

SUPPLEMENTAL BILL OF ASSURANCE
OF LAKEVIEW SUBDIVISION

KNOW ALL MEN BY THESE PRESENTS:

THAT, WHEREAS, Stirling Realty Corporation and First Real Estate Development Corporation are each Arkansas corporations acting by and through their respective undersigned duly authorized officers, are jointly doing business as Eagle Mountain Development, An Arkansas Joint Venture ("Grantor"), and as such own that certain real property lying in Independence County, Arkansas (the "County"), more particularly described in Exhibit "A" attached hereto and incorporated herein by reference (the "Subdivision Property"); and

WHEREAS, the Subdivision Property is part of a larger tract of real property owned by Grantor and for which Grantor has a general plan of development that requires that it be subdivided and held, owned, conveyed, used, improved and developed subject to the protective covenants, conditions and restrictions hereinafter provided and as provided in that certain Master Bill Of Assurance executed by Grantor and duly filed with the Circuit Clerk and Ex-Officio Recorder of the County on AUGUST 8 TH, 1986, at 11:15 A.M. 2:13 P. 295 (the "Master Bill Of Assurance") (unless otherwise specifically defined herein, all defined terms used or referred to herein shall have the meaning assigned thereto in the Master Bill Of Assurance); and

WHEREAS, the Master Bill Of Assurance provides that the Covenants thereof shall not be imposed upon or binding on any portion of the Property or any Residents thereof unless and until such portion is thereafter subjected thereto by a Supplemental Bill Of Assurance and Plat thereof or other appropriate instrument in the manner therein provided; and

WHEREAS, Grantor has caused the Planner to survey and subdivide the Subdivision Property into those Lots, Streets, Easements and Community Facilities, if any, as are more particularly shown on that certain Plat thereof prepared by Planner, dated MAY, 1986, executed by Grantor and Planner, bearing a certificate of approval by the Batesville Planning Commission and recorded simultaneously herewith at Plat Book H, Page 45, of the records of the Recorder of the County, said Plat being fully incorporated herein by reference (as now or hereafter amended, the "Plat"); and

WHEREAS, Grantor desires and intends that the Subdivision Property shall be subdivided in accordance with the Plat and hereafter held, owned, leased, conveyed, used, improved and developed subject to the Covenants herein and in the Master Bill Of Assurance in order to enhance and protect the value of the Subdivision Property;

NOW, THEREFORE, in consideration of the premises, the enhanced value of the Subdivision Property and other benefits to accrue to Grantor, its successors and assigns, which consideration Grantor acknowledges to be of good and sufficient value, Grantor does hereby make, execute and deliver this Supplemental Bill Of Assurance as follows:

1. SUBDIVISION PROPERTY AND RESIDENTS SUBJECT TO MASTER BILL OF ASSURANCE. The Master Bill Of Assurance and the Covenants thereof are to the extent not otherwise inconsistent herewith hereby incorporated herein by reference and are hereby imposed upon the Subdivision Property and all Residents thereof, and the Subdivision Property shall hereafter be held, owned, leased, conveyed, used, improved and developed subject

subject thereto and subject to any other additional Covenants hereinafter provided. In the event of any inconsistency between the Master Bill Of Assurance and this Supplemental Bill Of Assurance, the Covenants herein shall control.

2. DEDICATION AND GRANT; LOT DESCRIPTIONS. Grantor does hereby layoff, plat and subdivide the Subdivision Property into a Subdivision for the use and benefit of the public and all present and future Owners and Residents thereof, and it shall be hereafter forever known as "Lakeview Addition to the City of Batesville, Independence County, Arkansas." By the recordation of the Plat and this Supplemental Bill Of Assurance with the Recorder, and subject to the Covenants and to all applicable governmental laws, rules and regulations, Grantor does further hereby and forever donate, dedicate and deliver the Easements for drainage purposes and for access, ingress and egress on, over and across the Streets to and for the use and benefit of the public and all present and future Owners and Residents, and the Easements for drainage purposes and for the installation, operation, maintenance, repair and replacement of Utilities on, over, across, under and above those portions of the Subdivision so designated on the Plat to and for the use and benefit of every Utility Company. The Easements for Utilities shall also include the right of reasonable access, ingress and egress thereto and therefrom on, over and across the Subdivision for the installation, maintenance, repair and replacement of the Utilities. Any portion of the Subdivision Property designated by the Plat as Community Facilities shall be conveyed by Grantor to the Association by special warranty deed, subject to the Covenants. Hereafter, every Lot of the Subdivision shall have the bounds and dimensions thereof designated on the Plat and any conveyance, encumbrance or description of any such Lot by the tract, parcel or lot number thereof also designated on the Plat followed by the words "of Lakeview Addition to the City of Batesville, Independence County, Arkansas," shall always be a proper and sufficient legal description thereof.

