

**DECLARATION OF COVENANTS OF ASSURANCE
AND RESTRICTIONS OF SAVANNAH RIDGE SUBDIVISION
TO THE CITY OF SPRINGDALE, ARKANSAS**

KNOW ALL MEN BY THE PRESENTS:

WITNESS:

WHEREAS, the undersigned are the owners of all of property referenced in Exhibit A, attached hereto and incorporated herein, which property has been subdivided into the lots of Savannah Ridge Subdivision and is reflected upon a plat of said subdivision which plat has been recorded and filed in the Plat Records of Benton County, Arkansas, in the office of the Circuit Clerk and Ex-Officio Recorder of Benton County, Arkansas, and bears document number 2006-883, and which plat is made a part of this Declaration, by reference, and this Declaration is likewise made a part by reference of said plat;

NOW, THEREFORE, the Developer declares that the real property described herein, and the soon-to-be-created lots on such property and in said Savannah Ridge Subdivision are and shall be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, easements, charges and liens hereinafter set forth or as hereinafter changed or amended.

ARTICLE I

PROPERTY SUBJECT TO THIS DECLARATION

1.1. The real property which is, and shall be held, transferred, sold, conveyed and occupied subject to this Declaration, is located and situated in Benton County, Arkansas, and which subdivision is located on the following lands, to-wit:

SEE EXHIBIT "A" ATTACHED HERETO AND INCORPORATED HEREIN.

ARTICLE II

DEFINITIONS

2.1. The following terms as used in this Declaration of Covenants of Assurance and Restrictions are defined as follows:

- a. "Declaration" means this Declaration of Covenants of Assurance and Restrictions for Savannah Ridge Subdivision to the City of Springdale, Arkansas.
- b. "Property" means Savannah Ridge Subdivision to the City of Springdale, Arkansas, as the same may be shown on the plat referenced hereinabove and recorded in Benton County, Arkansas.
- c. "Lot" means any numbered Lot designated on the Plat of the property, except as may be herein excepted.

- d. "Plat" means the map of the plat of Savannah Ridge Subdivision to the City of Springdale, Arkansas, as it is recorded.
- e. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any lot subject to this Declaration, except that such term shall not mean Developer regardless of whether Developer has a fee simple interest in any lot.
- f. "Developer" shall mean and refer to Riggins Properties, Inc. and Riggins Construction, Inc., or any combination thereof as the context suggests.
- g. "Subdivision" shall mean Savannah Ridge Subdivision to the City of Springdale, Arkansas, as per plat on file in the office of the Circuit Clerk, and Ex-Officio Recorder of Benton County, Arkansas.
- h. "Association" shall mean and refer to Savannah Ridge Homeowners Association, organized and existing pursuant to the laws of the State of Arkansas.
- i. "Common Properties" shall mean and refer to those real properties owned by or hereafter acquired by the Association including, but not limited to, the Detention Basins, as the same are shown on the Plat. Common properties are intended to be devoted to the common use and enjoyment of owners of the properties. Initially the responsibility for maintaining the Detention Basin shall be the responsibility of Northwest Arkansas Housing, LLC, until such time as the title to that real property is transferred to the Association.
- j. "ARC" shall mean and refer to the Architectural Review Committee as established and maintained by the Association. Initially the ARC shall consist of Darin Riggins and Kevin Riggins.

ARTICLE III

RESTRICTIONS ON RESIDENTIAL LOTS

3.1. Fences: Only fences constructed of wood may be installed. There shall be no other fences allowed. In no event shall any fence be built which would detract from the appearance or obstruct visibility of the entry signs to the Property. All privacy fences shall be constructed so that the framing shall be toward the inside of the owner's Lot and shall be constructed at a height of six (6) feet to maintain uniformity. Any fence, once constructed, must be maintain by the property owner who had it constructed or their successor-in-interest.

3.2. Nuisances: No noxious or offensive activities or nuisances shall be permitted on any Lot or Parcel.

3.3. Signs: No person shall erect or maintain upon any Lot, or improvement thereto,

any sign or advertisement, except a real estate sign when the property is listed for sale, provided, however, that this restriction shall not apply to Developer during development and construction of the Subdivision.

3.4. Animals: No animals shall be kept or maintained on any Lot except the usual household pets which shall be kept reasonably confined so as not to become a nuisance and all Owners shall comply with applicable laws, ordinances and regulations concerning animals.

3.5. Garbage and Refuse Disposal: No Owner shall accumulate on his or her Lot litter, refuse or garbage, except in approved receptacles. All Owners shall be required to have a mandatory trash pick up as provided or required by the City of Springdale, Arkansas.

3.6. Limited Access: There shall be no access to any Lot on the perimeter except from designated streets or roads within the Subdivision.

3.7. Drilling and Mining: No drilling, refining, quarrying or mining operations of any kind shall be permitted on any Lot.

3.8. Communication Towers and Satellite Dishes: No communications mast, tower, or structure may be installed on any Lot, except that satellite dishes may be installed only on the rear roof of a dwelling and shall not exceed the height of the lowest roof ridge line of such dwelling.

3.9. Parking on the Streets: No vehicles may be parked overnight in the streets of the Subdivision. Owners shall provide sufficient off-street parking to accommodate the vehicles used by their families and guests. Furthermore, no semi-trailer trucks or commercial vehicles shall be allowed to park in the Subdivision, either on the streets or on the Lots, provided, however, that this restriction shall not apply to Developer during construction and development of the Subdivision. No vehicles may be parked in front yard at any time.

