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BILL OF ASSURANCE AND
DECLARATION OF PROTECTIVE COVENANTS
AND RESTRICTIONS OF AND FOR WOODLANDS
CROSSING PHASE I SUBDIVISION TO THE
CITY OF BENTONVILLE,
BENTON COUNTY, ARKANSAS

This "Bill of Assurance and Declaration of Protective Covenants and Restrictions of and for Woodlands Crossing Phase I Subdivision to the City of Bentonville, Benton County, Arkansas", which is referred to herein as the "Declaration", is made and executed as of the 24th day of March 2022, by Dream Structures Residential LLC, an Arkansas limited liability company ("Developer").

WHEREAS, Developer caused that certain "Final Plat Woodlands Crossing PHI" instrument that is dated as of July 27, 2021, and was recorded with the Circuit Clerk and Ex-Officio Recorder of and for Benton County, Arkansas, on July 28, 2021, as L202156266 (the "Plat"), which Plat depicts and describes all of the real property and improvements which collectively constitute Phase I of the Woodlands Crossing Subdivision to the City of Bentonville, Benton County, Arkansas (the "Subdivision"); and

WHEREAS, Developer, as the sole owner of the Subdivision and all Property situated within it except for the Lot 73, which is owned by persons who also join in the execution and delivery of this Declaration for the purpose of consenting thereto, desires to have a uniform plan of development, including assessments, conditions, covenants, easements, reservations, requirements and restrictions which are designed and intended to govern, control and preserve the values and amenities of the Subdivision, both as a whole and the individual lots located therein, for the development, improvement, sale, use and enjoyment thereof; and

WHEREAS, Developer and the other signatories hereto hereby declare that the Subdivision and all Property situated within it shall be developed, improved, sold, used and enjoyed in accordance with and subject to the following plan of development, including the assessments, conditions, covenants, easements, reservations, restrictions and requirements set forth in this Declaration, all of which are adopted for and placed upon the Property described below, and which shall run with said Property and shall be binding upon all parties who now or hereafter have or claim any right, title or interest in the Property or any part thereof, and on the

heirs, executors, administrators, successors and assigns of such parties, regardless of the source or the manner in which any such right, title or interest is or may be acquired, and shall inure to the benefit of each owner of any part of the Property.

Now, therefore, it is agreed and declared as follows:

ARTICLE 1 DEFINITIONS

The following words and phrases shall have the following meanings when used in this Declaration:

“ACC” means the Architectural Control Committee of the Association, which shall approve all Improvements prior to the commencement of any demolition, construction, renovation, repair, or other efforts related thereto as set forth more fully below.

“Annual Assessment” means and refers to the Assessments made upon some or all Owners by the Association, and the Lots within the Subdivision, pursuant to the provisions of Article 4 of this Declaration.

“Assessment” means and refers to any and all Annual or Special Assessments made upon the Owners and Lots pursuant to the provisions of Article 4 of this Declaration.

“Association” means the Woodlands Crossing Subdivision Property Owners Association, Inc., which the Developer shall cause to be formed as set forth more fully below.

“Board of Directors” and “Board” means and refers to the Board of Directors of the Association.

“Builder” means any Person who constructs, demolishes, renovates, repairs, or changes, or plans to do the same, any Improvement. An Owner who undertakes or plans to undertake any of the foregoing shall be considered a “Builder” in connection with such efforts.

“Common Area” and “Common Areas” means, collectively: (i) all real property now owned or hereafter acquired by the Association; (ii) Lots 78 and 79 as shown on the Plat; (iii) all property and Common Facilities between Morningstar Drive on the west side of the Subdivision and to the lot lines of Lots 1, 34, and 62 through 74; and (iv) the fence on or abutting the boundary line between the property mentioned in the foregoing (ii) and the Lots referenced in (ii). Unless the context clearly otherwise requires, references in this Declaration to Common Areas shall be deemed to also include Common Facilities. It is acknowledged that the following properties referenced on the Plat as “PH I Lot 75”, “PH I Lot 76 Detention Non-Buildable”, and “Wetlands Area Lot 77 Do not disturb Non-buildable”, and the drainage easements and areas situated on and around said areas are not

Common Areas at this time, but some of them are likely to become Common Areas in the future once Phase II of the Subdivision is platted and a Supplementary Declaration is recorded regarding them.

“Common Expenses” means and refers to the following:

- a. Expenses of administration, maintenance, service, security, repair, or replacement of Common Areas and all improvements thereon, thereunder, or therein, including without limitation landscaping and bus stop benches and their coverings;
- b. Expenses declared Common Expenses by provisions of this Declaration or any supplementation or amendment hereto, or by the Association’s Bylaws;
- c. Expenses incurred to manage and conduct the affairs of the Association, including without limitation repayment of any funds borrowed by the Association or any deficit remaining from a previous Assessment period;
- d. Expenses declared to be Common Expenses by the Board; and
- e. Expenses of central services for gas, electricity, water, sewage disposal, refuse disposal, and real and personal property taxes on Common Areas.

“Common Facilities” means any and all Improvements which are now or which shall hereafter be situated on any Common Area or Common Areas, including without limitation fences and irrigation pipes, controls, and the like.

“Control Period” means and refers to the period of time during which the Developer controls the Association and the ACC. The duration of the Control Period shall be the date of this Declaration until the earliest to occur of the following: (a) the date the Developer, in its sole and absolute discretion, terminates the Control Period in writing; (b) fifteen years from the date of this Declaration.

“Developer” means: (i) Dream Structures Residential LLC, an Arkansas limited liability company; (ii) any Person that succeeds to Developer’s interest in undeveloped Lots if Dream Structures Residential LLC specifies in writing that such successor shall succeed to its interests as a Developer hereunder; and (iii) each subsequent Person that succeeds to a prior Developer’s interest in undeveloped Lots if the said prior Developer specifies in writing that such successor shall succeed to the prior Developer’s interest as a Developer hereunder. References in this Declaration to “Developer,” “the Developer” and the like shall mean then Developer (or each then Developer if there are more than one) at the time of the matter or issue in question is addressed.

“Declaration” means this instrument, meaning this “Bill of Assurance and Declaration of Protective Covenants and Restrictions of and for Woodlands Crossing Phase I Subdivision to the City of Bentonville, Benton County, Arkansas,” as it may be amended, supplemented (whether pursuant to a Supplementary Declaration or otherwise),

and replaced from time to time.

“Dwelling” and “Dwellings” means any structure which has a roof and is supported by columns, walls or other means, and all other structures which are intended to be used, or which are used, for the shelter, housing or enclosure of any person, animal or chattel. Without limiting the foregoing, all residential homes, giving that phrase its ordinary meaning, constitute “Dwellings” hereunder.

“Improvement” and “Improvements” means all fences, walls, porticos, trellises, patios, pergolas, swimming pools, buildings, storage sheds (whether permanently affixed to the ground or otherwise), antennas, driveways, gazebos, retaining walls, landscaping, irrigation pipes, meters, and controls, solar collectors and other structures (in its broadest sense) which are commenced, erected or maintained under, on, and/or upon any Lot or Common Area from time to time, including without limitation all Dwellings and additions and expansions thereof and thereto. A “Dwelling” is also an “Improvement” hereunder even though “Dwelling” is sometimes referred to in addition to “Improvement”.

“Lot” and “Lots” means: (a) any parcel of land shown upon the Plat of the Property or any future recorded plat of the Property which is designated with a lot number and upon which there has been or may be constructed a Dwelling. It is acknowledged that as of the time of filing of this Declaration, there are seventy-four (74) buildable Lots within the Subdivision, which are numbered 1 through 74. Though the Plat references “lots” numbered 75 through 79, those four “lots” shall not be considered “Lots” as set forth in this Declaration, except to the extent a Supplementary Declaration may be recorded which designates any such property or lots as buildable lots.

“Mortgage” means and refers to any mortgage, deed of trust, contract for deed, or other security document pledging or conveying in trust any Lot (whether or not a Dwelling is situated thereon), Common Area, or interest therein as security for payment of a debt or obligation.

“Mortgagee” means and refers to: (i) the holder of record of any Mortgage upon any Lot or Common Area, or any insurer or guarantor of any such mortgage, and which has notified the Association, in writing, of its name and address and status as a holder, insurer, or guarantor of such mortgage; and (ii) the trustee and beneficiary of record under any deed of trust upon any Lot or Common Area, or any insurer or guarantor of any such mortgage, and which has notified the Association, in writing, of its name and address and status as a holder, insurer, or guarantor of such mortgage.

“Owner” and “Owners” means and refers to the record owner, whether one or more Persons, of the fee simple title in any Lot; provided that a Person or entity which has or claims any interest in any Lot merely as security for the performance of a debt or other obligation, including without limitation a Mortgagee, shall not be an Owner unless and until such Person acquires the fee simple title to the Lot; and further provided that the Developer shall not be considered an Owner for the sole purpose of being required to pay any Assessments.

