

DECLARATION OF RESERVATIONS

UNIT 7, HOLIDAY ISLAND

CARROLL COUNTY, ARKANSAS

TRUST NO. 22

THIS DECLARATION, made this 9th day of May, 1972, by CATTLEMEN'S TITLE GUARANTEE COMPANY, an Arkansas corporation, as Trustee for McCulloch Recreational Properties, Inc., hereinafter referred to as the "Declarant";

WITNESSETH, that

WHEREAS, the Declarant is the owner of that certain Unit No. 7, Holiday Island, Carroll County, Arkansas, as per plat thereof recorded in Book B, Page 36, Records of said County at Eureka Springs in the Western District of Carroll County, Arkansas; and

WHEREAS, the Declarant intends to sell, dispose of, or convey from time to time all or a portion of the lots in said Unit, above described, and desires to subject the same to certain protective reservations, covenants, conditions, restrictions (hereinafter referred to as "Conditions") between it and the acquirers and/or users of the lots in said Unit;

NOW, THEREFORE, DECLARANT HEREBY CERTIFIES AND DECLARES that it has established and does hereby establish a general plan for the protection, maintenance, development, and improvement of said Unit, and that:

THIS DECLARATION is designed for the mutual benefit of the lots in said Unit and Declarant has fixed and does hereby fix the protective conditions upon and subject to which all lots, parcels, and portions of said Unit and all interests therein shall be held, leased, or sold and/or conveyed by the owners or users thereof, each and all of which is and are for the mutual benefit of the lots in said Unit and of each owner thereof, and shall run with the land and shall inure to and pass with each such lot and parcel of land in said Unit, and shall apply to and bind the respective successors in interest thereof, and further are and each thereof is imposed upon each and every lot, parcel, or individual portion of said Unit as a mutual equitable servitude in favor of each and every other lot, parcel, or individual portion of land therein as the dominant tenement, and in favor of Declarant.

A. IMPROVEMENT STANDARDS

1. No building, fence, patio, or other structure shall be erected, altered, added to, placed, or permitted to remain on said lots or any of them or any part of any such lot until and unless the plans showing floor areas, external design, structural details and the ground locations of the intended structure along with a plot plan have been first delivered to and approved in writing by the Committee. The Committee may require a reasonable fee prior to checking or appraising said plans. All residential structures shall conform to the requirements of the Uniform Building Code as published by the International Conference of Building Officials, current edition, and the requirements of the National Electrical Code, as published by the National Fire Protection Association, current edition, as a guide to sound construction and electrical installation practices.
2. Notwithstanding any other provisions of this Declaration of Reservations, it shall remain the prerogative and in the jurisdiction of the Committee to review applications and grant approvals for exceptions to this Declaration. Variations from these requirements, and, in general, other forms of deviations from these restrictions imposed by this Declaration may be made when and only when such exceptions, variances and deviations do not in any way detract from the appearance of the premises, and are not in any way detrimental to the public welfare or to the property of other persons located in the vicinity thereof, all in the sole opinion of the Committee.

B. LAND USE -- GENERAL

1. Advertising

No sign, advertisement, billboard, or advertising structure of any kind shall be erected or allowed on any of the unimproved lots, and no signs shall be erected or allowed to remain on any lots improved or unimproved, except as expressly provided in the "Uses Permitted" paragraph hereinafter set forth, provided, however, that a temporary permit for signs for structures to be sold or exhibited may be first obtained by application to the Architectural Committee. The Architectural Committee may approve the location of these signs within the front setback of the lot.

2. Animals - Livestock

No animals, livestock, or poultry of any kind, except as provided in the Uses Permitted paragraph as hereinafter set forth, shall be raised, bred, or kept on any lot, except that dogs, cats, or other household pets may be kept, provided they are not kept, bred, or maintained for any commercial purposes and are not kept in quantities which create an annoyance or nuisance to the neighborhood.

3. Building Exterior

The exterior portions of all buildings shall be painted or stained immediately upon completion or shall have color mixed in the final structural application, so that all such materials shall have a finished appearance.

4. Clothes Lines

Clothes lines shall be installed so as not to detract from the aesthetic values of the property and shall be so placed to be concealed from view from all public rights-of-way.