3.10. Structures other than Dwellings: No trailer, mobile home, tent, shack, or other unsightly building or structure, temporary or permanent, shall be erected or used on said lots. However, it is permissible to have a storage building in the rear yard of a Dwelling provided that (a) the square footage of such storage building does not exceed 250 square feet and (b) (i) is constructed of a material that complements the Dwelling which it accompanies or (ii) is constructed off site at a factory or vendor who constructs such storage buildings to be transported on site.. Further, unless a storage building fits the definition found in subsection (b)(ii) herein, before any such storage building can be constructed, the Owner must submit plans to the Association's ARC for its approval. The restrictions contained in this section shall not apply to the Developer during construction and development of the Subdivision.

3.11. Recreational Vehicles and Boats: Recreational and camping vehicles, trailers and boats may not be stored and parked on the Lots except behind the Dwelling and then only if enclosed in a screened wood privacy fence.

3.12. Minimum Square Footage: All Dwellings in the Subdivision shall have a minimum of eleven hundred (1,100) square feet of heated area. All Dwellings erected on the Lots 22 through 71 shall have a minimum of one thousand four hundred fifty (1,450) square feet of heated area. The minimum square footage requirements is exclusive of garages, porches, patios and decks. Irrespective of other provisions regarding amendments of these covenants, the minimum square footage requirements cannot be amended except with the express approval of the Developer.

3.13. Restriction of Type of Dwelling: There shall be no Dwellings erected on any Lot other than a detached single family dwelling having at least a two-car enclosed garage.

3.14. Approval of Plans by ARC: All plans for improvements to be constructed on each Lot shall be first submitted for review and approval by the ARC. Approval by the ARC must be obtained in writing before construction of any improvement on any Lot begins and any variances to the improvement initially approved must be authorized in writing by the chairman of the ARC. Developer is exempt from this requirement to obtain written approval from the ARC.

3.15. Exterior of Dwellings: The front exterior of all Dwellings erected on the Lots shall be of a brick, stone, or faux stone veneer construction to the extent that the front exterior of each such Dwelling is one hundred percent (100%) masonry veneer, excluding windows, doors and gables. On the remaining exterior elevations, masonry, vinyl, steel or aluminum siding, may be used. All Dwellings erected on the Lots 22 through 71 shall have one hundred percent (100%) masonry veneer on the side elevations. All roof pitches shall be a minimum of 6/12 pitch. No metal roofs shall be permitted. Roofs shall be covered with shingles: either asphalt, composition, or fiberglass material.

3.16. Lot maintenance and sod: All Lots shall be maintained, mowed and kept free of noxious weeds whether they be improved or unimproved. Further, upon construction of a dwelling, the Owner shall sod the lawn area of the Lot from the front of such dwelling to the curb line, provided, however, that this section shall not apply to Developer during construction and development of the Subdivision.

3.17. Platted easements: All Lots are subject to easements that are shown on the Plat, including, but not limited to, easements for fences and entry signs.

3.18. Covenants to Run with the Land: All covenants and restrictions set forth in this Declaration are to run with the land and shall be binding on all parties, their successors, heirs and assigns, for a period of thirty (30) years from the date this Declaration is recorded; provided, however, that any time after the date this Declaration is recorded, the covenants and restrictions may be amended at any time by the record owners of at least sixty (60) percent of the total Lots in the Subdivision. The Developer shall have four (4) votes per Lot which Developer owns. All other Lot owners shall have one (1) vote per Lot. Such amendments shall be made and executed by said record owners so as to be recorded with the registrar of deeds of Benton County, Arkansas.

Provided, further, that after the expiration of the thirty (30) year period set forth above

and any time within six (6) months from said expiration, a majority of the Lots, through their record owners, may express their intention, in writing, so drafted and executed as to be recorded with the registrar of deeds in Benton County, Arkansas, that they no longer care for the covenants, and the same shall then be terminated. In the event that no action is taken within the prescribed time, this Declaration shall continue for additional periods of ten years, and for any such ten year period, said covenants may be terminated in accordance with the terms for the original termination.

It is further provided that this Declaration may be amended after its execution, either by adding to or taking from said Declaration in their present form, providing that said amendment or amendments shall be incorporated in a written instrument executed by no less than a majority of the Lots, through their record owners, and which instrument shall be capable of being recorded as above referred to under the same terms and conditions thereof.

3.19. Sex Offender Restriction: No person who is required to register as a sex offender pursuant to the Sex Offender Registration Act of 1997, Arkansas Code Ann. §§12-12-901, et seq., as amended from time to time or any other similar federal, state or local law, regulation, or ordinance may rent, reside in, own or occupy any Lot or Dwelling in the subdivision either permanently or temporarily.

ARTICLE IV

HOMEOWNERS ASSOCIATION AND COVENANT AND PLAN FOR MAINTENANCE AND OTHER ASSESSMENTS

4.1. Homeowners Association: Savannah Ridge Homeowners Association (referred to herein as "Association") has been or will be formed as an unincorporated association. All Lot Owners must be members of the Association and each shall automatically become a member of the Association upon the conveyance of a lot to him or her. The Association shall be governed by By-Laws accepted and approved by the Association.

All association memberships will pass with Lot ownership in the Subdivision. All Lots will carry one (1) vote in the Association, except that the Developer shall have four (4) votes per Lot which Developer owns.

4.2. Creation of Lien: Each Owner of any Lot of the Subdivision, by acceptance of a deed therefore, whether or not it shall be so expressed in any such deed, contract of purchase, or other conveyance, shall be deemed to covenant and agree to pay to the Association: (1) Annual assessments or charges; (2) special assessments for capital improvements and other purposes, such assessments to be fixed, established and corrected from time to time as hereinafter provided. The annual and special assessments, together with such interest thereon and costs of collection thereof as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. In no event shall an annual or special assessment be applicable at any time to any lot owned by the Developer and the Developer shall not be obligated to pay any annual or special assessment.

