

SUMMERLIN SUBDIVISION
AN ADDITION OF THE CITY OF BENTONVILLE
BENTON COUNTY, ARKANSAS

RESTRICTIVE COVENANTS AND BILL OF ASSURANCE
(AMENDED) FOR PHASE 1 and (INITIAL) FOR PHASE 2

Brenda DeShields-Circuit Clerk
Benton County, AR
Book/Pg: 2007/28032
Term/Cashier: CASH/BJACKSON
02/11/2007 2:20:11PM
Lenn: 7298
Cltal Fees: \$62.00

These Restrictive Covenants and Bill of Assurance for Summerlin Subdivision (the "Restrictive Covenants"), an Addition to the City of Bentonville, Benton County, Arkansas are hereby made and established with respect to Phases 1 and 2 thereof as set forth below.

It is acknowledged that a document entitled "Summerlin Subdivision - Phase 1, an Addition of the City of Bentonville, Arkansas, Restrictive Covenants and Bill of Assurance" (the "Initial Phase 1 Covenants") was filed with the Benton County Circuit Clerk on April 11, 2007, as Document No.: 2007 14507, which applied to Lots 1 through 93 of Summerlin Subdivision, Phase 1, an Addition to the City of Bentonville, Arkansas, as per the plat of said subdivision that was filed for record with the Benton County Circuit Clerk on the 22nd day of June, 2006 in Plat Book 2006 at Page 755, which is incorporated herein by reference (the "Phase 1 Plat"). It is further acknowledged that the within Restrictive Covenants and Bill of Assurance is a total amendment to and restatement of the Initial Phase 1 Covenants.

Further, Roundtable Development, LLC (the "Developer") hereby imposes the following limitations, restrictions and uses on Lots 1 thru 84 which together constitute Phase 2 of Summerlin Subdivision, an Addition to the City of Bentonville, Arkansas, as per the platted subdivision for Phase 2 that was filed of record in Benton County on the 2nd of November, 2006 in Plat Book 2006 at page 1324, and which is incorporated herein by reference (the "Phase 2 Plat"). Phases 1 and 2 of Summerlin Subdivision as set forth on the 2 plats referred to herein are collectively referred to herein as the "Addition." The legal description for Phases 1 and 2 of the Addition is set out on Exhibit "A" attached hereto. These Covenants shall run with the land for the period of time hereinafter set out and shall be binding upon all purchasers of Lots in the Addition and against all Lots and other property located therein and thereon, and also against all other property located within the Addition. These Covenants are for the benefit of and are limitations upon all present and future owners in the Addition and have been designed as such in order to provide for the orderly development of the Addition and for the purpose of making the Addition desirable, uniform, and suitable for the uses herein specified.

These Covenants shall be binding upon all parties and all persons claiming under them through December 31, 2036, at which time they shall be automatically extended for an additional ten (10) years, unless by vote of at least two-thirds of the then owners of the Lots in the Addition (the term "Lots" being defined herein), it is then agreed that these Covenants should not be changed, amended, or terminated in whole or in part.

It shall be lawful for the Developer, Summerlin LLC, DP, Summerlin Subdivision Property Owners Association, an Arkansas non-profit corporation (hereinafter referred to as the

"Association"), the City of Bentonville, Arkansas (the "City"), or any other person or entity owning a Lot in the Addition to initiate proceedings at law or in equity against parties or persons violating or attempting to violate any of these covenants and to recover damages for such violations. The Association and / or any owner of Lots situated in the Addition, either individually or collectively may also exercise any rights reserved hereunder to the Developer. The invalidation of any one or more of these Covenants by a court order shall not invalidate any of the other provisions, which shall remain in full force and effect.

The statements set forth above are a material part of these Covenants and are not mere recitals.

ARTICLE I

Concepts and Definitions

In addition to the defined terms set forth above, the following words, when used in these Covenants or any amendments or supplements thereto (unless the context shall otherwise clearly indicated or prohibit), shall have the respective concepts and meanings set forth below.

"Addition" shall mean and refer to all property located within Phases 1 and 2 of the Summerlin Subdivision, as described herein and on Exhibit "A" attached hereto and on the Phase 1 Plat and the Phase 2 Plat, and any and all amendments thereto.

"Association" shall mean and refer to the entity which shall be formed by the Developer once the Developer has conveyed Forty-two (42) or more Lots from Phase 2 of the Addition to any purchaser or assign. Upon the formation of the Association, it shall have the non-exclusive power, duty, and responsibility for maintaining, administering and enforcing these Covenants and the exclusive authority for collecting and dispersing the assessments and charges hereafter prescribed. The Association shall be chartered and shall function as a non-profit corporation under the name of Summerlin Subdivision Property-Owners Association for the purposes set forth herein. Until the Association is formed as set forth above, the Developer shall have the power, duty and responsibility for maintaining, administering and enforcing these Covenants and collecting and disbursing the assessments and charges hereafter prescribed, and shall further have all power, duty and responsibility and rights hereafter given to the association or the "Board of Directors". Any reference hereafter made to "Association", "Board", or "Board of Directors", shall mean the Developer until such time that the Association is formed as set out above. It is specifically acknowledged that the Initial Phase 1 Covenants referred to the Association as governing only Phase 1 of the Addition. As stated above, the Association shall now govern Phases 1 and 2, which is the entire Addition.