“Person” means any entity, corporation, company, association, limited liability company, joint venture, joint stock company, general partnership, limited partnership, limited liability limited partnership, trust, organization, individual, personal representative, executor, guardian, trustee, receiver, liquidator or governmental authority, and shall include, without limitation, Dream Structures Residential LLC and any other Person qualifying as a Developer.

“Plat” has the meaning given in the recitals above; provided that “Plat” shall also include, along with the single Plat as defined in the recitals above, any and all future plat or replats, and amendments to any Plat or replat, of any of the Property from time to time.

“Property” means all real estate located within the Subdivision and which is described on Exhibit “A” that is attached hereto and is incorporated by reference herein, and includes, without limitation, all Common Areas and all Lots. “Property” shall also include any and all additional lands which any Developer may cause to become subject to this Declaration by the filing of record a Supplemental Declaration or similar document which refers to this Declaration and declares that such subsequent property shall be considered part of the “Property” to which this Declaration applies. No one other than the Developer shall have the right to subject any additional lands or property to this Declaration unless the Developer shall expressly delegate such right and authority in writing. A Delegation of Developer’s rights does not, by itself, also include the right to subject additional lands or property to this Declaration, it being understood that additional language regarding the right to subject additional lands or property to this Declaration must be expressly stated in order to be included.

“Rules and Regulations” means any and all reasonable rules and regulations adopted by Developer or the Association from time to time regarding the use of any Common Areas and/or Common Facilities.

“Special Assessment” has the meaning given in Article 4 of this Declaration.

“Subdivision” means what is commonly referred to as “Woodlands Crossing Subdivision Phase I”, and which is located on the Property.

“Supplemental Declaration” means and refers to any instrument properly filed for record which amends, modifies, or supplements this Declaration, as more fully provided for herein, or which includes or adds additional property to the Subdivision, subtracts or removes any Property from this Declaration, or subjects any additional real property to the terms of this Declaration. Without limiting the generality of the foregoing or requiring the Developer to do so, the Developer hereby gives notice that it is his present intention to file a Supplementary Declaration in the future to add additional Lots and additional common areas to the Subdivision in what will likely be referenced as Phase II to the Subdivision, on what is presently referenced as Lots 75 and 76 and the drainage easements referenced on the Plat in those areas.

Other terms and phrases may be set forth below which have defined meanings.

ARTICLE 2
RESERVATIONS, EXCEPTIONS,
DEDICATIONS and CONDEMNATION

1. **Formal Dedication.** The Property is hereby declared to be subject to this Declaration and all assessments, conditions, covenants, easements, reservations, requirements and restrictions set forth herein and in any modification thereof or amendment hereto as provided for below.

2. **Incorporation of Plat.** All dedications, limitations, streets, reservations and restrictions shown on each and every Plat are hereby incorporated into this Declaration and made a part hereof as though set forth word for word, and the same shall be construed as being adopted and incorporated into each contract, deed, lease, Mortgage and other conveyance of any kind which hereafter executed by any Developer or any Owner concerning any Lot, Common Area, or other part or portion of any part of the Property. Every Owner shall have a right to an easement of enjoyment in and to all Common Areas which may be located within the Subdivision from time to time, for so long as they remain Common Areas, which easement shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) the right of: (i) any Developer during the Control Period; and (ii) the Board of the Association thereafter, to convey any Common Area, thereby making it no longer a Common Area;

(b) the right of any Developer or the Association to grant or dedicate easements in, on, under or above any Common Area to any public or governmental agency or authority, or to any utility company or provider;

(c) the right of any Developer or the Association to prevent an Owner from planting, placing, fixing, installing or constructing any vegetation, hedge, tree, shrub, fence, wall, structure or improvement, or storing any personal property on, any Common Area without the prior written consent of a Developer or the Association, it being understood that the Developer and the Association shall have the right to remove anything placed on any Common Area in violation of the provisions of this subsection and to assess a reasonable fine, the costs of such removal, and attorneys' fees and costs against the Owner(s) responsible therefor;

(e) the right of any Developer or the Association to limit the number of guests of Owners utilizing the Common Areas;

(f) the right of any Developer or the Association to establish and enforce rules and regulations and to charge reasonable admission and other fees pertaining to the use of any Common Areas;

(g) the right of any Developer or the Association to suspend the voting rights

of an Owner and the Owner's right to use any Common Area during the period in which the Owner is in default of any obligation set forth in this Declaration, the Association's Bylaws, or the rules and regulations which may be adopted from time to time by any Developer or the Association and as set forth below, it being understood that such rights shall not be exclusive but shall be cumulative of and in addition to all other rights and remedies which a Developer or the Association may have by virtue of this Declaration, the Association's Bylaws, or by applicable law;

(h) the requirement that no Owner shall disturb, modify, alter, change, paint, landscape any of any Common Areas or Common Facilities.

3. Owners' Delegation. Owners may delegate, subject to the terms of this Declaration and any rules or regulations, their respective rights to use and enjoy the Common Areas to a reasonable number of members of their families, tenants or contract purchasers who reside in the Owner's Dwelling. What is a "reasonable number" of such people shall be determined by the Developer or the Association in their sole discretion, provided that such number shall ordinarily not be less than seven per Lot; provided, that reference is also hereby made to the COVID-19 pandemic that is ongoing as of the date this Declaration is recorded and the fact that social distancing and other factors and matters may affect the number of people who are permitted to use the Common Areas from time to time, and the Association shall have the sole right to limit, and even temporarily prohibit, the use of Common Areas from time to time in its discretion.

4. Termination of Rights. An Owner's easement or other rights to use the Common Areas shall automatically terminate upon the conveyance by the Owner of the fee simple interest in and to a Lot to a subsequent owner thereof unless the Owner also owns one or more other Lots.

5. Developer's Reservation. It is expressly agreed, acknowledged and understood that the title conveyed by a Developer to any Lot by contract, deed or other conveyance shall not be held or construed in any event to include the title to any roadway (except to the extent of any right remaining after all right of way and other rights previously granted are considered, it being understood that all such remaining rights shall be subject to all such right of way and other rights previously granted), drainage structure; water, gas, sewer, storm sewer structures, lines or pipes; electric light poles, electric power structures or lines; telephone, audio, video, security or communication facility, system line, or structure; or any pipes, lines, poles or conduits on or in any utility facility or appurtenances thereto constructed by or under a Developer or others at a Developer's direction or request, or by any prior owner of any of the Property. The Developer hereby: (i) reserves for itself and its designee(s); and (ii) grants to the Association, perpetual easements over all Common Areas to construct, maintain, install and replace landscaping, streets, gatehouses, fences, drainage facilities, and related improvements upon all Common Areas. Each Owner is solely responsible for the existing drainage course across such Owner's Lot. The Association is only responsible for maintenance and replacement of drainage equipment and facilities existing within the easement granted herein over the Common Areas, and the Association shall have no responsibility for the maintenance and repair of any drainage course or equipment located outside of any Common Area. A perpetual easement is hereby reserved in the Developer and granted to the Association once authority herein is transferred to the Association, to construct, maintain and replace within the Subdivision any Common Areas and to an area twenty (20) feet

on any side of any Common Area for the purpose of constructing and maintaining the same. The Developer reserves the right to: (a) execute and record documentation confirming and defining the rights of any third-party maintaining facilities in easement areas, and (b) to assign its rights hereunder, all of which acts shall be binding upon each Lot.

6. Condemnation. If all or part of any Common Area is taken or threatened to be taken by eminent domain or by power in the nature of eminent domain (whether temporary or permanent), the Developer shall be the sole party to participate in the proceedings incident thereto until such time as the Control Period ends. Once the Control Period ends, the Association shall be the sole party to participate in any condemnation proceedings and to receive any and all compensation for property taken by such authority.

ARTICLE 3 **FORMATION AND MEMBERSHIP OF THE ASSOCIATION**

1. Formation of the Association. The Association is being formed and organized contemporaneously with the execution of this Declaration.

2. Membership in the Association. The Owner of each Lot within the Subdivision shall automatically be a Member of the Association, provided that Association shall have the right to suspend membership rights as set forth more fully in the Association's Bylaws, and also subject at all times to the Developer having and maintaining full control over the Association during the Control Period. If a Lot is owned by more than one Owner, all Owners of the Lot, collectively, shall be deemed the Member of the Association as it pertains to such Lot.

