

**BILL OF ASSURANCE
FOR THE COUNTRY CLUB OF ARKANSAS PRD ADDITION,
PHASE XXIII
TO THE CITY OF NORTH LITTLE ROCK, ARKANSAS**

Pat #2009050832

This Bill of Assurance is made this 21st day of July 2009 by Cypress Bay Development, LLC, an Arkansas Corporation (hereinafter referred to as "Grantor").

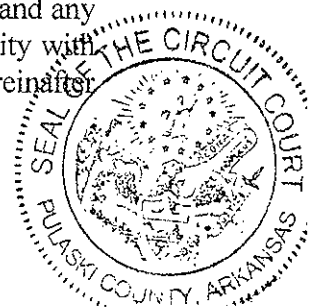
WHEREAS, Grantor is the owner of over fifty percent (50%) in area of the lands which are the subject of this Bill of Assurance and which are more particularly described as follows:

Land lying in the Northwest Quarter of the Southwest Quarter of Section 35, Township 3 North, Range 13 West, City of North Little Rock, Pulaski County, Arkansas more particularly described as follows:

Commencing at the Southwest Corner of said Section 35; thence along the West line of said Section 35 North 00 degrees 48 minutes 22 seconds East for 1330.06 feet to a set iron pin which is also the Southwest Corner of the said Northwest Quarter of the Southwest Quarter and the point of beginning; thence continuing along said West line North 00 degrees 48 minutes 22 seconds East 1330.06 feet to a set iron pin, which is the Northwest Corner of the Southwest Quarter of Section 35; thence leaving said West line along the North line of the said Southwest Quarter South 88 degrees 43 minutes 18 seconds East for 1321.91 feet to a set iron pin, which is the Northeast Corner of the said Northwest Quarter of the Southwest Quarter; thence leaving said North line along the East line of the said Northwest Quarter of the Southwest Quarter South 01 degrees 19 minutes 03 seconds West for 1338.94 feet to a found iron pin, which is also the Southeast Corner of the said Northwest Quarter of the Southwest Quarter; thence leaving said East line along the South line of the said Northwest Quarter of the Southwest Quarter North 88 degrees 19 minutes 53 seconds West for 1310.06 feet to the point of beginning containing 40.316 acres more or less.

WHEREAS, that by executing and filing this Bill of Assurance has caused certain of the property consisting of public Right-of-Way, Parks, and Easements for drainage and utilities to be dedicated to the City of North Little Rock .

NOW, THEREFORE, Grantor, for and in consideration of the benefits to accrue, and for other good and valuable consideration, all of the lands embraced within this Plat shall hereafter and forever be known as Final Plat of Lots Phase 23 of "The Country Club of Arkansas, PRD Addition" to the City of North Little Rock, Arkansas, and any and every deed of conveyance for any lot in said Addition describing the same by number or numbers shown on said Plat with respect to such Addition shall always be deemed a sufficient description thereof and any and all interest therein shall be held, owned and conveyed subject to and in conformity with the following covenants, which are subjected to being amended or canceled as hereinafter provided.



ARTICLE 1

1. **Land Use and Building Type.** Said land herein platted shall be held, owned and used only as residential building sites, except as otherwise shown on Final Plat. No structures shall be erected, altered, placed or permitted to remain on any residential building site other than a single, detached, single-family dwelling which shall not exceed two and one-half (2 1/2) stories in height when seen from the front or principal street façade, a private garage for storage of passenger vehicles owned or used by residents, guesthouse, servants quarters, and outbuildings must conform to the architectural design of the principal residence. Portable metal outbuildings are expressly prohibited. However, nothing contained herein shall prohibit any occupation or activity in any such residential building which is otherwise permitted by the North Little Rock zoning regulation.

2. **Architectural Control.** No building shall be erected, placed or altered on any property in this Addition until the building plans, specifications and plot plan thereof showing the location and facing of such building with respect to existing topography, adjoining streets and finished ground elevations have been approved by Grantor or the Architectural Control Committee of The Country Club of Arkansas Addition Property Owners Association. In the event Grantor or the Architectural Control Committee of the Country Club of Arkansas Addition Property Owners Association fail to approve or disapprove any submission made as hereinabove provided with thirty (30) days after such submission, this covenant shall be deemed to have been fully met at a minimum, any such submission must meet the requirements of this Bill of Assurance and provide a continuity of development which demonstrates harmony and consistency with acceptable development standards. Any determination made by the Grantor or Architectural Control Committee shall be considered final and shall not be subject to appeal or judicial review. Neither Grantor or any of its directors, officers, agents or employees nor any member of the Architectural Control Committee shall be liable for damages for any action taken with regard to the duties herein set forth.

