

Supplemental Bill of Assurance

This is the Bill of Assurance For
Phase 2, Westcliffe Subdivision

FILED
SALINE COUNTY
RECORDS
2008 OCT 15 AM 8:51

BY: DM

Westcliffe Subdivision, Phase 2
To The Public
Bill of Assurance
Know all men by these presents:

That whereas, Central Arkansas Land Development, LLC. and Ives & Associates, Inc., hereinafter referred to, as the "OWNERS" are the owners of the following described land situated in the county of Saline, State of Arkansas, to-wit:

Legal Description:

A part of the Southwest Quarter of the Northeast Quarter and a part of the Northwest Quarter of the Southeast Quarter and a part of the Northeast Quarter of the Southwest Quarter and a part of the Southeast Quarter of the Northwest Quarter, all lying in Section 3, Township 1 North, Range 15 West, Saline County, Arkansas and being more fully described as: Commencing at a Found Aluminum Monument at the Northeast Corner of Section 3, also being the Northeast corner of Lot 10, Westcliffe Subdivision, Phase 1 and run thence South 89 deg. 01 min 10 sec. West along the North line thereof for a distance of 1329.45 feet to a Found Aluminum Monument being the Northeast Corner of the Northwest Quarter of the Northeast Quarter; thence South 89 deg. 05 min. 53 Sec. West along the North line thereof for a distance of 912.10 feet to the Northwest corner of Lot 12, Westcliffe Subdivision, Phase 1; thence South 01 deg. 23 min. 37 sec. East along the West line thereof for a distance of 2091.24 feet to the Point of Beginning of the land herein described: thence continuing South 01 deg. 23 min. 37 sec. East for a distance of 164.47 feet; thence North 89 deg. 36 min. 54 sec. East for a distance of 813.41 feet; thence South 02 deg. 46 min. 52 sec. East for a distance of 566.23 feet; thence South 08 deg. 31 min. 44 sec. East for a distance of 50.00 feet; thence South 04 deg. 57 min. 17 sec. West for a distance of 746.14 feet; thence North 81 deg. 00 min. 49 sec. West for a distance of 500.90 feet; thence North 08 deg. 59 min. 11 sec. East for a distance of 143.50 feet; thence North 81 deg. 00 min. 49 sec. West for a distance of 652.54 feet; thence North 62 deg. 32 min. 39 sec. West for a distance of 229.71 feet; thence North 18 deg. 18 min. 17 sec. East for a distance of 210.66 feet; thence North 55 deg. 50 min. 32 sec. West for a distance of 521.28 feet; thence North 22 deg. 27 min. 08 sec. West for a distance of 53.48 feet; thence North 45 deg. 04 min. 10 sec. West for a distance of 376.37 feet; thence North 59 deg. 03 min. 18 sec. East for a distance of 442.27 feet; thence North 49 deg. 07 min. 49 sec. East for a distance of 54.35 feet; thence North 88 deg. 36 min. 23 sec. East for a distance of 764.75 feet, to the Point of Beginning, containing 45.14 acres, more or less.

SW 1/4 of the NE 1/4 = 7.56 Acres

NW 1/4 of the SE 1/4 = 15.57 Acres

148880 80

NE 1/4 of the SW 1/4 = 9.05 Acres
SE 1/4 of the NW 1/4 = 12.96 Acres

NOW, Therefore, Witnesseth:

The owners have caused the said tract of land to be surveyed by Randy Alberius, a professional land surveyor, and plat thereof made, which is attached hereto, showing the subdivision of said tract of land into lots and streets, and make this Supplemental Bill of Assurance. The name of this subdivision has been approved by the Assessor's Office of Saline County. All street names have been approved by the Saline County Office of Emergency Services. Any replat of this subdivision will be submitted to the Saline County Planning Board.

The lands embraced in said plat shall be known as Westcliffe Subdivision, Phase 2, to Saline County, Arkansas. The lots are numbered (39) thirty-nine through (50) fifty in the plat filed herewith, the size of lots designated as shown on said plat, and any and every deed of conveyance of any lot designated as shown on said plat, and any and every deed of conveyance of any lot in said subdivision, described by lot number as shown on said plat, shall be held and determined as sufficient description for the conveyance thereof subject to the reservations, covenants, and restrictions as hereinafter set out and contained in original Bill of Assurance filed as document No. 06-019850 and incorporated herein as if set forth in this document.