"Architectural Control Committee" or "Committee" shall mean and refer to the three individuals or business entities selected by the Developer until such time as the Association is formed as set forth herein. At that time the three member Committee shall be elected by the Association at a specially called meeting held for that purpose unless the Bylaws of the Association state otherwise. Each member of the committee shall be generally familiar with residential and community development design matters and knowledgeable about Developer's

concern for high level of taste and design standards within the Addition. Other matters pertaining to the government and administration of the committee is set forth in these Covenants.

"The Residences" shall mean Lots 1 thru 28 and 30 thru 93 as shown on the Phase 1 Plat and Lots 1 and 3 thru 84 as shown on the Phase 2 Plat.

"Board" or "Board of Directors" shall mean or refer to the "Board of Directors" of the Association elected in accordance with provisions of the Articles of Incorporation and Bylaws of the Association, once the Association is formed as set forth herein.

"Common Properties" the Common Properties referred to below are the only amenities or landscape improvement which shall be made in the Addition. The Developer, Summerlin, LLC, or DP shall not be obliged or responsible for any other improvements with the exception of one entrance sign that shall be on both sides of SW Wentworth Street, grass along Morningside drive, landscaping at the entrance to the Addition, and a park on which sets playground equipment to be located in Phase 2. All purchasers of property within the Addition are deemed to have been given notice that no further improvements shall be made by the Developer, Summerlin, LLC, or DP except as set out herein. The Common Properties referred to above include all of the following: all entrance signage, grass, landscaping referred to above, detention pond, streams and related landscaping, and the playground/park area located in Phase 2. The Association shall hold such title to the Common Properties as shall be consistent with the objectives envisioned herein and subject to the easements rights herein of the member to use and enjoy the Common Properties; provided that the City of Bentonville holds right to the four acre detention pond on the west side of Morningstar Road. The Developer reserves the right to affect minor redesigns or reconfigurations of the Common Properties and execute any open space declarations applicable of the Common Properties.

"The Stream Relocation and Wildlife Habitat" shall refer to that portion of the Addition set aside for The Stream Relocation and Wildlife Habitat as forth by the UD Army Corps of Engineers section 404 permit #19722-1 and which shall be preserved in its current state and may be utilized as a detention area for storm water run-off. The details of which are covered in Article VII section 4 of this document.

"Developer" shall mean and refer to Roundtable Development, LLC, an Arkansas limited liability company, and its successor(s) and assign(s).

"DP" means D P Development, Inc., an Arkansas corporation.

"Summerlin LLC" means Summerlin LLC, an Arkansas limited liability company.

"Lot" or "lot" shall mean and refer to any plot or tract of land which is designated as a lot on either the Phase 1 Plat or the Phase 2 Plat, or any amendments thereto. The term "Lot" as used in these Covenants shall also be deemed to refer to any real property or space reflected on either of the two plats within which a dwelling unit may be legally constructed. At times in these Covenants more than one Lot will be referred to as "Lots."

“Member” or “member” shall mean and refer to each owner of a Lot.

“Owner” or “owner” shall mean and refer to each and every person or entity who or which is a record owner or subsequently becomes a record owner of a fee or undivided fee interest in any Lot in the Addition. If more than one person or entity owns an interest in a Lot, then the voting right and membership shall be divided among the parties as they see fit; provided that there shall only be one vote for each Lot.

“Park” shall mean and refer to a tract of land within the development to be designated as acreage for owner and member use as a Common Area. The park shall be developed with improvements and maintained by the Association.

ARTICLE II

Membership and Voting Rights in the Association

Section 1. Membership. Every owner of a Lot shall automatically be, and must remain, a member of the Association in good standing once the Association has formed as set out above.

Section 2. Voting Rights. The Association when formed shall have one (1) class of membership for purposes of voting. There shall be a total of 175. The owner of each Lot (regardless of how many persons or entities own an interest in the Lot) shall be entitled to one (1) vote for each Lot he, she or it owns.

Section 3. Quorum, Notice and Voting Requirements. The quorum, notice and voting requirements of and pertaining to the Association when formed are set forth within the Articles of Incorporation and By-Laws of the Association, as the same may be amended from time to time. Subject to the provisions of Section 2 above and any other provision to the contrary set out in these Covenants, any action by or on behalf of the Association may be taken with the permission given in writing and signed by members who collectively hold or control a majority of the outstanding votes of the Association.

ARTICLE III

Property Rights in the Common Properties

Section 1. Members' Easements of Enjoyment. Subject to the provisions of Section 3 of Article III every member and each individual within a member's family shall have a non-exclusive right and easement of use, recreation, and enjoyment in and to the Common Properties and such easement shall be appurtenant to and shall pass with the title of each respective Lot, PROVIDED, HOWEVER, such easement shall not give such person (excluding Developer, Summerlin LLC, DP and the Association), the right to make alteration, addition or improvements to the Common Properties.

Section 2. Title to the Common Properties. When formed, the Association shall hold such title to the Common Properties for an indefinite period of time, subject to any easements of record as is necessary to accomplish the purposes effects of these Covenants. The Association shall have the right to design, redesign, reconfigure, alter, improve, landscape, and maintain the Common Properties where applicable.

Section 3. Extent of Members' Easements. The rights and easements created hereby shall be subject to the following provisions:

(a) The Board shall prescribe reasonable regulations and policies governing, and to charge fees and / or deposits related to the use, operations, and maintenance of the common Properties and all Lots.

