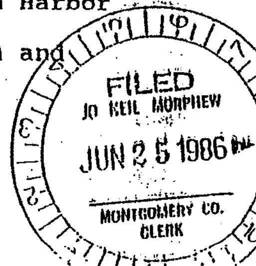
BILL OF ASSURANCE
HARBOR SOUTH DEVELOPMENT
MONTGOMERY COUNTY, ARKANSAS

KNOW ALL PERSONS BY THESE PRESENTS THAT:

I. Harbor South Associates Limited Partnership, an Arkansas limited partnership ("Harbor South" or "developer"), being the owner of all the premises, situated within the County of Montgomery, State of Arkansas, described in the attached Exhibit "A," which is incorporated by reference herein, for and in consideration of the benefits to accrue to it, its successors and assigns, which benefits it acknowledges to be of value, does hereby plat, lay out and subdivide, subject to land use restrictions hereinafter set forth, a subdivision composed of lots and parts of lots all in a manner as is more particularly set out in detail and shown by the Plat (or illustrative site plan) attached hereto and incorporated herein as a part of this Bill of Assurance as fully and effectually as though included herein verbatim.

II. Said subdivision is divided into two phases, which shall be known, designated and hereafter referred to as "SOUTHPARK SUBDIVISION, Montgomery County, Arkansas," and "HICKORY NUT MOUNTAIN ESTATES, Montgomery County, Arkansas." The lands embraced in said plat and shown thereon shall be forever known as Lots 1 through 87, SOUTHPARK SUBDIVISION, Montgomery County, Arkansas and Lots 1 through 127 and Tracts A, B, C, D, E, F and G, HICKORY NUT MOUNTAIN ESTATES, Montgomery County, Arkansas, (subject to possible replatting of portions thereof, as more fully set forth herein), and any and every deed or conveyance of any such lot or tract (all referred to herein by the term "lot") describing the same by the number or letter shown on said plat or replat shall always be deemed a sufficient description thereof.

III. Harbor South hereby reserves an easement in Harbor South Development in the streets of the width, length and



location as are set out on said plat, as well as easements across any and all lots for water, sewer, electric, gas, telephone lines, or any other services, for itself and the appropriate utilities and authorities, of the width, length and location as may hereafter actually be located or installed. It further reserves an easement across all lots to ponds, lakes, or watercourses to obtain water for emergency fire protection, fire prevention and other uses for the benefit of either subdivision, which easement shall also run to the appropriate authorities, including but not limtied to volunteer fire departments.

IV. Harbor South has established the following covenants, conditions, reservations, and restrictions, upon which and subject to which all lots and portions of such lots shall be improved or sold and conveyed. The restrictions and covenants hereinafter set out are to run with the land and shall be binding upon all parties and all persons owning the lots in Harbor South Development or claiming under them. Each and every one of these covenants, conditions, reservations and restrictions is and all are for the benefit of each owner of land in such subdivision, or any interest therein, and shall inure to and pass with each and every parcel of such subdivision, and shall bind the respective successors in interest of the present owner thereof.

If the owners of such lots or any of them, or their heirs or assigns, shall violate any of the covenants hereinafter set out, it shall be lawful for any other person owning real property situated in such subdivision to prosecute any proceeding at law or in equity against the person or persons violating any of such covenants, and either to prevent him from so doing or to recover money damages for such violations, or both, and the prosecuting owner shall be entitled to such attorney's fees and costs as the court may award.

Invalidation of any 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:

A.

GENERAL COVENANTS AND RESTRICTIONS

1. RESIDENTIAL USE. Such lots, and each and every one thereof, are for single-family residential purposes only, unless otherwise set forth herein. No building or structure intended for or adapted to business purposes and no apartment house, duplex, lodging house, rooming house, hospital, sanatorium or doctor's office, or other multiple-family dwelling shall be erected, placed, permitted, or maintained on such premises, or on any part thereof except as specifically set forth herein. No improvement or structure whatever, other than as set forth herein, may be erected, placed or maintained on any lot in such premises. One lot, as shown on the plat of Harbor South Development or permitted replats, shall be the minimum building area upon which a single family residence may be constructed or placed. One or more lots may be utilized as a single residential site.