PROPERTY OWNERS' IMPROVEMENT DISTRICT

All Lots in the Westcliffe Subdivision (the "Subdivision") in addition to being bound by this Bill of Assurance, are also within the Westcliffe Property Owners' Multipurpose Improvement District No. 52 of Saline County, Arkansas, established by Saline County Judge Lanny Fite on August 4, 2005. As such, all Lots in the Subdivision are subject to the matters established thereby and therein including but not limited to, assessments to enable the District to accomplish its purposes set out therein which the Property Owner agrees shall include, without limitation, the maintenance, preservation, improvement, management and servicing of the Subdivision Common Areas and improvements thereto, the retainage areas, access right of ways and drainage related thereto as the District's Commissioners deem appropriate and to grade, drain, pave, curb, gutter, construct electric privacy gates and otherwise construct street, roads and highways and laying of sidewalks and to operate and maintain such improvements either within or without the boundaries of the district, if the property within the District will be benefited thereby, and all such other purposes as established by the District's order of formation. Each Lot Owner in the Subdivision, by purchasing or otherwise owning a Lot in the Subdivision agrees to and acknowledges that any such Lot shall be subject to annual assessments levied by the District in whatever amounts the District Board of Commissioners determine. Additionally the District may, but is not required to, maintain any

Private Limited Common Areas designated as such on the Subdivision plat.

In connection therewith the District shall or may maintain such policy or policies of liability and fire insurance with respect to the Common Area and personal property, if any, owned by the District as the District's Commissioners deem appropriate; grant easements, rights of way, or strips of land where necessary for utilities and sewer facilities over the Common Areas to serve the Common Areas and the Lots; and, levy District assessments as the District deems appropriate. Such assessments shall create liens upon the Lots assessed similar in priority as ad valorem taxes which liens shall be subject to the foreclosure sale of the Lots and improvements thereon for nonpayment as provided by the Property Owners' Improvement District Laws of Arkansas.

Exempted from District assessments are all property dedicated to and accepted by a local public authority if any part of the Subdivision property is subsequently so dedicated and the Common Areas.

District assessments not paid when due shall be subject to collection pursuant to the provisions of Arkansas Acts 1983, No. 613 of the Acts of the General Assembly of the State of Arkansas, and all amendments thereto (codified as Ark. Code Ann. Section 14-93-101 et seq.) including additional assessments of interest, penalties and costs and right of the District to foreclose the lien of the assessments with the sale of the assessed property as provided therein.

Use of the Common Areas shall be subject to such reasonable Rules and Regulations as may be hereafter established by the District's Board of Commissioners and as amended thereafter from time to time.

PROPERTY OWNERS ASSOCIATION

The establishment of a property owners association is not presently planned for the Subdivision. However, Lot Owner acknowledges that one may be established in the future by the Owners so long as the Owners own real property within the Subdivision or by a majority of Owners of Lots in the Subdivision and in the event one is established, and annual or other assessments are levied thereunder, each Lot Owner in the Subdivision, by purchasing or otherwise owning a Lot in the Subdivision, agrees to and acknowledges that any such Subdivision Lot so owned shall be subject to such assessments when levied, in whatever amounts such association may determine, the same as if such association were established and assessments levied simultaneously with the platting of the Subdivision. In the event such an association is established, the Westcliffe Property Owners' Multipurpose Improvement District No.52 of Saline County, Arkansas may, but shall not be required to, convey and relinquish control over all or some of the "Common Areas" within the Subdivision or any subsequent phases, which may be developed.

ADDITIONS TO EXISTING PROPERTY

A. Additional lands of the Owners may become subject to this Bill of Assurance in the following manner: The Owners shall have the right but not the obligation to bring within this Bill of Assurance additional properties, regardless of whether or not said properties are presently owned by the Owners, in future states of the development, provided that such additions are in accord with the general plan of development which has been prepared prior to the date of the Bill of Assurance and prior to the sale of any Lot and is maintained in the office of the Owners, and provided such proposed additions, if made, will become subject to assessments of the above Improvement District and any property owners association that may be formed for their share of expenses. UNDER NO CIRCUMSTANCES shall this Bill of Assurance or any supplement or the general plan bind the Owners to make additions or to adhere to the plan in any subsequent development of land shown on the general plan. Nor shall the Owners be precluded from conveying lands in the general plan not subject to this Bill of Assurance free and clear of this Bill of Assurance.

B. The additions authorized shall be made by the Owners filing of record a Supplemental Bill of Assurance with respect to the additional property which shall extend the covenants and restrictions of this Bill of Assurance to the additional property, and the Owners of Lots in those additions shall immediately be entitled to all rights and privileges provided in this Bill of Assurance.