4.3. Purpose of Assessments: The assessments levied pursuant hereto by the Association shall be used for the purposes of acquisition, improvement and maintenance of the common properties, services and facilities devoted to this purpose and related to the use and enjoyment of the common properties, insurance thereon, and repair, replacement, and modifications thereto, and for the cost of labor, equipment, materials, management and supervision thereof. In addition, assessments may also be used for expenses related to the necessary and reasonable operation of the Association, including, but not limited to, collection of assessments and related costs and enforcement of the covenants and restrictions of the Subdivision.

4.4. Basis and Maximum of Annual Assessments: The annual assessment for each lot shall be \$25.00. An Owner's first such assessment shall be prorated and paid to the Association at closing according to time of conveyance of a Lot to the Owner. The annual assessment may be increased, as hereinafter provided, by a majority vote of the votes entitled to be cast by the members of the Association for the next succeeding "assessment year" (beginning January 1) and at the end of each such period of one year for each succeeding period of one year. At no time shall the annual assessment per lot be increased more than twenty-five percent (25%) above the prior year's annual assessment. Said annual assessment shall be payable in advance on the 1st day of January each year. The Board of Directors may, after consideration of current maintenance costs and future needs of the Association, fix the actual assessment for any year at a lesser amount.

4.5. Special Assessments for Capital Improvements: In addition to the annual assessments authorized hereinabove, the Association may levy in any assessment year a special assessment, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement upon the common properties, including the necessary fixtures and personal property related thereto, provided that any such assessment shall have the assent of 2/3 of the votes entitled to be cast by members of the Association who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be mailed to all members at the last known address of each member at least fifteen (15) days in advance and shall set forth the purpose of the meeting.

4.6. Change in Basis of Maximum of Annual Assessments: Subject to the limitations of other sections of this Article, and for the purposes therein specified, the Association may change the maximum and basis of the assessments fixed by this Article prospectively for any such period, provided that any such change shall have the assent of 2/3 of the votes entitled to be cast by members who are voting in person or by proxy, at a meeting duly called for this purpose, where a quorum is present, written notice of which shall be mailed to all members at the last known mailing address of each voting member at least fifteen (15) days in advance and shall set forth the purpose of the meeting.

4.7. Quorum for any Action Authorized Under This Article: The quorum of any action authorized by this Article, the presence at the meeting of members, or of proxies, entitled to cast fifty percent (50%) of all votes of the membership shall constitute a quorum. If the

required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirement set forth in this Article

4.8. Late Payment of Assessments: As hereinabove provided, each annual assessment shall be due and payable on the 1st day of January of each year. In the event of default as to any payment (annual or special), and if the default is not remedied within ninety (90) days, the Association shall have the option of taking such action as permitted by law or equity and by this Declaration and the By-laws of the Association. An additional late charge of ten percent (10%) shall be assessed on any payment which is more than ninety (90) days delinquent. Costs of collection of the assessment, including reasonable attorney's fees therefor, shall also be assessed.

The due date of any special assessment under this Article shall be fixed in the resolution of the members of the Association authorizing such assessments, with the same option on the part of the Association in the event of default.

4.9. Duties of the Board of Directors: In addition to the other duties of the Board of Directors as may be set forth herein or in the By-laws of the Association, the said Board of Directors shall fix the date of any special assessment against each lot for any special assessment period at least thirty (30) days in advance of such special assessment, written notice of the special assessment shall thereupon be sent to every member subject thereto at the last known mailing address of such member.

The Secretary of the Association, upon demand at any reasonable time, shall furnish to any member liable for said assessment a certificate in writing signed by an officer of the Association, setting forth whether said assessments have been paid. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

4.10. Effect of Non-Payment of Assessment and the Lien Remedies of the Association:

If the assessments (annual or special) are not paid on the date when due, then such assessment shall be come delinquent as provided in this Article and shall, together with such interest, late charges thereon and costs of collection thereof as herein provided, thereupon become a continuing lien on the lot which shall bind such lot in the hands of the then owner, its successors, heirs, devisees, personal representatives and assigns. If the assessment is not paid as provided herein, it shall bear interest from date of delinquency at the maximum rate of interest allowed by law, not to exceed ten percent (10%) per annum, and the Association may foreclose the lien against said lot, and there shall be added to the amount of such assessment the cost of attorney fees in connection with any court proceedings arising therefrom, together with all court costs, late charges and expenses incurred by the Association.

4.11. Subordination of the Lien or Mortgages: The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage or first deed of trust now or hereafter placed upon the lots subject to assessment; provided however, that such subordination shall apply only to the assessments which have become due and payable prior to a sale or transfer

of such lot pursuant to a Decree of Foreclosure, or any other proceeding in lieu of foreclosure. Such sale or transfer shall not relieve such lot from liability for any assessments thereafter becoming due, nor from the lien of any such subsequent assessment.

4.12. Suspension of Rights of Membership: Prior to the foreclosure of any lien upon any lot subject to this Declaration, the Board of Directors of the Association may elect to suspend all membership rights of any member or members of the Association who are delinquent in any payment due to the Association for more than thirty (30) days, with such suspension to continue for so long as any such delinquency exists. Further, the Board of Directors may suspend membership rights for a period not to exceed thirty (30) days for the infraction of any rules or regulations by the member, family of the member or guest of the member, relating to the use of any of the common properties. Suspension of membership rights shall be effective from the date that notice of suspension is mailed to the member via U.S. Certified mail, return receipt requested, postage prepaid, to the last known address of the said member.