3. MINIMUM RESIDENCE SIZES.

This section amended per the "Amendment to Supplemental Bill of Assurance of Lakeview Subdivision" as recorded at the Circuit Clerk's office in Independence County on the 18th day of January, 1996 in deed book X-15, pages 327-350.

See page 43 for portion of Amendment as it applies to "Minimum Residence Sizes."

4. CARPORPTS PERMITTED. A private garage or a carport for not less than two (2) nor more than three (3) passenger motor vehicles may be Placed on any Lot in the Subdivision appurtenant to the authorized Residence thereon.

5. COVENANTS PERTAINING TO THIS SUPPLEMENTAL BILL OF ASSURANCE IN GENERAL. This Supplemental Bill Of Assurance and all Covenants herein shall at all times be subject to and in compliance with the following Covenants:

(a) Headings. The headings of the sections, paragraphs and subdivisions of this Supplemental Bill Of Assurance are for the convenience of reference only, and shall not limit or otherwise affect any of the terms hereof.

(b) Governing Law. The laws of the State of Arkansas and of the United States, if applicable, shall govern the validity, enforceability and construction of this Supplemental Bill Of Assurance.

(c) Effect Of Partial Invalidity. If performance of any Covenant hereof or any transaction related hereto is prohibited

or limited by law, then the obligation to be performed shall be omitted or reduced accordingly and if any Covenant herein contained operates, or would prospectively operate, to invalidate this Supplemental Bill Of Assurance, then the invalid part of said Covenant only shall be held for naught as though not contained herein, and the remainder of this Supplemental Bill Of Assurance shall remain operative and in full force and effect.

(d) No Waivers. No delay or omission on the part of Grantor or any Owner or Resident in exercising any rights, duties, power, authority or remedies herein provided, in the event of any breach of any of the Covenants shall be construed as a waiver or estoppel thereof or acquiescence therein, and no right of action shall accrue nor shall any action be brought or maintained by anyone whatsoever against Grantor or any Owner or Resident because of the failure to bring any action on account of any such breach.

(e) No Action For Void Covenants. No action shall accrue or be brought or maintained by anyone against Grantor or any Owner or Resident because or arising out of the fact that any of the Covenants may be void or unenforceable for any reason.

(f) Notices. Unless otherwise provided herein, all notices required to be sent to any party shall be in writing and sent by Registered or Certified Mail addressed to the addressee at their last known address and requiring a return receipt signed by the addressee or their agent.

(g) Amendments. Any and all of the Covenants may be amended, modified, changed or cancelled in whole or in part by a written instrument duly executed, acknowledged and recorded by the then Owners of at least two-thirds (66 2/3%) of the Lots and Residential Units. Any such written instrument shall if required by law be approved by the Batesville Planning Commission, and it shall be binding from and after the date it is duly filed with the Recorder.

(h) Attorney's Fees, Costs, Etc. Should Grantor or any Resident or Owner employ counsel or incur costs and expenses to enforce any of the Covenants by reason of a breach thereof, the person in breach or default thereof shall be obligated to pay to Grantor or the Resident or the Owner enforcing the same all such costs and expenses thereby incurred, including reasonable attorney's fees.

(i) Mortgagees Bound. The Covenants or the breach of any of the Covenants shall not defeat, impair or render invalid or unenforceable the lien of any mortgage, deed of trust or other encumbrance made in good faith for value as to any Lot or portion thereof, but rather the Covenants shall be binding upon and effective against the mortgagee, trustee, purchaser or owner thereof, whose title thereto, or whose grantor's title is or was, acquired by foreclosure, trustee's sale, power of sale or otherwise.

