

DECLARATION OF COVENANTS AND RESTRICTIONS AND RECORDED

OF

CHENAL DOWNS

1998 MAY 8 P 3:30
CAROLYN STALEY
CIRCUIT COUNTY CLERK

F-199

This Declaration, made this 7th day of MAY, 1998, by DELTIC TIMBER CORPORATION, successor by merger to Deltic Farm & Timber Co., Inc. ("Developer" or the "Declarant").

WITNESSETH:

WHEREAS, Developer is the owner of the real property described on Exhibit "A" attached to this Declaration, shown and described on the plat, hereinafter mentioned as Lots 1-41, 47-50 and Tracts A and B, Chenal Downs, Pulaski County, Arkansas (hereinafter the "Property" or "Chenal Downs") and desires to create a community with equestrian facilities and improvements, bridal paths, permanent parks, lakes, playgrounds, open spaces, landscaped and gated entrances and other Common Use Areas for the benefit of the community, which shall be known as "Chenal Downs."

WHEREAS, Developer desires to provide for the preservation of the values and amenities in Chenal Downs and for the maintenance of the bridal paths, parks, lakes, playgrounds, open spaces, landscaped and gated entrances and other Common Use Areas; and to this end, desires to subject the Property to these covenants, restrictions, easements, charges and liens, each of which is for the benefit of the Property, each owner of any Lot in Chenal Downs, and the Chenal Downs Property Owners Association, Inc.; and

WHEREAS, Developer has deemed it desirable, for the efficient preservation of the values and amenities in Chenal Downs, to create an association which shall be assigned the powers of maintaining, administering and enforcing these covenants and restrictions and doing all other things necessary to preserve the values and amenities of this community; and

WHEREAS, Developer has caused to be incorporated under the laws of the State of Arkansas, as a nonprofit corporation, Chenal Downs Property Owners Association, Inc., for the purpose of exercising these functions; and



WHEREAS, the Property is subjected to the covenants and restrictions to insure proper use and appropriate development and improvement of the Property and every part thereof; to guard against the erection thereon of buildings, structures or improvements built of improper or unsuitable materials; to insure adequate and reasonable development of the Property and the use and enjoyment of property ownership therein; to encourage the erection of attractive improvements thereon, with appropriate locations thereof; to prevent haphazard and inharmonious improvement; to secure and maintain proper setbacks from streets, and adequate free spaces between structures; and in general to provide adequately for a type and quality of improvement in Chenal Downs consistent with the covenants and restrictions; and to insure desired standards of maintenance and operation of the Common Use Areas for the benefit of all owners of Chenal Downs. It is the intention and purpose of these covenants and restrictions to assure that all dwellings in Chenal Downs shall be of a quality of design, workmanship, and materials approved by the Architectural Control Committee. It is understood and agreed that the purpose of architectural control is to secure an attractive harmonious residential development having continuing appeal, and in an effort to assure the same, the quality of architectural design will be considered.

WHEREAS, it is deemed advisable that all of the Property shown on the plat hereinafter mentioned, be subdivided into building lots, tracts and streets as shown on the plat filed herewith, and that said Property be held, owned and conveyed subject to the protective covenants, restrictions, easements and charges herein contained, in order to enhance the value of Chenal Downs.

NOW THEREFORE, Declarant, for and in consideration of the benefits to accrue to it, its successors and assigns, which benefits it acknowledges to be of value, has caused to be made a plat, showing a survey made by Paul M. White, Registered Land Surveyor dated 5-8-98, and showing the boundaries and dimensions of the Property now being subdivided into lots, tracts and streets (the "Plat").

There are shown on said Plat certain easements for drainage, access, landscape, construction, wooded buffer, future lake, and septic systems, which Declarant hereby reserves to and for the use of Declarant, its successors and assigns, and/or the Association which are more specifically defined in Article V hereof. There are shown on said Plat certain easements for utilities which Declarant hereby grants to and for the use of public utilities, the same being, without limiting the generality of the foregoing, electric power, gas, telephone, water, sewer and cable television with the right hereby granted to the persons, firms or corporations engaged in the supplying of such utilities to use and occupy such easements, and to have free ingress and egress therefrom for the installation, maintenance, repair and replacement of such utility services.

The areas designated on the Plat as Common Use Areas and bridal paths are hereby donated and dedicated by Declarant and an easement is hereby granted to the Owners of all lots within Chenal Downs with the right to use these areas for lake, park, equestrian, pedestrian and aesthetic purposes and the Chenal Downs Property Owners Association, Inc. shall maintain such areas and improvements at its sole cost. Additionally, Declarant hereby grants to the public utilities the right to use this area only for utility easements provided such improvements are maintained by said public utilities. No improvements shall be placed on the areas designated as Common Use Areas, other than improvements for those designated purposes, unless first approved by governmental agencies, if required, Chenal Downs Property Owners Association, Inc. and the Architectural Control Committee established pursuant to these Covenants and Restrictions and By-Laws of Chenal Downs Property Owners Association, Inc. (the "Architectural Control Committee").

The filing of this Declaration of Covenants and Restrictions for record in the office of the Circuit Clerk and Ex-Officio Recorder of Pulaski County shall be a valid and complete grant, delivery and dedication of the easements subject to the limitations herein set out.

The lands embraced in the Plat shall be forever known as Lots 1-41, 47-50 and Tracts A and B, Chenal Downs, Pulaski County, Arkansas; and any and every deed of conveyance of any lot in Chenal Downs describing the same by the number shown on said Plat shall always be deemed a sufficient description thereof.

NOW, THEREFORE, the Developer declares that the Property is and shall be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, easements and charges and liens (sometimes referred to as "Covenants and Restrictions") herein set forth:

ARTICLE I

DEFINITIONS

ASSOCIATION. The Chenal Downs Property Owners Association, Inc., described in Article XIII hereof.

ARCHITECTURAL CONTROL COMMITTEE. The committee so designated and described in Article IV hereof.

BOARD. Board shall mean the Board of Directors of the Association.

BUILDING. Any structure having a roof, supported by columns or by walls or other means, or other structure intended or used for the shelter, housing, or enclosure of any person, animal, or chattel.

BUILDING ACCESSORY. A subordinate building or portion of a principal Building, the use of which is incidental to that of the principal Building on a Lot.

BUILDING HEIGHT. The vertical distance measured from the established ground level to the highest point of the underside of the ceiling beams, in the case of a flat roof; to the deck line of a mansard roof; to the mean level of the underside of rafters between the eaves and the ridge of a gable, hop, or gambrel roof; or to the mean level of any other vertical parts of any other structure. Chimneys and ordinary and customary ornamental architectural projections shall not be included in calculating Building Height.

COMMON USE AREAS. The parks, lakes, bridal and pedestrian paths, and other real property within Chenal Downs reserved by Declarant for the common use of all residents and owners of Lots in Chenal Downs, and the fixtures thereon and appurtenances thereof. The Common Use Areas include those areas identified on the Plat as Common Use Areas or the bridal path. Equestrian Facilities are not included within this definition. Use of the Equestrian Facilities is subject to the rules and regulations established by the operator of such facilities. Any Improvements made on the Common Use Areas shall be owned by the Declarant but maintained by the Chenal Downs Property Owners Association.

DECLARANT OR DEVELOPER. Deltic Timber Corporation, its successors and assigns.

DWELLING. A residential building which, as originally constructed, is integrated and designed for use exclusively as living quarters for one family.

EQUESTRIAN FACILITIES. An Equestrian organization and facilities constructed and operated by the Chenal Valley Property Owners Multi-Purpose Improvement District No. 5 of Pulaski County, Arkansas ("Improvement District"), its successor, lessee or assigns, on Tract A in Chenal Downs, and which may include stables, barns, corrals, pastures, clubhouse and related facilities for use by Owners of Lots in Chenal Downs who are members of the Equestrian Facilities, their guests and invitees, and those non-owners of property located within Chenal Downs that become members of the Equestrian Facilities, subject to the fees, membership requirements and rules from time to time established by the Improvement District, its successor, lessee or assigns, for the use of the Equestrian Facilities. The real property upon which the Equestrian Facilities are located may be leased to the operator of the Equestrian Facilities and may be owned by the Developer.

FAMILY. One or more persons each related to the other by blood, marriage, or legal adoption, together with his or their domestic servants, maintaining a common household in a Dwelling.

MEMBER. Member shall mean and refer to any owner who by virtue of holding fee simple title to any Lot is a member of the Association. If any owner holds title to more than one Lot he shall be entitled to an additional membership for each additional Lot he owns.

OWNER. Owner shall mean and refer to the record owner, whether one or more persons or entities, of title to any Lot which is part of Chenal Downs, but excluding those having such interest merely as security for the performance of any obligation.