2. NATIVE GROWTH. The native growth of such premises shall not be permitted to be destroyed or removed except as set forth in submitted plans and as approved in writing by the Building Committee hereinafter named. In the event such growth is removed, except as stated above, Harbor South or its designee may require the replanting or replacement of same, the cost thereof to be borne by the lot owner. Bermuda grass, except that of a variety recognized to be pollen free and approved in writing by the Building Committee, shall not be grown on any lot. Trees six inches in diameter or larger are not to be removed except as required for the construction or installation of a home or as approved by the Building Committee created herein.

3. <u>TANKS; ENCLOSURES</u>. No elevated tanks of any kind shall be erected, placed, or permitted on any part of such premises; provided, that nothing herein shall prevent the developer, its successors or assigns, from erecting, placing, or permitting the placing of tanks and other water system apparatus on such premises for the use of the water company serving such premises or the placing of temporary tanks in connection with construction of public or private improvements. Any tanks for use in connection with any residence constructed or located on such premises, including tanks for the storage of fuels, must be buried, or in the event of a hardship specifically determined by the Building Committee, above ground but walled or fenced sufficiently to conceal them from the view from neighboring lots, roads, or streets in a manner approved by the Building Committee. All clotheslines, garbage cans, equipment, coolers, dish antennae, or storage piles shall be walled or properly concealed by other means from the view of neighboring lots, roads, or streets. Plans for all enclosures of this nature must be approved by the Building Committee prior to construction.

4. <u>HORSES AND PETS</u>. No horses shall be kept or stabled on any of such lots, unless specifically designated therefor. This shall not be construed to prevent lot owners from keeping horses in a community stable if such stable is constructed. No animals, birds, or fowl shall be kept or maintained on any part of the property, except dogs, cats, and pet birds, which may be kept thereon in reasonable numbers as pets for the pleasure and use of the occupants but not for any commercial use or purpose. Birds shall be confined in cages. No multiple (two or more) doghouses or fenced dog pens shall be maintained on any part of the property without written approval of the Building Committee.

5. <u>UTILITY LINES, AND RADIO AND TELEVISION ANTENNAS</u>. All electrical service and telephone lines shall be placed underground from the utilities' poles and no outside electrical lines shall be placed overhead. No exposed or exterior television transmission or receiving antennae (dish or otherwise) shall be erected, placed or maintained on any part of such premises. All such television antennae must be promptly removed by the lot owner, if so directed by the Building Committee, when and as cable television service becomes available to a lot.

6. <u>MAINTENANCE</u>. No lot shall be used in whole or in part for the storage of rubbish or any character whatsoever, nor for the storage of any property or thing that will cause such lot to appear in an unclean or untidy condition or that will be obnoxious to the eye; nor shall any substances, things, or material kept upon any lot that will emit foul or obnoxious odors, or that will cause any noise that will or might disturb the peace, quiet, comfort, or serenity of the occupants of surrounding property.

7. <u>SIGNS</u>. No billboards or advertising signs of any character shall be erected, placed, permitted, or maintained on any lot or improvement thereon except as herein expressly permitted. A name and address sign, the design of which and has been approved by the Building Committee, shall be permitted. A "For Sale" sign, referring only to the premises on which displayed in colors approved by the Building Committee, not exceeding four square feet, and one sign to a property, is permissible. No other sign of any kind or design shall be allowed. The provisions of this paragraph may be waived by the Building Committee only when in its discretion the same is necessary to promote the sale of property in and the development of the subdivision area. Nothing herein shall be construed to prevent the developer from erecting, placing,

or maintaining sign structures as may be deemed necessary by it for the operation of the subdivision.

8. MINING. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, placed, or permitted upon any part of such premises, nor shall any oil, natural gas, petroleum, asphaltum, or hydrocarbon products or minerals of any kind be produced or extracted therefrom.

9. APPROVAL OF PLANS. (a) All plans for the construction of private roads, driveways and storage areas for parking motor vehicles or boat trailers and all building or siting plans for any residence, fence, wall, or structure to be erected upon any lot, and the proposed location thereof upon any lot, and any changes after approval thereof, any remodeling, reconstruction, alteration, or addition to any building, road, driveway, parking area, or other improvement upon any lot in such premises shall require the approval in writing of the Building Committee provided for herein.