5. Easements

Easements for installation and maintenance of utilities and drainage facilities are reserved as shown on the recorded plat or as stated in this Declaration. Within these easements no structure, planting, or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities, or which may change the direction of flow of drainage channels in the easements, or which may obstruct or retard the flow of water through drainage channels in the easements. The easement area of each lot and all improvements in it shall be maintained continuously by the owner of the lot, except for those improvements for which a public authority or utility company is responsible.

14. Unnatural Drainage

Under no circumstances shall any owner of any lot or parcel of land be permitted to deliberately alter the topographic conditions of his lot or parcel of land in any way that would change the natural course of drainage to the detriment of any adjoining property or public right-of-way.

15. Use of Premises

A person shall not use any premises in any land use area, which is designed, arranged, or intended to be occupied or used for any purpose other than expressly permitted in this Declaration.

16. Mineral Rights

No oil, gas, and/or mineral operations of any kind, including mining or other related activities, shall be conducted or permitted on the premises at any time.

In the event that any of the provisions of this Declaration conflict with any other of the sections therein, the more restrictive of the two shall govern. If any paragraph, section, sentence, clause, or phrase of the conditions and covenants herein contained shall be or become illegal, null, or void, for any reason or shall be held by any court of competent jurisdiction to be illegal, null, or void, the remaining paragraphs, sections, sentences, clauses, or phrases herein contained shall not be affected thereby. It is hereby declared that those conditions and covenants herein contained would have been and are imposed, including each paragraph, section, sentence, clause, or phrase thereof, irrespective of the fact that any one or more other paragraphs, sections, sentences, clauses, or phrases are or shall become or be illegal, null, or void.

If any owner of any lot in said property or his heirs or assigns shall violate or attempt to violate any of the conditions or covenants herein, it shall be lawful for any other person or persons owning any other lots in said property to prosecute any proceeding at law or in equity against the person or persons violating or attempting to violate any such conditions or covenants and either to prevent him or them from so doing or to recover damages or other dues for each violation.

In order to enhance and protect the value of the lots described herein, the right to prosecute any proceeding at law or in equity against any person or persons violating or attempting to violate any Conditions, either to prevent such violations or to recover damages or other dues for each violation, is also expressly reserved to Declarant, its successors or assigns, whether or not Declarant is a lot owner. This reservation shall terminate when improvements have been erected in conformance with these Conditions on 90% of the lots in this subdivision.

PROVIDED, HOWEVER, that a breach of any of the foregoing conditions or covenants shall not in any wise affect any valid mortgage or lien made in good faith and for value and not made for the purpose of defeating the purposes of such reservations and restrictions.

IN WITNESS WHEREOF, CATTLEMEN'S TITLE GUARANTEE COMPANY has caused its corporate name and seal to be hereunto affixed by its officers thereunto duly authorized this 9th day of May, 1972.

CATTLEMEN'S TITLE GUARANTEE COMPANY,
as Trustee for McCulloch Recreational
Properties, Inc.

By: /s/ James H. Quiggle
Vice President

EXHIBIT "A"

R-1 SINGLE FAMILY RESIDENTIAL DISTRICT

The following uses and regulations shall apply unless otherwise provided in these reservations:-

1. Uses Permitted:

(a) A one-family dwelling:

The Committee of Architecture shall require not less than twelve hundred (1,200) square feet of roof area for any single-family residence, including carport, garage, covered porches, covered contiguous patios, etc., with a minimum floor area of eight hundred (800) square feet in the dwelling portion of the structure, or

(b) One (1) professionally made unlighted sign not to exceed six (6) square feet in area advertising the premises for sale, lease, or rent, located not nearer than ten (10) feet to adjoining premises, nor nearer than five (5) feet to a street line.

(c) Temporary sign not to exceed six (6) square feet in area giving the names of the contractors, engineers, and architects during the construction period.

2. Maximum Building Height:

No structure shall exceed a height of thirty (30) feet above the highest part of the lot(s) upon which the same is to be located or constructed.

3. Minimum Setback Requirements:

Except where there is specifically called out on the Subdivision Map, which specification shall control, the following apply:

(a) Front yard setbacks shall conform to a minimum depth of twenty-five (25) feet from the front property line to the nearest structural projection, including porches, but not including eaves, overhangs, planters, or fireplaces.