STORY. That portion of the interior of a Building included between the surface of the ground or any floor and the surface of existing or extended plane of the floor next above; or if there is no floor above, the space between the floor and the surface of existing or extended plane of the ceiling next above.

STORY, HALF. A space under a sloping roof which has the line of intersection of roof decking and exterior wall not more than 3 feet above the top floor level, and in which space not more than 60 percent of the floor area is improved for principal or accessory use.

STRUCTURE. Any stationary object erected, constructed or placed on the Property or attached to something having a permanent location on or in the ground. A sign or other advertising device, detached or projecting, shall be construed to be a separate Structure. Structures shall include but shall not be limited to barns, sheds, stables, towers, antennas and satellite disks.

LOT OR HOMESITE. A five-acre Lot in Chenal Downs, which may be purchased by any person or owned by the Developer. The words "Lot" or "Homesite" as used herein shall be synonymous and may be used interchangeably.

LOT AREA. The area of a horizontal plane, bounded by the vertical planes through Front, Side, and Rear Lot lines.

LOT LINE, FRONT. That boundary line of a Lot which is nearest to a private roadway (access easement). In some instances a Lot may have more than one Front Lot Line.

LOT LINE, REAR. That linear boundary of a Lot which is most distant from the Front Lot line. If the Rear Lot Line is less than 10 feet in length, or if the Lot forms

a point at the rear, the Rear Lot Line shall be deemed to be a line 10 feet in length within the Lot, parallel to and at the maximum distance from the Front Lot Line.

LOT LINE, SIDE. Any boundary of a Lot which is not a Front or Rear Lot Line.

LOT WIDTH. The length of a line perpendicular to a Side Lot Line and lying entirely within a Lot, which either commences at the intersection of a Front Lot Line and a Side Lot Line, or if the Front or Rear Lot Line is curved or irregular, which is the longest segment perpendicular to a line joining the mid-points (determined by measuring the length of the outermost edge of the Lot Line) of a Front Lot Line and a Rear Lot Line and lying wholly within the Lot, with one or more points coinciding with the Front Lot Line.

LOT DEPTH. The length of a line joining the mid-points of a Front Lot Line and a Rear Lot Line (determined by measuring the length of the outermost edge of the Lot Line).

ARTICLE II

PROPERTY SUBJECT TO THIS DECLARATION

1. **EXISTING PROPERTY.** The real property which is, and shall be held, transferred, sold, conveyed and occupied subject to this Declaration is located in the County of Pulaski, State of Arkansas, and is more particularly described on Exhibit "A", and shown on the Plat, described as Lots 1-41, 47-50 and Tracts A and B, Chenal Downs, Pulaski County, Arkansas, all of which property shall be referred to as the "Property" or "Chenal Downs."

2. **ADDITIONS TO EXISTING PROPERTY.**

A. Additional lands of the Developer may become subject to these Covenants and Restrictions in the following manner: The Developer shall have the right but not the obligation to bring within the plan of this Declaration additional properties, regardless of whether or not said properties are presently owned by the Developer, in future stages of the development, provided that such additions are in accord with the general plan of development (the "General Plan") which has been prepared prior to the date of these Covenants and Restrictions and prior to the sale of any Lot and is maintained in the office of the Declarant, and provided such proposed additions, if made, will become subject to assessments of the Association for their share of expenses. UNDER NO CIRCUMSTANCES shall these Covenants and Restrictions or any supplement or the General Plan bind the Developer to make the proposed additions or to adhere to the Plan in any subsequent development of land shown on the General Plan. Nor shall Developer be precluded from conveying lands

in the General Plan not subject to these Covenants and Restrictions or any supplement free and clear of these Covenants and Restrictions or any supplement.

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

C. The Supplement Declaration may contain those complimentary additions and modifications of the Covenants and Restrictions contained in this Declaration necessary to reflect the different character, if any, of the added properties as are not inconsistent with this Declaration. In no event, however, shall such supplement revoke, modify and add to the covenants established by this Declaration within the Property.

3. ADDITIONS LIMITED TO DEVELOPER. No one other than the Developer shall have the right to subject additional lands to this Declaration of Covenants and Restrictions, unless the Developer shall indicate and consent in writing to the Association that such additional lands may be included.

ARTICLE III

GENERAL RESTRICTIONS

1. LAND USE. Except for those portions of Chenal Downs referred to herein as streets, Equestrian Facilities, and Common Use Areas, each Lot shall be used as a residential site for one Dwelling only, and a private garage containing no fewer than two parking spaces for the sole use of the Owners or occupants of the Dwelling.

ARTICLE IV

ARCHITECTURAL CONTROL COMMITTEE

1. DESIGNATION OF COMMITTEE. The Association shall have an Architectural Control Committee, consisting of at least three (3) and not more than five (5) members who shall be natural persons. Until eighty percent of all Lots now subject to these covenants and restrictions, plus Lots added pursuant to Article II hereof, are sold and have Dwellings constructed thereon, the members of the Architectural Control Committee, and all vacancies, shall be appointed by Developer. When eighty percent of all Lots described in this paragraph are sold and have

Dwellings constructed thereon, the members of the Architectural Control Committee, and all vacancies, shall be appointed by the Board of Directors of the Association.

2. FUNCTION OF ARCHITECTURAL CONTROL COMMITTEE. No Dwelling, Building, Structure or other Improvement shall be constructed or maintained upon any Lot and no alteration or repainting to the exterior of a Dwelling, Building, Improvement or Structure shall be made and no landscaping performed unless complete plans, specifications, and site plans showing the exterior design, height, building material and color scheme, the location of the structure plotted horizontally and vertically, the location and size of driveways, the general plan of landscaping, fencing walls and windbreaks, sewage systems and the grading plan shall have been submitted in writing to and approved in writing by the Architectural Control Committee prior to the commencement of construction. A copy of the plans, specifications, and Lot plans as finally approved shall be deposited with the Architectural Control Committee. The Architectural Control Committee shall have the power to employ professional consultants to assist it in discharging its duties. The decisions of the Architectural Control Committee shall be final, conclusive and binding upon the applicant.

3. CONTENT OF PLANS AND SPECIFICATIONS. The plans and specifications to be submitted and approved shall include the following:

(a) A topographical survey showing existing contour grades at 2-foot intervals and showing the location of the Dwelling and all Improvements, Structures, swimming pools, walks, driveways, fences and walls. Existing and finished grades shall be shown at Lot corners and at corners of proposed Improvements. Lot drainage provisions shall be indicated as well as cut and fill details if any applicable change in the Lot contours is contemplated.

(b) Exterior elevations.

(c) Exterior materials, colors, textures and shapes and manufacturers thereof.

(d) Structural design.

(e) Foundation plans.

(f) Wall sections with ceiling heights.

(g) Landscaping plan, including pre-approved mailboxes, walkways, fences and walls, elevation changes, watering systems,

shrub beds, plant size and quantity, existing vegetation and ground cover.

- (h) Parking area and driveway plan.
- (i) Screening, including site, location and method.
- (j) Utility connections.
- (k) Exterior illumination, including location and method.
- (l) Fire protection system.
- (m) Signs, including size, shape, color, location and materials.
- (n) Sanitary sewage systems, reflecting locations and types.

Residential landscaping must be fully installed within ninety (90) days of the occupancy of the residence. The residential landscaping must provide for a minimum of six new trees, at least eight feet in height, thirty (30) five gallon shrubs and solid sod where a lawn is installed.

4. **DEFINITION OF "IMPROVEMENT"**. Improvement shall mean and include all residences, buildings, stables, barns, and roofed structures, pastures, parking areas, fences, walls, hedges, mass plantings, poles, towers, antennas, driveways, lakes, swimming pools, tennis courts, gazebos, signs, changes in any exterior color or shape, glazing or reglazing of exterior windows with mirrored or reflective glass, and any other new exterior construction or exterior improvement which materially alters the appearance of any Lot and which may not be included in any of the foregoing. The definition does not include garden shrub or tree replacements or any other replacement or repair of any magnitude which does not materially change exterior colors or exterior appearances.

5. **BUILDING HEIGHT**. No Dwelling shall be erected, altered, or placed on a Lot which shall contain more than three (3) stories, nor shall any such Dwelling have a Building Height in excess of fifty (50) feet. No Accessory Building or Structure shall have a Building Height in excess of thirty-six (36) feet unless a greater height is approved in writing by the Architectural Control Committee.