C. The Supplemental Bill of Assurance may contain additions and modifications of the covenants and restrictions contained in this Bill of Assurance necessary to reflect the different character, if any, of the added properties as are not inconsistent with this Bill of Assurance. In no event, however, shall such supplement revoke, modify or add to the covenants established by this Bill of Assurance for the above described Property.

D. No one other than the Owners shall have the right to subject additional lands to this Bill of Assurance.

The restrictions and covenants applicable to the lots, which run with the land, shall be and are as follows:

1. Land use and Building Type: Lots (39) thirty-nine through (50) fifty shall be used for residential purposes, no structure shall be erected, altered, placed, or permitted to remain on any lot other than one detached, site built, single-family residence with a minimum heated floor area of (2500) two thousand five hundred square feet for a single story and a minimum (2800) two thousand eight hundred square feet for a two story. Each residence must include at least a double enclosed side loading garage or a separate detached side loading

garage to house at least two motor vehicles. All detached structures must be architecturally similar to the residence and all residences and detached structures must be approved in writing by the Architectural Control Committee. No lot as shown on the attached plat shall be subdivided, but one or more contiguous lots may be combined and utilized as a single plot. Garages and other buildings are permitted, but must be clearly incidental to residential use of said land, and shall be for the occupants only of the residence to which they are appurtenant. All foundations must be veneered with brick or rock. Said single-family residences must be site built and the heated space of such residence must not be less than two thousand five hundred (2500) square feet for a single story and two thousand eight hundred (2800) square feet for a two story. All structures must have at least 100% brick, masonry, dryvit veneer or hardi board concrete siding. The roof pitch shall be at least 10/12. All shingles used for roofing shall be architectural unless approved by the Architectural Control Committee.

1A. In-Law Quarters: Are permitted, but must architecturally conform to the residence. The maximum allowable square foot is 25% of the residence or 1000 square feet, whichever is less.

2. Building Location: No residence, garage or outbuilding shall be located on any lot nearer to the side street line, than the minimum set back lines shown on the recorded plat. In any event, no residence, garage, or outbuilding shall be located on any lot nearer than 50 feet to the front line or nearer than 50 feet to any side street line. No residence, garage, or outbuilding shall be located nearer than 25 feet to an interior lot line or nearer than 25 feet to the rear lot line. Except those noted in the plat

3. Easements: Easements for installation and maintenance of utilities and drainage facilities are reserved as shown on the plat. Said easements are subject to the reservations and conditions herein above and hereinafter mentioned.

4. Temporary Structures: No tent, shack, hutment, barn or structure of a temporary character shall be erected, altered or permitted to remain on any lot; neither shall any garage, motor home, trailer, or outbuilding of any kind at any time be used or occupied as a residence, temporarily or permanently. All residential construction within the subdivision must be completed within a reasonable time from the beginning of construction. For purpose of this paragraph one (1) year is deemed to be such reasonable time.

5. Signs: No sign of any kind shall be displayed to the public view on any lot, except, one professional sign of not more than five square feet advertising the property for sale or rent or signs used by a builder to advertise the property during the construction and sales period.

6. Fences: All fencing placed, erected, or altered on any lot must be constructed of wood, brick, or wrought iron. Any corner lots with street or road frontage on their side lot lines are prohibited from constructing any fencing within 35 feet of the street or road right-of-way. All fences must be professionally installed; not exceed a height of 4 feet on the front and 6 feet on the side and rear and be subject to the approval of the Architectural Control Committee as to design, materials and appearance. The Architectural Control Committee reserves the right to authorize variances pertaining to paragraph #6 fences.

7. Owner Responsibility. Any property owner shall insure that any contractor performing services for the property owner shall comply with the provisions herein and governmental permitting.

8. Contractor Responsibility. No contractor shall damage in any way the utilities or streets in any manner. Any such damages shall be repaired or replace at the expense of the property owner for whom the contractor was employed or serving.

9. Oil and Mining Operations. No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any lot, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any lot. No derrick or structures designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any lot.

10. Motor Vehicle Entrances and Drives. Driveways shall be constructed only of concrete, asphalt or masonry. Driveways and sidewalks to be constructed and finished by approved professionals. All driveway culverts must be a minimum of 18 inches in diameter and meet Saline County Road Department Standards. All culverts must be installed and bedded in gravel prior to the commencement of any construction. See attached Exhibit "A" for driveway culvert installation requirements.

11. Water Supply: No individual water supply systems shall be allowed. Each lot is required to connect to the public water system.