3. **Minimum Principal Dwelling Size And Set Backs.** No building shall be located on any building site, except in compliance with the building lines established and identified on the Final Plat. Minimum rear yard set backs are 25 feet. Minimum side yard set backs are 7 feet. Further, the heated and cooled residential portion of the principal structure of all buildings located on any lot shall not be less than 2000 minimum square feet. The calculations for minimum square feet of heated and cooled areas shall not include garages, eaves, steps, balconies and open porches.

4. **Lot Area and Width.** All lots shall be maintained in keeping with their dimensions, as platted and no lot shall be further subdivided without the written consent of the Grantor or The Country Club of Arkansas Property Owners Association. Any such further subdivisions must also comply with the subdivision ordinance of the City of North Little Rock, Arkansas.

5. **Open Space.** All Open Space areas are to be owned and maintained by the Property Owner's Association.

6. **Alleys.** All alley Open Space areas are to be owned and maintained by the Property Owner's Association.

7. **Mail Boxes.** The presentation of appearance of the neighborhoods within the Addition is essential to the preservation of property values. Mailboxes which are the closest visible improvement to the street frontage must conform to the overall development plan of the subject Addition. Therefore, no mailbox shall be constructed unless and until the plans for the construction and location thereof are presented and approved by Grantor or the Architectural Control Committee pursuant to paragraph 2 hereof.

8. **Fences.** Fences erected on any property in this Addition shall be of a character typically found in luxury residential communities. All fences must be approved by the Architectural Control Committee prior to installation. Any such fence shall be maintained in an attractive manner and not be permitted to deteriorate. In addition:

(A) No fence may be located in front of the front building line of the primary structure on any lot.

(B) No fence shall be constructed in such a manner that the unfinished side is visible from a street or public area.

(C) As to any corner lot, no fence may be constructed in the side set back areas unless such fence is of a construction approved by the Grantor or the Architectural Control Committee.

9. **Annoyance and Nuisance.** No noxious or offensive activity shall be carried on upon any portion of the property. Nothing shall be done upon any lot which may be or become an annoyance or a nuisance to the neighborhood.

10. **Accessory and Temporary Structures, Trucks, Trade Vehicles and Boats.**

(A) No structure of an accessory and/or temporary character, whether trailer, basement, tent, shack, garage, barn, shed or other outbuilding shall be maintained or used on any lot at any time as a residence, either temporarily or permanently, provided, however, that Grantor reserves the exclusive right to erect, place and maintain such facilities in or upon any portions of the properties as in its sole discretion may be necessary or convenient while selling lots or portions thereof, selling and constructing homes and constructing other improvements upon the properties and in connection with the development or operation of a golf course. Such facilities include, but are not limited to, sales and construction offices, storage areas, model homes, golf course facilities, signs and portable toilet facilities.

(B) Except as otherwise provided in subparagraph (i) below, no commercial truck, trade, camper, motor home, trailer or vehicle or any type (whether or not operable) or boat (whether powered, sail, or otherwise) may be parked, kept and stored on any

lot (except in a garage) or in any street for more than forty-eight (48) hours during any seventy-two (72) hour period.

(C) A trailer, camper, operable vehicle, motor home or boat may be parked, kept or stored on any lot behind the front building line of the primary structure, provided that such trailer, camper, operable vehicle, motor home or boat is enclosed within a fence at least five (5) feet in height. An "operable vehicle" shall be one in usable, running condition.

11. Signs and Billboards. No signs, billboards, posters, or advertising devices of any character shall be erected, permitted or maintained on any lot or structure except one sign of not more than five (5) square foot in surface area advertising a particular property for sale. Any permitted "For Sale" sign shall not be located closer than ten (10) feet to the front or side property lines and must be pole and ground mounted. The tallest point shall not be higher than thirty (30) inches from the ground.

Further, the size, shape and style of any permitted sign must be approved by the Grantor or Architectural Control Committee pursuant to the requirements of paragraph 2 above. The right is reserved by Grantor to construct and maintain such larger sign, billboards or advertising devices as are customary in connection with the general sale of residential property. This provision does not apply to any subdivision monument sign.

12. Driveway and Walkway Construction. No drive, driveway, walk, walkway, or other vehicular or pedestrian access shall be permitted upon any lot which is not constructed of concrete, brushed aggregate or other material approved by Grantor or the Architectural Control Committee pursuant to paragraph 2 above. In this regard, use of asphalt or any derivative thereof for such construction is expressly prohibited. No Lot shall have Driveway access to Country Club Parkway.