6. **DWELLING COST, QUALITY AND SIZE**. All Buildings, Dwellings, Structures and Improvements erected upon a Lot shall be constructed in accordance with the applicable governmental building and zoning codes and with such additional standards that may be required by the Covenants and Restrictions and the

Architectural Control Committee; and no Dwelling shall be constructed or permitted to remain on any Lot in Chenal Downs unless the finished heated living area, exclusive of porches, patios, garages, breezeways, exterior stairways, porte cocheres, storage areas and outbuildings, shall equal to or exceed that shown in the following schedule:

A. One-story Dwellings - not less than 3,000 square feet.

B. For Dwellings of one and one-half or more stories, not less than 4,000 square feet.

7. LOCATION ON LOT. No Dwelling, Building, Structure or Improvement shall be located on a Lot nearer to the Front Lot Line, Side Lot Line or Rear Lot Line established for each Lot by the Architectural Control Committee. Tennis courts and swimming pools shall be screened from the street or streets by a wall, solid fence, evergreen hedge or other visual barrier as approved in writing by the Architectural Control Committee. No tennis court or swimming pool shall be located on a Lot nearer to the Front Lot Line, or a Side Lot Line adjoining a street, than the minimum setback established for each Lot by the Architectural Control Committee. Subject to changes being made by the Architectural Control Committee for an individual Lot, the following setback lines shall be deemed applicable:

Minimum Front Setback	50 or 75 feet from the center line of a street as shown on the Plat; and
Minimum Side Setback	50 feet;
Minimum Rear Setback	50 feet;

provided that the Architectural Control Committee may authorize variations in its discretion. Where two (2) or more Lots are acquired as a single building site, the side building lines shall refer only to those bordering the adjoining property owner.

Subject to the prior provisions of this paragraph, the Minimum Rear Setback of Lots 10-21 as described on the Plat shall be twenty-five (25) feet.

8. COMMERCIAL STRUCTURES. No Building, Structure or Improvement of any type may ever be placed, erected or used for business, professional, trade or commercial purposes on any portion of any Lot. This prohibition shall not apply to any business or Structure that may be placed on any Lot or portion of a Lot that is used exclusively by a public utility company in connection with the furnishing of public utility services to Chenal Downs.

9. OUTBUILDINGS PROHIBITED. No outbuildings or other detached structure appurtenant to the residence may be erected on any of the Lots hereby restricted without the consent in writing of the Architectural Control Committee.

10. NOXIOUS ACTIVITY. No noxious or offensive trade or activity shall be carried on upon any Lot, nor shall any garbage, trash, rubbish, tree limbs, pine straw, leaves or cuttings, ashes or other refuse be thrown, placed or dumped upon any vacant Lot, street, road or Common Use Area or bridal path, nor on any Lot unless placed in a container suitable for garbage pickup; nor shall anything ever be done which may be or become an annoyance or nuisance to the neighborhood.

11. OIL AND MINERAL OPERATIONS. No oil drilling, oil development operating, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any Lot, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any Lot. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any Lot.

12. CONSTRUCTION DRIVEWAY. No Dwelling, Structure, Building, Improvement, grading or clearing shall be commenced on any Lot until a gravel driveway, four inches in depth, at least 100 feet long has been constructed and thereafter maintained to prevent mud from being brought onto the streets.

13. EXISTING STRUCTURE. No existing, erected building or structure of any sort may be moved onto or placed on any of the Lots.

14. TEMPORARY STRUCTURE. No trailer, basement, tent, shack, garage, barn or other outbuilding other than a permanent guest house and servants quarters erected on a Lot covered by these covenants and restrictions shall at any time be used for human habitation, temporarily or permanently, nor shall any structure of a temporary character be used for human habitation.

15. THE BASIS OF APPROVAL. Approval of plans and specifications shall be based on, among other things, adequacy of site dimensions, structural design, conformity and harmony of external design and of location with neighboring structures and sites, relation of finished grades and elevations to neighboring sites, and conformity to both the specific and general intent of the protective covenants. The Architectural Control Committee shall establish certain architectural guidelines, which shall be approved by the Board of Directors (the "Architectural Guidelines"), and all plans and specifications must comply with Architectural Guidelines then in force and effect. However, the Architectural Control Committee may approve exceptions to the Architectural Guidelines by a three-fourths (3/4th) vote. The current Architectural Guidelines shall be available at the office of the Association or the office of the Declarant.

16. MAJORITY VOTE. A majority vote of the Architectural Control Committee is required for approval or disapproval of proposed improvements.

17. FAILURE OF COMMITTEE TO ACT. If the Architectural Control Committee fails to approve, disapprove, or reject as inadequate proposed plans and specifications within thirty (30) days after proper written submittal, they shall be deemed approved. If plans and specifications are not sufficiently complete or are otherwise inadequate, the Architectural Control Committee may reject them entirely, partially or conditionally approve.

18. LIMITATION OF LIABILITY. Neither the Declarant, the Association, the Architectural Control Committee nor any of its members shall be liable, in damages or otherwise, to anyone submitting plans and specifications for approval or to any Owner of land affected by this Declaration by reason of mistake of judgment, negligence or nonfeasance arising out of or in connection with the approval or disapproval or failure to approve or disapprove any plans and specifications.

19. REASONABLE FEE. The Architectural Control Committee may charge any Owner a reasonable fee for its services in reviewing that Owner's proposed plans and specifications.

20. LOT AREA AND WIDTH. None of the Homesites shall at any time be subdivided into two or more ownerships or Lots.

21. DRIVEWAYS. Access driveways and other paved areas for vehicular use on a Lot shall have a base of compacted gravel, crushed stone or other approved base material and shall be surfaced with either asphalt or concrete. Plans and specifications for driveways, culverts, pavement edging or markers shall be as approved in writing by the Architectural Control Committee. Driveways may access the adjacent street at one location only, unless otherwise approved by the Architectural Control Committee.

ARTICLE V

EASEMENTS

1. EASEMENTS. Declarant hereby declares, grants and reserves the following easements in Chenal Downs for the benefit of each and all of the Lots, parcels, tracts and lands located in Chenal Downs, as well as for those entities hereinafter named.

A. Declarant hereby grants the easements described on the Plat hereto as utility easements to and for the use of public utilities, the same being

without limiting the generality of the foregoing, electric power, gas, telephone, water and cable television with the right thereby granted to the persons, firms or corporations engaged in the supplying of such utilities to use and occupy such easements, and to have free ingress and egress therefrom for the installation, maintenance, repair and replacement of such utility services. No trees, shrubbery, incinerators, structures, buildings, fences or similar improvements shall be grown, built or maintained within the area of such utility easement. In the event any trees, shrubbery, incinerators, structures, buildings, fences or similar improvements shall be grown, built or maintained within the area of such easement, no person, firm or corporation engaged in supplying public utility services shall be liable for the destruction of same in the installation, maintenance, repair or replacement of any utility service located within the area of such easement.

B. Declarant hereby grants perpetual easements described on the Plat as Access, Landscape and Drainage Easements to the Chenal Downs Property Owners Association, Inc. to construct, maintain, install and replace landscaping, streets, gatehouses, fences, drainage facilities, and related improvements upon the property upon which the easement is granted. No trees, shrubbery, incinerators, structures, buildings, fences or similar improvements shall be built or maintained by the Owner of any Lot within the area of such easements without prior written consent of the Chenal Downs Property Owners Association, Inc.

The Owner of a Lot is solely responsible for the existing drainage course across his Lot. The Chenal Downs Property Owners Association, Inc. is only responsible for maintenance and replacement of drainage equipment and facilities existing within the easement granted herein and described on the Plat and has no responsibility for the maintenance and repair of any drainage course or equipment located upon those areas of the Lot outside the easement.

C. Declarant hereby grants a perpetual easement to all Owners of Lots in Chenal Downs, the operator of any Equestrian Facilities within Chenal Downs, all occupants of Dwellings in Chenal Downs, and the Association, their heirs, successors and assigns, for thoroughfare on foot and saddle horses, over, upon and across those areas within Chenal Downs which are designated on the Plat as bridle paths, and over, upon and across the bridle paths in any other portion of Chenal Downs which are from time to time subjected to the Covenants and Restrictions, as provided in Article II, Section 2. No motorized vehicles, of whatever kind, shall have access to the areas described in this paragraph.

D. A perpetual joint easement is hereby reserved in Declarant and granted to the Association, as joint owners, to construct, maintain and replace within Chenal Downs entry treatments at the intersections accessed thereto as reflected on

the Plat and in and to an area 20 feet on any side of any such entry treatment for the purpose of constructing and maintaining the same.

E. Declarant hereby grants a perpetual Wooded Buffer easement as described on the Plat to the Chenal Downs Property Owners Association, Inc. No owner of any Lot may construct any Improvements within the Wooded Buffer easement, cut any trees, plants or other natural vegetative growth within the Wooded Buffer easement or modify by grading or otherwise the existing contour of the Wooded Buffer easement without prior written consent of the Chenal Downs Property Owners Association, Inc.

