

**SECOND AMENDED COVENANTS AND RESTRICTIONS**

**FOR  
COTSWOLD VILLAGE  
BENTON COUNTY, ARKANSAS**

Brenda DeShields-Circuit Clerk  
Benton County, AR  
Book/Pg: 2009/17780  
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Book ~~2009~~ Page ~~17780~~  
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DEED Book & Page  
04/21/2009

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, **COTSWOLD PARTNERS, LLC**, herein called Developer, is the owner of certain real estate described herein known as **COTSWOLD VILLAGE**, in Benton County, Arkansas.

NOW, THEREFORE, Owners hereby adopt the Covenants and Restrictions stated herein and agree that the stated covenants shall apply to all that real estate herein described as Cotswold Village, Benton County, Arkansas, as covenants and restrictions running with the land:

**1. SCOPE OF APPLICATION.**

These covenants shall apply in their entirety:

a. Areas within Cotswold Village. The area now known and described as Cotswold Village, Benton County, Arkansas, more specifically described as follows:

Part of the Southeast Quarter (SE 1/4) of the Southeast Quarter (SE 1/4) of Section 2 and part of the Northeast Quarter (NE 1/4) of the Northeast Quarter (NE 1/4) of Section 11, all in Township 19 North, Range 28 West, Benton County, Arkansas, and being more particularly described as:

Beginning at the Southwest Corner of the SE 1/4 of the SE 1/4 of said Section 2, thence along the west line of said SE 1/4 of the SE 1/4 N. 00°40'36" E 497.60 feet to the Beaver Lake Taking Line, thence along said Taking Line N 45° 42'59" E 459.71 feet, thence continuing along said Taking Line N 57°17'39"E 584.56 feet, thence S88° 14'25"E 162.78 feet, thence S47° 06'49"W 209.71 feet, thence S42° 52'53"E 210.23 feet, thence N47°13'05"E 209.70 feet to the Beaver Lake Taking Line, thence along said Taking Line S44° 32'57"E, 31.46 feet, thence continuing along said Taking Line S10° 08'09"E 672.84 feet, thence S 12° 22'32"W 89.64 feet, thence S32° 28'51"W 54.70 feet, thence S31° 19'49"W 87.49 feet, thence S44° 53'51"W 87.29 feet, thence S39° 08'58"W 65.76 feet to the South line of the SE 1/4 of the SE 1/4 of said Section 2, thence along said South line N 88° 21'05"W 968.53 feet, thence S46° 29'12"W 122.72 feet, thence S42° 53'00"W 29.83 feet to the West Line of the NE 1/4 of the NE 1/4 of said Section 11, thence along said West Line N 00° 40'36"E 109.47 feet to the point of beginning, containing 1,088,126.59 square feet or 24.98 acres, more or less, and subject to all rights-of-way, easements and restrictive covenants of record or fact.

b. Additions to Cotswold Village. To any areas that the Developer shall indicate in writing that may be included hereunder, and the Developer specifically reserves for itself the right to add any additional areas to Cotswold Village and, therefore, be subject to these Covenants and Restrictions; and

c. Application. To all those who purchase Pads, and building contractors, and real estate agents showing property for sale within Cotswold Village.

**2. PURPOSE.**

The purpose of these Covenants and Restrictions of Cotswold Village is to provide for the orderly development and maintenance and operation of a gated community, limited in use to members and guests. Residences, common areas and common facilities are to be of are to be of consistent esthetic design to present the atmosphere and appearance of an English country village.

Common Property is provided as a preserve for protection of vegetation and wildlife. Provision of trails and maintenance of the Common Property shall be regulated by the Cotswold Village Homeowner's Association.

Motorized vehicular traffic is to be limited to transportation from the Cotswold Village entry directly to the Owner's Pad. All other means of transportation within Cotswold Village is foot traffic, pedal or electric propulsion or such other mode of transportation as may be approved by the Cotswold Village Homeowners Association.

**3. DEFINITIONS.**

a. "A.R.C." means Cotswold Village Architectural Review Committee.

b. "Assessments" shall mean a special assessment as voted by the members of the Association and paid by equal amounts according to the number of Pads owned. Assessments shall be a continuing lien on the Pad which shall bind such property in the hands of the owner, his heirs, devisees, personal representatives or assigns.

c. "Association" shall mean and refer to Cotswold Village Homeowners Association, Inc. or any successor thereto, a non-profit organization that has been incorporated under the laws of the State of Arkansas.

d. "Board" shall mean Cotswold Village Homeowners Association Board of Directors.

e. "Building Setback Line" shall mean the line so designated on the plat where building may begin.

f. "Common Areas" shall mean all real property, whether improved or unimproved, managed by the Association for the common use and enjoyment of members of Cotswold Village.

g. "Cotswold Village" shall mean the real property more particularly described as Cotswold Village, Benton County, Arkansas, including additional property added thereto and more

particularly described in Paragraph 1a hereof.

