

140225

**BILL OF ASSURANCES AND PROTECTIVE COVENANTS FOR
LOTS 1 THROUGH 109 AND LOTS 111 THROUGH 144 OF THE
WILLIAMSON PLACE AT RYE HILL SUBDIVISION,
AN ADDITION TO THE CITY OF FORT SMITH, ARKANSAS**

WHEREAS, Pinemeadow, Inc., (the "Developer") is the developer of the following described real property located in the City of Fort Smith, Sebastian County, Arkansas, to-wit:

SEE EXHIBIT "A"

WHEREAS said real property was duly replatted as the Williamson Place at Rye Hill Subdivision, an Addition to the City of Fort Smith, Sebastian County, Arkansas (the "Subdivision");

WHEREAS said replat (the "Plat") was recorded in the office of the recorder of Sebastian County, Arkansas, on August 30, 2006 in Plat Book 17689;

WHEREAS, the Developer sold Lots 79, 80, 81, 82, 83 and 117 to Rouse-Walker Properties, Inc.;

WHEREAS, the Developer is the Owner of the remaining Lots in the Subdivision;

WHEREAS, the Developer intends to dedicate Lot 110 to the City of Fort Smith for public use and to develop Lot 144 for commercial use;

KNOW ALL MEN BY THESE PRESENTS:

The Developer and Rouse-Walker Properties, Inc. hereby impose the following covenants, requirements, limitations, and restrictions (the "Covenants") on LOTS 1 THROUGH 109 AND LOTS 111 THROUGH 143 (hereinafter singularly referred to as a "Lot", or collectively, as the "Lots") of the Subdivision; provided however, that the Covenants shall not cover and shall in no way effect the use or development of Lots 110 or 144 of the Subdivision.

The Covenants are for the benefit of and are limitations upon the Developer and Rouse-Walker Properties, Inc. (except as expressly stated hereinafter) and all future owners of the Lots and are intended to provide for an orderly development of the Lots and to make the Lots desirable, uniform and suitable for uses herein specified.

1. Definitions.

The following words, when used in these Covenants or any amendments or supplements thereto (unless the context shall otherwise clearly indicate or prohibit), shall have the respective concepts and meanings set forth below:

- a. "Addition" or "Subdivision" shall mean and refer to the property described in Exhibit "A" and as reflected on the plat set out on Exhibit "B".

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b. "Association" shall mean and refer to "Williamson Place Property Owners Association".

c. "Board" or "Board of Directors" shall mean and refer to the Board of Directors of the Association elected in accordance with the provisions of the Articles of Incorporation and By-Laws of the Association.

d. "Developer" shall mean and refer to Pinemeadow, Inc., and its successor(s) and assign(s).

e. "Lot" or "Lots" shall mean and refer to any plot or tract of land which is designated as a lot on the Plat (except Lot 110 and 144).

f. "Owner(s)" or "Owner(s)" shall mean and refer to each person or business entity who or which are a record owner of a fee or undivided fee interest in a Lot.

2. Membership and Voting Rights in the Association.

a. Membership. The Owner or Owners of each Lot shall automatically be and must remain a Member or Members of the Association.

b. Voting Rights. The Association shall have one (1) class of membership for purposes of voting. The Owner or Owners shall be entitled to one (1) vote for each Lot. There shall be a total of one-hundred forty two (142) votes.

c. Quorum, Notice and Voting Requirements. The quorum, notice, and voting requirements of and pertaining to the Association are set forth within the Articles of Incorporation and By-Laws of the Association, as the same may be amended from time to time. Any action by or on behalf of the Association may be taken with the assent of the Members who collectively hold or control a majority of the outstanding votes of the Association.

3. Covenants for Assessments.

a. Assessments. The Owner or Owners of each Lot (except the Developer), by acceptance of a deed therefor (whether from the Developer or some subsequent grantor and whether or not it is stated in any such deed or other conveyance), agrees to pay to the Association the following:

- (1) Regular assessments as for the maintenance, taxes, insurance, landscaping, repairs, and other costs necessary for the Board to perform the duties and obligations hereinafter set forth;
- (2) Special group assessments for capital improvements or unusual or emergency matters;
- (3) Special individual assessments levied by the Board against an individual Owner or Owners to reimburse the Association for the cost to repair any damage to any property maintained by the Association, if the damage was caused by the willful or negligent acts of an Owner, or his or her family, guests, or invitees, and not caused by ordinary wear and

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tear; and

(4) Special individual assessments levied by the Board against an individual Owner or Owners, for violation of these Covenants or the rules and regulations pertaining to the Association by the Owner or his or her family, guests, or invitees.

The regular, special group, and special individual assessments, together with such late charges, interest and costs of collection thereof, shall be a charge against and shall be a continuing lien upon each Lot against which each such assessment is made.

b. Basis and Amount of Assessments.

(1) The regular and special group assessments shall be determined by the Board in such amounts and on such payment terms as the Board in its sole discretion deems appropriate. The assessments shall apply to all Lots, except those owned by the Developer.

(2) The special individual assessments shall be determined by the Board in such amounts and on such payment terms as the Board in its sole discretion deems appropriate.

(3) The Board shall give notice to all members at least thirty (30) days in advance of the date that any special group or special individual assessment is due. The Board may prescribe from time to time that the regular assessments are to be collected on an annual, semi-annual, quarterly, or monthly basis, and the Board shall prescribe the appropriate due dates. All regular assessments shall be collected in advance. The due date or dates (if it is to be paid in installments) of any special group or special individual assessment shall be fixed in the resolution authorizing such assessment.

c. Rate of Regular and Special Group Assessments. Except as noted herein, regular and special group assessments shall be fixed at a uniform rate for all Lots (except Lots owned by the Developer).

d. Effect of Non-Payment of Assessment, Liens.

(1) If any assessment (or any installment thereof as authorized by the Board) is not paid on the date(s) when due, then the unpaid amount of such assessment shall be considered delinquent and shall, together with (i) interest thereon at the maximum rate allowed under applicable law and (ii) costs of collection thereof, become a continuing debt secured by a self-executing lien on the Lot of the non-paying Owner, which lien shall bind such Lot in the hands of the Owner and Owner's heirs, executors, administrators, devisees, personal representatives, successors, and assigns. The Board shall have the right to reject partial payments of an unpaid assessment and demand the full payment thereof. The lien for unpaid assessments shall be unaffected by any sale or other conveyance of a Lot. No Owner may waive or otherwise escape liability for any assessment provided herein by abandonment of the Lot. The Association may pursue any remedy available to it at law or in equity to enforce such lien, including initiation of a foreclosure suit in a court of competent jurisdiction.

(2) If the Board has been furnished in writing with the correct name and address of the holder(s) of a mortgage of a Lot and a request from the holder(s) to receive notification, the Board shall give to said holder(s) written notification of an Owner's default in paying any assessment if such default has not been cured within thirty (30) days of the original due date.

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(3) The Board may, at its election, retain the services of an attorney to review, monitor, collect, and file suit to foreclose on a lien for unpaid assessments, and there shall also be added to the amount of any unpaid assessment or to any delinquent account any and all attorneys' fees and other costs of collection incurred by the Association.

(4) The lien of the assessments provided for herein shall be subordinate and inferior to the lien of any bonafide purchase money mortgage or deed of trust now or hereafter placed upon any Lot subject to assessment.

4. Powers and Duties of the Board of Directors of the Association.

a. Powers and Duties. The affairs of the Association shall be conducted by its Board of Directors (referred to in this section as the "Board").

(1) The Board, for the benefit of the Association and the Owners, may contract (and use the assessments to pay) for any or all of the following:

(a) Care, preservation and maintenance, furnishing, landscaping and upkeep of (i) the island at the entrance to the Subdivision; and (ii) the fences along old Highway 71 and along the rear of Lot 144;

(b) Private trash and garbage collection service, if determined necessary by the Board;

(c) Taxes, if any, for the property maintained by the Association;

(d) The services of any person or firm (including the Developer and any affiliates of the Developer) to manage the Association or any separate portion thereof, to the extent deemed advisable by the Board, and the services of such other personnel as the Board shall determine to be necessary or proper for the operation of the Association, whether such personnel are employed directly by the Board or by a manager hired by the Board;

(e) Legal and accounting services; and

(f) Any other materials, supplies, equipment, labor, services, maintenance, repairs, structural alterations, taxes, or assessments which the Board is required to obtain or pay for pursuant to the terms of these Covenants or which in its opinion shall be necessary or proper for the operation or protection of the Association and the Subdivision or for the enforcement of these Covenants.

(2) The Board shall have the following additional rights, powers and duties:

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(a) To execute all declarations of ownership for tax assessment purposes with regard to any properties owned or maintained by the Association;

(b) To enter into contracts, maintain one or more bank accounts and, generally, to have all the powers necessary or incidental to the operation and management of the Association;

(c) To determine the amount and the terms for payment of any assessment; and

(d) To make reasonable rules and regulations (the "regulations") and to amend these Covenants from time to time; provided, however, no portion of Sections 8 (Residential Purposes) or 9 (Other Restrictions) of the Covenants may be amended unless the Owners of two-thirds (2/3) of the Lots approve the proposed amendment(s).

b. Contracts with an Owner. The Board shall have full power and authority to contract with any Owner (including, without limitation, the Developer) for performance, on behalf of the Association, of services which the Association is otherwise required to perform pursuant to the terms hereof, such contracts to be upon such terms and conditions and for such consideration as the Board may deem proper, advisable, and in the best interests of the Association.

c. Limitations of Liability. The Developer, Members, Owners, and the Association's directors, officers, agents and employees shall not be personally liable for debts contracted for or otherwise incurred by the Association or for any torts committed by or on behalf of the Association. The Developer and the Association, and their directors, officers, agents, or employees shall not have any obligation to (or any liability for) failure to: (i) inspect any Lot or (or any improvements thereon), (ii) repair or maintain any Lot or property owned or maintained by the Association; or (iii) to enforce any Covenant or regulation. **THE DEVELOPER DOES NOT WARRANT IN ANY WAY THE VALIDITY OR ENFORCEABILITY OF ANY OF THE COVENANTS AND SHALL NOT BE LIABLE TO ANY OWNER OR OTHER PERSON IF ANY OF THE COVENANTS ARE DETERMINED TO BE INVALID OR UNENFORCEABLE.**

d. Reserve Funds. The Board may establish reserve funds which may be maintained and accounted for separately from other funds maintained for annual operating expenses.

6. Streets and Utility Easements.

a. The Developer does hereby dedicate for public use all of the streets as shown on the Plat. The Developer further dedicates for public use the easements as designated on the Plat for the purposes of constructing, maintaining, operating, repairing, replacing and servicing all public or quasi-public utilities; provided that the right of ingress and egress for such purposes is reserved to the employees, agents and designees of any public or quasi-public utility providing service to the Lots. No structure, improvement or landscaping shall be placed and no excavation shall occur

within said easements which may damage or interfere with the installation and maintenance of any utility. The Owner or Owners of a Lot shall be responsible for mowing the area within the boundaries of easement on his or her Lot. 0230

b. Utility supply lines for all public or quasi-public utilities shall be located underground in the easements shown on the Plat but the electrical lines running over the Subdivision prior to development may remain above ground.

c. Utility service lines to all residences located on a Lot shall be underground, and shall run from the nearest source of each utility within the easement to the nearest point of use on such residence. The supplier of each public or quasi-public utility shall hereafter be deemed to have a permanent easement five feet in width, extending from the source of said utility supply line to the point of use at each residence or other structure. The center line of said five foot strip being represented by the service line as installed. The easement is granted for the purpose of installing, maintaining, removing or replacing any portion of the above ground or below ground service line or appurtenances thereto. The Owner or Owners of a Lot shall not allow any activity on said Lot, including construction or alteration of grade, which may interfere with the operation of any service or supply lines or appurtenances thereto. Shrubbery shall not be placed so as to interfere with the reading of, or the normal maintenance of, any utility meter.

d. The Owner or Owners shall be solely responsible for the cost to repair or to relocate any supply or service line (or any appurtenance thereto) which is damaged by an act or omission of the Owner or Owners or their family members, guests, contractors or invitees.

7. Residential Purposes and Uses.

a. Each Owner covenants with the Developer, the Association, and all other Owners that his or her Lot shall be acquired for and shall be solely used as a residence.

b. Only single family residences shall be constructed on the Lots, except Lots 141, 142 and 143, on which duplexes may be constructed. Each single family residence, not including open porches or garages, shall have at least 1,700 square feet of floor area and each side of each duplex shall have at least 1,200 square feet, not including open porches or garages. All single family residences and duplexes shall be of conventional construction. All single family residences and duplexes shall meet HUD code compliance. No mobile home, manufactured house or prefabricated house shall be erected or placed on any Lot, either temporarily or permanently.

c. Each single family residence and each duplex shall be constructed on a permanent foundation made of either concrete or cinder block. The concrete or block foundation may not be exposed and shall be covered by brick.

d. The roof of each single family residence, duplex, and all other structures constructed on a Lot shall be covered by Architectural shingles with natural color (weathered wood color). Except with respect to the covering of the foundations as set forth in paragraph 8c, the exterior of each single family residence and each duplex shall be covered by not less than sixty (60%) percent masonry with the remainder covered by vinyl, stucco, or hardy plank siding. Each single family

residence and each side of each duplex shall have a private garage, large enough to accommodate at least two (2) automobiles. Any detached structure shall be constructed on a permanent foundation in a manner that is architecturally compatible with the single family residence or duplex on the Lot, the roof ridge of which shall not exceed twelve (12) feet in height.

e. Each single family residence and each side of each duplex shall have a concrete driveway from the garage to the street.

f. No detached structure or garage on a Lot may be used as living quarters, either permanently or temporarily. No trailer, mobile home, tent, construction shack, or other out buildings shall be placed, erected or kept on a Lot, except for temporary use by construction contractors for a reasonable period of time.

g. The roof on all residential dwellings (single family residences and duplexes) shall have a pitch with a ratio of not less than 7 vertical to 12 horizontal.

h. The forgoing notwithstanding, all residential dwellings and other buildings, fences and retaining walls in the Addition shall comply with the setback requirements of the ordinances of the City of Fort Smith.

i. Each single family residence and each side of a duplex shall have a mailbox with the same design and appearance as the mailbox shown on Exhibit "C".

j. No driveway to any single family residence or duplex shall exit onto the street designated as Tennessee Circle on the Plat, except Lots 120 and 121.

k. The side building setback line for each Lot shall be seven and one-half (7 ½) feet, except for corner Lots which shall have a side building setback line of fifteen (15) feet.

l. All residential dwellings of a Lot, including a residential dwelling on a corner Lot, shall face the "front property line" of that Lot as shown on the Plat; said front property line being the one which has a 25 foot building setback line (25' BSL), as shown on the Plat. No Lot shall front on Tennessee Circle.

8. Other Restrictions.

a. All boats, camping trailers and RVs, motorcycles, boat trailers, four-wheelers, ATVs and other vehicles or trailers used for recreational purposes (collectively "recreational vehicles") shall be stored as follows: (i) if the recreational vehicle is more than four (4) feet in height, in the garage attached to the residential dwelling or in a completely enclosed detached structure approved by the Architectural Control Committee; and (ii) if the recreational vehicle is less than four feet in height, at the rear of the residential dwelling so as to be obscured from public view and from the view of adjacent Lots. Shrubbery or fencing (as described in Sections 5 and 6) may be used to obscure the view of recreational vehicles that are less than four (4) feet in height. No recreational vehicle shall be used as a residential dwelling either temporarily or permanently. No motorcycle or ATV shall be used on any street in the Subdivision, except for the sole purpose of

entering or exiting the Subdivision.

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b. No truck (except for non-commercial pick-up trucks without business signs or logos) and no motorized equipment used for commercial or construction purposes (i.e. back hoes, tractors, brush hogs, graders, etc.) shall be kept on any Lot or parked on any street in the Subdivision, except for deliveries to or moving into or from a single family residence or duplex. No automobile or pickup truck that has been inoperative for a period of more than three (3) days shall be stored outside of a garage or detached structure on a Lot on any street in the Subdivision. No unused or unlicensed motor vehicles shall be parked or stored outside of a garage or detached structure on any Lot or on any street in the Subdivision. No street in the Subdivision shall be used for the parking of any automobile or pickup truck on a regular basis.

c. No fences shall be erected around or in the front yard of any single family residence or duplex. All fences constructed around the rear yard shall be constructed of wood, pvc or vinyl clad galvanized materials. No plain galvanized chain link, split rail or concrete fence shall be erected on any Lot. The height of any fence shall not be greater than six (6) feet on any Lot. If an easement is fenced, the Owner or Owners shall construct and maintain gates in the fence which provide free ingress and egress to and within the easement.

d. No obnoxious or offensive trade or activity shall be carried on or upon a Lot, nor shall anything be done thereon that maybe or may become an annoyance or nuisance to the neighborhood. No oil, gas or mineral development of any kind shall be permitted on the surface of any Lot in the Subdivision.

e. No animals, livestock, poultry, wild animal (including but not limited to bobcats), or exotic animal of any kind shall be raised, bred or kept on any Lot, or in any single family residence or duplex, except that dogs and cats may be kept on a Lot; provided they are not kept, bred or maintained for any commercial purpose. The Owners must comply with all applicable city ordinances regarding cats and dogs. All dogs and cats must be kept in the single family residence or duplex or in a fenced rear yard of a residence. No animal shall be chained, tied or otherwise restrained either in the rear or front yard of a Lot. All doghouses or other animal shelters shall be kept in the fenced rear yard of a single family residence or duplex.