F. Declarant hereby reserves to itself, its successors and assigns, a perpetual Construction Easement on and over Lots 7, 48 and 50 as described on the Plat for use by the Declarant in the future development of Property which may be added from time to time pursuant to Article II, Section 2. Future development by the Declarant within the Construction Easement may include, but is not limited to, the construction of streets for the use described in Article VI hereto, landscaping, installation of utilities, drainage facilities and other construction related to the development of Property for residential use.

G. Declarant hereby reserves to itself, its successors and assigns, a perpetual Future Lake Easement as described on the Plat over that portion of Lots 47 and 48 described within the Plat for use by the Declarant in the future construction and development of a Lake which upon completion will be a Common Use Area as described herein and subject to these covenants and restrictions. Declarant is not obligated to construct the Lake.

H. Declarant grants to the Owner, its successors and assigns, of Lot 35 a perpetual access and utility easement over and across that portion of Lot 41 described on the Plat as a 20-foot Driveway and Utility Easement for Lot 35 for the purpose of ingress, egress, passage and delivery of vehicles and pedestrians as well as the installation, maintenance and replacement of utilities. The Owner of Lot 41 is not required to construct or maintain improvements within the easement. All costs of the construction of Improvements, including construction of a driveway, within the easement and the maintenance and replacement thereof, is the sole responsibility of the Owner of Lot 35: This grant of easement shall run with the land and shall be binding on and shall inure to the owners of Lots 41 and 35, their respective heirs, successors and assigns.

I. Declarant grants to the owners of Lots 33, 34 and 41, their successors and assigns, cross access easements over that portion of Lots 33, 34 and 41 described on the Plat for the purpose of ingress, egress, passage and delivery of pedestrians and vehicles over and across such Lots. The Owners of Lots 33, 34 and

41 will be solely responsible for the construction, maintenance and replacement of driveway improvements upon that portion of their Lot within the easement. This grant of easement shall run with the land and shall be binding on and shall inure to the owners of Lots 33, 34 and 41, their respective heirs, successors and assigns.

J. Declarant grants to the Owner of Lot 35 a septic tank system area easement on that portion of Lot 36 as described on the Plat as Septic System Area Reserved for Lot 35 for the purpose of the installation, maintenance and replacement of a septic tank system for the benefit of the Owner of Lot 35, its successors and assigns. The Owner of Lot 36 is not required to construct or maintain the septic tank system constructed within this easement. All costs for the construction of the septic tank system, including future maintenance and replacement costs, shall be the sole responsibility of the Owner of Lot 35. This grant of easement shall run with the land and shall be binding on and shall inure to the Owner of Lots 35 and 36, their respective heirs, successors and assigns.

K. Declarant reserves to itself, its successors and assigns, and grants to the Chenal Downs Property Owners Association, Inc., as joint owners, a septic tank system easement on that portion of Lot 8 described on the Plat as Septic System Area for the benefit of that portion of Chenal Downs Boulevard upon which the gated entrance and guard house is to be constructed as shown on the Plat for the purpose of installation, maintenance and replacement of a septic tank system for the guard house. The Owner of Lot 8 is not required to construct or maintain Improvements within the easement. All costs of the construction of the septic tank system are the sole responsibility of Declarant. The costs of the maintenance and replacement thereof is the sole responsibility of Chenal Downs Property Owners Association. This grant of easement shall run with the land and shall be binding on and shall inure to the Owner of Lot 8, its heirs, successors and assigns.

L. Declarant hereby sets aside Tract B as defined in the Plat to protect the vegetative canopy along Kanis Road.

Declarant reserves the right to: (a) execute and record documentation confirming and defining the rights of any third person maintaining facilities in easement areas, and (b) to assign its rights hereunder, all of which acts shall be binding upon each Lot in Chenal Downs.

ARTICLE VI

PRIVATE ROADWAYS

All roadways within Chenal Downs are private access easements for vehicular traffic only for the use of the Owners of Lots in Chenal Downs, their guests and

invitees and members of the Equestrian Facilities. An easement is also hereby granted to the public for access to the Lots in the case of an emergency created by fire, public safety, or other occurrence necessitating access to a Lot by any public utility, fire department, police department, United States Postal Service or other public agency. Additionally, Developer hereby grants to the public utilities the right to use these areas for utility easements provided such public improvements are maintained by said public utilities. The Association shall maintain such private access easements including all private improvements thereon, including but not limited to street lights, gated entry and gatehouse.

ARTICLE VII

PROHIBITIONS

Except for (1) the development and sales activities of Developer and its contractors, employees and agents, and (2) construction activities authorized by the Architectural Control Committee, the following prohibitions shall be applicable to all Lots, Buildings, Structures and Improvements in Chenal Downs:

A. Except for the Equestrian Facilities, no gainful occupation or profession, or other non-residential use, shall be conducted.

B. No noxious or offensive activity shall be carried on, in or upon any Lot, nor shall anything be done thereon which may be, or may become, an annoyance or nuisance to the neighborhood or any adjoining Lot or Common Use Area.

C. No livestock (other than horses which are allowed to be maintained on the Lots) or poultry shall be kept or maintained. No swine, sheep, goats, cattle, or other objectionable animals shall be kept, and no animals may be raised for commercial purposes without prior written permission of the Board of Directors of the Association. Barns and stables that have been approved by the Architectural Control Committee may be constructed with the Dwelling. All such Buildings, Dwellings, Structures and Improvements will be serviced by underground utilities.

D. No burning of refuse or leaves shall be permitted.

E. Chain link or similar fences are in all events strictly prohibited and shall not be used under any circumstances. All fences must be approved by the Architectural Control Committee.

F. No garage, carport, driveway, or parking area which may be in front or adjacent to or part of any Lot may be used as a habitual parking place for

commercial vehicles. The parkway located between the pavement and the Front Lot Line of each Lot shall not be used for the parking of commercial vehicles, boats, horse vans, mobile homes, trailers, nor any vehicle other than private passenger automobiles. The term "commercial vehicles" shall include all trucks and all automobiles, station wagons, and vehicular equipment which shall bear signs or have printed on the side of same, reference to any commercial undertaking or enterprise. (The habitual violation of the parking regulations set forth in this paragraph shall be deemed a nuisance and violation of Article IV, Section 10, except that boats and horse vans may be stored at locations and in a manner acceptable to the Architectural Control Committee.)

G. No temporary buildings, quonset huts, trailers, tents, shacks, or privies shall be constructed, erected or parked upon any Lot. It is understood that the word "trailer" shall refer to a house or camping trailer which could be temporarily occupied for living purposes, and this restriction shall refer also to truck-mounted campers and travel buses, unless such trailer, erected camper, truck-mounted camper or travel bus is enclosed in a garage. Temporary Buildings, Improvements or Structures used during the construction of a Dwelling shall be on the same Lot as the Dwelling, and such Buildings, Improvements and Structures shall be removed upon completion of construction of the Dwelling.

H. No more than 2 horses may be kept on any one Homesite. All horses stabled, kept or brought into any area comprising Chenal Downs must be in full compliance with all federal, state and local statutes and regulations as to the health of the horse. Barns and stables, if constructed, must be of such material and design as are approved by the Architectural Control Committee. The cutting of trees or construction of corrals or pastures for horses must be approved by the Architectural Control Committee.

I. No garage, barn, stable, corral, pasture, building, Structure or other outbuilding approved by the Architectural Control Committee shall be constructed or erected upon said premises prior to construction and occupancy of the Dwelling.

J. No undomesticated animal nor any other animal having unusually vicious propensities shall be kept or maintained either inside or outside any Building, Structure, Improvement or Dwelling. No commercial breeding of any animal is allowed within Chenal Downs. No more than one kennel, for occupancy by no more than three dogs may be allowed on any one Lot in Chenal Downs.

K. No plants, seeds, or other materials which harbor or are a source of breeding infectious plant diseases or noxious insects shall be introduced or maintained.

L. No advertising sign, or billboard, including "For Rent" advertising signs, and no submerged, underground or visible oil or gas tank for fuel or other purpose, shall be erected or maintained on any Lot; except, however, a sign, not exceeding 12 square feet in area, may be erected during the construction of the house, displaying the name of the general contractor and/or architect, and "For Sale" signs not larger than 24 inches by 30 inches may be erected at any time.

M. No firearm shall be discharged within Chenal Downs.

N. No hunting shall be allowed within Chenal Downs.

O. No fishing in any lake existing within Chenal Downs shall be allowed other than pursuant to rules established by the Association.

P. No boats, canoes or any other means of transportation or recreation on water, motorized or non-motorized, shall be allowed on any lake within Chenal Downs except in compliance with rules established by the Association. No swimming or wading shall be allowed on any Lake within Chenal Downs except in compliance with rules established by the Association.

Q. No clearing or harvesting of trees may occur within the Property comprising Chenal Downs without approval of the Architectural Control Committee.