- h. "Developer" shall mean Cotswold Partners, L.L.C. or its successors or assigns.
- i. "Dues" shall mean that portion of the cost of maintaining, improving, repairing, insuring, operating, and managing the Common Areas that is to be paid by each separate owner as determined by the Board of Directors and approved by the Association. Dues shall be a continuing lien on the Pad which shall bind such property in the hands of the then owner, his heirs, devisees, personal representatives or assigns.
- j. "Fees" shall mean service or use charges, admission or other fees for use, service, and enjoyment of facilities provided by the Association or for use and enjoyment of Common Areas. Fees shall include boat slip fees. Unpaid Fees shall be a continuing lien on the Pad which shall bind such property in the hands of the then owner, his heirs, devisees, personal representatives or assigns.
- k. "Fence" shall mean any structure of any material that functions as a boundary or barrier.
- l. "Floor Area" or "Floor Space" shall be calculated based on frame dimensions in lieu of veneer dimensions. Frame dimension means the outside dimension of a structure (outside face of the studs).
- m. "Homeowners Association" or "H.O.A." shall mean the not-for-profit corporation organized under the laws of the State of Arkansas known as Cotswold Village Homeowners Association.
- n. "Improved Pad" shall mean any Pad that has been altered either above or below ground level for the purpose of building, including well, septic tank, and lateral lines.
- o. "Lake" shall mean Beaver Lake Reservoir, or any tributary or extension of the Lake.
- p. "Pad" shall mean any parcel of land located within that property known as Cotswold Village and conveyed to a third party and subject to these covenants and restrictions.
- q. "Member" shall mean any person or entity that is a record title owner of separately owned Pad(s) in Cotswold Village who, by accepting title to a Pad, becomes subject to these Covenants and Restrictions and a member of Cotswold Village H.O.A. If there is more than one record title owner of a Pad, those owners shall constitute one membership for the purposes of voting, and the person or entity entitled to cast the vote for that membership shall be designated in accord with the rules established by Cotswold Village H.O.A.
- r. "Outbuilding" shall mean any building that is separate from the main residence, not sharing common wall and roof.
- s. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of legal title to any Pad which is or may become a part of the Property, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation. Each Owner shall be a member of the Association.

u. "Recreational vehicle or RV" shall include but not be limited to the following: any camper, camper trailer, motorized camper, motor home, motorcycle, all-terrain vehicle, boat, boat trailer, and golf cart trailer, trailer of any type, or any vehicle or conveyance intended for transport of any type.

v. "Residence" shall mean an improvement constructed for single-family occupancy.

w. "Residential Use" shall mean the occupation or use of a Residence in conformity with this Declaration and the requirements imposed by applicable zoning laws or other state, county or municipal rules and regulations.

x. "Residents who own Pads" shall mean any record title owner that has a house or that will have a house constructed in the designated time frame as dictated by the Covenants and Restrictions.

y. "Single Family" shall mean one or more persons each related to the other by blood, marriage, legal adoption or legal guardianship, or a group of not more than three persons not all so related, who maintain a common household in a Residence.

z. "Street" shall mean any street, lane, drive, boulevard, court, circle, road, place, manor or terrace as shown on the plat of Cotswold Village.

aa. "The Property" shall mean the land and any additions thereto subject to the Covenants and Restrictions of Cotswold Village.

#### **4. USE OF LAND.**

a. Residential Use. No Pad shall be used except for residential purposes. No building shall be erected, altered, placed or permitted to remain on any Pad other than one (1) detached single family dwelling. The building areas are and will remain for the purpose of single family residential use.

b. Pad Access. Pads may be accessed only from streets within Cotswold Village. No drives or method of ingress and egress to a Pad shall be permitted from any street, road or other access not originating within Cotswold Village.

c. Common Property. Amenities for the use and enjoyment of the membership such as recreational facilities and membership support may be constructed on Common Property and may be used by the membership subject to rules and regulations established by the Board of the H.O.A. Common Property shall not be used for any purpose not permitted by the Board of the H.O.A.

Members and their guests shall have a license granted by the Developer for use of area designated as Common Property until such time as the Common Property is conveyed or otherwise transferred by the Developer to the Cotswold Village H.O.A.

#### **5. PROPERTY RIGHTS OF MEMBERSHIP.**

a. Easement of Enjoyment. Subject to these Covenants and the rules and

regulations of the H.O.A., Class A and Class B Members, so long as the membership shall continue, shall have a right and easement of enjoyment in and to the Common Properties or any license to use of land acquired by the H.O.A. and such easement shall be appurtenant to and shall pass with the title to every Pad.

b. Class C Members. Subject to these Covenants and the rules and regulations of the H.O.A., Class C Members shall be permitted only an access easement of ingress and egress across the streets and all common property of Cotswold Village for the purpose of access to and from the community boat dock in which they have an interest. All dock slip owners will be provided with designated walking and parking areas and trails within 200 feet of the approved dock location. All Class C Members will be issued a Membership Certificate.

c. Limit of Easement of Enjoyment. The easement of enjoyment of any Member is subject to the following:

- i. The right of the H.O.A. to charge assessments, dues or fees for maintenance, use of, or development of the Property; and
- ii. The right of the H.O.A. to restrict the use of development of a Pad by rules and regulations to control the development of land for property value enhancement, esthetic control; and to ensure the consistency of development with Cotswold Village; and
- iii. The right of the H.O.A. to regulate the use of the Common Property or facilities within Cotswold Village in order to preserve and protect the common amenities for the betterment of the Membership; and
- iv. The right of the H.O.A. to restrict access to the Common Property or amenities; and
- v. The right of the H.O.A. to determine other rights and obligations of the Members; and
- vi. The right of the H.O.A. to sell or otherwise convey Common Property.

## **6. HOMEOWNERS ASSOCIATION.**

a. Homeowners Association. The Developer has encouraged and participated in the organization and incorporation of Cotswold Village Homeowners Association, Inc. an Arkansas not-for-profit corporation with its principal place of business being in Benton County, Arkansas, for the purpose of exercising the functions described herein, and in its Articles of Incorporation. Organization of the H.O.A. shall be in accord with the Articles of Incorporation and Bylaws.

b. H.O.A. Rules and Regulations. The H.O.A. shall establish rules and regulations for the conduct of its business.

c. Classes of Membership. There shall be three classes of Membership. The classes of Membership are as follows:

- i. Class A Members are those members who are the Owners of a buildable Pad and are entitled to all of the rights and obligations of membership.
- ii. Class B Members are the Developer or persons in the position of the Developer provided that the Developer is still an owner of property within Cotswold Village. Class B Members are those members who are Owners of property with Cotswold Village and are entitled to all of the rights and obligations of membership.
- iii. Class C Members are required to be approved by the Board of the H.O.C. Class C Members are those members who are not required to own a Pad within Cotswold Village but own a boat slip in a community dock permitted for Pads A through F, JJ, II and R which are Pads adjacent to the take line of Beaver Reservoir and which are zoned for boat docks by the Corp of Engineers (subject to the rules and regulations of the Army Corp of Engineers in effect for Beaver Reservoir). Class C Members shall have an easement of access or ingress and egress over the streets within Cotswold Village for access to the dock in which they own an interest. The access easement is not transferable without approval of the Board of the H.O.C. Class C Members shall have no other rights or privileges of membership in Cotswold Village.

d. Voting Rights. There shall be two classes of voting memberships:

Class A. Class A Members shall be all those persons or entities who own a Pad within Cotswold Village. If a Member owns more than one Pad, that member shall be entitled to one vote for each Pad owned. If there is more than one owner of a Pad, only one vote may be cast. The owners shall designate the person who is authorized to cast the vote and shall notify the H.O.A. of such designation. If the owners fail to designate a person authorized to cast the vote, the first name on the deed to the Pad shall be deemed to be the person authorized to cast the vote. There shall be no division of a vote.

Class B. The Class B Member shall be the Developer. The Class B Member shall be entitled to ten (10) votes for each Pad of which it is the record owner and which is subject to these Covenants and Restrictions.

Class C. Class C Members shall have no vote.

All matters submitted to a vote of the membership shall require a majority vote of quorum of both classes of voting membership to pass.

e. Membership Class. The H.O.A. shall establish rules and regulations for the conduct of its business.

f. Common Property. After conveyance of the Common Property, the H.O.A. shall hold the Common Property in trust for the beneficial use of the Membership. The H.O.A. may develop rules and regulations for the use of the Common Property by the Membership.

g. Transfer of Common Property. The H.O.A. shall have the authority to sell the Common Property or portions thereof. The H.O.A. may develop rules and regulations regarding the sale

or other conveyance of the Common Property.