(b) Before beginning the construction or installation of any road, driveway, parking area, building, fence, all coping, or other improvement whatsoever, or remodeling, reconstruction, or altering such road, driveway, parking area, or improvement upon any lot, the person or persons desiring to erect, construct, or modify the same shall submit to the Building Committee two complete sets of road, parking or driveway plans, showing the locations, course, and width of same or two complete sets of building plans and specifications for the building, fence, all coping, or other structure, as is applicable, so desired to be erected, constructed, or modified.

(c) The Building Committee shall have thirty (30) days from the submission of a complete set of plans to approve or disapprove said plans. If the Building Committee disapproves

the plans, it shall notify the lot owner within the thirty (30) day period by registered mail. If the Building Committee takes no action to approve or disapprove a complete set of plans submitted, within thirty (30) days, then the plans shall be deemed approved.

(d) No structure of any kind, the plans, elevations, and specifications of which have not received the written approval of the Building Committee, or have been deemed approved by the Committee's failure to act and which does not comply fully with such approved plans and specifications, shall be erected, constructed, placed, or maintained upon any lot. Approval of such plans and specifications may be evidenced by written endorsement on such plans and specifications, a copy of which may be delivered to the owner or owners of the lot upon which the prospective building, road, driveway, or other structure is contemplated prior to the beginning of such construction.

(e) No changes or deviations in or from such plans and specifications as approved shall be made without the the prior written consent of the Building Committee.

(f) The Building Committee shall not be responsible for any structural defects in such plans or specifications or in any building or structure erected according to such plans and specifications.

10. BUILDING COMMITTEE. (a) The Building Committee shall be composed of three individuals appointed by and serving at the pleasure of the developer, until such time as ninety percent (90%) of the lots in the subdivision are no longer owned by developer and a property owners association has been established, as provided herein. At such time, the board of directors of the property owners association may choose to elect the members of the Building Committee, from among the property owners and previous Committee members, for staggered three-year terms.

(b) A majority vote of the Committee shall be controlling.

(c) The Building Committee shall administer the provisions herein dealing with construction and improvements. Upon submission of appropriate plans and requests, it may grant an owner relief from the the strict requirements hereof as to construction and improvements, on such terms and restrictions as the Building Committee sees fit, in its sole discretion. Such relief may be granted only upon a showing that hardship will be imposed by strict application and that substantial adherence to the purposes and principles hereof may be maintained. The granting of such relief to an owner shall not extend to any other owner or to future activities by the same owner not expressly covered by the Building Committee's grant.

11. VEHICLES. No trailers, trucks or commercial type vehicles shall be stored or parked on any lot except while parked in an enclosed garage, or approved parking area, or parked on any residential street in the subdivision except while engaged in transporting to or from a residence in the subdivision or other designated area approved by the Building Committee. A pleasure boat (on a trailer but not otherwise) may be parked or stored on the lot with the approval of the Building Committee.

12. GARAGE. No garage or other outbuilding shall be placed, erected, or maintained upon any part of such premises except for use in connection with a residence already constructed or under construction at the time that such garage or other outbuilding is placed or erected upon the property, and as included in approved plan. Garages which shall be for the use only of the occupants of the residence to which they are appurtenant.

13. STRUCTURES. No outbuildings, garage, shed, tent, trailer, or temporary building of any kind shall be erected, constructed, permitted or maintained prior to commencement of the erection or installation of a residence, and no outbuildings, garage, shed, tent, trailer, basement, or temporary building shall be used for permanent or temporary residence purposes; provided, however, that this paragraph shall not be deemed or construed to prevent the use of a temporary construction shed, or other approved form of shelter, or recreational vehicle during the period of actual construction or installation of any structure on such property (not to exceed six months), so long as the vehicle is actually used for daily occupancy, nor the use of adequate sanitary toilet facilities for workmen which shall be provided during such construction when such uses are included in approved plan.

14. OCCUPANCY. No private dwelling house erected or installed upon any lot shall be occupied in any manner while in the course of construction, or at any time prior to its being fully completed, as herein required. Nor shall any residence, when completed, be in any manner occupied until made to comply with the approved plan, the requirements herein and all other covenants, conditions, reservations, and restrictions herein set forth. When the construction or installation of any building is once begun, work thereon must be prosecuted diligently and must be completed within a reasonable time. All construction shall be completed within six months from the start thereof; provided, that the Building Committee may extend such time when in its opinion conditions warrant such extension.