13. Drilling or Mining Operations. No drilling or refining, quarrying or mining operations of any kind shall be permitted upon or in any lot nor shall oil wells, tank, tunnels, mineral excavations or shafts be permitted upon or in any lot. No derrick or other structure designed for use in boring for oil or natural gas or other minerals shall be erected, maintained or permitted upon any lot.

14. Storage and Disposal of Garbage and Refuse. No lot shall be used or maintained as storage or a dumping ground for any rubbish, garbage or debris. Trash, garbage or other waste materials shall not be kept except in sanitary receptacles constructed of metal or plastic materials with sanitary covers or lids and such receptacles shall be screened from sight except when placed for pickup only on the day of collection. All equipment for the storage or disposal of such waste materials shall be kept in clean and sanitary condition. No lot shall be used for the open storage of any materials whatsoever which materials are visible from the street, except that new building materials used in the construction of improvements erected upon any lot may be placed upon such lot at the time construction is commenced and may be maintained thereon for a reasonable time, until the completion of the improvements, after which these materials shall be removed from the lot.

15. **Visual Obstructions at the Intersections of Public Streets.** No object, including vegetation, shall be permitted on any corner lot which (i) obstructs reasonably safe and clear visibility of pedestrian or vehicular traffic through sight lines parallel to the ground surface at elevations between two (2) feet and six (6) feet above the roadways and (ii) lies within a triangular area on any corner lot described by three points, two such points being at the edge of the paving abutting said corner lot and at the end of twenty-five (25) feet back along the curb on the two intersecting streets abutting said corner lot, and the third point being the center of the corner curb abutting said lot.

16. **Antenna.** No radio or television aerial wires or satellite reception or similar devices shall be maintained on any portion of any lot forward of the front of the building on said lot nor shall any antennae of any style be permitted to extend more than one (1) foot above the roof of the main residential structure on said lot. No owner shall install or maintain radio or television aerial wires or satellite reception or similar devices in airspace over the portion of a lot adjoining such owner's property.

17. **Animals.** No owner or other person shall keep domestic animals in excess of a reasonable number which may only be used for the purpose of companionship of the private home owner family, it being the purpose and intention hereof to restrict the ownership of domestic animals for any commercial purposes of any kind or character and to restrict the use of all lots so that no persons shall quarter on the premises either horses or cows. The term "domestic" animals specifically excludes horses, cows, hogs, sheep, goats, guinea fowls, ducks, geese, skunks, bats, chickens, turkeys, or other animals that may interfere with the quietude, health and safety of the community.

18. **Burning.** No person shall be permitted to burn or incinerate anything on any lot outside the main residential building. This provision shall not apply to outdoor cooking equipment when used in the preparation of food.

19. **Lease or Leasing.** Acceptance hereof represents an acknowledgement by all lot owners that tenant occupancy of improvements could constitute a blighting influence and a resulting impairment of property values. Therefore, if any residential property should become occupied by a tenant, then the property owner shall remain completely responsible and shall have the affirmative duty for complete compliance with the provision of this Bill of Assurance. Further, no lease of any residential property shall be permitted for any term less than six (6) months in duration.

ARTICLE II

RESERVATIONS, EXCEPTIONS AND DECLARATIONS

1. **Easements.** Grantor reserves the easements and rights-of-way as shown on the subject Addition plat for the purpose of constructing, maintaining, and repairing a system or Systems of electric lighting, electric power, telegraph and telephone line or lines, gas, drainage, water, sewers, cable television or any other utility Grantor sees fit to install in, across or under the properties. Neither Grantor nor any utility company nor any authorized political subdivision using the easements herein referred to shall be liable for any damages done by

them or their assigns, their agents, employees or servants, to fences, shrubbery, trees or flowers or any others property of the owner on the land covered by said easements. All easements, as filed on record, are reserved for the mutual use and accommodation of all public utilities desiring to use same. Any public utility shall have the right to remove and keep all or part of any buildings, fences, trees, shrubs, or other improvements or growths which in any way endanger or interfere with the construction, maintenance or efficiency of its utility system on any easement strips and any public utility shall, at all times have the right of egress and ingress to and from and upon said easement strips for the purpose of constructing, inspecting, patrolling, maintaining, and adding to or removing all or any part of its utility system without the necessity at any time of procuring the permission of anyone.