7. **Architectural Review Committee.**

a. **Purpose.** In order to preserve, to the extent possible, the natural beauty of Cotswold Village and its setting, to maintain a pleasant and desirable environment, to establish and preserve a harmonious design for Cotswold Village, and to protect and enhance the property, the Owners do hereby create Cotswold Village Architectural Review Committee (A.R.C.). The Developer shall perform the function of the A.R.C. and shall establish a committee for such purpose. The Developer, at its sole discretion, may delegate the authority to establish the A.R.C. under the terms of these Covenants and Restrictions to the Association.

b. **Rules and Regulations.** The A.R.C. shall have authority to adopt rules and regulations concerning submission of plans and specifications for construction of and additions to structures to be erected or maintained within Cotswold Village. The A.R.C. may adopt such standard or state construction codes as it deems necessary to assure quality construction within Cotswold Village. The A.R.C. shall have authority to determine the kind, shape, height, materials, colors, and location of construction within Cotswold Village. The authority granted to the Architectural Review Committee and its interpretation of its rules and regulations shall be within the sole discretion of the A.R.C. This authority is vested in the A.R.C. in order that structures built within Cotswold Village shall be of quality and shall have harmony of external design and location in relation to surrounding structures and topography.

c. **Esthetic Approval Required.** Buildings or improvements of any type shall be constructed, erected, placed or altered upon any Pad or property within Cotswold Village, only if the plans and specifications and construction are consistent with the esthetic concept of Cotswold Village as determined by the A.R.C. The A.R.C. may take into account the plans and specifications, kind, shape, height, size, materials, colors, sight lines, and location of construction of a proposed building or improvement in relation to the surrounding Pads in consideration of any plan submitted to it for approval and the A.R.C. may disapprove any plan that does not meet esthetic standards for Cotswold Village at its sole discretion.

d. **Approval Required.** No building or improvement of any type shall be constructed, erected, placed or altered upon any Pad or property within Cotswold Village, and no grading shall be commenced, until the A.R.C. has approved the plan and issued a permit to commence construction. Application for approval requires submission of construction plans, elevation drawings, specifications and a Pad plan presenting the proposed location of all structures proposed to be placed on the Pad have been submitted to and approved by the A.R.C. Approval or disapproval of any plans and specifications must be given by the A.R.C. within 30 business days from complete and proper submission or same shall be deemed to have been approved. No alteration of any kind or addition of products of any kind on the exterior of the cottages may be permitted unless pre-approved by the board of directors.

e. **Variances.** Requests for approval of variances relating to any construction or land use must be submitted to the A.R.C. in writing. Any variances granted by the A.R.C. must be in writing stating the reasons therefore. Approval or disapproval thereon must be given by the A.R.C. within thirty (30) business days from complete and proper submission or same shall be deemed to have been approved.

f. **Limitation of Permit.** The approval of plans and specifications by the A.R.C. is

for the mutual benefit of the owners within Cotswold Village and shall not be construed as an approval or certification that such plans and specifications are technically sound or properly engineered.

g. Fees Permitted. The A.R.C. may establish fees charged for permits for construction to be paid prior to the performance of any of its responsibilities under these Covenants and Restrictions.

h. Approved Contractors. Builders and Contractors must be approved by the A.R.C. in order to be permitted to construct any improvements within Cotswold Village. The ARC may establish standards for approval of builders or contractors as required.

## 8. CONSTRUCTION REQUIREMENTS.

a. Time for Completion of Construction. Construction of all dwellings must be completed within twelve (12) months from the date of issue of the permit by the A.R.C. All dwellings must be completely finished before occupancy thereof; provided, however, that the interior of basements may be left unfinished provided the basement area is not used as a living area. The time for completion of dwellings may be extended by the A.R.C., in its discretion, for hardship caused by weather or reasons beyond control of the owner.

b. Building Size and Construction. All buildings shall be consistent with the building plans approved by the Developer in regard to size and construction. The ground level or first floor of the building is required to be a minimum of 1200 square feet but not to exceed a maximum of 2500 square feet including garage space. The second floor may be attic space shall not exceed 2500 square feet. No structure shall exceed two stories including attic space. No structure shall be allowed to exceed a maximum height that will substantially interfere with the sight line of view of the lake from adjoining structures. The A.R.C. shall be the final arbiter of the height of any building.

c. Garages and Outbuildings. A private detached garage is permitted on each Pad. Carports are not permitted. Such outbuildings must be of a character and material consistent with the principal residence and Cotswold Village.

d. Construction Maintenance. Construction sites shall be maintained in neat and orderly fashion. Construction sites shall be subject to compliance with the rules and regulations of the A.R.C.