4.13. Cancellation and Hearing: The said Board of Directors may elect to permanently cancel the membership and all membership rights of any member who is delinquent in any payment due to the Association for more than ninety (90) days or when such member, family of the member, or guest of the member are guilty of repeated or flagrant violation(s) after a hearing conducted by said Board of Directors, which notice of such hearing mailed to such member at least thirty (30) days in advance of said hearing date, and further provided that such member may appeal any such decision of said Board of Directors to the membership of the Association by such affected member calling a special meeting of the membership of the Association by notice mailed to each member at least ten (10) days in advance of the desired special meeting date, and said notice setting forth the time, date, place and purpose of said meeting. A majority vote of the votes entitled to be cast by the members of the Association attending such special meeting shall be necessary to override the decision of the Board of Directors, and all votes shall be by secret ballot. Notice shall be mailed by the member via U.S. Certified mail, postage prepaid, return receipt requested.

ARTICLE V

PROPERTY RIGHTS OF THE COMMON PROPERTIES

5.1. Members' Easement for Enjoyment: Subject to the provision of this article and related provisions set forth elsewhere herein, every member shall have a right of enjoyment in and to the Common Properties, subject to the rules and regulations governing such use as promulgated, from time to time, by the Association. Such right and easement shall be appurtenant to and shall pass with the conveyance of title to every lot.

5.2. Extent of Members' Rights of Enjoyment: The rights of easements of enjoyment created hereby shall be subject to the following:

- a. The right of the Association to borrow money for the purpose of acquiring, constructing, improving and maintaining the common properties and in aid

thereof to mortgage said properties or execute a deed of trust or other instrument covering said properties. In the event of default upon any such mortgage, the lender shall have a right, after taking possession of such properties, to charge service or use charges, admission and other fees as a condition to continued enjoyment by the members, and if necessary to have other relief as permitted by law; and,

b. The right of the Association to take such steps as are reasonably necessary to protect the above-described properties against foreclosure; and,

c. The right of the Association to suspend or permanently cancel the rights of any member and membership in the Association; and,

d. The right of the Association to charge reasonable service or use charges, admission and other fees for the use, service and enjoyment of the common properties; and,

e. The right of the Association to limit the number of members per lot who may be entitled to the benefit of the easement of enjoyment as to the common properties by reason of ownership of a lot; and

f. The right of individual members to have exclusive use of any of the common properties as from time to time may be granted by the Board or its designate;

g. The right of the Association to pass and enforce rules and regulations related to use, control and maintenance of the common properties and the areas situate thereon.

ARTICLE VI

MISCELLANEOUS

6.1. Violations: If the parties hereto, or their heirs, successors or assigns or any other person shall violate or attempt to violate any of the covenants or restrictions herein while said covenants or restrictions are still in force, it shall be lawful for any person or persons owning any interest in any Lot or Lots in the Subdivision, as well as the Association, to prosecute any violation or attempted violation of any such covenant or restriction, either to prevent the person from doing so or to recover damages or other penalties and costs, including reasonable attorney's fees for such violation.

6.2. Notices: Any notice required to be sent to any Owner under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postpaid, to the last known address of the person who appears as Owner on the records of the Association at the time of such mailing.

6.3 Additional Phases: The Developer reserves, unto itself, the right, without joinder or consent of any Owner, Builder or Mortgagee, to file additional plats in the office of the Circuit Clerk and Ex-Officio Recorder of Benton County, Arkansas to add additional phases which shall be subject to this Declaration.

6.4. Severance: Invalidation of any one of these covenants by judgment or court order shall, in no way, affect any other provisions herein contained.

6.5. Waiver: Failure of any of the parties, their heirs, successors or assigns, to exercise any of the options contained herein upon breach by the other party, its heirs, successors or assigns, subject to this Declaration, shall not constitute a waiver of that party's right to exercise such option upon future breach.

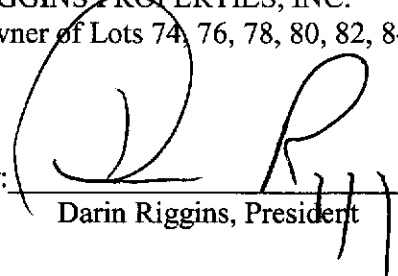
IN WITNESS WHEREOF, the undersigned have set their hands and seals this 31 day of October, 2006.

NORTHWEST ARKANSAS HOUSING, LLC
Owner of Lots 1-71, 72, 81 and 90-95

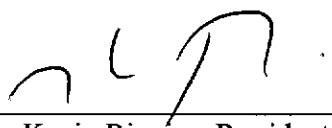
By: 
John Horne, Manager

DEVELOPER:

RIGGINS PROPERTIES, INC.
Owner of Lots 74, 76, 78, 80, 82, 84, 86 and
88

By:  *pres.*
Darin Riggins, President

RIGGINS CONSTRUCTION, INC.
Owner of Lots 73, 75, 77, 79, 83, 85, 87 and
89

By: 
Kevin Riggins, President

2006 56142
Recorded in the Above
Deed Book & Page
11-22-2006 02:00:49 PM
Brenda DeShields-Circuit Clerk
Benton County, AR

**EXHIBIT "A" TO
DECLARATION OF COVENANTS OF ASSURANCE
AND RESTRICTIONS OF SAVANNAH RIDGE SUBDIVISION**

Part of the SE¼ of Section 23, Township 18 North, Range 30 West of the Fifth Principal Meridian, Benton County, Arkansas, and also described as follows:

Beginning at a found iron pin at the Northeast corner of the NW¼ of the said SE¼; thence South 02°20'32" West 1,313.22 feet to a found iron pin; thence North 86°35'04" West 416.41 feet; thence South 02°27'38" West 173.44 feet; thence South 86°57'37" East 112.55 feet; thence South 03°31'56" West 486.47 feet; thence North 86°24'54" West 1,012.18 feet; thence North 02°28'56" East 654.36 feet to a found iron pin; thence South 86°45'04" East 661.27 feet to a found iron pin; thence North 02°06'37" East 1,312.38 feet; thence South 86°39'43" East 668.83 feet to the Point of Beginning, containing 34.98 acres, more or less. Subject to any easements, covenants or restrictions of record or fact.