12. Sewage Disposal: Each lot must have a State Health Department approved septic system design prior to any site excavation or construction of any dwelling. Home sites and driveways must be placed based on the approved primary and alternate septic system locations. Location of septic system sites, must not be disturbed by removal of topsoil. PROPERTY OWNERS CANNOT DEVIATE FROM APPROVED HEALTH DEPARTMENT SEPTIC SYSTEM DESIGNS.

13. Lot, Yard and Home Maintenance: All property owners after acquisition of any lot, shall sod or seed all lawns between the front of each house and the street or road and shall keep all grounds and yards mowed,

trimmed, and clean. All houses, garages, and outbuildings must be maintained, painted, and stained. No deviation from the original plans shall be permitted without written approval of the Architectural Control Committee.

14. Completion of Construction: Any dwelling must be completed in its entirety within a period of (1) one year from date such construction is commenced.

15. Architectural Control: No dwelling or structure shall be erected, placed, or altered on any lot until the construction plans and specifications and a plan showing the location of the structure, have been submitted and approved by the Architectural Control Committee. All plans and specifications must be submitted to the Architectural Control Committee using the Residential Application (See Architectural Control Committee Brochure). All construction must be performed by competent builders. Lot owners shall submit the name and qualifications of the builder selected to construct a dwelling, who must be approved. No duplications of exterior of existing houses in the subdivision shall be permitted. The Architectural Control Committee reserves the right to grant variances. Any variance must be granted in writing.

16. Membership of the Architectural Control Committee: The Architectural Control Committee is composed of Randy Alberius, Bruce Chavis, Randy Ives and Jason Ives. A majority of the committee may designate a representative to act for it. In the event of death or resignation of any member of the committee, the remaining members shall have full authority to designate a successor. Neither the members of the committee nor its designated representative shall be entitled to any compensation for services performed pursuant to this covenant. The members of this committee shall in no event be personally liable or responsible to any owner in this Addition for their actions.

17. General Restrictions:

A. No noxious or offensive activity of any kind shall be carried on upon any lot in this subdivision, nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood. No business or commercial use shall be carried on or permitted in any structure or in any portion of said subdivision.

B. No animals, livestock, or poultry of any kind shall be raised, bred, or kept on any lot, except that dogs, cats, horses (Refer to 17.G) or household pets may be kept, provided they are fenced and maintained in a manner that is neither noxious, offensive or a nuisance to the neighborhood.

C. No lot or easement shall be used or maintained as a dumping ground for rubbish, grass clippings, trash, garbage, or other waste. All rubbish, grass clippings, trash, garbage or other waste shall be kept only in sanitary conditions and out of site from the subdivision streets and roads. All incinerators or other equipment shall be kept in a clean and sanitary condition and out of site from the subdivision streets and roads. Such materials shall not be allowed to

accumulate, and must be periodically removed from the premises to a landfill at intervals no less frequent than the schedule of commercial disposal services available to residence of the subdivision.

D. No lot in said subdivision shall be used for the purpose of parking commercial, industrial, or drilling equipment, or inoperative automobiles or for the salvage or repair thereof. All automobiles and trucks garaged or kept in the subdivision shall be operable and currently licensed. Automobiles, including pick up trucks are allowed to be kept on each lot for the owners of the lot and their resident, licensed children but not to exceed a total of 5 such vehicles for each lot. Boats, recreational vehicles, and trailers shall not be parked at the front of any dwelling or in the street and must be parked in back of the dwelling. Swimming pools shall not be placed in the front or side of any dwelling; they must be placed in back of dwelling.

E. No mailbox shall be constructed within four (4) feet of the edge of the asphalt road. The Architectural Control Committee must approve the location, color, size, design, lettering, standards, brackets, name signs and all other aspects of all mail or newspaper delivery boxes prior to being placed on any lot or site. All letter and delivery boxes shall be principally brick so as to blend with the dwelling, unless otherwise approved by the Architectural Control Committee

F. No lot in said subdivision shall be used for the purpose of accessing an adjacent property outside the platted subdivision.

G. Horses are permitted at a density of (1) per acre with maximum of (5) per lot.

18. General Provisions:

A. All persons, corporations or other lawful entities who now own or shall hereafter acquire any of the lots in this subdivision shall be deemed to have agreed and covenanted with the owners of all other lots in this subdivision to conform to and observe the restrictions, covenants, and stipulations contained herein for a period of twenty-five (25) years from the date these covenants are recorded, and after which time the Bill of Assurance shall be automatically extended for successive periods of ten (10) years unless an instrument terminating the Bill of Assurance, signed by the then owners of seventy (75%) of the platted lots has been recorded prior to commencement of the ten (10) year period. At any time, the owner or owners of seventy-five (75%) of area of the land herein before described may agree to amend or modify these covenants.