(j) Rule Against Perpetuities. In the event any of the Covenants are declared void or unenforceable by any court of competent jurisdiction by reason of the period of time herein provided for which the same shall be effective, then such period of time shall be reduced to a period which shall not violate the rule against perpetuities under the laws of the State of Arkansas, and except for the reduction of time period the Covenants shall be and remain unaffected, unimpaired and in full force and effect.

(k) Applicable Law Controlling. The Subdivision, all Residents, all Owners, all Lots and Residential Units or portions thereof, the Plat and this Supplemental Bill Of

Assurance shall be and remain at all times subject to all applicable governmental laws, rules and regulations; provided that the more restrictive among such laws, rules and regulations and the Covenants shall be controlling.

(l) No Reversions. No Covenants are intended to be, or shall be construed as, a condition subsequent or a possibility of reverter.

(m) Bind And Inure. This Supplemental Bill Of Assurance and all Covenants herein shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

IN WITNESS WHEREOF, this Supplemental Bill Of Assurance has been duly executed by and on behalf of Grantor on this 21st day of July, 1986.

EAGLE MOUNTAIN DEVELOPMENT,
An Arkansas Joint Venture

BY: STIRLING REALTY CORPORATION

By: [Signature]
Office: Exec. V.P.

ATTEST:

By: [Signature]
Office: Secretary

BY: FIRST REAL ESTATE DEVELOPMENT
CORPORATION

By: [Signature]
Office: [Signature]

ATTEST:

By: [Signature]
Office: [Signature]

STATE OF ARKANSAS)
COUNTY OF INDEPENDENCE)

CERTIFICATE OF APPROVAL OF
BATESVILLE PLANNING COMMISSION

The Batesville Planning Commission hereby certifies to Stirling Realty Corporation and First Real Estate Development Corporation, doing business as Eagle Mountain Development, An Arkansas Joint Venture, and to the public and all owners, residents and future owners and residents of the herein described property that all provisions, covenants and restrictions contained in the foregoing Supplemental Bill Of Assurance required by law to be approved by said Commission have been and hereby are so approved as of this 31st day of July, 1986. Any other provisions, covenants or restrictions contained in said Supplemental Bill Of Assurance not requiring such approval have been reviewed without action by said Commission and are not requirements for final approval of the Plat or said Supplemental Bill Of Assurance.

BATESVILLE PLANNING COMMISSION

By: David Seward Jr.
Office: Chairman

SUBSCRIBED AND SWORN to before me, the undersigned Notary Public, this 21st day of July, 1986.

Ann Cray
NOTARY PUBLIC

My Commission Expires:

June 3, 1994
(SEAL)

ACKNOWLEDGMENT

STATE OF Arkansas)
COUNTY OF Independence)

On this day before me, the undersigned officer, personally appeared Johnny B. Mitchum and Gayle Silberhorn, to me personally well known, who acknowledged themselves to be the Executive Vice President and Secretary respectively, of Stirling Realty Corporation, a corporation, and that they, as such officers, being authorized by proper resolution of its Board of Directors, had executed the foregoing instrument for the consideration and purposes therein contained by signing the name of the corporation by themselves as such officers.

WITNESS my hand and official seal this 21st day of July, 1986.

Charanda L. Jole
NOTARY PUBLIC

My Commission Expires:

8-22-92
(SEAL)

ACKNOWLEDGMENT

STATE OF ARKANSAS)
COUNTY OF INDEPENDENCE)

On this day before me, the undersigned officer, personally appeared Jack Plumlee and Robert W. Newell Jr., to me personally well known, who acknowledged themselves to be the President and Vice-President and corporation, and that they, as such officers, being authorized by proper resolution of its Board of Directors, had executed the foregoing instrument for the consideration and purposes therein contained by signing the name of the corporation by themselves as such officers.

WITNESS my hand and official seal this 21st day of July, 1986.