15. SOUTHPARK SPECIFICATIONS. Lots 1-87 of Southpark Subdivision (and lots replatted in accordance with subparagraph 18(a) or 18(c) hereof) shall be subject to the

following restrictions on use and construction in addition to those otherwise set forth in this Bill of Assurance:

(a) Only a single first class manufactured housing unit may be placed on a lot.

(b) Single wide manufactured housing units must be at least twelve feet (12') in width and fifty feet (50') in length and double wide manufactured housing units must be at least forty feet (40') in length.

(c) Exteriors must be in colors approved by the Building Committee, preferably earth tones; exteriors, including underpinnings, must be approved by the Building Committee.

(d) Unpainted metal siding is prohibited and lap siding or other residential siding material with a constructed appearance is preferred.

(e) Manufactured housing units must be tied down and underpinning, including the tongue of the unit, shall be accomplished promptly after placement on the lot.

(f) Antennae or dishes are permissible, as otherwise provided for and approved and subject to the limitations set out herein, but towers or similar structures are not.

(g) No rooms, lean-tos, storage cabinets or structural additions or extensions may be built onto any manufactured housing unit for any purpose.

(h) Plans for decks and porches (screened or unscreened) may be submitted for approval, but in no event may porches have glass, metal or otherwise solid siding, and in no event may decks or porches be enclosed or converted to rooms of any sort, although deck or porch plans submitted for approval may include some storage areas.

16. <u>HICKORY NUT MOUNTAIN ESTATES SPECIFICATIONS</u>. Lots 1-127 of Hickory Nut Mountain Estates (except lots replatted in accordance with subparagraphs 18(a), 18(b)(ii), 18(c) or 18(d) hereof, and including lots replatted under subparagraph

18(b)(i)) shall be subject to the following restrictions on use and construction in addition to those otherwise set forth in this Bill of Assurance:

(a) Only a single home of new construction may be placed on a lot, with appurtenant structures as allowed herein.

(b) Single-story and split level homes must have a minimum heated and cooled area of 1,200 square feet, and two-story homes must have a minimum heated and cooled area of 1,600 square feet.

(c) Exterior materials and finishes must be predominantly of natural or stained wood, brick, stone or glass. Cinder block and plywood are discouraged if visible from roadways or adjoining lots.

(d) Complete plans shall be submitted to the Building Committee for its approval pursuant to paragraph 9 hereof, and in no event shall the Building Committee approve any such plans which, in its sole opinion, do not conform to the prevailing architectural standards and design present in Mountain Harbor Resort and the Harbor East development.

(e) After construction of a home, and subject to approval of plans, a guest house not exceeding 800 square feet of heated and cooled area may be constructed. However, such lots may be subject to an additional POA assessment.

(f) Homes may be approved and constructed so as to contain more than one identifiable dwelling unit, so as to accommodate extended families and guests. However, the exterior shall continue to give the appearance of a single home, not a duplex, and in no event shall a home (including all dwelling units and guest houses) be rented or leased to separate persons or families in the manner of a duplex, apartment house or motel, without the approval of the Building Committee. Homes which do contain more than one dwelling unit, as determined by the Building Committee, may be subject to multiple POA assessments.

17. <u>TRACTS</u>. (a) Tract "A" shall be made available and donated to an improvement district or appropriate authority for utility purposes and shall not be subject to a POA assessment.

(b) Tracts "B" and "C" may be utilized for commercial purposes at developer's option and shall not be subject to a POA assessment unless POA services are regularly utilized.

(c) Tract "D" is a recreation area as to which the POA assessments relate.

(d) Tract "F" may be offered to POA without charge for use as a nondenominational house of worship. Tract "E" may also be offered to the POA, for use in conjunction with Tract "F" or for other recreational or community purposes. Both may be assessed by the POA.

(e) Tract "G" may be offered, at developer's option, to the POA for use as an equestrian-oriented recreational area, but is otherwise subject to assessment by the POA if used for residential purposes.

18. <u>PERMITTED REPLATS</u>. (a) At any time while it owns or controls said lots, developer may record a replat of Lots 105-127 of Hickory Nut Mountain Estates, replatting said lots as manufactured housing lots, whereupon they shall be consecutively numbered as part of Southpark Subdivision, beginning with Lot 88.