R. No animal waste, including horse manure, may be spread on any Lot, except for fertilization purposes.

S. No garbage, refuse, rubbish, tree limbs, pine straw, leaves or cuttings shall be deposited on any street, road, or Common Use Area, nor on any Lot unless placed in a container suitable for garbage pickup.

T. No building material of any kind or character shall be placed upon any Lot except in connection with construction approved by the Architectural Control Committee. Construction shall be promptly commenced and diligently prosecuted.

U. No clothes lines, drying yards, service yards, wood piles or storage areas shall be so located as to be visible from a street, road, bridal path, adjacent Lot, or Common Use Area.

V. Any exterior lighting must be approved by the Architectural Control Committee and installed in a manner that shall either be indirect or of such controlled focus and intensity as not to disturb the residents of the adjacent Lot.

W. No immoral, improper, offensive or unlawful use shall be made of Chenal Downs or any part thereof, and all valid laws, zoning, by-laws and regulations of all governmental bodies having jurisdiction shall be observed.

X. No portion of a Lot (other than the entire Lot) may be rented, and no transient may be accommodated therein unless by consent of the Declarant.

Y. All areas designated Equestrian Easements shall be used solely for equestrian and pedestrian traffic and no motor vehicles of any type shall be allowed on the Equestrian Easements, except for maintenance and construction purposes being performed by the Association.

Z. No used or previously erected or temporary house, structure, house trailer or non-permanent outbuilding shall ever be placed, erected or allowed to remain on any Lot or Common Use Area.

ARTICLE VIII

NAMEPLATES AND HOSPITALITY LIGHT STANDARDS, TELEVISION OR RADIO ANTENNAE AND TOWERS, LAUNDRY DRYING FACILITIES OR FLAG POLES

There shall be not more than one nameplate on each Lot. A nameplate shall not be more than 96 square inches in area, and contain the name of the occupant and/or address of the Dwelling. It may be located on the door of the Dwelling or the wall adjacent thereto, or upon the wall of an Accessory Building or Structure, or free-standing. Hospitality light standards, of a design approved by the Architectural Control Committee, may be located within the Lot. No laundry-drying equipment or facilities shall be erected or used outdoors, whether attached to a Building or Structure, or otherwise. Flag poles are permitted provided the pole is not more than 25 feet in height, unless otherwise approved by the Architectural Control Committee. No antenna or other high power electronic equipment shall be permitted without the prior written consent of the Architectural Control Committee. Satellite dishes pre-approved by the Architectural Control Committee may be permitted on a Lot at a location approved by the Architectural Control Committee.

ARTICLE IX

COMMON USE AREAS AND PATHS

1. **COMMON USE AREAS AND PATHS.** Any Common Use Area within Chenal Downs may be used by all residents of Chenal Downs and their guests for recreational purposes. There are reserved for the use of all Homesite owners within

Chenal Downs, their guest and invitees, and all members of the Equestrian Facilities, all bridal paths and private road easements. The Equestrian Facilities will establish rules and regulations for the membership in and use of the Equestrian Facilities. All Common Use Areas, bridal paths, streets, roads, easements, fences, street lights, gates and guard houses shall be maintained by the Association.

2. EXTENT OF EASEMENTS. The rights and easements created herein shall be subject to the following:

(a) The right of the Association to prescribe rules and regulations for the use, enjoyment, and maintenance of the Common Use Areas and bridal paths;

(b) The right of the Association to borrow money for the purpose of improving all or any part of the Common Use Areas and bridal paths, and to mortgage all or any part of the Common Use Areas;

(c) The right of the association to take reasonably necessary steps to protect all or any part of the Common Use Areas and bridal paths, against foreclosure; and

(d) The right of the association to suspend the easements of any Member of the Association during the time any assessment levied under Articles XI or XIV remains unpaid, and for any period not to exceed thirty (30) days for any infraction of its published rules and regulations.

ARTICLE X

GRASSING

1. GRASSING. After Lots have been sold by the Developer, the owners of Lots in Chenal Downs shall be responsible for the maintenance of the area located between their Lot Line and edges of street pavements which abut said Lots whether the streets are private or have been dedicated to the public. After construction of a Dwelling is completed on a Lot, the owner of such Lot shall grade the land between the edge of the driving pavement and the undisturbed ground on his property; maintain the ditch-line, if any, along the edge of said driving pavement, and shall seed, fertilize and cause grass to grow from said edge into his Lot, cover all disturbed soil left bare by construction of roads, and thereafter keep said grass mowed to a height not exceeding four (4) inches. In the event an owner is authorized by the Architectural Control Committee to clear a portion of his Homesite, he shall plant grass on the cleared area. Said owner shall maintain and keep his Homesite in good appearance by cutting all weeds and under brush and by cutting and maintaining all lawns to a height of not more than four (4) inches.

At any time and from time to time, the Association, or the Declarant may, at their option, enter the Homesite and plant grass or clear the weeds and underbrush and thereafter maintain the Homesite in good appearance. No such entry shall be deemed a trespass. If the Association or Declarant chooses to exercise this option, any planting, underbrush clearing or grass cutting by the Association or Declarant shall cause a lien to arise and be created in favor of the Association or Declarant against any such Homesite for the full amount expended or otherwise chargeable therefor, including the cost of supervision, contracting fees and office overhead. The full amount chargeable to such Homesite shall be due and payable within thirty (30) days after the owner has been billed therefor, and the lien shall be enforceable in the same manner as liens created pursuant to Article XIV hereof.

ARTICLE XI

MAINTENANCE

1. **DUTY OF MAINTENANCE.** Owners and occupants (including lessees of any part of the Property) shall jointly and severally have the duty and responsibility, at their sole cost and expense to keep that part of the Property so owned or occupied, including Dwellings, Structures, Buildings, Improvements and grounds in a well-maintained, safe, clean and attractive condition at all times. Maintenance includes, but is not limited to, the following:

- (a) Prompt removal of all litter, trash, refuse, and waste;
- (b) lawn mowing;
- (c) tree and shrub pruning;
- (d) watering;
- (e) keeping exterior lighting and mechanical facilities in working order;
- (f) keeping lawn and garden areas alive, free of weeds, and attractive;
- (g) keeping parking areas, driveways, and roads in good repair;
- (h) complying with all governmental health and police requirements;

- (i) repainting of improvements;
- (j) repair of exterior damages to improvements;
- (k) repair of all damage to fences; and
- (l) Prompt disposal of all animal waste, including, but not limited to, horse manure, in a manner that complies with all local, state and federal regulations.

2. **ENFORCEMENT.** If, in the opinion of the Association any Owner or occupant has failed in any of the foregoing duties or responsibilities, then the Association may provide written notice of that failure, giving the Owner or occupant ten (10) days from receipt to perform the care and maintenance required. Should any person fail to fulfill this duty and responsibility within the ten-day period, then the Association through its authorized agent or agents shall have the right and power to enter onto the premises and perform needed care and maintenance without any liability for damages for wrongful entry, trespass or otherwise to any person. The Owners and occupants (including lessees) of any part of the Property on which work is performed shall jointly and severally be liable for the cost of the work and shall promptly reimburse the Association for all costs. If the Association has not been reimbursed within thirty (30) days after invoicing, the indebtedness shall be a debt of all of the Owners and occupants jointly and severally, and shall constitute a lien against that portion of the Lot on which work was performed. This lien shall have the same attributes as the lien for assessments and special assessments set forth in Article XIV, and the Association shall have identical powers and rights in all respects, including but not limited to the right of foreclosure.

ARTICLE XIII

THE ASSOCIATION

Every person, persons or entity who owns any Lot, including a builder or general contractor, shall be a Member of the Association, and shall abide by its Articles of Incorporation and Bylaws. Membership shall be appurtenant to and may not be separated from ownership of any Lot. The Association shall be governed by its Articles of Incorporation and Bylaws.

ARTICLE XIV

COVENANT FOR MAINTENANCE ASSESSMENTS

1. **CREATION OF LIEN AND PERSONAL OBLIGATION OF ASSESSMENTS AND SPECIAL ASSESSMENTS.** Each Owner, other than Declarant, of any Lot by

acceptance of a deed shall be deemed to covenant and agree, to pay to the Association annual assessments or charges and special assessments, together with interest and costs of collection, if any, which amounts shall be a charge on the land and shall be a continuing lien upon the Lot. Each assessment, together with interest, cost of collection and reasonable attorneys' fees, if any, shall also be the personal obligation of the Owner, other than Declarant, of the Lot at the time when the assessment or special assessment fell due. The personal obligation for delinquent assessment or special assessment shall not pass to an Owner's successors in title unless expressly assumed by them.

The lien for assessments and special assessments shall be subject to and subordinate to the lien of any recorded first mortgage or deed of trust.