2. **Additional Easements.** Grantor hereby specifically reserves the right to grant additional easements (including, but not limited to an Entergy underground power supply easement) across Grantor's lands as Grantor may, in its uncontrolled discretion, determine to be necessary in connection with development and related activities.

3. **Installation of Paving.** Grantor reserves the right, during installation of paving of the streets as shown on the Plat, to enter onto any of the properties for the purpose of street excavation, including the removal of any trees, if necessary, whether or not the properties have been conveyed to or contracted for sale to any other owner.

4. **Title Subject to Easements.** It is expressly understood that the title conveyed by Grantor to any of the properties shall be subject to any easement affecting same for roadways or drainage, water, gas, sewer, storm sewer, electric light, electric power, telegraph, telephone or cable television purposes as indicated on the Plat or as installed, and shall convey no interest in any pipes, lines, poles or conduits, or in any utility facility or appurtenances thereto constructed by or under Grantor or any easement owner or any agents through, along, or upon the premises affected thereby, or any part thereof, to serve said land or any other portion of the properties.

5. **Minimum Floor Elevation.** There shall be no construction on any lot with finished living area floor elevations less than that shown on the most recent 100 year flood calculations plus (1) foot.

ARTICLE III

MAINTENANCE, REPAIRS AND IMPROVEMENTS

1. **Unit Exterior and Lot Maintenance.** Each property owner in the Addition shall maintain the exterior of his structure in an attractive manner and shall not permit the paint, roof, rain gutters, down spouts, exterior walls, windows, doors, walks, driveways, parking areas and other exterior portions of his structure to deteriorate in an unattractive manner. Each owner shall sod and landscape all lawn areas which are visible from any street and at all times keep his property free of weed and all grass cut in a sanitary, healthful and attractive manner and no owner shall permit weeds or grass to grow to a height greater than six (6) inches upon his property. The drying of clothes and storage of equipment and

materials in yards is prohibited, unless the owner shall construct and maintain a drying yard or other suitable enclosure to screen from public view the drying of clothes and storage of equipment and material which are incident to the normal residential requirements of a typical family. In the event of default on the part of any owner in observing the above requirements or any one of them, and the continuance of such default after ten (10) days written notice thereof, Grantor or its assigns shall, without liability to such owner in trespass or to otherwise, have the right (but no obligation whatsoever) to enter upon said lot or cause to be cut such weeds and grass and remove or cause to be removed such garbage, trash, and rubbish or do any other thing necessary to secure compliance with these restrictions so as to place said lot in a neat, attractive, healthful and sanitary condition and may render a statement of charge to the owner of such lot for the cost of such work. Each owner agrees by the purchase or occupation of his property to pay such statement immediately upon receipt thereof.

2. **Irrigation.** There shall be no irrigation from wells, ponds, ditches, lakes or other areas in which water may be detained for any purpose. Any type of irrigation or watering, except from an approved public water supply, is prohibited.

ARTICLE IV

PROPERTY OWNERS ASSOCIATION

1. **Composition.** Unless Grantor, in its sole discretion, elects to do so earlier, Grantor hereby covenants that as soon as ninety percent (90%) of the lots in The Country Club of Arkansas, PRD Addition have been sold, it will cause to be formed a non-profit corporation in which the purchaser or owner of any lot, by acceptance of title, hereby agrees to become and shall be a member. Membership in said corporation shall be limited to such purchasers or owners. The Articles of Incorporation of said corporation shall specify, among other purposes and duties of said corporation, the enforcement of all of the restrictions, covenants, reservations and conditions contained in this Bill of Assurance, and the maintenance, preservation and improvement of private drives, recreational facilities and other public areas throughout the Addition and the transaction of such other business as may be permitted by law. The organizational documents of any Property Owners Association will stipulate that representatives of Grantor shall constitute a majority of the members of the Architectural Control Committee until ninety-five (95%) of the lots in The Country Club of Arkansas, PRD Addition have been sold.

2. **Organization.** The Articles of Incorporation and By-Laws of said corporation shall provide for the election of a Board of Directors consisting of (5) members of the corporation. The five members so elected to serve as the Board of Directors of the corporation shall from their number elect a President, Secretary and Treasurer of this corporation. This Board and the officers so elected shall see to the management of the affairs of the corporation.