(b) The Board, on behalf of the Association, may enter into and execute contracts with any party for the purpose of providing maintenance or such other materials or serviced consistent with the purposes of the Association and / or these Covenants.

(c) The Board shall suspend the voting rights of any member and suspend the right of any member to use or enjoy any of the Common Properties for any period during which any assessment (including without limitation "fines") against a Lot resided upon by such member remains unpaid, otherwise for any period deemed reasonable by the board for any infraction of the existing rules and regulations.

(d) The Board, on behalf of the Association, may dedicate or transfer all or any part of the Common Properties to any municipal corporation, county government, political subdivision, public agency, governmental authority, or utility for such purposes and upon such condition as may be agreed to by the Board.

ARTICLE IV **Covenants for Assessment**

Section 1. Creation of the lien and Personal Obligation of Assessments. Subject to the restriction set forth in Section 8 below, each owner of any Lot, by acceptance of a deed therefore, whether it be from the Developer, Summerlin LLC, DP, the Developer, a subsequent grantor or otherwise, for each Lot owned within the Addition, whether or not it shall be so expresses in any such deed or other conveyance, shall be deemed to covenant and agree (and such covenant and agreement shall be deemed to constitute portion of the purchase money and consideration for acquisition of the Lot), to pay to the Association the following matters:

(a) Regular assessments or charges for maintenance, taxes, and insurance on the Common Properties as will be needed from time to time (as determined by the Board) as set forth herein.

(b) Special group assessments (which may be applicable to owners of only one area of the Addition for capital improvements or unusual or emergency matters regarding yard care, and

signage), and any and all such assessments to be fixed, established, and collected by the Board from time to time as hereinafter provided.

(c) Special individual assessments levied against individual Lot owners to reimburse the Association for extra costs for maintenance and repairs caused by the willful or negligent acts of the individual owner, his or her family, guests or invitees, and not caused by ordinary wear and tear.

(d) Assessments and fines levied against individual Lot owners for violations of rules and regulations pertaining to the Association and / or Common Properties which may be adopted and amended from time to time by the Association.

The regular, special group, and special individual assessments, together with such late charges, interest and costs of collection thereof as hereinafter provided, shall be a continuing lien upon each Lot against which each such assessment is made and shall also be in continuing personal obligation of the then existing owner(s) of such Lot at the time when the assessment fell due.

Section 2. Purpose of Assessment. The assessments shall be used exclusively for the purposes of: (i) enhancing the natural environment, appearance, and beauty of the Addition, (ii) promoting the health recreation, safety, and general welfare of the residents of the Addition; (iii) repairing, maintaining, and renovating the Common Properties of the Addition, any private roadways or easements, (iv) any other use or matter explicitly permitted or authorized by these Covenants or reasonably related thereto.

Section 3. Basis and Amount of Regular Maintenance Assessments. Initially, the Developer, and once an Association is formed as set out above, the Board, shall give notice to all Members at least 30 days in advance of the date all regular or special assessments are due. Initially the due date for the regular assessments shall be January 1 of each year with the first year being January 1, 2007 and all regular assessments considered late and subject to late charge effective March 1, 2007. Each Lot shall be assessed and annual membership fee, due and payable to the Association, once the Association is formed and until that time, the Developer, on the first day of January of each year or paid monthly by automatic bank draft, with the first day of January each year or paid monthly by automatic draft, with the first such assessment being prorated and paid at closing according to time of conveyance of a Lot. Regular dues shall be \$50.00 a year per Lot. All regular base assessments shall be collected in advance. If the Board, or Developer if the Association has not yet been formed, chooses to offer Members the opportunity to pay the regular base assessments at any date other than the January 1 annual date, and / or payment of a special assessment under Sections 3 and 4 hereof, then the Developer or Board (as applicable) shall pass a resolution to authorize such action.

Section 4. Special Group Assessments. In addition to the regular assessments authorized by Section 3 hereof, the Board may levy in any fiscal year a special assessment, after a majority vote of all of the Lots in favor thereof, applicable to that year only, up to a maximum of \$25.00 per year, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a capital improvement in the Addition. In

the event any other special assessments are deemed needed, a once-per-year additional special assessment of up to \$50.00 per Lot can be passed by the affirmative vote of at least 75% of the Lot owners.

Section 5. Rate of Assessments. Except as noted herein, regular and special group assessments shall be fixed at a uniform rate for all Lots owned by members. Should special assessment be determined necessary by the Board, the actual assessment must be voted on and approved by a majority of the Lots in the Addition, and the rate of assessment shall be equal for all Lots. The failure to pay the assessment by the owner of a Lot within the required time period shall constitute a lien against the Lot assessed.

Section 6. Effect of Non-Payment of Assessment; the Personal Obligation of the Owner; the Lien; and Remedies of Association.

(a) If any assessment or fine or any part thereof is not paid on the date(s) when due, then the unpaid amount of such assessment shall be considered delinquent and shall, together with any late charges and inter charges and interest thereon at the maximum rate allowed under applicable law and costs of collection thereof. Thereupon become a continuing debt secured by a self-executing lien on the Lot of the non-paying owner which will bind such Lot in the hands of the owner and owner's heirs, executors, administrators, devisees, personal representatives, successors, and assigns. The Board, once the Association is formed, and until such time, the Developer, shall have the right to reject partial payments of an unpaid assessment and demand the full payment thereof. The personal obligation of the then-existing owner to pay such assessment, however, shall remain the owner's personal obligation and shall not pass to the owner's successors in title unless expressly assumed by them. However, the lien for unpaid assessments shall be unaffected by any sale or assignment of a Lot and shall continue in full force and effect. No owner may waive or otherwise escape liability for any assessment provided herein by non-use of the Common Properties or abandonment of the Lot.