(b) A principal structure shall provide total side yards of not less than fifteen (15) feet with not less than five (5) feet on one (1) side. Corner lots shall maintain a minimum setback of fifteen (15) feet from the side street line.

(c) A rear yard shall be maintained of at least twenty-five (25) feet from the property line to the nearest building line, excepting fences, walls, and hedges when used as a property or boundary line separation.

Where minimum setbacks create an undue hardship upon the owner due to topographic conditions, such setbacks may be modified as necessary by the Committee of Architecture.

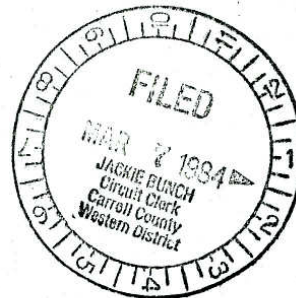
4. Maximum Area of Dwelling:

Notwithstanding uses permitted herein, no more than fifty (50) per cent of the total lot area shall be used for the dwelling and other structures, unless otherwise determined by the Committee of Architecture.

5. Subdivision of lots:

No lot or parcel of land shall be divided into smaller lots or parcels whether for lease, sale or rental purposes, provided that variations may be granted by the Committee of Architecture in accordance with the provisions of A-2, Page 3, of this Declaration of Reservations.

VACATE PUBLIC UTILITY EASEMENT



KNOW ALL MEN BY THESE PRESENTS:

THAT it has been deemed to be in the best interest of the Public and Lot Owners listed below that the PUBLIC UTILITY EASEMENT described below should be vacated:


THE FRONT 30' of

LOTS 2-8, BLOCK 5, UNIT 7 Holiday Island, Arkansas


THEREFORE, the Holiday Island Suburban Improvement District acting through its Board of Commissioners does hereby vacate the aforesaid Easement with the concurrence of all public utilities affected and the filing of THIS DOCUMENT.

IN WITNESS HEREOF, THE CHAIRMAN AND SECRETARY OF THE Holiday Island Suburban Improvement District so execute this document.

Dated this 5TH day of MARCH, 1984.



Chairman, Holiday Island
Suburban Improvement
District



Secretary, Holiday Island
Suburban Improvement
District

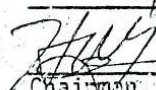
STATE OF ARKANSAS
COUNTY OF CARROLL

On this 5th day of March, 1984, before me, personally appeared St. Louis, who acknowledged himself to be the Chairman of the Board of Commissioners of Holiday Island Suburban Improvement District, and Keith Cramer, who acknowledged himself to be Secretary of the Board of Commissioners of Holiday Island Suburban Improvement District, and they swore that they were authorized as such officers to execute the foregoing instrument for the purposes therein contained and did so do in my presence.


IN WITNESS WHEREOF, I hereunto set my hand and official seal.

My Commission Expires:

3/11/85



Chairman, Holiday Island
Suburban Improvement District



Notary Public

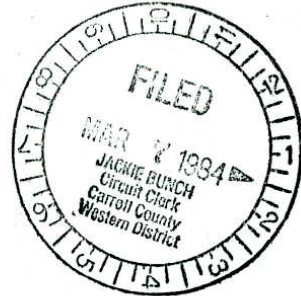


Secretary, Holiday Island
Suburban Improvement District

Concurrence:

Carroll Electric Cooperative
S. W. Bell Telephone
Holiday Island Suburban
Improvement District
Water and Sewer Department

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Suburban Improvement
District



Secretary, Holiday Island
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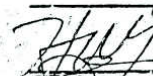
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COUNTY OF CARROLL

On this 5th day of March, 1984, before me, personally appeared Jackie Burch, who acknowledged himself to be the Chairman of the Board of Commissioners of Holiday Island Suburban Improvement District, and Keith Cramer, who acknowledged himself to be Secretary of the Board of Commissioners of Holiday Island Suburban Improvement District, and they swore that they were authorized as such officers to execute the foregoing instrument for the purposes therein contained and did so do in my presence.

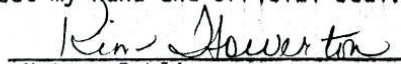
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3/11/85



Chairman, Holiday Island
Suburban Improvement District



Notary Public



Secretary, Holiday Island
Suburban Improvement District

Concurrence:

Carroll Electric Cooperative
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Improvement District
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