(b) At any time while it owns or controls Tract "G", (i) developer may record a replat of Tract "G" replatting said tract into single-family lots, whereupon they shall be consecutively numbered as part of Hickory Nut Mountain Estates, or (ii) following or simultaneously with a replat pursuant to subparagraph (a) hereof, developer may record a replat of Tract "G" replatting said tract into manufactured housing lots, whereupon they shall be consecutively numbered as part of Southpark Subdivision.

(c) At any time while it owns or controls Lots 86, 87, 88, 90, 91, 92, and 93, Hickory Nut Mountain Estates, developer may record a replat hereof and other appropriate documents pursuant to the Arkansas Horizontal Property Act for the erection of condominium units or a planned unit development, which may be multi-storied, with the plans and design to be reviewed and approved by the Building Committee, consistent with the spirit of the standards set forth herein, and approved by the appropriate utilities as to capacity and demand.

(d) All newly platted lots or dwelling units shall be subject to separate assessments, by the POA and otherwise.

19. <u>FILLING IN AND REMOVING</u>. The elevation of a lot shall not be changed so as to materially affect the surface elevation or grade of the surrounding lots unless such change is specifically approved by the Building Committee. No rock, gravel, or clay shall be excavated or removed from any property for commercial purposes.

20. <u>NUISANCES</u>. (a) No cattle, swine, goats, poultry, or fowl shall be kept on any lot.

(b) No clotheslines or drying yards shall be permitted unless concealed by hedges, lattice work or screening acceptable to the Building Committee.

(c) Lots may be left in their natural state, before and after construction, but, as to those portions cleared by the owner, no weeds or other unsightly growths shall be permitted to grow or remain upon the premises.

(d) In the event that any owner of any property in the subdivision shall fail or refuse to keep such premises free from weeds or refuse piles, the Building Committee may enter upon such land and remove the same at the expense of the owner and such entry shall not be deemed a trespass, and, in the event of such a removal, a lien shall arise and be created in

favor of the developer or Building Committee and against such lot for the full amount chargeable to such lot and such amounts shall be due and payable within 30 days after the owner is billed therefor.

21. SANITATION. (a) Garbage receptacles shall be in complete conformity with sanitary rules and regulations, established by public authority, the POA or the Building Committee. No garbage incinerators shall be permitted.

(b) When and if a sewage treatment plant and collection system for the service of the premises is provided, it shall be used as the sole means of sewage disposal for such premises.

22. TAXES AND GOVERNMENT LIMITATIONS. Any conveyance of such property is made subject to taxes and other assessments, including those for public improvements installed by improvement districts, if any, levied or assessed against the property in the year in which it is conveyed and subject to all restrictions and limitations imposed by governmental authority.

23. SUBDIVISION OF LOTS. None of the lots shall at any time be divided into as many as two building sites and no building site shall be less in area than one area of the smallest lot platted in the block of which the building site is a part, except through a permitted replat. A single lot together with contiguous portions or portions of one or more lots in the same block may be used for one building site, pursuant to approved plans, and no building or structure of any part hereof shall be erected or maintained nearer the side of boundary lines of such integral unit than twenty (20) feet, without special approval by the Building Committee.

24. REMEDIES FOR VIOLATIONS-INVALIDATIONS. (a) For a violation or a breach of any of the provisions of this bill of assurance by any person claiming by, through, or under the

developer, or by virtue of any judicial proceedings, the developer, and the lot owners, or any of them severally, shall have the right to proceed at law or in equity to compel a compliance with the terms hereof or to prevent the violation or breach of any of them. Upon a judicial determination of a breach or violation, the defendant shall be assessed any relevant monetary damages, attorney's fees and court costs.

(b) In addition to the foregoing right, the developer shall have the right, whenever there shall have been built or placed on any lot any structure which is in violation of these restrictions and a failure to cure such violation after thirty (30) days hereof, to enter upon the property where such violation exists and summarily abate or remove the same at the expense of the owner, and any such entry and abatement or removal shall not be deemed a trespass.

(c) The developer shall have a lien for such expenses, and, should the owner fail, neglect, or refuse to satisfy and discharge any lien arising hereunder within 30 days, the developer, its successor and assigns, shall have the right to interest on such liens at the highest lawful rate per annum and shall be entitled to receive all costs of collection, including a reasonable attorney's fee.

(d) The failure promptly to enforce any of the provisions hereof shall not bar their enforcement. The invalidation of any one or more of the provisions hereof by any court of competent jurisdiction in no wise shall affect any of the other provisions hereof, but they shall remain in full force and effect.

25. UTILITY EASEMENTS AND LINES. All claims for damages, if any, arising out of the construction, maintenance, and repair of utilities or on account of developer, or any utility company or municipality, or any of its agents or servants are hereby waived by the owners. The developer does further

reserve the right to change, lay out a new, or discontinue any street, avenue, or way shown on the plat not necessary for ingress or egress to and from an owner's premises, subject to the approval of Montgomery County, if required.

26. WATER SUPPLY. It is understood that as soon as the water mains are installed, property owners are required to connect at their own expense to such mains. The owners of lots shall pay a reasonable monthly minimum and monthly charges for water used.

27. LETTER AND DELIVERY BOXES. The Building Committee shall approve the location, color, size, design, lettering and all other particulars of all mail or paper delivery boxes, and standards and brackets and name signs for such boxes in order that the area be strictly uniform in appearance with respect thereto.

28. DRAINAGE. Drainageways shall conform to the requirements of all lawful public authorities, including the appropriate officials of Montgomery County, to the full extent of the authority given by law.

B.
SETBACKS AND BUILDING LINES

1. For the purpose of this paragraph, building shall mean the main residence, any permitted garage, and approved outbuildings and all projections thereof.

2. No building shall be erected or placed nearer than thirty-five (35) feet to the street line; or ten (10) feet to the rear property line (but only if the lot borders another platted lot); or twenty (20) feet to the lot side line.

3. Swimming pools shall not be nearer than fifteen (15) feet to any lot line and shall not project with their coping more than two (2) feet above the established grade.

4. Walls, fences, or hedges may be erected or grown at any height within the lot lines subject to approval by the Building Committee.

C.
STREETS, EASEMENTS, AND RIGHTS OF WAY

1. Owners shall take title to the right-of-way line of the abutting platted street, and the developer hereby reserves all easements for utilities or drainage, roadway, street or right of way as shown on the recorded plat and full rights of ingress and egress for itself, its agents, employees, and assigns, which includes all public utilities and appropriate public authorities, over any part of the property for the purpose of installing and servicing the utilities, drains, roads or streets for which the easements are reserved.

2. No structures, including walls, fences, paving, or planting, shall be erected upon any part of the property which will interfere with the rights of ingress and egress provided in subparagraph (1) hereof.

3. Upon closing of any road, it shall revert to the abutting property owners, to the appropriate center line.

D.
DURATION OF COVENANTS, RESTRICTIONS, RESERVATIONS, SERVITUDES AND AMENDMENT

1. The covenants, restrictions, reservations, and servitudes herein set forth shall continue in full force and affect, subject to being amended or cancelled in the manner provided hereafter, for a period of twenty-five (25) years from the date this Bill of Assurance is recorded, after which said covenants shall be automatically extended for successive periods of ten (10) years unless an instrument signed by owners of seventy-five (75%) percent of the lots have been recorded, agreeing to change said covenants in whole or in part. An amended Bill of Assurance shall likewise be automatically extended for successive periods of ten (10) years unless an instrument signed by owners of seventy-five (75%) percent of the lots has been recorded, agreeing to change said covenants in whole or in part.

2. To amend the Bill of Assurance an instrument setting forth the language to be changed and the proposed language, signed by owners of seventy-five (75%) percent of the lots, shall be recorded in the Deed and Mortgage Records of Montgomery County, Arkansas. Any amendment submitted for recordation within five (5) years of the recordation date hereof shall also include the approval of the Developer and of the Building Committee. The effective date of the amendment shall be the date of its recording.

E.
RECREATION AREAS AND PROPERTY OWNERS ASSOCIATION

There is shown on the plat a recreation area, which is Tract "D," upon which the developer will construct certain amenities, at its expense. Developer shall cause to be organized a private, nonprofit corporation to act as an association of property owners ("POA"), to which POA developer may convey the recreation area and any other common elements. The POA shall have as its members the property owners in Harbor South Development (each lot to have a single vote) and in any development adjacent to Harbor South Development and developed by developer or an affiliate thereof. The directors of the POA may levy uniform basic assessments, consistent with this bill of assurance and especially paragraph 17 hereof, against all lots subject to its jurisdiction for maintenance and operation of these areas, and other common elements within its jurisdiction. No lot owner may elect not to be a member of the POA, regardless of any nonuse of the recreation area amenities or other common elements. However, the POA may provide for an additional assessment, under rules established by the POA, as consideration for use of amenities located on other common areas, such as those designated for stables. These additional assessments shall be levied only against lots owned by users of the stable amenities.