3. Membership Classes. There shall be two classes of membership in the Association. The first class includes the "Class A Members." The only Class A Members are the Developer and any other Person who has Developer status. Class A Members have twenty votes for each Lot owned. The second class includes the "Class B Members." Class B Members are all Owners except the Developer and any other Person having Developer status. Class B Members have one vote for each Lot owned. For purposes of voting, if there is more than one Owner of a particular Lot, each Lot shall have only one vote on all matters on which the Members of the Association are entitled to vote. It shall be up to the Owners of such Lot how to determine how to cast that vote. Fractional votes shall not be permitted. The Association shall be entitled to rely on the vote of any Owner at any meeting unless the Person tabulating the votes at the meeting has direct, specific and actual knowledge of a dispute among the Owners of that Lot over how to cast the vote, and in that event no vote shall be cast on the matter.

4. Control of the Association. Notwithstanding anything in this Declaration, and except to the extent the Developer may state in writing to the contrary from time to time, the Association's Article of Incorporation, or the Association's Bylaws to the contrary, the Developer shall have full and exclusive control over the Association and its affairs for the duration of the Control Period and, by accepting delivery of any deed to any Lot, each Owner shall be deemed to have appointed the Developer as his, her, or its (as the case may be) attorney-in-fact for the purpose of exercising all rights as a Member that the Owner(s) would otherwise have, including

without limitation all voting rights.

5. Meetings. Annual and special meetings of the Members of the Association shall be called, held, and conducted as set forth in the Association's Bylaws, provided that meetings shall not be required during the Control Period.

6. Voting Rights. Except as otherwise provided herein (including without limitation in Paragraph 4 above) and in the Association's Bylaws, all Owners shall be entitled to vote on Association matters requiring a vote.

7. Transfer of Membership Rights. Membership in the Association is appurtenant to ownership of a Lot and may not be separated from ownership of a Lot. Upon transfer of ownership of a Lot, the membership associated with the Lot shall automatically transfer to the transferee of the Lot, and the transferor shall immediately cease to be a Member of the Association.

8. Additional Subdivision Phases. One or more additional phases of the Subdivision may be developed in the future. If that occurs, and upon the filing of a Supplemental Declaration and unless otherwise set forth in such Supplemental Declaration, and unless otherwise stated in such Supplemental Declaration, membership in the Association will be increased with each new Lot designated thereon, and the Owner of each new Lot will become a Member of the Association.

ARTICLE 4 AUTHORITY AND DUTIES OF THE ASSOCIATION

1. General Power and Authority of the Association. In addition to the duties and powers enumerated: (i) in its Articles of Incorporation and Bylaws; (ii) elsewhere in this Declaration; and (iii) in the Arkansas Nonprofit Corporation Act, as now exists or may be amended from time to time, the Association shall have the power to:

(a) own, maintain and otherwise manage all Common Areas and all other property acquired by the Association;

(b) pay any real and personal property taxes and other charges assessed against or on behalf of any Common Areas (if any), unless any such areas come into private ownership by some Owner or other Person other than the Developer or the Association;

(c) have the authority to obtain, for the benefit of all of the Common Areas, all water, gas, electric service, refuse collection and other utilities and similar services;

(d) grant easements for utilities, drainage, water, and sewer facilities, under, across and over the Common Areas;

(e) maintain such policy or policies of insurance as the Association may deem necessary or desirable in furthering the purposes of and protecting the interests of the Association and its Members (provided that the neither the Association nor any Board

member, Officer, Member or agent shall be liable for the failure to purchase or maintain any such insurance);

(f) contract with a management company or one or more other Persons for the performance of any or all of the Association's rights or obligations, including without limitation collecting Assessments, overseeing and having control over the Association's bank account(s), maintenance and/or repair of Common Areas (either directly by such management company or other Person or otherwise), procuring insurance, taking Association-related phone calls, handling all Member/Owner-related inquiries or issues, or other Association-related items or matters; provided that: (i) all such actions and efforts shall be subject at all times to Board oversight, modification, and/or reversal; and (ii) no such contract shall exceed one year at a time.

(g) establish and maintain working capital and one or more contingency funds in amounts to be determined by the Board;

(h) establish and charge reasonable fines, penalties and/or other sanctions for violations of any restrictions, conditions, covenants or requirements set forth in this Declaration or any rules and regulations the Association may adopt;

(i) collect and spend all Assessments which may automatically apply or be levied by the Association as set forth below;

(j) suspend an Owner or Owners' right to use the Common Areas;

(k) hire and pay officers or others to handle work on behalf of the Association such as (but not limited to) bookkeepers, accountants, and attorneys;

(l) borrow money;

(m) exercise all other rights for and on behalf of the Association as set forth in this Declaration; and

(n) enforce this Declaration.

2. Exercise of Authority: Unless specifically reserved to the Members by this Declaration, the Association's Articles of Incorporation or Bylaws, or applicable law, all powers and authority of the Association shall be executed by: (i) the Developer during the Control Period; and (ii) thereafter, the Board, acting within its sole discretion.

3. Creation of Lien and Personal Obligation of Assessments, both Regular and Special. Each Owner, other than the Developer, by acceptance of a deed of any Lot, shall be deemed to covenant and agree to pay to the Association all regular Annual Assessments or charges and all Special Assessments, together with interest at the maximum rate permitted by law, compounded monthly, and costs of collection, if any, which amounts shall be a charge and automatic lien on each Lot, as soon as such Annual or Special Assessment is levied or due, or deemed levied or due, and shall be a continuing lien upon the Lot, whether or not such obligation

is expressed in any deed to the Lot, and whether or not a formal lien therefor is filed and recorded. Each Assessment, together with interest, cost of collection and reasonable attorneys' fees, if any, shall also be the personal obligation of the Owner (other than the Developer) of the Lot at the time when the assessment or special assessment fell due. The Association shall be entitled to, but shall not be required to, file and record a lien against any Lot and Improvements located thereon for which any Assessment is not fully and timely paid. As noted above, it is not necessary that a formal lien for Assessments be filed and recorded in order for Assessments to constitute a lien against a Lot and all Improvements located thereon. Liens for fines, penalties, and/or other sanctions which the Association may have assessed against the Owner and the Lot and Improvements, must be filed and recorded to be included within the lien. The Developer shall not be liable for any Assessments or fines, nor shall any Lot owned by any Developer be subject to any lien for any Assessments or fines. There shall be no Assessments against any Common Areas. The Association shall be entitled at all times to recover interest, attorney's fees, and costs, both against the Owner and against the Lot and Improvements, when collecting Assessments and other amounts owed.

4. Assessment Liens in Relation to First Mortgages. All liens for Annual Assessments and Special Assessments, whether recorded or not, shall be subject to and subordinate to the lien of any bona-fide recorded purchase money first mortgage or deed of trust. Sale of the Lot shall not affect the Assessment lien if a lien is filed and recorded prior to the sale, and no sale shall relieve such Owner from personal liability for Assessments and other amounts set forth herein prior to the sale.

5. Regular Annual Assessments. Annual Assessments shall be fixed by the Association in accordance with its Articles of Incorporation and/or Bylaws. The Developer acknowledges that the current Annual Assessment amount is \$750.00/year per Lot. Unless and until the Association determines otherwise, said Annual Assessment shall be due and payable on or before March 1 of each year. As is stated elsewhere in this Declaration, no Developer shall be liable for any Assessments, nor shall any Lots owned by any Developer be liable for any Assessments. If an Owner acquires title to a Lot (regardless of whether any Improvements are situated thereon) during a year, whether from a Developer or another Owner, the Assessment for that year shall be prorated and such prorated amount shall be due and payable within 60 days of the date the Owner's deed is filed for record. The foregoing Annual Assessment amount may be changed at any time by the Association in accordance with its Articles of Incorporation and/or Bylaws, provided that no change shall be effective to require any Assessment against the Developer or any Lots owned by the Developer.

6. Special Assessments. In addition to the Annual Assessments set forth above, the Association may levy Special Assessments from time to time for the purpose of defraying in whole or in part the costs for: (i) the ordinary purposes of the Association; (ii) constructing, maintaining, or expanding Common Areas; (iii) any extraordinary or unanticipated costs or expenses to the Association of whatever kind; or (iv) other expenses or matters determined by the Board as necessary or advisable from time to time. A vote or the written consent of at least fifty-one percent (51%) of the overall voting power of the Members shall be required for the Special Assessment, either at meeting expressly called for that purpose or by written consent or ballot as may be permitted by the Arkansas Non-Profit Corporation Act, in order to establish the first Special Assessment in any calendar year. Unless a higher percentage of Members approves the Special

Assessment as set forth below, said Special Assessment shall not exceed an amount equal to the amount of the Annual Assessment for that year (thereby doubling the overall Assessment obligation for that year). A greater Special Assessment amount, or more than one Special Assessment per calendar year, may be established by the Association by vote or consent of at least sixty-six and two-thirds percent (66 and 2/3%) of the overall voting power of the Members, either at a meeting expressly called for that purpose or by written consent or ballot as may be permitted by the Arkansas Non-Profit Corporation Act, and in accordance with the Association's Bylaws.