3. **Annual Dues.** Any purchaser or owner of any lot within the Addition agrees to pay to said corporation, when formed, annual dues or assessments to fund the operation of the subject corporation for the purpose of accomplishing the herein described functions. The

amount of said annual dues shall be fixed by the By-Laws of the corporation or by its Board of Directors within such limits as may be from time to time set by the membership at any regular membership meeting. The directors of the corporation shall be elected annually at the annual membership meeting at such time and place as specified by the By-Laws of the corporation. Each owner of a lot in the Addition shall be entitled to one (1) vote at all elections and on all other matters that may come before a meeting of the members, provided; however, if any member of the corporation shall be the purchaser or owner of more than one lot in the Addition, he shall be entitled to as many votes as the number of lots purchased or owned by him. Grantor shall be entitled to and obligated to accept membership in said corporation and shall pay dues or assessments with respect to the unsold lots in said Addition.

4. Function. The Board of Directors of the corporation or their appointees shall serve as the Architectural Control Committee of the Addition. In this regard, no building, fence, wall or other structure shall be commenced, erected or maintained upon any lot, nor shall any exterior addition to, or change or alteration therein, be made, nor shall any landscaping of any lot be undertaken, until the plans and specifications showing the nature, kind, shape, height, materials and location of the same shall have been submitted to and approved in writing by the Board of Directors of the corporation as to the harmony of external design and location in relation to surrounding structures and topography. In the event that any plans and specifications are submitted to the Board for architectural review as provided herein, and the Board shall fail either to approve or reject such plans and specifications for a period of thirty (30) days following such submission, such failure shall be deemed to be an approval by the Board for all purposes.

5. Powers.

(A) The subject corporation shall have the power to enforce the provisions of Article III, Section I thereof, and shall have the further power to declare a lien to exist on the lot of an owner in the Addition for the amount of any statement or charge made to the owner by the corporation for the cost of any work or materials provided by the corporation on said owner's lot in securing compliance with said Article III, Paragraph 1.

(B) The Board of Directors shall also have the power to declare a lien to exist and continue to exist on each lot in the addition for the amount of the annual dues or assessments until such has been fully paid.

(C) The corporation shall also have the right, power and authority to add a penalty not to exceed twenty percent (20%) for failure of any member of the corporation to pay any monies due the corporation under Paragraphs (A) and (B) hereof and may enforce collection of all such sums if not paid on demand, by proceedings in the Chancery Court of Pulaski County, Arkansas, the same as other liens are enforced on lands located in said county and said lien shall cover and include all costs, expenses and attorney's fees incurred in enforcing the same.

6. Indemnification. Officers, directors, employees, members and agents of the subject corporation (including any of its committees, such as the Architectural Control

Committee) shall not be liable for any act of omission undertaken in good faith in connection with the business of such subject corporation. The subject corporation shall indemnify and hold harmless its officers, directors, members and agents against any economic loss or damages on account of any such action taken or omitted in good faith.

ARTICLE V

GENERAL PROVISIONS

1. **Term.** Unless earlier terminated in accordance with this instrument, the foregoing building and use restrictions, which are hereby made conditions subsequent running with the land, shall remain in force and effect for thirty (30) years from the date of this instrument at which time same shall be automatically extended for successive periods of ten (10) years unless a majority vote of the then property owners of the lots shall agree in writing to change said conditions and covenants in whole or in part.

2. **Enforcement.** If any person shall violate or attempt to violate any of the covenants herein, it shall be lawful for any owner situated in said properties, including Grantor, to prosecute any proceedings at law or in equity against the person or persons violating or attempting to violate any such covenant and either to prevent him from so doing or to recover for such violation.

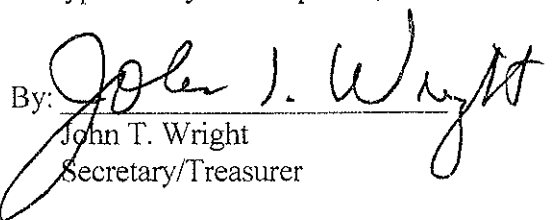
3. **Severability.** Invalidation of any one of these covenants by judgment or court order shall in no way affect any of the other provisions, which shall remain in full force and effect.

4. **Existing Liens.** Violation or failure to comply with the foregoing restrictions, covenants and conditions shall in no way affect the validity of any mortgage, loan or bona fide lien which may, in good faith, be then existing on any lot.

5. **Amendment.** These covenants and restrictions may be amended at any time when (i) the owner or owners of fifty percent (50%) of the lots subject to this Bill of Assurance agree in writing to amend such covenants and restrictions either in whole or part and (ii) such amendment has been approved by the North Little Rock Planning Commission and filed for record with the Pulaski County Circuit Clerk.

EXECUTED as of the 21st day of July 2009

Cypress Bay Development, LLC

By: 
John T. Wright
Secretary/Treasurer