(b) The Board, once the Association is formed, and until such time, the Developer, may also give written notification to the holder(s) of a mortgage on Lot of non-paying owner of such owner's default in paying any assessment when such default has not been cured within 30 days of the original due date, provided that the Developer or Board (as applicable) has, theretofore, been furnished in writing with the correct name and address of the holder(s) of such mortgage and a request to receive such notification.

(c) The Board, once the Association is formed, and until such time, the Developer may, at its election, retain the services of an attorney to review, monitor, and / or collect unpaid assessments and delinquent accounts, and there shall also be added to the amount of any unpaid assessment or to any delinquent account any and all attorney's fees and other costs to collection incurred by the Association.

Section 7. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate and inferior to the lien of the bona fide first mortgage or deed of trust now or hereafter placed upon the Lots subject to assessment.

Section 8. Exception to Assessment(s) Payments. Notwithstanding the foregoing provisions of Article IV or anything else in this Covenants or in the Association's articles of incorporation or bylaws to the contrary, in no event shall the Developer or Summerlin LLC or DP owe or be required to pay any assessment of any kind, whether regular, special or otherwise, nor shall any Lots owned by the Developer, Summerlin LLC or DP owe or be assessed any such assessments for the period of time in which the Developer, Summerlin LLC or DP owned them. This provision may not be removed or amended in any way without the prior written consent of duly authorized representatives of the Developer, Summerlin LLC and DP.

ARTICLE V
General Powers and Duties of the Board of Directors of the Association

Section 1. Powers and Duties. The affairs of the Association shall be conducted by its Board of Directors (sometimes referred to as the "Board").

(a) The affairs, power and duties given the Association shall be those powers and duties of the Developer until the Association is formed as set out above, and after such time, the affairs shall be conducted by the Board of Directors (sometimes referred to as "Board"). The Developers shall retain the powers of the Board until the Association is formed. All powers and duties identified as given to the Board of Directors shall be deemed those powers of the Developer until the Association is formed. For the benefit of the Association, the Addition, and the owners, the Developer or Board (as applicable) may provide and may pay for, out of the assessments fund(s) provided for in the Article IV above, any or all of the following:

- (1) Care, preservation and maintenance of the Common Properties and the furnishing and upkeep of any desired personal property and fixtures for use in or on the Common Properties;
- (2) Private trash and garbage collection services, if any which pertain to the Common Properties only;
- (3) Taxes, insurance and utilities (including, without limitation, electricity, gas, water, and sewer charges) if any, which pertain to the Common Properties only;
- (4) The services of any person or firm (including Developer and any affiliates of the Developer) to manage the Association of 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 or employed directly by the Board or by a manager hired by the Board;
- (5) Legal and accounting services.
- (6) 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 the Covenants or which in its opinion shall be necessary or proper for the operation or protection of the Association and the Addition or for the enforcement of the Covenants.

(b) The Board shall have the following additional rights, powers, duties;

(1) To execute all declarations of ownership for tax assessment purposes with regard to any other Common Properties owned by the Association;

(2) 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;

(3) To make reasonable rules and regulations for the operation of the Common Properties and to amend them from time to time;

(4) Unless specifically prohibited herein, to exercise all rights of a non-profit corporation under applicable law.

Section 2. Maintenance Contracts. 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 interest of the Association.

Section 3. Liability Limitations. No member or the directors and officers of the Association shall 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 or otherwise. Neither the Developer, Summerlin LLC, DP, the Association, nor any of their directors, officers, agents, members, managers, employees or agents shall be liable for any incidental or consequential damages for failure to inspect any premises, improvements, or portion thereof or for failure to repair or maintain the same, or for any other matter.

Section 4. Reserve Funds. The Board may establish reserve funds which may be maintained and accounted for separately from other funds maintained for annual operating expenses.

ARTICLE VI

Use and Division of Lots

No Lot may be divided or split. The Addition (and each Lot situated therein) shall be constructed, developed, occupied, and used as follows:

Section 1. Residential Lots. All Lots within the Addition shall be used, known and described as residential Lots. The minimum heated and cooled square footages for each home within the Addition shall be 1000 square feet. The customary and usual necessary structures may be constructed on each Lot as may be permitted by the City. No building or structure intended for or adapted to business purposes shall be erected, placed, permitted, or maintained on any Lot. This covenant shall be construed as prohibiting the engagement in or practice of any commerce, industry, trade, or profession within the Addition, and / or within any Lot. The restrictions on use herein contained shall be cumulative of, and in addition to, such restrictions on usage as may from time to time be applicable under and pursuant to the statutes, rules, regulations, and ordinances of the City or any other governmental authority or political subdivision having jurisdiction over Addition.

Section 2. Residential Purposes. By acquisition of any Lot within the Addition, each owner (excluding bona fied homebuilders) covenants with and represents to the Developer and to the Association that the Lot is being specifically acquired for the specific and singular purpose of constructing and using as a single-family residential dwelling thereon. All homes within the Addition shall be owned and occupied only as single-family residential dwellings.