ARTICLE 5 COMMON AREAS AND STREETS

1. Common Areas. Subject to the other provisions of this Declaration, the Bylaws, and other rules promulgated by the Board, every Member shall have a non-exclusive right and easement of enjoyment in and to the Common Areas for so long as they qualify and meet the definition of Common Areas, and such right and easement shall be appurtenant to and shall pass with the title to every Lot. No Owner, groups of Owners, or the Association may bring an action for partition against any Common Area.

2. Maintenance of Common Areas. Except as may otherwise provided herein, the Association shall maintain, manage, operate, replace, repair, and improve all Common Areas, including all Improvements thereon. Any Owner who damages or abuses any Common Area shall be responsible to the Association for all costs and expenses incurred by it to repair and remedy such damage, including full replacement of the damaged property, and the Association shall be entitled to file a lien that includes such charges and amounts and enforce that lien by foreclosure. The Board has sole discretion to determine the scope of the necessary repairs. The Association may contract with a third party to carry out all activities required by this section, and the cost of such activities shall be Common Expenses.

3. Streets and sidewalks. All streets and sidewalks as illustrated on the Plat shall be used only for their intended purposes as free and clear roadways for ingress and egress purposes and sidewalks, and no Owner of any Lot shall block passage, damage, or abuse any street or sidewalk, nor shall an Owner permit any tenant to do the same.

4. Maintenance of Streetlights and Sidewalks. The Association may, but shall not be required to, maintain, manage, operate, replace, repair, and improve all streetlights and sidewalks if the Board determines, in its sole discretion, that it would be in the best interest of the Association and the Owners that the Association take such actions. The Association may contract with a third party to carry out all activities authorized by this section, and the costs of such activities shall be Common Expenses.

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ARTICLE 6
FINES, FEES, AND LIENS

1. Effect of Nonpayment of Assessments. Any Assessment (Annual or Special) not paid within thirty (30) days of the due date shall constitute a Delinquent Assessment. Upon an Assessment becoming a Delinquent Assessment, the Board, in its sole discretion, may take any or all of the following actions:

a. Assess late charges from time to time for each Delinquent Assessment in an amount established by the Board;

b. Assess interest from the date of delinquency at a rate established from time to time by the Board, but not to exceed the highest rate allowed by law, until paid in full;

c. Suspend the voting rights and other privileges of the delinquent Owner during any period of a Delinquent Assessment, including without limitation suspending the use of some or all Common Areas, which suspension shall be effective from the date that written notice thereof is either: (a) mailed to the Member/Owner by regular mail to the last known address of the Member/Owner; or (b) emailed to the Member/Owner at the last email address provide to the Association for such Member/Owner;

d. File and record a lien for such Assessments, together with interest and all other amounts owed related thereto, including without limitation attorneys' fees and costs;

e. Bring an action against the Owner(s) personally obligated to pay the Assessment, or foreclose the lien against the Lot and all Dwellings and Improvements located thereon, or both; or

f. Take any other action permitted by this Declaration, the Association's Bylaws, or applicable law.

2. Additional Terms Related to Foreclosure. In the event of the foreclosure of any lien, the Owner and the Lot and Improvements to which the lien attached shall be liable for the amount of all unpaid delinquencies, all penalties, and interest thereon, plus the cost and expenses of the proceedings, the cost and expenses for filing the lien and all reasonable attorneys' fees and expenses incurred in connection with the filing and enforcement of the lien. The Association shall have the power to bid on a Lot at a foreclosure sale and to acquire and hold, lease, mortgage, and convey the same.

3. Personal Obligation. The amount of any Assessment chargeable against any Lot shall be a personal and individual debt of the Owner of the Lot at the time the Assessment became due. No Owner shall exempt himself from liability for any Assessment by abandonment of his Lot or by waiver of the use or enjoyment of all, or any part of, the Common Areas. Successors to the fee simple title of a Lot shall not be liable for unpaid delinquencies, interest, late charges, penalties, costs, expenses, and attorneys' fees against the previous Lot Owner.

4. Priority of Lien. The lien for delinquencies provided for in this Declaration, regardless of whether filed for record, shall be superior to any homestead exemption provided now or in the future under the laws of the State of Arkansas which all present and future Owners waive (but only for purpose of Assessments and other amounts owed pursuant to this Declaration) by taking title to Lots. The amount of any extinguished lien for any Assessment may, at the direction of the Board, be reallocated and assessed to all Lots as a Common Expense.

5. Address Notification. The Association shall notify each Owner, at his address listed with the Association, of the Association's address and all changes thereto, where payments shall be made and other Association business may be conducted. Each Owner shall have the obligation of insuring that his most current mailing address is on file with the Association.

ARTICLE 7 ARCHITECTURAL CONTROL

1. ACC. The Developer or its designee shall serve as the sole member(s) of the ACC during the Control Period. It is acknowledged that Steve Fisher, who is a member of the Developer, and Nick Fisher are the sole ACC members as of the date of this Declaration.

2. Approval of Plans for Dwellings and all other Improvements. The overall plan for the Subdivision contemplates centralization of architectural control to enhance, insure and protect the attractiveness, beauty, desirability, and value of the Subdivision as a whole, and the various Lots and improvements within it, while at the same time permitting compatible distinctiveness of individual Dwellings and other Improvements located in the Subdivision. For this purpose, the ACC shall have the right and responsibility to review and approve plans and specifications for: (i) the initial construction of any and all Dwellings and other Improvements located on any Lot; and (ii) any change of any kind to the exterior thereof after initial construction is completed if such change would alter the appearance thereof. No Dwelling or other Improvements shall be commenced, constructed, or erected, or thereafter the exterior thereof changed if such change would alter the appearance thereof, unless first approved by the ACC or deemed approved as set forth below. All plans and specifications for any Dwelling or other Improvement, and such other color samples, drawings, plot plans and other information which the ACC may require from time to time, shall be submitted to the ACC which show, among other things, the nature, kind, shape, height, materials, color and location of the proposed Dwelling or Improvement. Without limiting the foregoing, for each proposed new Dwelling or other Improvement, the applicant shall submit front, rear and both sides elevations, interior floor plans, and a plot plan showing the proposed location of the Dwelling or other Improvement on the Lot. The ACC shall consider the proposed Dwelling or other Improvement as to the harmony of external design and location in relation to surrounding Improvements and topography. The subjective nature of the foregoing is hereby acknowledged as is the tension between the overall enhancement of values of Subdivision Property as a whole and an Owner's free right to use and develop his Lot. The ACC shall have the maximum discretion permitted by applicable law in reviewing, evaluating and approving or disapproving any proposed Dwelling or other Improvement or any parts thereof. During initial construction, and thereafter upon the completion of initial construction of any Improvement, any and all changes (including without limitation color) thereafter which would alter the exterior

appearance of any Dwelling or other Improvement shall also be deemed an "Improvement" hereunder which must be approved in advance by the ACC. The subjective nature of whether a change would "alter the exterior appearance of a Dwelling or Improvement" is hereby acknowledged. This interpretation of this phrase as applied to a particular Dwelling or Improvement shall be resolved by the ACC as long as it is acting in good faith. All plans and specifications for Dwellings or other Improvements or changes thereto shall be submitted to the ACC over the signature of all Owners of the Lot where the Dwelling or other Improvement is proposed, along with sufficient information (including without limitation drawings, plans, color samples, etc.) which the ACC may request from time to time, so as to enable the ACC to fully understand and evaluate all aspects of the proposed Dwelling/Improvement. In the event the ACC fails to approve or disapprove a proposed Dwelling or other Improvement within fourteen (14) calendar days after the full plans and specifications have been received by it, actual ACC approval will not be required and this Article will be deemed to have been fully complied with as long as the said Dwelling/Improvement is thereafter constructed (or changed, as applicable if after initial construction) in strict accordance with what was submitted to the ACC for approval. The ACC shall have the right, power and authority to require an Owner to remove or alter any Dwelling or Improvement which did not receive approval or is built other than in strict accordance with the approved plans and specifications, and to receive reimbursement from the Owner of any and all costs (including without limitation all reasonable attorneys' fees and costs) expended in this effort. All approvals by the ACC must be in writing in order to be effective.

3. Commencement of Construction. Owners must begin construction within six (6) months of approval by the ACC and the construction must be completed within twelve (12) months from the beginning of construction. Construction shall not be considered complete until a certificate of occupancy is issued. The Dwelling or Improvement (as the case may be) must be constructed in strict accordance with its plans and specifications as approved by the ACC or as deemed approved as set forth above.

ARTICLE 8 BUILDING RESTRICTIONS

1. General. The following restrictions are imposed on all Lots in the Subdivision, and all Owners, by accepting title to a Lot, acknowledge and agree to such restrictions.