Book/Pg: 2006/56131
Term/Cashier: CIRCLK01 / kjackson
Tran: 4898.141135.393555
Recorded: 11-22-2006 14:01:51
DFE Deed 41.00
REC Recording Fee 0.00
Total Fees: \$ 41.00

Benton County, AR
I certify this instrument was filed on
11-22-2006 02:00:49 PM
and recorded in Deed Book
2006 at pages 56131 - 56142
Brenda DeShields-Circuit Clerk

2007 16628

Recorded in the Above

Deed Book & Page

04-24-2007 02:40:15 PM

Plat of Savannah Ridge Subdivision

Benton County, AR

Book/Pa: 2007/16628

Term/Cashier: MORTGAGE02 / swite

Tran: 5459.155438.427852

Recorded: 04-24-2007 14:43:13

DFE Deed

REC Recording Fee

Total Fees: \$ 41.00

41.00
0.00

**AMENDED AND RESTATED DECLARATION OF COVENANTS OF ASSURANCE
AND RESTRICTIONS OF SAVANNAH RIDGE SUBDIVISION
TO THE CITY OF SPRINGDALE, ARKANSAS**

KNOW ALL MEN BY THE PRESENTS:

WITNESS:

WHEREAS, the undersigned are the owners of all of property referenced in Exhibit A, attached hereto and incorporated herein, which property has been subdivided into the lots of Savannah Ridge Subdivision and is reflected upon a plat of said subdivision which plat has been recorded and filed in the Plat Records of Benton County, Arkansas, in the office of the Circuit Clerk and Ex-Officio Recorder of Benton County, Arkansas, and bears document number 2006-883, and which plat is made a part of this Declaration, by reference, and this Declaration is likewise made a part by reference of said plat; and,

WHEREAS, this Amended and Restated Declaration of Covenants of Assurance and Restrictions of Savannah Ridge Subdivision hereby replaces the Declaration of Covenants of Assurance and Restrictions of Savannah Ridge Subdivision previously filed in the Plat Records of Benton County, Arkansas, in the office of the Circuit Clerk and Ex-Officio Recorder of Benton County, Arkansas, and bears document number 2006-56131;

NOW, THEREFORE, the Developer declares that the real property described herein, and the soon-to-be-created lots on such property and in said Savannah Ridge Subdivision are and shall be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, easements, charges and liens hereinafter set forth or as hereinafter changed or amended.

ARTICLE I

PROPERTY SUBJECT TO THIS DECLARATION

1.1. The real property which is, and shall be held, transferred, sold, conveyed and occupied subject to this Declaration, is located and situated in Benton County, Arkansas, and which subdivision is located on the following lands, to-wit:

SEE EXHIBIT "A" ATTACHED HERETO AND INCORPORATED HEREIN.

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2.1. The following terms as used in this Declaration of Covenants of Assurance and Restrictions are defined as follows:

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- b. "Property" means Savannah Ridge Subdivision to the City of Springdale, Arkansas, as the same may be shown on the plat referenced hereinabove and recorded in Benton County, Arkansas.
- c. "Lot" means any numbered Lot designated on the Plat of the property, except as may be herein excepted.
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- e. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any lot subject to this Declaration, except that such term shall not mean Developer regardless of whether Developer has a fee simple interest in any lot.
- f. "Developer" shall mean and refer to Riggins Properties, Inc. and Riggins Construction, Inc., or any combination thereof as the context suggests.
- g. "Subdivision" shall mean Savannah Ridge Subdivision to the City of Springdale, Arkansas, as per plat on file in the office of the Circuit Clerk, and Ex-Officio Recorder of Benton County, Arkansas.
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- j. "ARC" shall mean and refer to the Architectural Review Committee as established and maintained by the Association. Initially the ARC shall consist of Darin Riggins and Kevin Riggins.

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constructed at a height of six (6) feet to maintain uniformity. Any fence, once constructed, must be maintained by the property owner who had it constructed or their successor-in-interest.

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3.6. Limited Access: There shall be no access to any Lot on the perimeter except from designated streets or roads within the Subdivision.

3.7. Drilling and Mining: No drilling, refining, quarrying or mining operations of any kind shall be permitted on any Lot.

3.8. Communication Towers and Satellite Dishes: No communications mast, tower, or structure may be installed on any Lot, except that satellite dishes may be installed only on the rear roof of a dwelling and shall not exceed the height of the lowest roof ridge line of such dwelling.

3.9. Parking on the Streets: No vehicles may be parked overnight in the streets of the Subdivision. Owners shall provide sufficient off-street parking to accommodate the vehicles used by their families and guests. Furthermore, no semi-trailer trucks or commercial vehicles shall be allowed to park in the Subdivision, either on the streets or on the Lots, provided, however, that this restriction shall not apply to Developer during construction and development of the Subdivision. No vehicles may be parked in front yard at any time.

3.10. Structures other than Dwellings: No trailer, mobile home, tent, shack, or other unsightly building or structure, temporary or permanent, shall be erected or used on said lots. However, it is permissible to have a storage building in the rear yard of a Dwelling provided that (a) the square footage of such storage building does not exceed 250 square feet and (b) (i) is constructed of a material that complements the Dwelling which it accompanies or (ii) is constructed off site at a factory or vendor who constructs such storage buildings to be transported on site. Further, unless a storage building fits the definition found in subsection (b)(ii) herein, before any such storage building can be constructed, the Owner must submit plans to the

Association's ARC for its approval. The restrictions contained in this section shall not apply to the Developer during construction and development of the Subdivision.

3.11. Recreational Vehicles and Boats: Recreational and camping vehicles, trailers and boats may not be stored and parked on the Lots except behind the Dwelling and then only if enclosed in a screened wood privacy fence.