e. Driveways. All driveways in Cotswold Village shall be constructed of asphalt or other material acceptable to the A.R.C. for the entire width and length.

f. Erosion Control. Owners shall exercise reasonable effort to reduce or eliminate erosion and to control drainage to prevent erosion and shall meet the minimum of the ADEQ requirements for erosion control.

g. Building Setback. Structures are to be located wholly on a Pad. However, there shall be no setback from the Corps of Engineers take line or flowage easement for Pads that adjoin the Beaver Reservoir. For the purposes of this provision, eaves, steps, and open porches shall be considered a part of the building.

h. Mail Receptacles. All properties within Cotswold Village shall receive mail

service in receptacles provided by the H.O.C.

i. Fences. No fences shall be constructed without the approval of the location, design, and materials by the A.R.C. Wire fences are specifically prohibited. Fencing on front yards is prohibited. Fencing on corner Pads shall not infringe on neighboring Pads' front yard set-backs. No fence will be allowed to remain on any Pad if it has not been approved by the A.R.C. or if it obstructs the safe view of any driver in a motor vehicle.

j. Flood Prone Areas. No structures shall be permitted in part of Cotswold Village which is subject to flooding, if any.

k. Waste Water Equipment. All cottage waste water systems will be governed by the Cotswold Village H.O.A. in order to properly maintain and insure proper working condition. This maintenance program will be administered by Cotswold Village H.O.A. The Owner of any waste water system shall provide any maintenance to the system that is required. In the event the Owner fails to provide necessary maintenance, the H.O.A. shall have the authority to enter the property of the Owner or to make such repairs or conduct such maintenance as needed. The cost of such maintenance shall be assessed against the Pad for which the maintenance is done and shall be added to and become a part of the assessment or charge to which such Pad is subject under Article 8 hereof and it shall be a lien subject to collection by the H.O.A.

9. **HOMEOWNERS ASSOCIATION, MEMBERSHIP ASSESSMENTS, DUES AND FEES, AND CREATION OF LIENS.**

a. Purpose. For the purpose of maintaining areas to be used in common with some or all of the residents and Owners of property in Cotswold Village, the entrance, security gates and fencing, the streets, the street lights, drainage, lake access, community docking facilities, community storage facilities, if any, and such other activities and undertakings as may be for the general use and benefit of the Members and residents of the property, each and every Pad Owner, in accepting a conveyance of any Pad in this Cotswold Village, agrees to and shall become a member of and personally liable for assessment, dues or fees, and shall be subject to these Covenants and Restrictions and the obligations and duly enacted bylaws and rules and regulations of Cotswold Village H.O.A., a non-profit corporation (hereafter the H.O.A.).

b. Dues and Assessments. The Board of Directors of the H.O.A. may, by majority vote of the Directors, levy assessments or dues against all Pad Owners in order to defray the costs of performing maintenance or repairs upon Common Areas within Cotswold Village, except as provided herein. All property Owners in Cotswold Village shall pay the required assessments or dues, including, if applicable, any such assessments, dues or fees hereafter associated with services provided to the H.O.A. promptly when the same become due, and in the event of failure to pay the same promptly when the same become due, such dues, including any such assessments or dues hereafter associated with the Common Property or other services, shall constitute a lien upon the property owned by such Owners in Cotswold Village, and the same may be enforced in equity as in the case of any lien foreclosure authorized in the State of Arkansas.

The Board of Directors may establish different classes of membership which may be required to pay dues, fees and assessments at different rates as the Board may determine at its sole discretion.

The Developer shall not be required to pay dues, assessments or fees for any Pad owned by the Developer on which a residence has not been constructed and ready for occupancy.

c. Fees. The Board of Directors, from time to time, may establish fees for services that may be provided by the H.O.A.

d. Delinquent Dues, Assessments or Fees. All delinquent assessments, dues or fees shall bear interest at the rate of ten percent (10%) per annum or at the highest rate allowed by law from the date the same become due until they are paid, and the H.O.A. shall be entitled to a reasonable fee for its attorneys when their services become necessary to collect any delinquent assessments, dues or fees, all of which shall be a part of the lien for the delinquency.

e. Lien and Foreclosure. The liens herein created or retained for unpaid dues, assessments or fees to the H.O.A. are hereby made expressly inferior and subordinate to valid and bona fide purchase money mortgages and deeds of trust or retained vendor's liens securing obligations of Owners of any of the Pads in Cotswold Village up to the time of sale at foreclosure of any such mortgage, deed of trust or vendor's lien and for a period of six (6) months thereafter or until the residence upon such property is occupied, whichever date shall first occur, after which time monthly membership dues shall thereafter accrue as a lien upon such Pad in the identical form and manner as prior to the foreclosure sale of the property involved. This subordination shall be construed to apply not only to the original, but to all successive mortgages, deeds of trust, and vendor's liens given by property Owners to secure obligations, together with all extensions and renewals thereof. In the event it is necessary for the H.O.A. to take steps to collect dues, assessments or fees payable to the H.O.A., the H.O.A. shall assess and collect a reasonable attorney's fee and costs of collection.