2. Single-Family Residences. Each Lot shall be used, improved, and devoted exclusively for one single-family Dwelling in accordance with the restrictions, conditions, and covenants set forth in this Declaration. No duplex, flat, boarding house, rooming house, apartment house, or other Improvement (except those approved by the ACC pursuant to any variance) may be erected on any Lot. No more than one single family Dwelling shall be located on any Lot. No additional structure such as porches, garages, storage buildings, etc. shall be erected or placed on any Lot unless the plans and specifications are approved in writing by the ACC in accordance with the remaining terms and provisions of this Declaration.

3. Dwelling Size and Other General Requirements. Each Dwelling must have at least one thousand nine hundred (1,900) square feet of finished, heated and cooled living area, excluding porches, patios, garages, breezeways, outbuildings, and storage areas. The ACC shall be entitled to grant variances from the foregoing requirements pursuant to Paragraph 19 of this Article 8.

4. Location of Improvement on Lot. No Dwelling or other Improvement shall be located on a Lot within the setback lines established for each Lot by the ACC from time to time. If required by the ACC, other Improvements shall be screened from the street or streets by a wall, solid fence, evergreen hedge or other visual barriers.

5. Building Materials. The following building materials shall be used on the exterior of all Dwellings and other Improvements located in the Subdivision:

a. Exterior Walls shall be brick or other masonry product, wood clapboard, natural or artificial stone, stucco, or super polymer siding made of extruded poly vinyl chloride ("PVC"), or premium vinyl siding as approved by the ACC.

b. Roofing Materials shall be architectural shingles. Roof pitch shall not be less than 8:12.

6. Windows. All windows, including without limitation color and style, shall be subject to the ACC's consideration and approval.

7. Garages. One (1) two-car garage, measuring not less in either direction than twenty feet by twenty feet (20' x 20') shall be required for each Dwelling and must be kept and maintained as part of the Dwelling. Garage doors must have working automatic openers and must be kept closed a reasonable amount of time when not in use for the purpose of ingress or egress of automobiles.

8. Driveways. All driveways and other paved areas for vehicular use on all Lots shall be surfaced with finished concrete. There shall be only one driveway per lot which shall access the adjacent street at one location only, provided that Lots that have frontage on two streets may have two access points onto adjacent streets. All street cuts are specifically prohibited except for the driveway entrance(s) to the Lot. No curb cut for driveways shall be closer than three (3) feet to the side lot line. All curbs shall be neatly blended into driveway radius. No concrete surfaces which are visible from any street or common area: (i) may be stained or painted; (ii) may be made of exposed aggregate; (iii) may contain any etching, name plaques, signage, or the like; (iv) may contain any grooved or saw cuts other than ordinary expansion joints.

9. Fences. Unless otherwise designated by the ACC during the review process, all fences must be wood privacy, and may not exceed a height of six (6) feet. No part of any fence on any Lot shall be closer to the street than any part of the Dwelling. All wood fencing, if stained, must be stained with a color approved by the ACC and re-stained periodically thereafter with that same color (unless the ACC consents in writing to a different color) to maintain color. Black metal gates installed initially are to be maintained in use until the need arises to replace these and they

must be replaced with similar products. Lots 1, 15, 16, 34, 41, 42, 54, 55, and 62-74 are adjacent to or join Common Areas. Property owners on these specific lots are forbidden to modify any part of the fencing, landscaping, lighting, or irrigation adjacent to such Common Areas. Additionally, and with respect to Lots 1, 34, and 62-74, the Association shall have an easement to access the fence bordering those lots (which fence is a Common Facility hereunder) on and across said Lots from time to time for the purposes of maintenance, repair, and improvement of said fence, and no owner of any such Lot shall construct any Improvement or take any action which interferes with the Association's rights.

10. Outbuildings. Storage buildings, outbuildings, and ancillary structures, including gazebos, must match the structure, roof, and walls of the Dwelling on the Lot and may only be constructed if approved by the ACC in accordance with Article 7 of this Declaration. Temporary structures shall not be allowed for human habitation, and no temporary garages shall be allowed.

11. Landscaping. All Dwellings shall be fully landscaped in the front yard after having received approval thereof from the ACC for the landscaping plan. Front and back yards shall be fully sodded and irrigated with Bermuda grass or such other variety as approved by the ACC. Side yards may be sodded or contain earth-tone stone pebbles as approved in advance by the ACC. Changes to landscaped areas and new tree plantings shall require the prior approval of the ACC. Each Lot shall include a minimum of two, two and one-half inch (2 ½") diameter or greater hardwood trees by the time a certificate of occupancy is issued, and the foregoing two trees are in addition to what is placed within the sidewalk and street.

12. Exterior Mechanical Devices. All air conditioning units, heat pumps, solar devices, chimney flues, hot tub pumps, swimming pool pumps and filtration systems, satellite dishes, and similar mechanical equipment shall be aesthetically concealed from view on all sides and shall be shielded in such a manner as to minimize noise and safety concerns. The location of such devices and the shielding to be used shall all be placed in the side or rear yards in a location with minimal visibility to the streets.

13. Exterior Lighting. All exterior lighting must be installed in a manner that shall either be indirect or of such controlled focus and intensity as not to disturb the residents of the adjacent Lot.

14. Sporting Equipment. Soccer goals, basketball goals, backboards, courts, trampolines, or other similar sports equipment are permitted but must be maintained in an operative and attractive manner in accordance with the use thereof. No basketball goals, soccer goals, trampolines, or other sports equipment of similar nature shall be used on any streets or Common Areas except as may be permitted by the Association. Trampolines shall be securely affixed to the ground so as to not endanger other property in the event of high winds.

15. Encroachments. No Owner shall permit an Improvement, tree, shrub, or other plant to overhang or otherwise encroach upon any sidewalk, street, pedestrian way, or other area which is not part of the Owner's Lot without approval of the ACC and the Owner of any Lot subjected to the encroachment. No fence, wall, hedge, or shrub which obstructs sight lines at intersections within the Subdivision shall be permitted

16. No Burning. No burning of refuse or leaves shall be permitted on any Lot.
17. Miscellaneous Construction Requirements. All Owners must comply with the following general construction requirements:
- a. All construction scrap materials must be picked up and removed promptly from the Lot. No Owner may deposit any excess fill, gravel, concrete, or other materials on other Lots or Common Areas;
 - b. Delivery of building material to a Lot must be coordinated to avoid lengthy on-site storage before use.
18. Miscellaneous Design Requirements. The following general design requirements are mandatory:
- a. Exposed metal chimneys are not permitted; and
 - b. Common Mailboxes are used and placed at various locations throughout the neighborhood and the owner's mail receptacle will be determined by the ACC and the Post Office, the Post Office will be the source to obtain any keys needed for access of the determined mail slot
19. Variances. Notwithstanding the foregoing requirements, the Developer, and the Board after the expiration of the Control Period, acting either on its (or their) own behalf or pursuant to the ACC, shall be entitled to permit reasonable variances of the foregoing on such terms and conditions as it/they may require; provided, however, that: (i) all variances shall be in keeping at all times with the general plan for the improvement and development of the Subdivision; and (ii) no variance granted shall be considered or deemed to constitute binding "precedent" or a waiver of any kind which would permit someone else to violate a restriction or requirement set forth herein. Any variance granted by the ACC shall be subject to amendment or reversal by the Board within thirty (30) calendar days of the variance being granted.
20. Limitation Period. Notwithstanding the foregoing requirements, after the expiration of one (1) year from the date of the issuance of a certificate of occupancy (in the case of a Dwelling) or substantial completion of any other Improvement, the Dwelling or Improvement shall, in favor of purchasers and encumbrancers in good faith and for value, be deemed to be in compliance with the provisions of this Article 8 unless written notice of noncompliance or non-completion shall be executed by the ACC or its designee and filed for record with the Benton County Circuit Clerk, or unless legal proceeds have been instituted to enforce compliance or completion.
21. No Liability for Approval. Neither Developer, the Association, the members of the Board, the ACC, any member of the ACC, or anyone acting by, through or under any of them, shall be liable in damages to anyone submitting plans or specifications to any of them for approval, or to any Owner of any Lot by reason of a mistake in judgment, negligence, or disapproval or

failure to approve or disapprove any such plans or specifications, and no approval or required modification of plans submitted shall be considered a warranty of any nature whatsoever pertaining to the suitability of such plans and specifications. Every Person who submits plans or specifications to the ACC for approval shall be deemed to have agreed that no action or suit for damage will be brought against the Developer, the Association, the Board, any members of the Board, the ACC, or any member of the ACC, or anyone acting by, through or under any of them. It shall be each Owner's sole responsibility to ensure that all Dwellings and other Improvements are designed, constructed and maintained in full compliance with all other codes, standards and requirements which may be applicable to the Dwelling or Improvement or any part or component thereof.

ARTICLE 9 USE RESTRICTIONS

1. General. Unless: (i) the Developer during the Control Period, acting in its sole discretion; and (ii) thereafter the Board, acting in its sole discretion, waive(s) the application thereof, the restrictions delineated in this section apply to the entirety of the Property unless otherwise provided in this Declaration.

2. No Unapproved Business Activity. No business activity shall be conducted in or from any Lot, including without limitation from any Dwelling, unless: (i) such activity is unnoticeable to other Owners; (ii) is approved in advance by the Board of the Association; and (iii) is approved by any zoning or other ordinance applicable to the Lot and/or Dwelling. The Board may withhold approval if it determines, in its sole discretion, the commercial activity is incompatible with the Subdivision for any reason.

3. Animals. No animals, poultry, or livestock of any kind shall be raised, bred, or kept on any Lot except as allowed by this section. Dogs, cats, and other household pets may be kept, provided they are not raised for commercial purposes and they are reasonable in number and behavior. The outside living area for pets must be maintained and kept clean at all times and must be fenced. Pets must be maintained in the back and side yards and restrained on a leash when not within an enclosed fence. All pet refuse shall be maintained by the pet's owner. No dog pens are permitted. Dogs shall not be "staked" or otherwise strapped to a chain, line, wire, or other device.

4. Satellite Dishes. Any and all satellite dishes in excess of twenty-four inches (24") in radius are prohibited in the Subdivision. Satellite dishes shall be installed on a pole in the back yard of each Lot or on the exterior roof of the Dwelling, and the installation location shall be subject to review of the approval by the ACC, and any lot owner desiring to install a satellite dish shall first submit location and size plans and obtain written permission for such installation from said ACC. The ACC will not approve satellite dishes to be installed over six feet above the lowest roof line above the first floor top plate or within ten feet from any corner on the front of the Dwelling.

5. Parking and Storage of Vehicles etc. Street parking shall be limited to temporary guests of Owners, and ordinarily (meaning excluding holidays and other infrequent occasions), shall not exceed four (4) cars, which may only be parked in front of the Lot that the guest is visiting. Owners shall not park their cars on the street, even temporarily. No vehicle of any kind shall remain parked on a street longer than twelve (12) hours total during any twenty-four (24) hour period. Periodically rotating or moving the location of a vehicle to avoid the foregoing or "resetting" the foregoing hours and restriction shall constitute a violation of this Declaration. No boats, trailers, tents, recreational vehicles, motor homes, campers, or irregular vehicles shall be parked on the street or in a driveway for longer than twenty-four (24) collective hours during any seven (7) day period. Recreational and camping vehicles, trailers, boats, canoes, kayaks, and similar vehicles and items may be stored and parked on a Lot, provided that must be parked, located and stored behind the Dwelling, behind the fence and/or garage, and screened so as to not be visible from any street located within the Property. Any vehicles or other objects in violation of this section shall be subject to towing and removal, regardless of where parked or situated. Large trucks, tandem-wheel tractors, and large commercial vehicles are strictly prohibited from parking in the Subdivision except for moving and delivery. No inoperative vehicles shall be allowed to remain visible from the street for longer than twenty-four (24) hours. No vehicle of any kind shall be parked or otherwise situated in any front yard.

6. Nuisances. No noxious or offensive activity shall be carried out upon any lot, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the Subdivision. No Lot, nor any part thereof, shall be used or maintained as a dumping ground for rubbish, trash, garbage, or other waste. Such waste shall only be kept in covered, sanitary containers meant for use in single-family residential areas. Grass, trees, flower beds, and other vegetation shall be kept neatly cut and maintained. Fences and other Improvements or decorations shall be maintained so as not to become unsightly or an annoyance or nuisance to the Subdivision. No blue tarps shall be used where they may be seen from the street or by any neighbor. Violations of any state, municipal, or local law, ordinance, or regulation pertaining to the ownership, occupation, or use of any Lots, Common Areas, or other parts of the Property are not permitted and may be considered nuisances. The Board may, in its sole discretion, determine whether any activities or conditions constitute a nuisance under this section and may require removal or remediation of any such condition. If the Owner fails or refuses to remove or remediate a nuisance under this section, the Association may perform, or have performed by a third party, the necessary actions to remedy the problem and shall be entitled to recover the expense associated with such remedial actions from the offending Owner as if it were a Delinquent Assessment.

7. Signs. With regard to everyone but the Developer, signs for sale or lease: (i) may only be posted when Dwellings are for sale or lease; (ii) may only be placed on the Lot containing the Dwelling that is for sale or lease; (iii) shall not exceed a reasonable size, as commonly used in residential sales, not to exceed 30" x 40". Large real estate signs such as those that are commonly used in commercial the real estate context and have four by four posts, or the like, are prohibited. No "For Lease," No business or office sign shall be displayed. Garage or yard-sale signs shall be limited to two (2) times per year per Lot, and no directional signs shall be allowed at entrances or street corners. Political signs shall be allowed in yards for up to three (3) weeks preceding an election and shall be removed within forty-eight (48) hours after the election. All signs displayed in the Subdivision shall be professionally made. The Developer's marketing (or real estate agents

representing the Developer) including model home sign, subdivision signs, and marketing flags are exempt from the foregoing requirements.

8. Mining Activities. Oil, gas, mineral, and other mining within any part of the Subdivision is prohibited.

9. Yards and Landscaping. Subject to the remaining terms of this Paragraph 9, after Lots have been conveyed by the Developer, all Owners thereof shall be responsible for the maintenance of his or her Lot and area located between their Lot line and edges of street pavements which abut said Lot. Upon the completion of construction (and conveyance of the Dwelling and Lot in the event that Developer is the owner thereof), each Owner shall regularly mow, weed-eat and weed control his or her entire Lot (including without limitation mowing and maintaining the strip of grass between the sidewalk and curb), flower beds, and the like, and the Owner shall not allow the grass to grow over six inches in height. All trees located on a Lot, including those located between the sidewalk and curb as well as those on the rest of the Lot, shall be regularly watered by the Lot Owner to keep them alive and healthy. Any tree that is not located within the sidewalk and curb that dies or is significantly damaged or unsightly shall be replaced by the Owner within ninety (90) days of such date. It shall be the Association's right and responsibility (subject to having adequate funds to do so) to fertilize, maintain (except for watering), and replace all trees located within sidewalks and curbs at its expense; provided, that replacement costs shall be at the Lot Owner's expense for any tree that dies due to, in whole or substantial part, the Owner's failure to regularly water it.

10. Storage. Owners shall store all their property or possessions within their Dwelling, garages or behind fences, if any.

11. Garbage and Refuse Disposal. No Owner shall accumulate, or permit accumulation, on his Lot litter, refuse, or garbage, except in approved receptacles. All Owners shall have mandatory trash pickup as provided by the City of Bentonville, Arkansas, or other Person approved by the Board. Owners shall not keep garbage or other refuse containers in a location that is visible from anywhere on any street, except for twenty-four (24) hours prior to scheduled trash collection pickup and twenty-four (24) hours after scheduled pickup.

12. No Subdividing. No Lot shall be subdivided by anyone other than a Developer.

13. Discharging of Firearms. No gun, rifle or other firearm of any kind shall be discharged at any time from within the Subdivision.

14. Hunting. There shall be no hunting within the Subdivision.

15. Building Materials. No building material of any kind or character shall be placed upon any Lot except in connection with construction of a Dwelling or other Improvement.

16. Clothes Lines, Woodpiles, Etc. No clothes lines, drying yards, service yards, wood piles or storage areas shall be so located as to be visible from a street, road, adjacent Lot, or Common Area.

17. Flags and Flag Poles. No free-standing or other flag poles shall be permitted except as specifically set forth in this Paragraph. The only flag poles that are permitted are those mounted to the Dwelling which do not exceed six (6) feet in length, and only one flag pole shall be permitted on any Lot. Only the current American flag or the current Arkansas flag may be flown or otherwise hung or displayed. Without limiting the generality of the foregoing, no political flags of any kind shall be permitted. The term "flag" includes not only items traditionally thought of as flags, but also towels, sheets, and other items hung from flag poles, windows, or otherwise hung or visible from any street within the Subdivision.