IN WITNESS WHEREOF, Harbor South Associates Limited Partnership, an Arkansas limited partnership, has caused this instrument to be executed by its duly authorized general partner on this 25 day of June, 1986.

HARBOR SOUTH ASSOCIATES,
LIMITED PARTNERSHIP,
an Arkansas Limited
Partnership

By [signature]
Bill Barnes, General
Partner

FOR PLAT: SEE PLAT BOOK 'E' PAGE 53 MONTGOMERY COUNTY, ARKANSAS

ACKNOWLEDGMENT

STATE OF ARKANSAS)
)ss.
COUNTY OF MONTGOMERY)

On this day, before me, a Notary Public duly commissioned, qualified and acting within and for the said County and State, appeared in person the within named Bill Barnes, to me personally well known, who stated that he was the General Partner of Harbor South Associates Limited Partnership, an Arkansas limited partnership, and was duly authorized in that capacity to execute the foregoing instrument for and in the name and behalf of the limited partnership, and further stated and acknowledged that he had so signed, executed and delivered said foregoing instrument for the consideration, uses and purposes herein mentioned and set forth.

WITNESS my hand and seal this 25 day of June, 1986.

[signature]
Notary Public

My Commission Expires:
2-22-90

(S E A L)

FILED FOR RECORD
this 25 day of June 1986
at 1:00 o'clock P M.
[signature] Clerk
JO NEIL MORPHEW
By __________ D.C.

AMENDMENT TO
BILL OF ASSURANCE
HARBOR SOUTH DEVELOPMENT
MONTGOMERY COUNTY, ARKANSAS

KNOW ALL PERSONS BY THESE PRESENTS THAT:

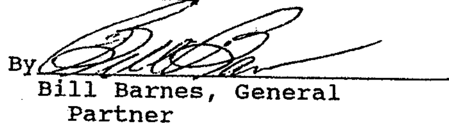
1. Harbor South Associates Limited Partnership, an Arkansas limited partnership ("Harbor South"), has platted Harbor South Development, a subdivision for which the Plat appears at Book "E", Page 53, and the Bill of Assurance appears at Book 82, Page 854, all filed on June 25, 1986, in the Records of Montgomery County, Arkansas.

2. Harbor South currently owns one hundred percent (100%) of the lots in the subdivision and has not yet appointed the Building Committee described in paragraph 10, section A, of the Bill of Assurance, Harbor South itself still retaining any powers that such Building Committee might exercise.

3. Harbor South wishes to amend the Bill of Assurance and does hereby so amend the Bill of Assurance, pursuant to paragraphs 1 and 2, section D, of the Bill of Assurance, by striking subparagraph (c) of paragraph 18, section A, of said Bill of Assurance in its entirety, all other terms and conditions of the Plat and Bill of Assurance remaining unamended and in full force and effect

WITNESS the hand and seal of the developer this 14 day of September, 1986.

HARBOR SOUTH ASSOCIATES
LIMITED PARTNERSHIP, An
Arkansas Limited
Partnership



By ______________________
Bill Barnes, General
Partner

ACKNOWLEDGMENT

STATE OF ARKANSAS)
)ss.
COUNTY OF MONTGOMERY)

On this day, before me, a Notary Public duly commissioned, qualified and acting within and for the said County and State, appeared in person the within named Bill Barnes, to me personally well known, who stated that he was the General Partner of Harbor South Associates Limited Partnership, an Arkansas limited partnership, and was duly authorized in that capacity to execute the foregoing instrument for and in the name and behalf of the limited partnership, and further stated and acknowledged that he had so signed, executed and delivered said foregoing instrument for the consideration, uses and purposes herein mentioned and set forth.

WITNESS my hand and seal this 14 day of Sept, 1986.

Notary Public

My commission expires:
2-22-90

(SEAL)

FILED FOR RECORD
this 26 day of Jan. 1987
at 11:00 o'clock A. M.
Jo Neil Morphew Clerk
JO NEIL MORPHEW
By Pauline Guinn D.C.

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