Section 3. Minimum Square Footage. Each single-family residence constructed on a Lot shall contain at least the minimum heated and cooled square footage as set forth in Section 1 above. The reasonable decision by the Committee regarding the computation of the amount of square footage a residence contains shall be final.

Section 4. Private Drives, and Parking. Each private drive and paring area must remain clear at all times and may not be utilized for parking or storage purposes and shall be subject to such other rules and regulations as may be promulgated by the Board from time to time.

No inoperative vehicles of any nature shall be permitted to remain on any said Lot or Lots for a period in excess of one day. It is the intention of the Developer that, except on special occasions such as holidays, or a get together at an Owner's residence that all parking shall be in driveways and not on the street. Accordingly, no vehicle shall be parked on the street for more than two (2) consecutive days and shall not be parked overnight on a street. Any violation of the section shall result in a towing of the vehicle at the owner's expense. Automobiles, trucks, obsolete vehicles or machines no longer in service shall be allowed to remain on the Lot for more than two (2) consecutive days. No vehicle maintenance shall be performed on a street at any time, except for the purpose of making a delivery of temporary repairs or maintenance for a Lot or dwelling in the Addition.

ARTICLE VII

Easements

Section 1. In General. Other than primary service in the Addition and within platted easements, there shall be no above-ground service for utilities except those lines or poles that shall be approved, in writing by a majority vote of the Board when the Association is formed as

set forth herein and until such time, the Developer. The owner of each Lot shall be responsible for the protection of underground facilities located on his or her Lot and shall prevent any alteration of grade or construction activity which may interfere with said utility line.

Section 2. Utility Easements. Underground service cables to all residences which may be located in the Addition shall run from the nearest service pedestal to the point of use and upon the installation of such service cable to a particular residence as per final plat. This easement shall also be available to all of the suppliers of public utilities and quasi-public utilities.

Section 3. The Stream Relocation and Wildlife Habitat. The Stream Relocation and Wildlife Habitat as indicated on the Phase 1 Plat or Phase 2 Plat (or both) constitutes a covenant running with the title of subject property and is denoted for the property owners and their future successors, assignees or transferees to preserve, protect and maintain where applicable the existing Stream Relocation and Wildlife Habitat. As set forth by the US Army Corps of Engineers Section 404 Permit # 19722-1, Condition #7, the 3,360 linear feet of relocated streams, including the riparian buffer areas, along with the 3.5-acre detention pond and unnamed tributary of Little Osage Creek within the detention pond, shall remain in their natural state and shall be preserved in the perpetuity for wetland, stream, and wildlife habitat mitigation as follows: The areas may not be converted to another use, including, but not limited to: clearing, logging, bushhogging, mowing, spraying with herbicides, filling, leveling, draining, dumping, construction of any structure, maintenance activities, vegetation control of invasive, noxious, or non-native species, or any other activity that would adversely impact the natural state of the area without obtaining a revision of the US Corps Army Corps of Engineers Section 404 Permit #19722-1. Proposed recourse management activities involving alteration of the mitigation site must have prior approval from Little Rock District Corps of Engineers, including activities that would involve the maintenance if utility lines and moving or bushhogging of utility line right-of-ways.

Section 4. Other Easements. In addition to the foregoing, all easements shown on the Phase 1 Plat and the Phase 2 Plat are hereby acknowledged as constituting easements within the Addition in the locations set forth thereon.

Section 5. Excavating. All excavating or digging on any Lot shall require 48 hours advanced notice to the One Call Center as required by state law. Dial toll free 1-800-482-8998.

ARTICLE VIII

Architectural Control Committee-Approval of Plans, Control of Development Activities.

Section 1. Submission of Plans. In order to maintain a beautiful and pleasing setting in the Addition, but except for any Lots owned in the Addition by Summerlin LLC or DP (which shall be totally exempt therefrom), two (2) sets of all building and site improvement plans and specifications must be submitted to the Committee for its approval prior to the commencement of construction. The Committee shall act to enforce the requirements of these Covenants in a reasonable manner. The Committee has the authority to maintain the architectural conformity of

the Addition and, in consideration thereof, shall determine that the proposed construction shall not detract from the development and shall enhance the purpose of the development to provide a beautiful and pleasing setting in the Addition. The Committee shall consider such matters as the proposed square footage, location, materials, exterior style, and landscaping. The Committee will adopt rules or by-laws explaining the mechanics of its operation and providing for a twenty-one (21) day maximum time within which plans must be reviewed and approved or disapproved after submission and, if not approved, or disapproved in that period, that the same shall be considered as automatically approved.

All fascia boards will be two (2) inch by four (4) inch construction and covered with a maintenance free material. Roof pitch for all dwellings to be 6/12 to 10/12. All roof overhangs to be a minimum of six (6) inches. All improvements constructed in accordance to applicable city codes, rules, and regulations. All vinyl siding shall be a minimum of 41 millimeters thick except decorative siding which shall be a minimum of 39 millimeters thick.

Section 2. Diversion of Drainage. All plans or schemes for the diversion of drainage must be approved by the Committee; provided, however, no reconfiguration of the Stream Relocation and Wildlife Habitat shall be allowed.