Assessments shall be fixed by the Association in accordance with the Articles of Incorporation and Bylaws of the Association.

In lieu of assessments being imposed upon such Lots owned by the Declarant, the Declarant shall underwrite all reasonable costs for the operation of the Association not covered by assessments paid by owners of Lots other than Declarant until eighty percent of all Lots are owned by persons or entities other than Declarant. Once eighty percent of all Lots are owned by persons or entities other than the Declarant, the remaining Lots owned by the Declarant shall be subject to the same assessments as Lots by Owners other than the Declarant.

2. EXEMPT PROPERTY. Common Use Areas as defined in Article I, all Common Use Areas subsequently added to the Property, Equestrian Facilities and any areas which are designated for the common use of a particular Lot, and all portions of the Property owned or otherwise dedicated to any political subdivision shall be exempt from the assessments and liens of the Association.

ARTICLE XV

GENERAL PROVISIONS

1. DURATION. The Covenants and Restrictions of this Declaration shall run with and bind the land, shall inure to the benefit of and be enforceable by the Association, or the Owner of any land subject to this Declaration, their respective legal representatives, heirs, successors and assigns, for a term of forty (40) years from the date this Declaration is recorded, after which time the Covenants and Restrictions shall be automatically extended for successive periods of ten (10) years unless an instrument terminating these Covenants and Restrictions signed by the then Owners of sixty-five percent (65%) of the Property has been recorded prior to the commencement of any ten-year period.

2. AMENDMENTS. The Declarant shall be entitled to three votes for each Lot, whether built upon or not, in which Declarant holds title, for the purpose of amending these covenants and restrictions. All other Owners of a lot shall be entitled to one vote for each Lot in which he holds an ownership interest. Lot Owner, other than the Declarant, as herein defined, may be one or more and all such persons or entities constituting one person or member shall vote as they, among themselves, determine but in no event shall more than one vote per Lot owned by others than the Declarant be voted.

These Covenants and Restrictions may be amended during the first twenty (20) years from the date of recording of the Declaration, by an affirmative vote of seventy-five percent (75%) of eligible votes, and thereafter by an affirmative vote of seventy percent (70%) of the eligible votes. Any amendment must be properly recorded and signed by not less than Owners holding seventy-five percent (75%) of the eligible Votes within the first twenty (20) years and seventy percent (70%) of the eligible votes thereafter.

3. NOTICES. Any notice required to be sent to any Member or 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 Member or Owner on the records of the association at the time of mailing. Each purchaser of a Lot shall forward a copy of his recorded warranty deed to the Association or its officers.

4. ENFORCEMENT. Enforcement of these Covenants and Restrictions shall be by any proceeding at law or in equity against any person or person violating or attempting to violate any Covenant or Restriction, either to restrain violation or to recover damages, and against the land to enforce any lien created by these Covenants and Restrictions. Failure by the Association or any Owner to enforce any Covenant or Restriction shall in no event be deemed a waiver of the right to do so thereafter.

5. SEVERABILITY. Invalidity of any one of these Covenants or Restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.


6. ATTORNEY FEE. In any legal or equitable proceeding for the enforcement or to restrain the violation of this instrument or any provision thereof, by reference or otherwise, the prevailing party or parties shall be entitled to attorney fees in such amount as the court finds reasonable. All remedies provided for herein, or at law or equity, shall be cumulative and not exclusive.

7. DISSOLUTION. The Association may be dissolved with consent given in writing and signed by not less than three-fourths of each class of Members as defined in the Bylaws of the Association. Upon dissolution of the Association other than incident to a merger or consolidation, the assets of the Association shall be conveyed and granted and assigned to any nonprofit corporation, association, trust, or other organization to be devoted to same or similar purposes.

DELTIC TIMBER CORPORATION

Attest:


W. Bayless Rowe, Secretary

By: 
Ron L. Pearce, President

ACKNOWLEDGMENT

STATE OF ARKANSAS

COUNTY OF San Diego

On this day before me, a Notary Public, duly commissioned, qualified and acting within and for said county and state, appeared the within named Ron L. Pearce and W. Bayless Rowe being the President and Secretary, respectively, of DELTIC TIMBER CORPORATION and who had been designated by said DELTIC TIMBER CORPORATION to execute the above instrument, who stated they were the President and Secretary of said DELTIC TIMBER CORPORATION and were duly authorized in their respective capacities to execute the foregoing instrument for and in the name and behalf of said DELTIC TIMBER CORPORATION and further stated and acknowledged that they had so signed, executed, and delivered said foregoing instrument for the consideration, uses and purposes therein mentioned and set forth.

IN TESTIMONY WHEREOF, I have hereunto set my hand and seal this 11 day
of July, 1998.

Notary Public

My Commission Expires:
My Commission Expires March 1, 2002

Exhibit A

CHENAL DOWNS (PHASE I)

PART OF THE NE1/4, PART OF THE NW1/4, AND PART OF THE NE1/4 SE1/4, SECTION 3, T-1-N, R-14-W AND PART OF THE SW1/4 SE1/4 AND SE1/4 SW1/4, SECTION 34, T-2-N, R-14-W, PULASKI COUNTY, ARKANSAS BEING MORE PARTICULARLY DESCRIBED AS:

COMMENCING AT THE NORTHEAST CORNER OF SAID SECTION 3; THENCE S03°03'27"W ALONG THE EAST LINE OF SAID SECTION 3, 124.51 FT. TO THE CENTERLINE OF KANIS ROAD AND THE POINT OF BEGINNING; THENCE S03°03'27"W ALONG SAID EAST LINE AND THE WEST LINE OF IRON HORSE ESTATES, AN ADDITION TO PULASKI COUNTY, ARKANSAS 2569.26 FT. TO THE NORTHEAST CORNER OF SAID NE1/4 SE1/4 AND THE SOUTHWEST CORNER OF SAID IRON HORSE ESTATES; THENCE S02°07'50"W ALONG THE EAST LINE OF SAID NE1/4 SE1/4, 52.97 FT.; THENCE N88°46'01"W, 655.07 FT.; THENCE N02°12'45"E, 335.41 FT.; THENCE N14°42'48"W, 92.73 FT.; THENCE S88°46'40"W, 512.59 FT.; THENCE N45°07'20"W, 289.20 FT.; THENCE N32°29'27"W, 223.07 FT.; THENCE S87°55'54"W, 275.69 FT.; THENCE N65°27'44"W, 350.76 FT.; THENCE N66°55'04"W, 645.76 FT.; THENCE N21°46'22"E, 189.38 FT.; THENCE N67°06'05"W, 331.21 FT.; THENCE N23°36'59"E, 106.17 FT.; THENCE N42°04'42"W, 366.17 FT.; THENCE N84°05'00"W, 352.34 FT.; THENCE S83°07'12"W, 348.27 FT.; THENCE S31°29'47"W, 421.33 FT. TO A POINT ON THE SOUTH LINE OF THE NW1/4 NW1/4, SAID SECTION 3; THENCE N87°07'48"W ALONG THE SOUTH LINE OF SAID NW1/4 NW1/4, 868.92 FT. TO THE SOUTHWEST CORNER THEREOF; THENCE N02°05'32"E ALONG THE WEST LINE OF SAID NW1/4 NW1/4, 1363.09 FT. TO THE NORTHWEST CORNER THEREOF; THENCE S87°26'11"E ALONG THE NORTH LINE OF SAID NW1/4 NW1/4, 756.62 FT. TO THE SOUTHWEST CORNER OF THE SE1/4 SW1/4, SAID SECTION 34; THENCE N02°02'00"E ALONG THE WEST LINE OF SAID SE1/4 SW1/4, 1285.84 FT. TO A POINT ON THE CENTERLINE OF SAID KANIS ROAD; THENCE EASTERLY ALONG SAID CENTERLINE OF KANIS ROAD; THE FOLLOWING: S49°31'51"E, 141.57 FT.; THENCE ALONG THE ARC OF A 721.78 FT. RADIUS CURVE TO THE LEFT, A CHORD BEARING AND DISTANCE OF S62°30'25"E, 324.15 FT.; THENCE S75°28'59"E, 106.88 FT.; THENCE ALONG THE ARC OF A 6561.67 FT. RADIUS CURVE TO THE RIGHT, A CHORD BEARING AND DISTANCE OF S73°30'42"E, 451.49 FT.; THENCE S71°32'24"E, 150.09 FT.; THENCE ALONG THE ARC OF A 6561.67 FT. RADIUS CURVE TO THE RIGHT, A CHORD BEARING AND DISTANCE OF S69°11'30"E, 537.71 FT.; THENCE S66°50'37"E, 96.27 FT.; THENCE ALONG THE ARC OF A 656.17 FT. RADIUS CURVE TO THE RIGHT, A CHORD BEARING AND DISTANCE OF S60°32'44"E, 143.96 FT.; THENCE S54°14'52"E, 1389.24 FT.; THENCE ALONG THE ARC OF A 918.63 FT. RADIUS CURVE TO THE LEFT, A CHORD BEARING AND DISTANCE OF S79°50'58"E, 793.90 FT.; THENCE N74°32'56"E, 520.48 FT. TO THE POINT OF BEGINNING, CONTAINING 238.08 ACRES MORE OR LESS.