#### **9. LAKE FRONT PROPERTY DISCLOSURE.**

a. Corps of Engineer Take Line. Lands immediately surrounding Beaver Lake Reservoir are owned by the Corps of Engineers. Owners owning Pads adjacent to Beaver Lake Reservoir do not, in fact, own property that reaches Beaver Lake Reservoir shoreline but, rather, to the Corp of Engineers "take line" or flowage easement.

b. Corps of Engineers Regulation. Owners agree to follow all Corps of Engineer rules and regulations including, but not limited to, those relating to land management practices.

#### **10. USE OF COMMON AREAS.**

a. Common Areas. Common Areas are areas to be used in common with some or all of the residents and Owners of property in Cotswold Village, including, but not limited to, the entrance, security gates and fencing, the streets, the street lights, drainage, lake access, community docking facilities, paths to boat docks, and such other activities and undertakings as may be for the general use and benefit of Owners of the property in Cotswold Village.

b. Conduct. Members and their guests shall use the Common Areas in a quiet, safe, and responsible manner. Those using or accessing the Common Areas shall be responsible for disposing of all trash or debris associated with such use.

c. Guests. Guests and children under the age of sixteen (16) years of age using or accessing the Common Areas shall be accompanied by an adult resident or Owner. Owners are

responsible for any damage caused by children or guests of the Owner.

d. Boat and Dock Maintenance. Owners shall keep boats, boat lifts, and other boating related equipment in boat docks in good working order or such boats or boating related equipment must immediately be removed. Owners shall not make repairs, other than routine maintenance, on, at, or within the community boat docks. Only boat docks approved by the Board of Cotswold Village H.O.A. shall be permitted on The Property or the lake adjacent to The Property.

#### 11. BOAT DOCKS.

a. Community Boat Dock. Community boat docks shall be expandable to accommodate additional boat slips for Members of the H.O.A. and Owners of Pads. No Member or Owner shall take any action to restrict the number of slips within the community boat dock so as to deprive any Member of the H.O.A. or Owner of a Pad from acquiring a boat dock slip.

b. Community Boat Docks - Waterfront Pads. Pads A through F, JJ, II and R are adjacent to the take line of Beaver Reservoir and are zoned for community boat docks. Class C Members may be permitted to own a slip within these community boat docks provided the ownership interest is not transferable without approval of the H.O.A. Class C Members may transfer boat slips only to members of the H.O.A.

c. Community Dock Use. Owners of boat slips shall use the community boat dock for lake access and on-site docking. Only Owners or, if necessary for compliance with Corps of Engineers regulations, members of their immediate household may own dock slips. Governance and operation of the all boat docks shall be established under the rules and regulations or bylaws of the H.O.A. All dock slip owners will be provided with designated walking and parking access and trails within 200 feet of the approved dock location.

d. Community Dock Slip Transfer. No Member of the H.O.A. or Owner of a Pad shall permit the sale of a boat dock slip in the community boat dock to any person or entity who is not a Member of the H.O.A. or Owner of a Pad.

#### 12. EASEMENTS.

a. Utility and Drainage Easement. Utility and drainage easements are hereby created and reserved for a distance of ten (10) feet on either side of any Pad line. This easement shall be for the purpose of construction and maintenance of any utilities necessary to serve Cotswold Village. This easement shall include ingress and egress for the purpose of such construction and maintenance.

b. Law Enforcement and Fire and Life Safety Easement. An easement for law enforcement and fire protection and life safety services is expressly reserved on, over, under and across the Common Property and the Pads within Cotswold Village is expressly reserved to law enforcement personnel and fire and emergency medical personnel.

c. Easement of Access. An easement of access and ingress and egress is reserved for all members of the H.O.A. for access to their respective boat dock slip on, over and across the designated streets, cart paths, or trails as established by the H.O.A.

**13. MAINTENANCE OF EASEMENTS.**

No structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities or which may change the direction or flow of drainage channels within the easements or which may obstruct or retard the flow of water through drainage channels within the easement. The easement area of each Pad and all improvements in it shall be maintained continuously by the Owners of the Pad, except for those improvements for which the Developer, a public authority, or utility company is responsible.