Section 3. Garage and Detached Structures. All residences constructed in the Addition shall have a private garage to accommodate a minimum of two (2) automobiles. Each garage shall be fully enclosed and contain a full length overhead style door. Any detached structure to be built on a Lot, such as a covered entertainment area, guest house, pool house, storage building or other structure, shall conform to the basic styling and materials of the dwelling and plans for any such structure must be submitted to the Committee for approval prior to construction. There shall be no parking anywhere on any Lot, even temporarily, except in the driveway or garage.

Section 4. Temporary Structures. No trailer, mobile home, tent, construction shack, or other out building shall be erected on any Lot in the Addition except for temporary use by construction contractors for a reasonable period and only in such location and for such time as may be designated by the Committee.

Section 5. Recreational Vehicles and Accessories. No boats, trailers, recreational vehicles and vehicles used for recreational purposes are allowed in the Addition unless they will entirely fit into a private garage.

Section 6. Fences/Requirements Regarding Public Park. Plans for all fencing whether on Lots or surrounding patios, pools, buildings or other areas of the Lot must be submitted to, and approved by, the Committee prior to the construction thereof. In the approval of the fencing, the Committee shall give consideration to the location, height, material conformity with neighboring areas. No fence shall be constructed on any said Lot in the areas between the front building line of any dwelling and the front line of any said Lot. No fence on a corner Lot shall be constructed beyond the side setback line toward the street except for the community entry. Any privacy fence shall be constructed so that the framing shall be toward the

inside of the Owner's Lot. Chain link fences, wire hog wire, or similar materials are prohibited. All parts of fences which are wood shall use cedar.

Section 7. Exception from ACC Requirements. Notwithstanding the foregoing provisions of Article VIII or anything else in this Covenants or in the Association's articles of incorporation or bylaws to the contrary, in no event shall Summerlin LLC or DP be required to submit any plans to the Committee for approval, or to otherwise be subject to the authority of the Committee; provided, however, that once DP sells the home to the first homeowner, the Lot will again be subject to all Committee authority as set forth herein. This provision may not be removed or amended in any way without the prior written consent of duly authorized representatives of Summerlin LLC and DP.

ARTICLE IX **No Offensive Trade or Activity**

No obnoxious or offensive trade or activity including the discharge of firearms or fireworks shall be permitted on any Lot, nor shall any activity be undertaken on any Lot that shall become an annoyance or nuisance to the neighborhood. Home occupations in which customer or suppliers travel to or from residence in the Addition is prohibited. The development of minerals of any kind or nature is prohibited within the Addition.

ARTICLE X **Animals**

Section 1. No animals, livestock, or poultry of any kind shall be raised, bred or kept on any Lot in the Addition for commercial purposes. No animals, livestock, or poultry may be raised, bred, or kept on any Lot for any other purpose without the approval of the Board, which approval, when granted must be renewed in writing by the Board, within three (3) years from the date of first approval. If the Board fails to approve the renewal, then the owners must remove the animals, livestock, or poultry within thirty (30) days of the expiration of the approval.

Section 2. Notwithstanding the provisions set forth in Section 1 above, dogs, cats, or other common household pets may be kept or raised on a Lot, provided they are not kept, bred, or maintained for commercial purposes, and they are not obnoxious or offensive, and they are contained within a fully fenced yard. Any pen, cage, kennel, shelter, run, track, or other building, structure, or device directly or indirectly related to animals (including dogs, cats, household pets, or otherwise) which can be seen, heard, or smelled by any other Lot owner must be approved by the Board. Violations of the provision may be brought before the Board, and after considering the same, the Board may order the violation to cease or be remedied in some fashion. The failure to heed the Association's directive shall result in a lien being filed against

the property and the Board being able to take such other legal and / or equitable action as it deems necessary and proper.

ARTICLE XI
Motorized Recreation Vehicles

Motorized recreational vehicles including, but not limited to, motorbikes, motorcycles, scooters, mopeds, trail bikes, and any other similar mechanical device emitting noise, smoke or other environmental pollutants shall not be operated within the Addition except for the sole and exclusive purpose of ingress and egress to and from Lots.

The roadways and parking areas within the Addition shall not be used by such vehicles for recreational purposes. The purpose of the restriction is to reduce noise and other pollution so as to permit maximum enjoyment of the surroundings in the Addition. This restriction shall not apply to equipment normal used for lawn or garden maintenance so long as said equipment is operated in the ordinary and usual manner intended.

ARTICLE XII
Signs

Unless approved in writing by the Committee, signs shall be prohibited on all Lots except that two (2) signs, not exceeding six (6) square feet in size, advertising a particular Lot or home for sale shall be permitted. No signs of any nature advertising leasing, rental, or other services shall be permitted. Any signs must comply with applicable city ordinances.

ARTICLE XIII
Additional Design and Construction Criteria

Section 1. Storage of Construction Materials. Construction materials may only be stored on a Lot for thirty (30) days prior to the commencement of construction. Thereafter, construction is to be completed within a reasonable period time. The Developer, Summerlin LLC and DP shall each be allowed to store materials on a Lot in an orderly fashion for up to 90 day prior to construction.

Section 2. Garbage; Dumping. Dumping is prohibited in the Addition. All trash, garbage or other waste shall be kept in sanitary containers that shall be located at the rear of each residential unit. All Lots shall be maintained in a neat and orderly condition at all times.

Section 3. Accessory Buildings. Accessory buildings may only be constructed if the plan are submitted to and approved by the Committee.