B. The covenants, agreements, and restrictions herein set forth shall run with the land for the time provided in A. above and with the title to the lots in this subdivision, and bind all persons who now own or shall hereafter acquire any interest in said subdivision.

C. The invalidation of any one of the covenants, restrictions, or agreements herein contained by the order of a court of competent jurisdiction shall in no way affect any of the other provisions herein, which will remain in full force and affect. The undersigned, Central Arkansas Land Development, LLC. and Ives & Associates, Inc., Owners of all lots in said subdivision, do hereby

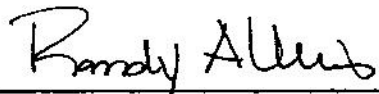
execute this Bill of Assurance for the purposes herein above stated.

19. Enforcement of Covenants: Central Arkansas Land Development, LLC. and Ives & Associates, Inc., the improvement district, the Architectural Control Committee, the Declaring, or any Owner shall have the right to enforce the provisions herein. Enforcement shall be by proceedings at law or in equity, against any person or persons violating or attempting to violate any covenant either to restrain violation or to recover damages.


20. Common Amenities: Each and every Lot Owner, their heirs, successors or assigns are hereby granted ingress and egress easement along with the right and easement of enjoyment to the roadways and facilities in area designated on the Plat filed 2/14/2006 as document No. 06-019849 in the records of Saline County, AR and Plat filed of even date herewith and labeled Westcliffe Subdivision, Phase 2 and all improvements thereon, including but not limited to, all streets, walls, lighting, irrigation, recreation areas, security measures, horseback / walking trails and landscaped areas. These areas shall be maintained by the Westcliffe Improvement District 52 of Saline County, Arkansas after August 4, 2005 except for public improvements which are maintained by such public utilities. No motorized vehicles are permitted on any of the horseback and walking trails.

21. Landscaping: A landscape plan must be submitted to the Architectural Control Committee with the submittal of house plans.

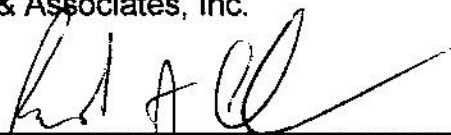
22. Erosion Control: Each lot owner/builder is required to file any ADEQ permits (if required) and provide erosion control measures that are required by ADEQ.



Central Arkansas Land Development, LLC.
By: Managing Member



Ives & Associates, Inc.



Saline County Planning Board
Chairman

648880 80

Acknowledgement

State of Arkansas

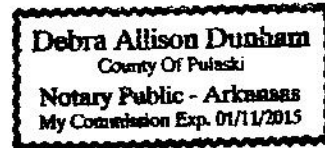
County of Pulaski

On this day, before me, the undersigned, a Notary Public, personally appeared Randy Alberius to me personally well known (or satisfactorily proven to be), who stated that they were the Managing Member of Central AR Land Development, LLC, and that they, as such members being duly authorized so to do, had executed the foregoing instrument for the consideration and purposes therein contained by signing the name of the LLC by themselves as such member.

WITNESS my hand and official seal this 13th day of October, 2008

Debra Allison Dunham
Notary Public

MY COMMISSION EXPIRES: 01/11/2015



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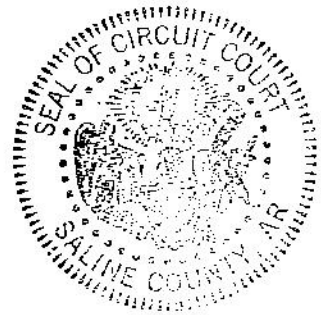
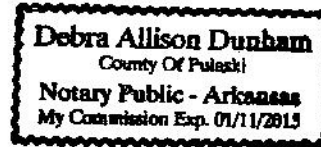
Acknowledgment

State of Arkansas

County of Pulaski

On this 13th day of October, 2008 before Notary Public duly commissioned, qualified and acting within and for the said County and State, appeared in person the within named Randall D. Ives to me personally known who state that they were the President of Ives & Associates, Inc. a corporation and were duly authorized in their respective capacities to execute the forgoing instrument for and in the name and behalf of said corporation, and further stated and acknowledged that they had so signed, executed and delivered said forgoing instrument for the consideration, uses purposes therein mentioned and set forth. In testimony whereof, I have hereunto set my hand and seal this 13th day of October, 2008.

Debra Allison Dunham
Notary Public



FILED FOR RECORD
In Doc Book 08 Page 88841

OCT 15 2008
at 8:51 o'clock A M
DOUG KIDD, CIRCUIT CLERK
BY [Signature] DC