**14. PROTECTIVE COVENANTS.**

a. Commercial Use Prohibited. Except for the business of the Developer and furtherance of its sales program, the practice of any profession or the carrying on of any business or commercial activity is prohibited within Cotswold Village.

b. Property Maintenance. Each Owner shall maintain the improvements on the Owner's Pad providing that the improvements shall be kept in a neat and habitable condition at all times. In the event of damage to the improvements caused by nature, fire or other casualty, the Owner is to immediately take steps to protect the property from further damage and shall immediately arrange for repair or rebuilding of the improvements while meeting requirements of the A.R.C.

c. Garbage and Refuse Disposal. No trash, ashes or other refuse may be thrown or dumped on any of the Pads in Cotswold Village. There shall be no outside storage of trash or trash receptacles.

d. Hunting and Firearm Discharge. There shall be no hunting, trapping, unnatural harm to animals or any target or trap shooting within Cotswold Village.

e. Landscaping Maintenance. The H.O.A. shall mow and clear grass, weeds, and vegetation at regular intervals on each Pad owned so as to maintain the same in a neat and attractive manner. Such maintenance shall be performed whether any structure has been or is being built on said Pad. No debris shall be allowed to accumulate upon any Pad. Dead trees, shrubs, vines, and plants shall be promptly removed from each Pad. Owners shall maintain a landscaped area between the pavement of the road and the Pad line abutting the road right-of-way regardless of whether a structure has been built on said Pad. The H.O.A. shall have the right, privilege, and option to enter and to cause any unkept Pads to be mowed and to remove dead trees, plants or other vegetation and debris and to assess the Owner the cost of providing this service. The cost of such maintenance shall be assessed against the Pad for which the maintenance is done and shall be added to and become a part of the assessment or charge to which such Pad is subject under Article 8 hereof and it shall be a lien subject to collection by the H.O.A.

f. Livestock and Poultry. No animals, livestock or poultry of any kind shall be raised, bred or kept on any Pad, except that dogs, cats or other household pets may be kept provided that they are not kept, bred or maintained for commercial purposes. Owners are limited to two (2) dogs which must be contained within dwellings or fenced yards or under their owner's control. Owners are limited to four (4) cats.

g. Noise Control. To reduce noise, the use of gas powered machinery shall be limited to the hours of 8:00 a.m. to 9:00 p.m. daily. Owners should keep the use of such machinery to a minimum on Sundays.

h. Nuisances. No noxious or offensive activity and no commercial activities of any kind shall be carried on upon any Pad in this Cotswold Village, nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood.

i. Operation of Vehicles. All automobiles and motorcycles shall be operated in a quiet, safe, and responsible manner. Use of motorized vehicles shall be limited in use between the point of entry to Cotswold Village and the Owner's Pad. All means of transportation within Cotswold Village is limited to foot traffic, pedal or electrically propelled vehicles such as golf carts, bicycles, and similar vehicles for purposes of transport to the lake access or other Common Areas or residences within Cotswold Village only. All vehicles shall be operated in a quiet, safe, and responsible manner within Cotswold Village.

j. Parking. No vehicle shall be parked or left in the street, with the exception of golf carts. In the event an Owner has guests, the Owner is required to provide adequate off-street parking. Unregistered vehicles shall not be stored unless garaged.

k. Propane Storage Tanks. Propane storage tanks shall not be visible from the street or any Pad within Cotswold Village.

l. Recreational Vehicles. No trucks, mail carts, dune buggies, golf carts, mobile homes, commercial vehicles, motor homes, travel trailers, campers, boats, motors or trailers shall be kept on the Pad or in the street adjacent to any Pad except that such items may be stored or parked inside an enclosed garage or similar enclosure so screened with fencing or plant material as not to be visible from the street or from any other Pad within Cotswold Village.

m. Sight Distance at Intersections. No fence, wall, hedge or shrub that obstructs a sight-line at an elevation between two (2) and six (6) feet above roadways shall be placed or permitted to remain on any corner Pad within the triangular area formed by the street property lines and a line connecting them at points twenty-five (25) feet from the intersection of the street property lines. The same sight-lines limitation shall apply on any Pad within ten (10) feet from the intersection of a street property line with edge of a driveway or alley. No tree shall be permitted to remain within such distance of such an intersection unless the foliage line is maintained at sufficient height to prevent obstruction of the sight-line.

n. Signs. All signs are prohibited upon the Properties, except signs erected by the Developer for dedication of streets, traffic control, and directional purposes, and signs of a temporary nature advertising property for sale and construction signs. Signs shall not exceed six (6) square feet in area.

o. Satellite Dish or Antennae. The placement of electronic antennas or satellite receiver dishes must be approved by the A.R.C. Under no circumstance shall any such device be placed in front of any residence in Cotswold Village. Such devices may be placed or attached to a residence with proper screening or in a location approved by the A.R.C.

p. Short-Term Rental Prohibited. Short-term, vacation type rentals of dwellings within Cotswold Village shall be prohibited. Short term rentals shall be defined for these purposes as any rental for a period of less than 90 days.

q. Temporary Structures. No tent, shack, or barn shall be erected on any Pad in Cotswold Village, temporarily or permanently, except for temporary use by construction contractors only.