18. Owners' Duty to Maintain. Each and every Owner shall have the duty and responsibility, at the Owner's sole cost and expense, to keep his, her or its Lot and any and all Dwellings and other Improvements located thereon, a well-maintained, safe, clean and attractive condition at all times in a manner conducive and similar to first class residential subdivisions. The foregoing includes (but is not limited to: (i) prompt and regular removal of all litter, trash, refuse and waste; (ii) regular lawn mowing (as set forth above), tree and shrub pruning, and maintenance of all flower beds, and generally keeping all areas of vegetation alive, free of weeds and in an attractive condition; (iii) regular watering of all vegetation; (iv) keeping all exterior lighting and mechanical facilities in good working order; (v) keeping all parking areas and driveways in good repair and free of broken-down or otherwise inoperable or unsightly vehicles; (vi) prompt and regular maintenance and repair of all Dwellings and other Improvements, including without limitation fencing; and (vii) prompt disposal of all animal waste.

19. Additional Requirements. Developer and the Association shall be entitled, in their sole discretion, to promulgate and adopt from time to time additional guidelines, criteria and requirements which shall supplement and/or reasonably interpret any of the foregoing, and all of which shall be met and observed by any Owner in constructing or maintaining any Dwelling or other Improvement.

20. Variances. Notwithstanding the foregoing requirements, the Developer, and the Board after the expiration of the Control Period, acting either on its own behalf or pursuant to the ACC, shall be entitled to permit reasonable variances of the foregoing on such terms and conditions as it/they may require; provided, however, that: (i) all variances shall be in keeping at all times with the general plan for the improvement and development of the Subdivision; and (ii) no variance granted shall be considered or deemed to constitute binding "precedent" or a waiver of any kind which would permit someone else to violate a restriction or requirement set forth herein. Any variance granted by the ACC shall be subject to amendment or reversal by the Board within thirty (30) calendar days of the variance being granted.

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ARTICLE 10
EXPANSION OR REDUCTION OF PROPERTY

1. **Reservation of Right to Expand.** The Developer reserves the right to submit additional real property to the encumbrances created by this Declaration by means of filing one or more Supplemental Declarations of record in the Office of the Circuit Clerk and Ex-Officio Recorder of Benton County, Arkansas that, among other things, will expressly identify (a) the real property that the Developer submits hereunder; (b) additional covenants, conditions, easements, and restrictions that may pertain uniquely to the expanded property; (c) additional Lots, Common Areas, and other specifically identified properties (collectively, the "**Expansion Property**") Expansion Property shall be subject to all of the terms and conditions of this Declaration unless limitations and reservations are expressly provided to the contrary.

2. **Reservation of Right to Remove.** The Developer reserves the right to unilaterally remove, at any time, from the effect and control of this Declaration any portion of the Property which any Developer has not sold or conveyed, whether platted or unplatted. Any such removal shall be by Supplemental Declaration filed of record in the manner set forth above and shall be effective on the date so filed of record.

ARTICLE 11
DURATION OF DECLARATION; AMENDMENTS

1. **Term.** The covenants, restrictions, and easements set forth in this Declaration shall run with and bind the Property, including without limitation all Lots and Common Areas, for a period of twenty years from the date it is filed for record, after which time they shall be automatically extended for successive periods of ten (10) years unless revoked or terminated as set forth below.

2. **Amendment during the Control Period.** During the Control Period, the Developer may unilaterally modify and amend any of the terms, conditions, or provisions of this Declaration at any time and for any purpose upon the filing of record of a Supplemental Declaration or other amendment that is executed solely by the Developer. Such Supplemental Declaration shall not require the signature of any other Owner.

3. **Amendment after the Control Period.** After the Control Period, this Declaration may be amended by a Supplemented Declaration or other amendment that is signed by the Members holding a majority of the voting power of the Lots/Members at the time of the amendment. Proper approval of all amendments shall be shown by a certificate of the Secretary of the Association, attached to the Supplemental Declaration to be recorded, certifying that the signature of the Developer(s), if required, and the signatures of a sufficient number of Members approving the amendment are on file in the office of the Association. No amendment shall be effective until the Supplemental Declaration or other Amendment setting forth the approved amendment is recorded in the Office of the Circuit Clerk and Ex-Officio Recorder for Benton County, Arkansas.

4. Revocation / Termination. Notwithstanding the foregoing, this Declaration may be revoked or terminated at any time with the affirmative vote of the Owners of at least sixty-six and two-thirds percent (66 2/3%) of the voting power of the Lots/Members at the time of the revocation or termination and, during the Control Period, only with the express written approval of the Developer.

5. Amendments Regarding Assessments. Notwithstanding anything in this Declaration to the contrary, this Declaration may not be amended and changed in any way, at any time, to the extent such change: (i) would require a Developer to pay or otherwise be liable for any Assessments, whether Annual or Special; or (ii) would subject any Lot or Lots then owned by a Developer to be subject to a claim for Assessments of any kind, whether Annual or Special, unless the applicable Developer expressly consents to the applicability of such Assessments, which consent may be withheld, conditioned, or delayed at the Developer's sole discretion.

ARTICLE 12 GENERAL PROVISIONS

1. Enforcement. The Association, Developer, and every Owner shall have the right and power to enforce, by a proceeding at law or in equity, all restrictions, conditions, covenants, reservations, easements, liens, and charges now or hereafter imposed by the provisions of this Declaration and any subsequently recorded Supplemental Declarations. Failure of the Association, Developer, or any Owner to enforce any covenant or restriction contained herein shall in no event be deemed a waiver of the right to do so thereafter.

2. Procedure. As used in the remainder of this paragraph, a Person who is entitled to enforce this Declaration is referred to as an "Authorized Person". If in the opinion of any Authorized Person any Owner, occupant of any Dwelling, or any other Person (each is a "Violating Person") has failed or refused in any of the duties, responsibilities or obligations set forth in this Declaration (other than payment of Assessments), the Authorized Party may provide written notice of that failure or refusal, giving the Violating Person ten (10) calendar days' notice from the date of receipt to remedy the violation. Should the violation not be remedied upon the conclusion of the ten (10) day period, then the Authorized Person, either itself or through one or more agents, shall have the right and power to enter upon the Lot and remedy the violation without any liability for damages for wrongful entry, trespass, or otherwise, to the Violating Person or anyone else. All Violating Persons, and in addition all Owners of the Lot if the Violating Persons are not the same as the Owners, shall be jointly and severally liable for the cost of the work to remedy the violation, as well as all costs and reasonable attorneys' fees incurred with respect therewith. If all of the foregoing costs and fees are not fully reimbursed to the Authorized Person within thirty (30) days of demand therefore, the amount owed shall, in addition to remaining the personal obligation of the Violating Persons and the Owners of the Lot (if different), constitute a lien upon the Lot and all Dwellings and other Improvements located thereon. In order to perfect that lien, the Authorized Person shall cause a written lien and statement of account to be filed and recorded with the Benton County Circuit Clerk setting forth the name, address and telephone number of the Authorized Person, the amount owed, a description of the Lot on which the lien applies, and a description of the work and expenses which comprise the amount owed. The foregoing indebtedness shall accrue

interest at the lesser of 10.00% per annum, compounded monthly, or the highest rate allowed by Arkansas law. The lien shall have the same additional attributes as the lien for assessments as set forth below, and may be enforced through foreclosure; provided that any and all such liens shall be at all times subject and inferior to a bona-fide purchase money mortgage which is filed prior to the lien being filed.

3. Additional Forms of Relief. In addition to the relief set forth in Paragraph 2 above, an Authorized Person shall be entitled to recover any damages which he, she or it can prove with reasonable certainty in any litigation against the Violating Person(s), along with reasonable attorneys' fees and costs. The Authorized Person shall also be entitled to, either in lieu of or in addition to, injunctive and another equitable relief to which it may be entitled hereunder or pursuant to any applicable law. The foregoing remedies are cumulative with, and not in limitation of, any other remedy permitted by applicable law.

4. Severability. If any provision of this Declaration, or the application hereof to any circumstance, is held to be invalid or unenforceable to any extent, the remainder of this Declaration and its application to other Persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

5. Conflicts between Documents. If this Declaration conflicts in any way with the Articles of Incorporation of the Association or the Bylaws, the terms of this Declaration shall control.

6. Developer's Right to Assign. Any Developer may, by appropriate agreement made expressly for that purpose, assign or convey to one or more successor developers, all or any part of the rights, reservations, and privileges herein reserved by the Developer. Every successor developer shall have the rights of a Developer, and hence have "Developer status," hereunder, to the extent of such delegation.

7. Delivery of Notice and Documents. Unless otherwise provided in this Declaration, any written notice or other document relating to or required by this Declaration may be delivered either personally or by mail. If by mail, it shall be deemed to have been delivered forty-eight (48) hours after a copy of the same has been deposited in the United States mail, postage prepaid, addressed to any Owner at any Lot in the Subdivision which the Owner owns or to any other address last furnished by an Owner to the Association.