3.12. Minimum Square Footage: All Dwellings in the Subdivision shall have a minimum of eleven hundred (1,100) square feet of heated area. All Dwellings erected on the Lots 11 through 71 shall have a minimum of one thousand four hundred fifty (1,450) square feet of heated area. The minimum square footage requirements is exclusive of garages, porches, patios and decks. Irrespective of other provisions regarding amendments of these covenants, the minimum square footage requirements cannot be amended except with the express approval of the Developer.

3.13. Restriction of Type of Dwelling: There shall be no Dwellings erected on any Lot other than a detached single family dwelling having at least a two-car enclosed garage.

3.14. Approval of Plans by ARC: All plans for improvements to be constructed on each Lot shall be first submitted for review and approval by the ARC. Approval by the ARC must be obtained in writing before construction of any improvement on any Lot begins and any variances to the improvement initially approved must be authorized in writing by the chairman of the ARC. Developer is exempt from this requirement to obtain written approval from the ARC.

3.15. Exterior of Dwellings: The front exterior of all Dwellings erected on the Lots shall be of a brick, stone, or faux stone veneer construction to the extent that the front exterior of each such Dwelling is one hundred percent (100%) masonry veneer, excluding windows, doors and gables. On the remaining exterior elevations, masonry, vinyl, steel or aluminum siding, may be used. All Dwellings erected on the Lots 11 through 71 shall have one hundred percent (100%) masonry veneer on the side elevations and all roof pitches shall be a minimum of 8/12 pitch. Regarding all other lots, all roof pitches shall be a minimum of 6/12 pitch. No metal roofs shall be permitted. Roofs shall be covered with shingles: either asphalt, composition, or fiberglass material.

3.16. Lot maintenance and sod: All Lots shall be maintained, mowed and kept free of noxious weeds whether they be improved or unimproved. Further, upon construction of a dwelling, the Owner shall sod the lawn area of the Lot from the front of such dwelling to the curb line, provided, however, that this section shall not apply to Developer during construction and development of the Subdivision.

3.17. Platted easements: All Lots are subject to easements that are shown on the Plat, including, but not limited to, easements for fences and entry signs.

3.18. Covenants to Run with the Land: All covenants and restrictions set forth in this Declaration are to run with the land and shall be binding on all parties, their successors, heirs and assigns, for a period of thirty (30) years from the date this Declaration is recorded; provided,

however, that any time after the date this Declaration is recorded, the covenants and restrictions may be amended at any time by the record owners of at least sixty (60) percent of the total Lots in the Subdivision. The Developer shall have four (4) votes per Lot which Developer owns. All other Lot owners shall have one (1) vote per Lot. Such amendments shall be made and executed by said record owners so as to be recorded with the registrar of deeds of Benton County, Arkansas.

Provided, further, that after the expiration of the thirty (30) year period set forth above and any time within six (6) months from said expiration, a majority of the Lots, through their record owners, may express their intention, in writing, so drafted and executed as to be recorded with the registrar of deeds in Benton County, Arkansas, that they no longer care for the covenants, and the same shall then be terminated. In the event that no action is taken within the prescribed time, this Declaration shall continue for additional periods of ten years, and for any such ten year period, said covenants may be terminated in accordance with the terms for the original termination.

It is further provided that this Declaration may be amended after its execution, either by adding to or taking from said Declaration in their present form, providing that said amendment or amendments shall be incorporated in a written instrument executed by no less than a majority of the Lots, through their record owners, and which instrument shall be capable of being recorded as above referred to under the same terms and conditions thereof.

3.19. Sex Offender Restriction: No person who is required to register as a sex offender pursuant to the Sex Offender Registration Act of 1997, Arkansas Code Ann. §§12-12-901, et seq., as amended from time to time or any other similar federal, state or local law, regulation, or ordinance may rent, reside in, own or occupy any Lot or Dwelling in the subdivision either permanently or temporarily.

ARTICLE IV

HOMEOWNERS ASSOCIATION AND COVENANT AND PLAN FOR MAINTENANCE AND OTHER ASSESSMENTS

4.1. Homeowners Association: Savannah Ridge Homeowners Association (referred to herein as "Association") has been or will be formed as an unincorporated association. All Lot Owners must be members of the Association and each shall automatically become a member of the Association upon the conveyance of a lot to him or her. The Association shall be governed by By-Laws accepted and approved by the Association.

All association memberships will pass with Lot ownership in the Subdivision. All Lots will carry one (1) vote in the Association, except that the Developer shall have four (4) votes per Lot which Developer owns.

4.2. Creation of Lien: Each Owner of any Lot of the Subdivision, by acceptance of a deed therefore, whether or not it shall be so expressed in any such deed, contract of purchase, or other conveyance, shall be deemed to covenant and agree to pay to the Association:

(1) Annual assessments or charges; (2) special assessments for capital improvements and other purposes, such assessments to be fixed, established and corrected from time to time as hereinafter provided. The annual and special assessments, together with such interest thereon and costs of collection thereof as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. In no event shall an annual or special assessment be applicable at any time to any lot owned by the Developer and the Developer shall not be obligated to pay any annual or special assessment.

4.3. Purpose of Assessments: The assessments levied pursuant hereto by the Association shall be used for the purposes of acquisition, improvement and maintenance of the common properties, services and facilities devoted to this purpose and related to the use and enjoyment of the common properties, insurance thereon, and repair, replacement, and modifications thereto, and for the cost of labor, equipment, materials, management and supervision thereof. In addition, assessments may also be used for expenses related to the necessary and reasonable operation of the Association, including, but not limited to, collection of assessments and related costs and enforcement of the covenants and restrictions of the Subdivision.