Section 4. Antenna, Aerial and Other Devices. All antenna or other types of aerial transmitting or receiving devices (including without limitation, radio, or television transmitting or receiving antenna) shall be pre approved by the Committee. The approval of antenna may be denied if, in the sole discretion of the Committee, the antenna or other receiving device would impede the view or otherwise detract from the overall image of the Addition.

Section 5. Appearance of Lot and Common Grounds. All owners shall be required to keep their Lot in a clean and sanitary condition whether or not they have constructed a residence on the Lot. All open areas on Lot shall be kept mowed to a height of not more than six (6) inches. No playground, swing sets, trampolines, swimming pools, picnic tables, or other similar equipment is allowed in the front yards of any Lot. The Board shall promulgate rules and regulations regarding the maintenance of Lots and adequate enforcement mechanisms in the event a Lot is not properly maintained.

All common grounds are the responsibility of the Association to mow and trim. Short-term maintenance or annual maintenance is also the responsibility of the Association and shall include but be limited to:

- (1) Minor dirt and mud removal
- (2) Outlet Cleaning
- (3) Mowing
- (4) Herbicide spraying (in strict conformance with state and federal law)
- (5) Litter Control

Section 6. Mailboxes. All mailboxes shall be approved by the United States Postal Service.

Section 7. Garage Sales. All garage sales (which term shall also include yard sales and any and all other sales on or from a Lot) shall be limited to two (2) per year with one held in the spring and one held in the fall. This will include the entire Addition with the dates to be approved by the POA. The number of days shall be limited to two (2) days of which will be Friday and Saturday. No individual sales shall be permitted at any other times. These sales must be in accordance with applicable city codes, rules and regulations.

Section 8. HVAC Apparatus. No window air conditioning/heating apparatus shall be installed in a window or within a wall of a residence.

ARTICLE XIV
Miscellaneous Provisions

Section 1. Enforcement. Enforcement of these Covenants may be by any proceeding at law or in equity against any person violating or attempting to violate them. Whether the relief sought in an injunction of recovery of damages, or both, or enforcement of any lien created by the Covenants; but failure by the Association or any owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. With respect to any litigation hereunder, the prevailing party shall be entitled to recover reasonable attorney's fees from the non-prevailing party.

Section 2. Validity. Violation of or failure to comply with these Covenants and restrictions shall affect the validity of any mortgage, bona fide lien, or other similar security instrument which may be then existing on any Lot. Invalidation of any one or more of these covenants and restrictions, or portion thereof, by a judgment, decree, or court order shall not affect any of the other provisions or covenants or covenants herein contained which shall remain in full force and effect. In the event any portion of these Covenants conflict with any ordinance or regulation promulgated by a governmental authority, then the governmental provisions shall control.

Section 3. Headings. The headings contained in these Covenants are for reference purposes only and shall not in any way affect the meaning or interpretation of the provisions set out herein. Words of any gender used herein shall be held and construed to include any other gender, and words in the singular shall be held to include the plural and vice versa, unless the context requires otherwise.

Section 4. Notices to Member/Owner. Any Notice required to be given to any member or owner shall be deemed to have been properly delivered when deposited in the United States Mail, Postage prepaid, addressed to the last known address the person who appears as the member or owner on the records of the association at the time of such mailings.

Section 5. Disputes. Matters of dispute or disagreement between owners with respect to interpretation or application of the provisions of these Covenants, the rules of the Committee, the Association's By-Laws, or the rules and regulations of the Board shall be determined by the Board of Directors of the Association. These determinations (absent arbitrary and capricious conduct or gross negligence), and except as otherwise provided herein, shall be final and binding upon all owners.

Section 6. Amendment. These Covenants may be amended at any time by an instrument that was duly approved by the owners of at least 2/3 of the Lots in the Addition. Any such amendment will not be effective until recorded with the Benton County Circuit Clerk. It is expressly acknowledged that, as of the date these Covenants are adopted and recorded, Summerlin LLC and DP collectively own 2/3 or more of the Lots in Phase 1.

IN WITNESS WHEREOF, Roundtable Development, LLC, being the Developer herein, and Summerlin LLC, and D P Development, Inc. have caused this instrument to be executed as of this 2nd day of July, 2007.

"DEVELOPER"

Roundtable Development, LLC

Summerlin LLC

By: [Signature]

Manager

By: [Signature]

The Parsley Family Limited Partnership,
Terri Parsley, General Partner

D P Development, Inc.,

By: [Signature]

Terri Parsley, President

ACKNOWLEDGEMENT

STATE OF ARKANSAS)

)ss

COUNTY OF BENTON)

On this 2nd day of July, 2007, before me, the undersigned, a Notary Public, duly commissioned, qualified and acting within and for said County and State, appeared in person the with-in named Ric Gray, to me personally well known, who stated he was the Manager of Roundtable Development, LLC, an Arkansas limited liability company and he was duly authorized in the capacity to execute the foregoing instrument for and in the name and behalf of the said 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 on this 2 day of July, 2007.