LESS AND EXCEPT THE NORTH 30.0 FT. PARALLEL WITH KANIS ROAD FOR RIGHT-OF-WAY.

98 042814

**CORRECTED DECLARATION OF COVENANTS AND RESTRICTIONS
OF
CHENAL DOWNS**

KNOW ALL MEN BY THESE PRESENTS:

That, whereas, Deltic Timber Corporation, a Delaware corporation (hereinafter called "Developer"), did file of record on May 8, 1998, that certain Plat made by Paul M. White, Registered Land Surveyor, in the office of the Circuit Clerk of Pulaski County, Arkansas, in Plat Book F, at page 199, and that certain Declaration of Covenants and Restrictions of Chenal Downs as Instrument No. 98-034755 (the "Covenants and Restrictions"), establishing Lots 1-41, 47-50 and Tracts A and B, Chenal Downs, Pulaski County, Arkansas; and

WHEREAS, this corrected Declaration of Covenants and Restrictions of Chenal Downs is filed for the purpose of correcting a clerical error contained in the description of the real property subject to the Covenants and Restrictions;

WHEREAS, the undersigned being the sole owner of the real property described in the Covenants and Restrictions deem it necessary to amend and correct the Covenants and Restrictions. The following amends and is hereby substituted for the legal description of the real property subject to the Covenants and Restrictions:

Developer is the owner of the real property described on Exhibit A to the Covenants and Restrictions, shown and described on the Plat as Lots 1-41, 47, 48, 50, and Tracts A and B, Chenal Downs, Pulaski County, Arkansas.

The lands embraced in the Plat shall be forever known as Lots 1-41, 47, 48, 50, and Tracts A and B, Chenal Downs, Pulaski County, Arkansas; and any and every deed of conveyance of any lot in Chenal Downs describing the same by the numbers shown on said Plat shall always be deemed a sufficient description thereof.

Except as specifically amended by this Corrected Declaration of Covenants and Restrictions of Chenal Downs, the provisions of the Covenant and Restrictions previously executed and recorded, shall remain in full force and effect.

FILED AND RECORDED
1998 JUN -5 P 4:23
CAROLYN STALEY
CIRCUIT COUNTY CLERK



EXECUTED this 4th day of June, 1998.

DELTIC TIMBER CORPORATION

Attest:

W. Bayless Rowe
W. Bayless Rowe, Secretary

By: Ron L. Pearce
Ron L. Pearce, President

ACKNOWLEDGMENT

STATE OF ARKANSAS

COUNTY OF Union

On this day before me, a Notary Public, duly commissioned, qualified and acting within and for said county and state, appeared the within named Ron L. Pearce and W. Bayless Rowe being the President and Secretary, respectively, of DELTIC TIMBER CORPORATION and who had been designated by said DELTIC TIMBER CORPORATION to execute the above instrument, who stated they were the President and Secretary of said DELTIC TIMBER CORPORATION and were duly authorized in their respective capacities to execute the foregoing instrument for and in the name and behalf of said DELTIC TIMBER CORPORATION and further stated and acknowledged that they had so signed, executed, and delivered said foregoing instrument for the consideration, uses and purposes therein mentioned and set forth.

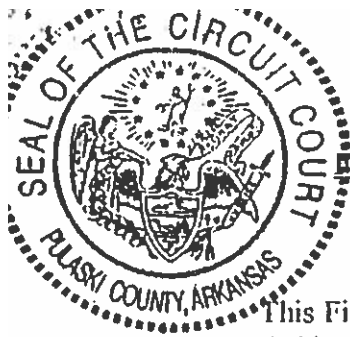
IN TESTIMONY WHEREOF, I have hereunto set my hand and seal this 4th day of June, 1998.

Lana Cobb

Notary Public

My Commission Expires:

March 1, 2002



F953

2000080523
11/14/2000 01:50:27 PM
Filed & Recorded in
Official Records of
CAROLYN STALEY
PULASKI COUNTY
CIRCUIT/COUNTY CLERK
Fees \$26.00

FIRST SUPPLEMENT TO THE DECLARATION OF COVENANTS
AND RESTRICTIONS OF CHENAL DOWNS

This First Supplement to the Declaration of Covenants and Restrictions of Chenal Downs executed this 13th day of November, 2000, is made by Deltic Timber Corporation (the "Developer" or the "Declarant") as hereinafter set forth:

WHEREAS, Developer caused to be filed in the office of the Circuit Clerk and Ex-Officio Recorder of Pulaski County, Arkansas, that certain Declaration of Covenants and Restrictions of Chenal Downs, on May 8, 1998 as Instrument No. 98-034755 ("Declaration of Covenants and Restrictions") and, Corrected Declaration of Covenants and Restrictions of Chenal Downs on June 5, 1998 as Instrument No. 98-042814; creating Chenal Downs.

WHEREAS, Article II of the Declaration of Covenants and Restrictions specifically provides that the Developer has the right to bring within the plan and the Declaration of Covenants and Restrictions additional properties provided such properties are in accord with the general plan of development; and

WHEREAS, Developer files this First Supplement to the Declaration of Covenants and Restrictions for the purpose of adding additional property to Chenal Downs, which property is owned by the Developer and is described as follows:

PART OF SECTION 3, T-1-N, R-14-W, PULASKI COUNTY, ARKANSAS MORE PARTICULARLY DESCRIBED AS:

BEGINNING AT THE SOUTHEAST CORNER OF LOT 5, CHENAL DOWNS (PLAT BOOK F, PAGE 199), SAID CORNER LYING ON THE EAST LINE OF THE NE1/4 SE1/4, SAID SECTION 3; THENCE S02°07'50"W ALONG SAID EAST LINE 1260.27 FT. TO THE NORTHEAST CORNER OF THE SE1/4 SE1/4, SAID SECTION 3; THENCE S00°27'06"W ALONG THE EAST LINE OF SAID SE1/4 SE1/4, 1372.69 FT. TO THE SOUTHEAST CORNER THEREOF; THENCE N87°04'10"W ALONG THE SOUTH LINE OF SAID SE1/4 SE1/4, 296.52 FT.; THENCE N40°57'39"W, 103.90 FT.; THENCE N06°30'10"E ALONG A FENCE, 113.02 FT.; THENCE N57°56'17"W ALONG SAID FENCE, 234.40 FT.; THENCE N54°18'11"W ALONG SAID FENCE, 64.09 FT.; THENCE N40°57'17"W, 799.79 FT. TO A FENCE LINE; THENCE ALONG SAID FENCE, THE FOLLOWING BEARINGS AND DISTANCES: N37°25'03"E, 18.60 FT.; N18°02'47"W, 16.92 FT.; N40°02'21"W, 157.48 FT.; N42°09'31"W, 189.15 FT.; N45°08'46"W, 111.80 FT.; N86°27'10"W, 197.86 FT.; N87°00'52"W, 231.98 FT.; N85°02'50"W, 87.38 FT.; AND N72°22'57"W, 569.17 FT. TO A POINT ON THE WEST LINE OF THE NW1/4 SE1/4, SAID SECTION 3; THENCE N02°27'17"E ALONG SAID WEST LINE, 1207.25 FT. TO THE SOUTHEAST CORNER OF THE SE1/4 NW1/4, SAID SECTION 3; THENCE N86°07'46"W ALONG THE SOUTH LINE OF SAID