4.4. Basis and Maximum of Annual Assessments: The annual assessment for each lot shall be \$25.00. An Owner's first such assessment shall be prorated and paid to the Association at closing according to time of conveyance of a Lot to the Owner. The annual assessment may be increased, as hereinafter provided, by a majority vote of the votes entitled to be cast by the members of the Association for the next succeeding "assessment year" (beginning January 1) and at the end of each such period of one year for each succeeding period of one year. At no time shall the annual assessment per lot be increased more than twenty-five percent (25%) above the prior year's annual assessment. Said annual assessment shall be payable in advance on the 1st day of January each year. The Board of Directors may, after consideration of current maintenance costs and future needs of the Association, fix the actual assessment for any year at a lesser amount.

4.5. Special Assessments for Capital Improvements: In addition to the annual assessments authorized hereinabove, the Association may levy in any assessment year a special assessment, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement upon the common properties, including the necessary fixtures and personal property related thereto, provided that any such assessment shall have the assent of 2/3 of the votes entitled to be cast by members of the Association who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be mailed to all members at the last known address of each member at least fifteen (15) days in advance and shall set forth the purpose of the meeting.

4.6. Change in Basis of Maximum of Annual Assessments: Subject to the limitations of other sections of this Article, and for the purposes therein specified, the Association may change the maximum and basis of the assessments fixed by this Article prospectively for any such period, provided that any such change shall have the assent of 2/3 of the votes entitled to be cast by members who are voting in person or by proxy, at a meeting duly called for this purpose, where a quorum is present, written notice of which shall be mailed to all

members at the last known mailing address of each voting member at least fifteen (15) days in advance and shall set forth the purpose of the meeting.

4.7. Quorum for any Action Authorized Under This Article: The quorum of any action authorized by this Article, the presence at the meeting of members, or of proxies, entitled to cast fifty percent (50%) of all votes of the membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirement set forth in this Article

4.8. Late Payment of Assessments: As hereinabove provided, each annual assessment shall be due and payable on the 1st day of January of each year. In the event of default as to any payment (annual or special), and if the default is not remedied within ninety (90) days, the Association shall have the option of taking such action as permitted by law or equity and by this Declaration and the By-laws of the Association. An additional late charge of ten percent (10%) shall be assessed on any payment which is more than ninety (90) days delinquent. Costs of collection of the assessment, including reasonable attorney's fees therefor, shall also be assessed.

The due date of any special assessment under this Article shall be fixed in the resolution of the members of the Association authorizing such assessments, with the same option on the part of the Association in the event of default.

4.9. Duties of the Board of Directors: In addition to the other duties of the Board of Directors as may be set forth herein or in the By-laws of the Association, the said Board of Directors shall fix the date of any special assessment against each lot for any special assessment period at least thirty (30) days in advance of such special assessment, written notice of the special assessment shall thereupon be sent to every member subject thereto at the last known mailing address of such member.

The Secretary of the Association, upon demand at any reasonable time, shall furnish to any member liable for said assessment a certificate in writing signed by an officer of the Association, setting forth whether said assessments have been paid. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

4.10. Effect of Non-Payment of Assessment and the Lien Remedies of the Association:

If the assessments (annual or special) are not paid on the date when due, then such assessment shall be come delinquent as provided in this Article and shall, together with such interest, late charges thereon and costs of collection thereof as herein provided, thereupon become a continuing lien on the lot which shall bind such lot in the hands of the then owner, its successors, heirs, devisees, personal representatives and assigns. If the assessment is not paid as provided herein, it shall bear interest from date of delinquency at the maximum rate of interest allowed by law, not to exceed ten percent (10%) per annum, and the Association may foreclose the lien against said lot, and there shall be added to the amount of such assessment the cost of attorney fees in connection with any court proceedings arising therefrom, together with all court costs, late charges and expenses incurred by the Association.

4.11. Subordination of the Lien or Mortgages: The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage or first deed of trust now or hereafter placed upon the lots subject to assessment; provided however, that such subordination shall apply only to the assessments which have become due and payable prior to a sale or transfer of such lot pursuant to a Decree of Foreclosure, or any other proceeding in lieu of foreclosure. Such sale or transfer shall not relieve such lot from liability for any assessments thereafter becoming due, nor from the lien of any such subsequent assessment.

4.12. Suspension of Rights of Membership: Prior to the foreclosure of any lien upon any lot subject to this Declaration, the Board of Directors of the Association may elect to suspend all membership rights of any member or members of the Association who are delinquent in any payment due to the Association for more than thirty (30) days, with such suspension to continue for so long as any such delinquency exists. Further, the Board of Directors may suspend membership rights for a period not to exceed thirty (30) days for the infraction of any rules or regulations by the member, family of the member or guest of the member, relating to the use of any of the common properties. Suspension of membership rights shall be effective from the date that notice of suspension is mailed to the member via U.S. Certified mail, return receipt requested, postage prepaid, to the last known address of the said member.

4.13. Cancellation and Hearing: The said Board of Directors may elect to permanently cancel the membership and all membership rights of any member who is delinquent in any payment due to the Association for more than ninety (90) days or when such member, family of the member, or guest of the member are guilty of repeated or flagrant violation(s) after a hearing conducted by said Board of Directors, which notice of such hearing mailed to such member at least thirty (30) days in advance of said hearing date, and further provided that such member may appeal any such decision of said Board of Directors to the membership of the Association by such affected member calling a special meeting of the membership of the Association by notice mailed to each member at least ten (10) days in advance of the desired special meeting date, and said notice setting forth the time, date, place and purpose of said meeting. A majority vote of the votes entitled to be cast by the members of the Association attending such special meeting shall be necessary to override the decision of the Board of Directors, and all votes shall be by secret ballot. Notice shall be mailed by the member via U.S. Certified mail, postage prepaid, return receipt requested.

ARTICLE V

PROPERTY RIGHTS OF THE COMMON PROPERTIES

5.1. Members' Easement for Enjoyment: Subject to the provision of this article and related provisions set forth elsewhere herein, every member shall have a right of enjoyment in and to the Common Properties, subject to the rules and regulations governing such use as promulgated, from time to time, by the Association. Such right and easement shall be appurtenant to and shall pass with the conveyance of title to every lot.

5.2. Extent of Members' Rights of Enjoyment: The rights of easements of enjoyment created hereby shall be subject to the following:

- a. The right of the Association to borrow money for the purpose of acquiring, constructing, improving and maintaining the common properties and in aid thereof to mortgage said properties or execute a deed of trust or other instrument covering said properties. In the event of default upon any such mortgage, the lender shall have a right, after taking possession of such properties, to charge service or use charges, admission and other fees as a condition to continued enjoyment by the members, and if necessary to have other relief as permitted by law; and,
- b. The right of the Association to take such steps as are reasonably necessary to protect the above-described properties against foreclosure; and,
- c. The right of the Association to suspend or permanently cancel the rights of any member and membership in the Association; and,
- d. The right of the Association to charge reasonable service or use charges, admission and other fees for the use, service and enjoyment of the common properties; and,
- e. The right of the Association to limit the number of members per lot who may be entitled to the benefit of the easement of enjoyment as to the common properties by reason of ownership of a lot; and
- f. The right of individual members to have exclusive use of any of the common properties as from time to time may be granted by the Board or its designate;
- g. The right of the Association to pass and enforce rules and regulations related to use, control and maintenance of the common properties and the areas situate thereon.

ARTICLE VI

MISCELLANEOUS

6.1. Violations: If the parties hereto, or their heirs, successors or assigns or any other person shall violate or attempt to violate any of the covenants or restrictions herein while said covenants or restrictions are still in force, it shall be lawful for any person or persons owning any interest in any Lot or Lots in the Subdivision, as well as the Association, to prosecute any violation or attempted violation of any such covenant or restriction, either to prevent the person from doing so or to recover damages or other penalties and costs, including reasonable attorney's fees for such violation.

6.2. Notices: Any notice required to be sent to any Owner under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postpaid, to the last known address of the person who appears as Owner on the records of the Association at the time of such mailing.

6.3 Additional Phases: The Developer reserves, unto itself, the right, without joinder or consent of any Owner, Builder or Mortgagee, to file additional plats in the office of the Circuit Clerk and Ex-Officio Recorder of Benton County, Arkansas to add additional phases which shall be subject to this Declaration.

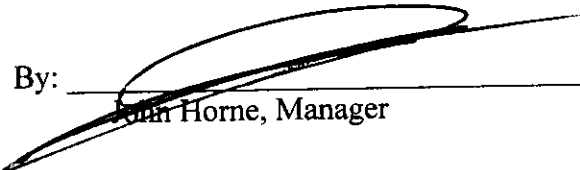
6.4. Severance: Invalidation of any one of these covenants by judgment or court order shall, in no way, affect any other provisions herein contained.

6.5. Waiver: Failure of any of the parties, their heirs, successors or assigns, to exercise any of the options contained herein upon breach by the other party, its heirs, successors or assigns, subject to this Declaration, shall not constitute a waiver of that party's right to exercise such option upon future breach.

IN WITNESS WHEREOF, the undersigned have set their hands and seals this ____ day of April, 2007.

NORTHWEST ARKANSAS HOUSING, LLC
Owner of Lots 1-71, 72, 81 and 90-95

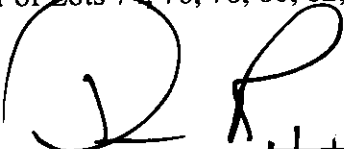
By: _____


John Horne, Manager

DEVELOPER:

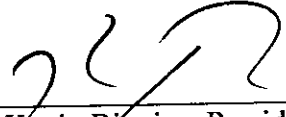
RIGGINS PROPERTIES, INC.
Owner of Lots 74, 76, 78, 80, 82, 84, 86 and 88

By: _____


Darin Riggins, President

RIGGINS CONSTRUCTION, INC.
Owner of Lots 73, 75, 77, 79, 83, 85, 87 and 89

By: _____


Kevin Riggins, President

2007 16639

Recorded in the Above

Deed Book & Page

04-24-2007 02:40:15 PM

Brenda DeShields-Circuit Clerk

Benton County, AR

**EXHIBIT "A" TO
DECLARATION OF COVENANTS OF ASSURANCE
AND RESTRICTIONS OF SAVANNAH RIDGE SUBDIVISION**

Part of the SE¼ of Section 23, Township 18 North, Range 30 West of the Fifth Principal Meridian, Benton County, Arkansas, and also described as follows:

Beginning at a found iron pin at the Northeast corner of the NW¼ of the said SE¼; thence South 02°20'32" West 1,313.22 feet to a found iron pin; thence North 86°35'04" West 416.41 feet; thence South 02°27'38" West 173.44 feet; thence South 86°57'37" East 112.55 feet; thence South 03°31'56" West 486.47 feet; thence North 86°24'54" West 1,012.18 feet; thence North 02°28'56" East 654.36 feet to a found iron pin; thence South 86°45'04" East 661.27 feet to a found iron pin; thence North 02°06'37" East 1,312.38 feet; thence South 86°39'43" East 668.83 feet to the Point of Beginning, containing 34.98 acres, more or less. Subject to any easements, covenants or restrictions of record or fact.

Benton County, AR

I certify this instrument was filed on

04-24-2007 02:40:15 PM

and recorded in Deed Book

2007 at pages 16628 - 16639

Brenda DeShields-Circuit Clerk