[Signature]
Notary Public

My Commission Expires:

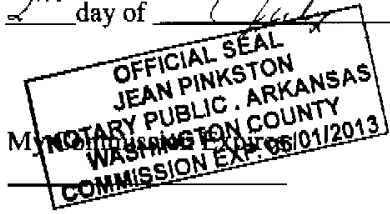
7-13-12

ACKNOWLEDGEMENT

STATE OF ARKANSAS)
)ss
COUNTY OF BENTON)

On this 2nd day of July, 2007, before me, the undersigned, a Notary Public, duly commissioned, qualified and acting within and for said County and State, appeared in person the with-in named Terri Parsley, to me personally well known, who stated she was the General Partner of The Parsley Family Limited Partnership, the Member of Summerlin LLC, an Arkansas limited liability company, and she was duly authorized in the capacity to execute the foregoing instrument for and in the name and behalf of the said company, and further stated and acknowledged that she had so signed, executed, and delivered said foregoing instrument for the consideration, uses, and purposes therein mentioned and set forth.

2nd IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal on this day of July, 2007.



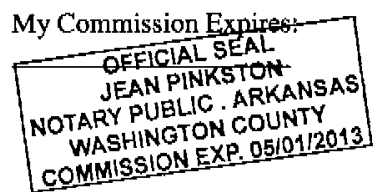
Jean Pinkston
Notary Public

ACKNOWLEDGEMENT

STATE OF ARKANSAS)
)ss
COUNTY OF BENTON)

On this 2nd day of July, 2007, before me, the undersigned, a Notary Public, duly commissioned, qualified and acting within and for said County and State, appeared in person the with-in named Terri Parsley, to me personally well known, who stated she was the President of D P Development, Inc., an Arkansas corporation, and she was duly authorized in the capacity to execute the foregoing instrument for and in the name and behalf of the said company, and further stated and acknowledged that she had so signed, executed, and delivered said foregoing instrument for the consideration, uses, and purposes therein mentioned and set forth.

2nd IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal on this day of July, 2007.



Jean Pinkston
Notary Public

Book 2007 Page 28050
Recorded in the Above
DEED Book & Page
07/11/2007

EXHIBIT "A"
(Legal Description of Phase 1 and Phase 2)

Benton County, AR
I certify this instrument was filed on
07/11/2007 2:21:16PM
and recorded in DEED Book
2007 at pages 0028032 - 0028050
Brenda DeShields-Circuit Clerk

LEGAL DESCRIPTION (PHASE 1):

COMMENCING AT A POINT, SAID POINT BEING THE EAST QUARTER CORNER OF SECTION 14, T-19-N, R-31-W, THENCE N87°25'28"W 893.48 FEET TO THE POINT OF BEGINNING; THENCE S02°28'15"W 150.00 FEET; THENCE N67°25'28"W 589.32 FEET; THENCE ALONG A CURVE TO THE LEFT WITH A RADIUS 25.00 FEET AND LENGTH OF 39.27 AND A CHORD BEARING AND DISTANCE OF S47°34'32"W 35.36 FEET; THENCE S02°34'32"W 571.75 FEET; THENCE N67°20'48"W 500.01 FEET; THENCE N75°39'00"W 51.08 FEET; THENCE N67°21'17"W 602.07 FEET; THENCE N02°28'15"E 734.91 FEET; THENCE S87°25'28"E 1767.45 FEET TO THE POINT OF BEGINNING, CONTAINING 845.688 SQUARE FEET OR 21.71 ACRES, MORE OR LESS.

LEGAL DESCRIPTION (PHASE 2):

A PART OF THE NORTH HALF OF THE SOUTHEAST QUARTER OF SECTION 14, TOWNSHIP-19-NORTH, RANGE-31-WEST, BENTONVILLE, BENTON COUNTY, ARKANSAS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCEING AT AN EXISTING STONE FOR THE EAST QUARTER CORNER OF SECTION 14, T-19-N, R-31-W, THENCE N87°25'28"W 893.48 FEET TO A SET IRON PIN; THENCE S02°28'15"W 150.00 FEET TO A SET IRON PIN FOR THE POINT OF BEGINNING; THENCE S02°28'15"W 844.82 FEET TO A SET IRON PIN; THENCE N67°20'48"W 1767.45 FEET TO A SET IRON PIN; THENCE S02°28'15"W 330.80 FEET TO A SET IRON PIN; THENCE N67°29'24"W 615.00 FEET TO A SET IRON PIN; THENCE N02°38'15"W 171.76 FEET TO A SET IRON PIN; THENCE N86°16'49"E 160.44 FEET TO A FOUND IRON PIN; THENCE N52°30'44"E 37.69 FEET TO A FOUND IRON PIN; THENCE N75°00'15"E 186.92 FEET TO A FOUND IRON PIN; THENCE N59°00'20"E 315.37 FEET TO A SET IRON PIN; THENCE N02°28'15"E 150.86 FEET TO A SET IRON PIN; THENCE S87°21'17"E 602.07 FEET TO A SET IRON PIN; THENCE S75°39'00"E 51.08 FEET TO A SET IRON PIN; THENCE S87°20'48"E 500.01 FEET TO A SET IRON PIN; THENCE N02°34'32"E 571.75 FEET TO A SET IRON PIN; THENCE ALONG A CURVE TO THE RIGHT WITH A RADIUS OF 25.00 FEET AND A LENGTH OF 39.27 AND CHORD BEARING AND DISTANCE OF N47°34'32"E 35.36 FEET TO A SET IRON PIN; THENCE S87°25'28"E 589.32 FEET TO THE POINT OF BEGINNING, CONTAINING 22.43 ACRES, MORE OR LESS. SUBJECT TO ANY EASEMENTS OR RIGHT OF WAYS OF RECORD OR FACT.