f. Each single family residence and each side of a duplex shall be permitted one aerial satellite dish or similar devise for the reception of television, radio or information services so long as the devise is located within the building set back limits and to the rear of the residential building and is used for noncommercial purposes only. Each aerial satellite dish or other devise: (i) shall be installed at the minimum elevation to permit adequate reception, but under no circumstance at an elevation that is higher than the residence located on the Lot; (ii) shall be the minimum size commercially available for residential use; and (iii) shall not be visible from any street in the Subdivision.

g. The Owner or Owners shall keep the yard of each Lot (or the yard of each side of a duplex) mowed and in a neat sanitary condition.

h. No sign of any kind shall be displayed on a Lot, except one professional sign advertising the property for sale, resale or rent, or signs used by a builder or agent to advertise the property during the construction and sale of a dwelling thereon. In no event shall any such sign stand more than three (3) feet above ground level nor be more than five (5) square feet in size nor be lighted at night.

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i. No Lot nor any portion thereof shall be split to create an additional or larger Lot. It is the intent of these Covenants that there be 142 residential Lots in the Subdivision; provided however minor adjustments to Lot lines or boundaries may be made from time to time to cure title problems or to resolve procedures created by encroachments so long as such adjustments are first approved by the Board, and by the Developer if any of the Lots have not been sold.

j. Construction materials may only be stored within the building setback lines for thirty (30) days prior to the commencement of construction of the single family residence or duplex, with the construction of the single family residence or duplex to be completed within a reasonable period of time.

k. No Owner shall be allowed to conduct any business or commercial activity or enterprise upon any Lot. No commercial type buildings shall be constructed on any Lot; provided however, that a person or entity owning multiple Lots which are held for sale may maintain a model home or sales office in the Subdivision, using no more than two (2) Lots for such purpose. Any such sales office shall be designed to be compatible with a residential structure.

l. Dumping is prohibited in the Addition. All trash, garbage or other waste shall be kept in sanitary containers which shall be located in the garage of each unit the day of pickup. No refuse or debris pile shall be placed anywhere on a Lot.

m. Indoor furniture shall not be used as lawn furniture and shall not be placed outside of a residence or detached structure on any Lot. No clotheslines or drying yards shall be permitted on any Lot.

n. No above ground swimming pool will be constructed or installed on any Lot.

o. NO PERSON, WHO IS UNDER AN OBLIGATION TO REGISTER AS A SEX OFFENDER UNDER A.C.A. § 12-12-906 OR A SIMILAR STATUTE OF ANOTHER STATE, MAY OWN A LOT OR RESIDE IN A SINGLE FAMILY RESIDENCE OR DUPLEX IN THE SUBDIVISION AT ANY TIME.

9. Miscellaneous.

a. The Covenants shall run with the land, and shall be binding on all of the Lots and all of the Owners of the Lots for a period of twenty-five (25) years from the date that this instrument is recorded, after which time said Covenants shall be automatically extended for successive period(s) often (10) years unless an instrument agreeing to change said Covenants in whole or in part signed by a majority of the then Owners of the Lots has been recorded.

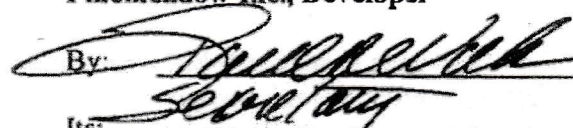

b. If any provision of these Bill of Assurance and Restrictive Covenants or any section,

clause, phrase, word or the application thereof in any circumstances is held to be invalid, ¹¹²³⁴ the validity of the remainder of these Bill of Assurances and Restrictive Covenants and of the application of the remaining provision shall not be affected thereby.

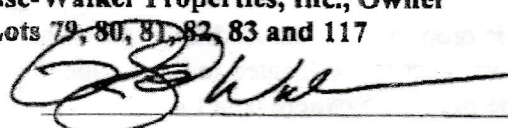

c. The Association or any Owner shall have the right to initiate any proceedings at law or in equity against any person or party violating or attempting to violate any of the Covenants or the regulations and, in such proceeding, shall have the right to obtain a temporary or permanent injunction or to recover damages for such violations, or both.

IN WITNESS WHEREOF, Pinemeadow, Inc., has caused these Bill of Assurances and Protective Covenants for Lots 1 through 109 and Lots 111 through 143 of Williamson Place at Rye Hill, an Addition to the City of Fort Smith, Arkansas, to be duly executed this day of 14 of Sept 2006.

Pinemeadow Inc., Developer

By:  
Its: Secretary President

Rouse-Walker Properties, Inc., Owner
of Lots 79, 80, 81, 82, 83 and 117

By:  
Its: Secretary PRES.