SE1/4 NW1/4, 1233.55 FT. TO THE SOUTHWEST CORNER THEREOF; THENCE N01°50'22"E ALONG THE WEST LINE OF SAID SE1/4 NW1/4, 1296.92 FT. TO THE NORTHWEST CORNER THEREOF; THENCE N87°07'48"W ALONG THE SOUTH LINE OF THE NW1/4 NW1/4, SAID SECTION 3, 364.36 FT. TO THE SOUTHEAST CORNER OF LOT 40, SAID CHENAL DOWNS; THENCE N31°29'47"E ALONG THE EAST LINE OF SAID LOT 40, 421.33 FT. TO THE NORTHEAST CORNER THEREOF; THENCE N83°07'12"E ALONG THE SOUTH LINE OF LOT 41, SAID CHENAL DOWNS, 348.27 FT. TO THE SOUTHEAST CORNER THEREOF; THENCE S84°05'00"E ALONG THE SOUTH LINE OF LOT 33, SAID CHENAL DOWNS, 352.34 FT. TO THE SOUTHEAST CORNER THEREOF; THENCE S42°04'42"E ALONG THE SOUTH LINE OF LOT 32, SAID CHENAL DOWNS, 366.17 FT. TO THE SOUTHEAST CORNER THEREOF; THENCE S23°36'59"W ALONG THE WEST LINE OF LOT 47, SAID CHENAL DOWNS, 106.17 FT. TO THE SOUTHWEST CORNER THEREOF; THENCE S67°06'05"E ALONG THE SOUTH LINE OF SAID LOT 47, 331.21 FT. TO THE NORTHWEST CORNER OF LOT 48, SAID CHENAL DOWNS; THENCE S21°46'22"W ALONG THE WEST LINE OF SAID LOT 48, 189.38 FT. TO THE SOUTHWEST CORNER THEREOF; THENCE S66°55'04"E ALONG THE SOUTH LINE OF SAID LOT 48, 645.76 FT. TO THE SOUTHEAST CORNER THEREOF; THENCE S65°27'44"E ALONG THE SOUTH LINE OF LOT 50, SAID CHENAL DOWNS, 350.76 FT.; THENCE N87°55'54"E AND CONTINUING ALONG SAID SOUTH LINE OF LOT 50, 275.69 FT. TO THE SOUTHEAST CORNER THEREOF; THENCE S32°29'27"E ALONG THE WEST LINE OF LOT 7, SAID CHENAL DOWNS, 223.07 FT.; THENCE S45°07'27"E AND CONTINUING ALONG SAID WEST LINE OF LOT 7, 289.20 FT. TO THE SOUTHWEST CORNER THEREOF; THENCE N88°46'40"E ALONG THE SOUTH LINE OF SAID LOT 7, 512.59 FT. TO THE SOUTHEAST CORNER THEREOF; THENCE S14°42'48"E ALONG THE WEST LINE OF LOT 6, SAID CHENAL DOWNS, 92.73 FT.; THENCE S02°12'45"W AND CONTINUING ALONG SAID WEST LINE OF LOT 6, 335.41 FT. TO THE SOUTHWEST CORNER THEREOF; THENCE S88°46'01"E ALONG THE SOUTH LINE OF SAID LOTS 6 AND 5, 655.07 FT. TO THE POINT OF BEGINNING, CONTAINING 173.77 ACRES MORE OR LESS,

and shown on the plat hereinafter mentioned, as Lots 42-46, 49 and 51-76, Chenal Downs, Phase II, Pulaski County, Arkansas (which property together with the property described in the Declaration of Covenants and Restrictions is hereinafter referred to as "Chenal Downs"); and Developer has previously caused to be incorporated Chenal Downs Property Owners Association, Inc., for the purpose of administering the maintenance of the common area and amenities in Chenal Downs;

WHEREAS, all owners of lots within Chenal Downs will be members of Chenal Downs Property Owners Association, Inc. as provided for herein; and

WIIEREAS, it is deemed advisable that all of the property shown on the plat hereinafter mentioned be subdivided into building lots, common areas, lakes and streets as shown on the plat filed herein, and that said property be held, owned and conveyed subject to the protective covenants contained herein and in the Declaration of Covenants and Restrictions, in order to enhance the value of Chenal Downs.

Now, THEREFORE, Developer for and in consideration of the benefits to accrue to it, its successors and assigns, which benefits it acknowledges to be of value has caused to be made a plat showing a survey made by Paul M. White, Registered Land Surveyor, dated November, 2000, showing the boundaries and dimensions of the property now being subdivided into lots, common areas, lakes and streets (the "Plat").

Declarant hereby grants the easements described on the Plat hereto as utility easements to and for the use of public utilities, the same being without limiting the generality of the foregoing, electric power, gas, telephone, water and cable television with the right thereby granted to the persons, firms or corporations engaged in the supplying of such utilities to use and occupy such easements, and to have free ingress and egress therefrom for the installation, maintenance, repair and replacement of such utility services. No trees, shrubbery, incinerators, structures, buildings, fences or similar improvements shall be grown, built or maintained within the area of such utility easement. In the event any trees, shrubbery, incinerators, structures, buildings, fences or similar improvements shall be grown, built or maintained within the area of such easement, no person, firm or corporation engaged in supplying public utility services shall be liable for the destruction of same in the installation, maintenance, repair or replacement of any utility service located within the area of such easement.

Declarant hereby grants perpetual easements described on the Plat as Access, Landscape and Drainage Easements to the Chenal Downs Property Owners Association, Inc. to construct, maintain, install and replace landscaping, streets, gatehouses, fences, drainage facilities, and related improvements upon the property upon which the easement is granted. No trees, shrubbery, incinerators, structures, buildings, fences or similar improvements shall be built or maintained by the Owner of any Lot within the area of such easements without prior written consent of the Chenal Downs Property Owners Association, Inc.

The Owner of a Lot is solely responsible for the existing drainage course across his Lot. The Chenal Downs Property Owners Association, Inc. is only responsible for maintenance and replacement of drainage equipment and facilities existing within the easement granted herein and described on the Plat and has no responsibility for the maintenance and repair of any drainage course or equipment located upon those areas of the Lot outside the easement.

Declarant hereby grants a perpetual easement to all Owners of Lots in Chenal Downs, the operator of any Equestrian Facilities within Chenal Downs, all occupants of Dwellings in Chenal Downs, and the Association, their heirs, successors and assigns, for thoroughfare on foot and saddle horses, over, upon and across those areas within Chenal Downs which are designated on the Plat as

bridle paths, and over, upon and across the bridle paths in any other portion of Chenal Downs which are from time to time subjected to the Declaration of Covenants and Restrictions. No motorized vehicles, of whatever kind, shall have access to the areas described in this paragraph.

Declarant hereby grants a perpetual Natural Wooded Buffer easement as described on the Plat to the Chenal Downs Property Owners Association, Inc. No owner of any Lot may construct any Improvements within the Natural Wooded Buffer easement, cut any trees, plants or other natural vegetative growth within the Natural Wooded Buffer easement or modify by grading or otherwise the existing contour of the Natural Wooded Buffer easement without prior written consent of the Chenal Downs Property Owners Association, Inc.

Declarant grants to the owners of Lots 68, 69 and 70, their successors and assigns, cross driveway easements over that portion of Lots 68, 69 and 70 described on the Plat for the purpose of ingress, egress, passage and delivery of pedestrians and vehicles over and across such Lots. The Owners of Lots 68, 69 and 70 will be solely responsible for the maintenance and replacement of driveway improvements upon that portion of their Lot within the easement. This grant of easement shall run with the land and shall be binding on and shall inure to the owners of Lots 68, 69 and 70, their respective heirs, successors and assigns.

All roadways and streets shown on the Plat are Private Roadways and subject to the provisions contained in the Declaration of Covenants and Restrictions.

The filing of this First Supplement to the Declaration of Covenants and Restrictions of Chenal Downs and plat for record in the office of the Circuit Clerk and Ex-Officio Recorder of Pulaski County shall be a valid and complete delivery and dedication of the easements subject to the limitations herein set out.

The lands embraced in the plat shall be forever known as Lots 42-46, 49 and 51-76, Chenal Downs, Phase II, Pulaski County, Arkansas and any and every deed of conveyance of any lot in Chenal Downs describing the same by the number shown on said Plat shall always be deemed a sufficient description thereof.

Said lands herein platted and any interest therein are hereby added to and made a part of Chenal Downs and are subject to all of those certain terms, covenants and restrictions contained in the Declaration of Covenants and Restrictions of Chenal Downs filed on May 8, 1998 as Instrument No. 98-034755, and all supplements and amendments thereto, all of which are incorporated herein by reference and made a part hereof.

EXECUTED this 13th day of November, 2000.

DELTIC TIMBER CORPORATION

BY: Ron L. Pearce
Ron L. Pearce, President

Attest:

W. Bayless Rowe
W. Bayless Rowe, Secretary

ACKNOWLEDGMENT

STATE OF ARKANSAS

COUNTY OF Union

On this day before me, a Notary Public, duly commissioned, qualified and acting within and for said county and state, appeared the within named Ron L. Pearce and W. Bayless Rowe, to me well known, who stated that they were the President and Secretary, respectively, of DELTIC TIMBER CORPORATION and were designated and duly authorized in their respective capacities by said DELTIC TIMBER CORPORATION to execute the above instrument for and in the name and behalf of said DELTIC TIMBER CORPORATION and further acknowledged that they had so signed, executed, and delivered said foregoing instrument for the consideration, uses and purposes therein mentioned and set forth.

IN TESTIMONY WHEREOF, I have hereunto set my hand and seal this 13th day of November, 2000.

Lana Cobb
Notary Public

My Commission Expires:

