. Thus far, in 2015, they have processed approximately 44 requests. **As a reminder, any external improvements you make to your house or yard must be pre-approved by the ACC.** This includes, among other things, the removal and/or replacement of trees, as well as new siding, landscaping, roofing, decking, patios and satellite installation. A simple, easy to complete submission form is available to download at www.applewoodhoa.com (then click on the link for the ACC located on the right-hand side of the page). Thanks to everyone who has submitted their exterior improvement plans to the ACC. Not only does this help maintain the appearance of the neighborhood, but it protects the residents and the Association from future conflicts.

Finally, **the Association is on Nextdoor!** Nextdoor (www.nextdoor.com) is a private social network for the residents of Applewood Heights. Nextdoor is similar to Facebook, but only Applewood Heights residents may join. We strongly urge you to sign up. It is a great way for the Board to communicate with you, but more importantly, is a great way for you to communicate with other residents. When you sign up, Nextdoor will verify your address by using one of four methods: (i) credit- or debit-card number, (ii) landline phone number, (iii) mobile-phone number; or (iv) by mailing a post card that includes an invite code. In terms of privacy, only other Applewood Heights

residents can view the information you store in your profile, and you can direct that your posts are only viewed by other Applewood residents. Nextdoor is a great asset for the Association. Currently, approximately 242 residents have signed up. If you haven't yet signed up we assure you that you are missing out.

Have a great fall, and we look forward to seeing you in November.

Sincerely,

Aric Wenzl, President

APPLEWOOD HEIGHTS HOMEOWNERS ASSOCIATION COVENANTS & RESTRICTIONS

The Applewood Heights Homeowners Association (the "Association") is governed by three separate covenants: Phase I (lots 1 through 213), Phase II (lots 215 through 365), and Phase III (lots 366 through 523). While the covenants are substantially similar, they do vary with regards to the obligations for fencing and trees (see below). The following is a summary of the material provisions of the covenants. Please pay close attention to those provisions dealing with architectural control and vehicle/equipment storage. Most complaints result from these two covenants. Refer to the full Declaration of Covenants, Conditions, and Restrictions (available at www.applewoodhoa.com) for a complete legal description.

Air Conditioning Units

Air conditioning condenser units must be in the rear yard. For lots 366 through 523, air conditioning condenser and heat pump units must be in the rear yard at least twelve feet from the lot line.

Amendments

The covenants may be amended with the written consent of seventy-five percent (75%) of the lot owners in each Phase. The covenants may be revoked by the written consent of a majority of lot owners in each Phase.

Architectural Control

No external improvement, above or below the surface, may be made without the written approval of the Association through the Architectural Control Committee. Improvements are anything built, erected, placed, altered, maintained, or planted on the lot. They may include, but are not limited to, dwellings (and their exterior colors), fences, driveways, water drainage, patios, patio enclosures, gazebos, decks, rock gardens, swimming pools, television or radio antenna, solar collecting panels, air conditioning equipment, and wind-generated power equipment. Documents submitted for committee approval shall be clear, concise, complete, consistent, and legible. **Detached accessory buildings, incinerators, and clotheslines are strictly prohibited.**

Fences

Lots 1 to 365: Fences shall be constructed only of wood, brick or stone and are subject to approval of the Architectural Control Committee. No fences may be built forward of the rear-most wall of the house. Fences on corner lots may not be closer to the adjoining street than the closest point of the residence.

Lots 366 through 523: Fences must be approved by the Architecture Control Committee. No fence may be built within thirty feet of the front lot line. Fences on corner lots may not be closer than that allowed by the Municipal Code of the City of Omaha. Wire, chain-link, and snow fences are strictly prohibited.

Fireplaces

Fireplace flues protruding from the front or side, or visible above the roofline from the front of the dwelling shall be constructed or finished with clay-fired brick or stone. Fireplace flues at the rear of a dwelling shall be finished with the same material as the dwelling.

Corner dwellings shall have fireplace flues of clay-fired brick or stone if they protrude beyond the dwelling or above the roof.

Garage Doors

Garage doors must remain closed except when entry and exit are required.

Gardens

Vegetable gardens and rock gardens may be maintained, but only in rear yards. The Architectural Control Committee must approve rock gardens.

Home Occupations

Home occupations, as defined in the Zoning Code of the Municipal Code of the City of Omaha, are not permitted to take place in any residential dwelling.

Pets and Pet Shelters

No external shelter for any animal is permitted. No animals, livestock, fowl, or poultry of any kind may be raised, bred or kept on any lot. Dogs, cats, or other household pets may be maintained in the dwelling provided they are not kept for commercial purposes. Pets may not run loose outside the owner's lot.

Public Nuisance

No noxious or offensive activity may occur on any lot. Activities resulting in annoyance or nuisance to the neighborhood are not allowed.

Rights of the Association

The Association has the right to promote the appearance, safety, and recreation of the area through the enforcement of covenants and the assessment of dues or other charges. The process for assessment of dues or other charges are described in the Association's Articles of Association or By-Laws. No sale or transfer relieves the lot from liability for any unpaid dues or other charges.

Shingles

All dwellings shall be roofed with:

- i. wood shakes or wood shingles;
- ii. synthetic shake shingles with the appearance, color, texture, and thickness of natural wood shakes;
- iii. minimum two-piece laminated fiberglass shingles including the Heritage® Series Laminated Asphalt Shingles manufactured by TAMKO®, the Landmark™ Series Shingles manufactured by CertainTeed, or the Presidential Shake™ manufactured by CertainTeed; provided, however, that the exclusive color of all such shingles shall be "Weathered Wood" and shall weigh no less than 235 pounds per 100 square feet; or
- iv. any material pre-approved by the Architectural Control Committee provided, however, that the Architectural Control Committee shall only approve of materials similar in appearance, texture and quality as those materials enumerated in items (i), (ii) and (iii) above.

Sidewalks

Maintenance of public sidewalks is the responsibility of each lot owner.

Trash Containers

Outside trash containers must be completely screened from the street and other lots. For lots 215 through 523, trash may not be placed for pickup prior to 10:00 P.M. the day before scheduled pickup. And, trash containers must be removed by 6:00 P.M. the day of pickup.

Trees

No trees may be planted in the dedicated street right-of-way between the pavement and the lot line.

Lots 1 to 213: Two trees shall be planted in the front yard. One of these trees shall be one of the following: Greenspire Linden, Marshall Seedless Ash, Skyline Honeylocust or Emerald Ash.

Lots 215-365: Two trees shall be planted on the lot with at least one in the front yard. The trees shall be of the deciduous variety on the “recommended” or “highly recommended” list of the Forestry Division of the City of Omaha.

Lots 366-523: No tree designations.

Vehicle Storage

No vehicle shall be “stored” outside of the garage. Vehicles include, but are not limited to, automobiles, boats, camping trailers, van-type campers, auto-drawn trailers, mobile homes, motorcycles, and snowmobiles. “Stored” means parking the vehicle on the driveway or lot (including dedicated street right-of-way) for seven or more consecutive days. All repairs on personal vehicles must occur in the garage. Vehicles parked on the premises or upon the streets must be in operating condition. **No garden, lawn or maintenance equipment may be stored outside of any dwelling.**

Yard Signs

No advertising signs or posters may be placed on any lot. “For Sale” signs not exceeding six square feet are the only exception.