8. Remedies Cumulative. Each remedy provided by this Declaration is cumulative and not exclusive.

9. Release of Liability. Neither the Developer, the Association, the Board, or any member of the ACC, nor their respective officers, directors, stockholders, members, employees, or agents, shall be liable to an Owner, Member, or other Person for any discretionary action taken or not taken under the terms of this Declaration, including, without limitation, approval, disapproval, or failure to approve of any application or enforcement or non-enforcement of any term hereof.

10. Indemnification. To the fullest extent permitted by law, every director and officer of the Association, all members of the ACC, and the Developer and their respective members, managers, agents and employees (to the extent a claim might be brought against a Developer by reason of its election, appointment, removal, or control over directors of the Association, Board, and ACC) shall be indemnified by the Association, and every other Person serving as an employee or direct agent of the Association or on behalf of the Association as a member of a committee or otherwise, may, in the discretion of the Board, be indemnified by the Association against all liabilities, damages, costs, and expenses, including reasonable attorneys' fees and costs, incurred by or imposed upon him or her in connection with any proceeding or any settlement thereof to which he or she may be a party, or in which he or she may become involved, by reason of his or her being or having served in such a capacity on behalf of the Association (or, in the case of a Developer, by reason of having elected, appointed, removed, or controlled, or failed to control, officers or directors of the Association or members of the ACC) whether or not he or she is a director, an officer, or a member of the ACC, or serving in such other specified capacity at the time such expenses are incurred; provided, however, that prior to agreeing to any such indemnification, the Board shall determine, in good faith, that such officer, director, or member of the ACC or other Person, or the Developer, did not act, fail to act, or refuse to act willfully, with gross negligence, or with fraudulent or criminal intent, in the performance of his, her, or its duties. The foregoing rights of indemnification shall be in addition to and not exclusive of all other rights to which such Persons may be entitled at law or otherwise.

11. Waiver of Jury Trial. The Developer, the Association, and all present and future Owners hereby waive, and shall be deemed to have waived by acceptance of any deed for any Lot, trial by jury on or for any matter which related to the interpretation of or violation of the terms of this Declaration or the Bylaws.

12. Choice of Law, Jurisdiction and Venue. This Declaration shall be governed by Arkansas law and all disputes concerning or pertaining in any way to these Covenants shall be heard in Benton County, Arkansas. By accepting a deed of any Lot, each Owner consents to personal jurisdiction of Arkansas courts.

13. No Construction Against Drafter. This Declaration shall not be construed against or in favor of the Developer or any Owner merely because it was drafted at a time when the Developer owned a majority of the Lots.

14. Attorneys' Fees and Costs. The prevailing party in any legal proceeding to interpret or enforce this Declaration shall be entitled to recover, in addition to any actual damages and/or any injunctive or other equitable relief to which he, she or it may be entitled, reasonable attorneys' fees and costs associated with the action and all efforts prior to instituting litigation which pertain to the matter or matters on which he, she or it was the prevailing party. Once again, all remedies provided for herein, or at law or equity, shall be cumulative and not exclusive.

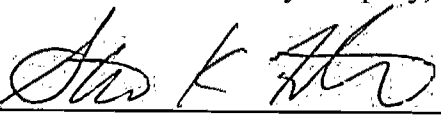
15. Prohibition Against Sex Offenders. No person who is required to register as a sex offender pursuant to: (i) the Sex Offender Registration Act of 1997, as codified at Ark. Code Ann. §§ 12-12-901 et seq, as it now exists or as hereafter may be modified or amended; or (ii) any other similar federal, state, or local law, regulation or ordinance, may rent, reside in, own, or occupy any Lot or Dwelling, either temporarily or permanently.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY BLANK,
SIGNATURE PAGE FOLLOWS.]

The foregoing is hereby declared and shall be applicable and effective as of the date referenced above:

“DEVELOPER”:

Dream Structures Residential, LLC,
an Arkansas limited liability company,

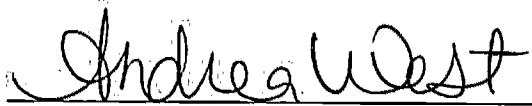
By: 
Steve Fisher, Member

ACKNOWLEDGMENT

STATE OF ARKANSAS)
) ss
COUNTY OF BENTON)

On this 24th day of March, 2022, before me, Andrea West, a Notary Public, duly commissioned, qualified and acting, within and for said County and State, appeared in person the within named Steve Fisher, Member of Dream Structures Residential, LLC, being the person or persons authorized by said limited liability company to execute such instrument as Member, to me personally well-known or satisfactorily proven to be such person, who stated that he was a Member of Dream Structures Residential, LLC, and was duly authorized in his capacity to execute the foregoing instrument(s) for and in the name and behalf of said limited liability company, and further stated and acknowledged that he had so signed, executed and delivered said foregoing instrument for the consideration, uses, and purposes therein mentioned and set forth.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal this 24th day of March 2022


Notary Public

My Commission Expires:

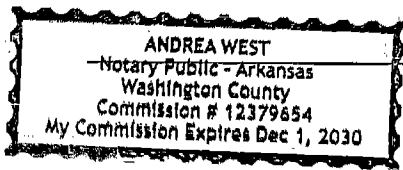


EXHIBIT "A"**Legal Description of the "Property"**

All of Woodlands Crossing Phase I Subdivision to the City of Bentonville, Benton County, Arkansas, as shown on that certain "Final Plat Woodlands Crossing PHI" instrument that is dated as of July 27, 2021, and was recorded with the Circuit Clerk and Ex-Officio Recorder of and for Benton County, Arkansas, on July 28, 2021, as L202156266, including without limitation buildable lots 1-74, non-buildable lots 75-78, and all other property thereon, and being more particularly described as follows:

SURVEY DESCRIPTION

THE NORTHWEST 1/4 OF THE NORTHEAST 1/4 OF SECTION 14, TOWNSHIP 19 NORTH, RANGE 31 WEST, BENTON COUNTY, ARKANSAS CONTAINING 40.16 ACRES, MORE OR LESS, SUBJECT TO THE RIGHT-OF-WAY OF SW MORNING STAR ROAD ALONG THE ENTIRE WEST BOUNDARY.

LESS AND EXCEPT A PART OF THE NW1/4 OF THE NE1/4 OF SAID SECTION 14, TOWNSHIP 19 NORTH, RANGE 31 WEST, BENTON COUNTY, ARKANSAS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: COMMENCING AT A NAIL LOCATED AT THE SOUTHWEST CORNER OF THE NW1/4 OF THE NE1/4 OF SAID SECTION 14; THENCE SOUTH 87°11'35" EAST 182.89 FEET ALONG THE SOUTH LINE OF SAID 40 ACRE TRACT TO A 5/8" IRON REBAR CAP #1519 LOCATED AT THE TRUE POINT OF BEGINNING; THENCE LEAVING SAID SOUTH LINE AND RUNNING NORTH 02°20'47" EAST 111.65 FEET TO A 5/8" IRON REBAR CAP #1519; THENCE SOUTH 87°27'40" EAST 69.25 FEET TO A 5/8" IRON REBAR CAP #1519; THENCE SOUTH 02°20'47" WEST 111.98 FEET TO A 5/8" IRON REBAR CAP #1519 LOCATED ON THE SOUTH LINE OF SAID 40 ACRE TRACT; THENCE NORTH 87°11'35" WEST 69.25 FEET TO THE POINT OF BEGINNING, CONTAINING 0.18 ACRES, MORE OR LESS.

SUBJECT TO ANY RIGHTS-OF-WAY, EASEMENTS, DEED RESTRICTIONS, OR COVENANTS OF RECORD OR FACT, TOGETHER WITH AN ACCESS EASEMENT 50 FEET IN WIDTH BEING DESCRIBED AS FOLLOWS:

A PART OF THE NW1/4 OF THE NE1/4 OF SECTION 14, TOWNSHIP 19 NORTH, RANGE 31 WEST, BENTON COUNTY, ARKANSAS BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A NAIL LOCATED AT THE SOUTHWEST CORNER OF THE NW 1/4 OF THE NE 1/4 OF SAID SECTION 14; THENCE N02°20'47" E 111.65 FEET TO THE POINT OF BEGINNING, SAID POINT BEING IN THE RIGHT OF WAY OF SW MORNING STAR ROAD; THENCE SOUTH 87°11'35" EAST 252.14 FEET; THENCE N02°20'47"E 50 FEET; THENCE N87°11'35" W 252.14 FEET TO A POINT IN THE RIGHT OF WAY OF SW MORNING STAR ROAD; THENCE S02°20'47" W 50.0 FEET TO THE POINT OF BEGINNING.



CERTIFICATE OF RECORD
STATE OF ARKANSAS, COUNTY OF BENTON
I hereby certify that this instrument was
Filed and Recorded in the Official Records
in **Doc Num L202221789**
04/05/2022 08:15:32 AM
Brenda DeShields
BENTON COUNTY Circuit Clerk & Recorder