Sherry L. Taylor
NOTARY PUBLIC

My Commission Expires:

4-10-92
(SEAL)

LEGAL DESCRIPTION

LAKEVIEW SUBDIVISION
EAGLE MOUNTAIN PROPERTIES

A tract of land located in the North 1/2 of Section 23, T-13-N, R-6-W, Independence County, Batesville, Arkansas, more particularly described as follows:

Commencing at the NW corner of said Section 23; thence S60°58'12"E, 1,645.23', to the point of beginning; thence along the northeasterly right-of-way line of Eagle Mountain Boulevard the following bearings and distances, N86°15'54"E, 397.59' (along a chord of a curve to the left having a radius of 6,845.68'); thence S70°58'30"E, 571.11' (along a chord of a curve to the right having a radius of 690.61'); thence S46°33'03"E, 357.82'; thence S37°56'37"E, 203.10' (along a chord of a curve to the right having a radius of 678.52'); thence S60°39'49"W, 60.0', to a point on the southwesterly right-of-way line of Eagle Mountain Boulevard; thence S84°W, 160.6'; thence N53°W, 500.0'; thence S32°30'W, 220.0'; thence West, 205.0'; thence S46°W, 80.0'; thence S6°E, 260.0'; thence S40°W, 180.0'; thence S82°W, 140.0'; thence N50°W, 380.0'; thence S84°W, 30.0'; thence S48°W, 90.0'; thence S65°W, 65.0'; thence S32°30'W, 89.5'; thence N58°W, 143.19', to a point on the southeasterly right-of-way line of Lake Oak Drive; thence N74°46'35"W, 50.0', to a point on the northwesterly right-of-way line of Lake Oak Drive; thence along said northwesterly right-of-way line of Lake Oak Drive the following bearings and distances, N46°40'41"E, 325.90' (along a chord of a curve to the right having a radius of 312.27'); thence N78°07'57"E, 136.17'; thence leaving said Lake Oak Drive right-of-way, N1°W, 393.03'; thence N89°E, 81.28'; thence N80°06'33"E, 128.0'; thence N3°36'02"W, 134.18' to the point of beginning, containing 859,303.29 square feet, or 19.73 acres, more or less.

EXHIBIT "A"

CERTIFICATE OF RECORD

STATE OF ARKANSAS
County of Independence

I, Ron Webb, Clerk of the Circuit Court and Ex-Officio Recorder within and for the County aforesaid, do hereby certify that the original and true and correct copy of writing was filed in my office on the 8th day of August AD 1986 at 11:20 A.M. and the same is now duly recorded, with the following page numbers thereon in Record Book Q-13 pages 319-326. Needs

IN TESTIMONY WHEREOF I have hereunto set my hand and affixed the seal of my office in the City of Batesville, Arkansas, this 8th day of August, 1986

By: Betha Critcher

(1) Paragraph No. 3 Minimum Residence Sizes as set forth in the Supplemental Bill of Assurance should be and hereby is amended to read as follows:

(3) MINIMUM RESIDENCE SIZES. On Lots 1 through 7, inclusive, and 10 through 11, inclusive, of the Subdivision, no Residence shall have a Main Floor of less than 1500 square feet unless the Residence shall have two or more stories, in which case the Main Floor thereof shall not have less than 1200 square feet and the Second Floor shall not have less than 500 square feet. On Lots 8, 9 and 32 through 40, inclusive, of the Subdivision, no Residence shall have a Main Floor of less than 1700 square feet unless the Residence shall have two or more stories, in which case the Main Floor thereof shall not have less than 1300 square feet and the Second Floor shall not have less than 600 square feet. In addition to the foregoing minimum Residence sizes, no Residence on any Lot in the Subdivision shall under any circumstances contain less than 1500 square feet of finished heated and air conditioned floor space used for living, cooking, dining, sleeping and storage areas.

IN WITNESS WHEREOF, this Amendment to Supplemental Bill of Assurance has been duly executed by and on behalf of the undersigned the date and day referenced hereafter.

ABERDEEN DEVELOPMENT CORPORATION

By: [Signature]

ATTEST:

[Signature]

CERTIFICATE OF RECORD
STATE OF ARKANSAS
COUNTY OF INDEPENDENCE

Filed for record the 18th day of
January, 1986 at 3:10 P.M. and
recorded in deed book X-15

Page 327-350
Betha Critcher, Circuit Clerk
[Signature]