Tents used for recreational purposes of a short duration shall be considered as excluded by this provision if located on a property where a home has been constructed. Camping upon any Pad upon which a dwelling has not been constructed is prohibited.

r. Oil and Mining Operations. No drilling, mining, oil or mineral development operations of any kind shall be permitted upon or in any Pad or Common Areas, nor shall wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any Pad or area within Cotswold Village. Nor derrick or other structure designed for use in boring for oil, gas or minerals shall be erected, maintained or permitted upon any Pad or area within Cotswold Village.

s. Lighting. An Owner shall not permit any exterior light or yard light to be of such intensity or directed in such a way as constitute a nuisance to other Pad Owner's within Cotswold Village. All exterior lighting shall be directed toward the ground or structure only. Illumination of exterior trees is prohibited. Holiday lighting shall be permitted only between November 1<sup>st</sup> through January 15<sup>th</sup> of the same holiday season.

t. Utilities. All installation or modification of public or private utilities in relation to location, easements, method of construction, and availability on private or common areas are strictly governed in advance by the A.R.C. No excavation of any kind will be permitted without written approval of the A.R.C.

u. Air Conditioning Units. Except as may be permitted by the board of directors, no window air conditioning units may be installed. All outdoor units entirely, will require approval from the board of directors.

v. Artificial Vegetation, Exterior Sculptures, and Similar Items. No artificial vegetation shall be permitted on the exterior of any cottage area. Exterior sculptures, foundations, flags and similar items must be approved by the A.R.C.

w. Energy Conservation Equipment. All solar energy collector panels and wind driven energy producers will require approval from the A.R.C.

x. Swimming Pools. No swimming pool shall be constructed on any cottage of common property within the village, except the clubhouse community pool.

y. Play Equipment, Gardens for Consumption, Any Outdoor Items. No play equipment, gardens for consumption, hammocks or hot tubs may be placed on a cottage area or common area without prior written consent of the A.R.C.

z. Camping. Camping is prohibited on the common areas, except in areas specifically designated by the board and only in accordance with the rules and regulations adopted by the board from time to time.

aa. Off Road Vehicles. Motor powered bikes, all terrain vehicles, off road motorcycles and other off road use of vehicles will not be permitted on any property within the village.

15. **REMEDIES FOR DEFAULT IN OBSERVANCE OF COVENANTS OR RULES AND REGULATIONS.**

a. Judicial Enforcement. If the Owners or occupants of any Pad fail to observe any covenant, and if the default continues after ten (10) days' written notice to the Owners, then either the Developer or the H.O.A., their successors or assigns, may without liability to them or their officers or agents in trespass or otherwise enter upon (or authorize one or more others to enter upon) the Pad, remove or cause to be removed the garbage, trash, rubbish, or do any other things necessary for compliance with these restrictions, so as to place the Pad in a neat, attractive, healthful, and sanitary condition, and may charge the Owners or occupant of such Pad for the reasonable costs of such work and associated materials. The Owners or occupant, as the case may be, agree by the purchase or occupancy of the property to pay the statement immediately upon request. The H.O.A., Developer or any other Owners within Cotswold Village may bring any action provided by law, either at law or equity, for the enforcement of these Covenants, including seeking injunctive relief.

b. Fine. The Board of Directors may assess a fine for violation of the Covenants and Restrictions of Cotswold Village; for violation of the rules and regulations of the A.R.C. or the H.O.A. The maximum fine that may be levied will be established by the H.O.A. in its bylaws or rules and regulations and may be amended from time to time. The H.O.A. will establish a process for administration of alleged violations.

**16. TERM OF THE COVENANT.**

These covenants shall run with the land. All persons or corporations who now own or shall hereafter acquire any of the Pads in this Cotswold Village shall be deemed to have agreed and covenanted with the Owners of all other Pads in this Cotswold Village and with its or their heirs, successors, and assigns to conform to and observe the restrictions, covenants, and stipulations contained herein for a period of twenty-five (25) years from the date these covenants are recorded, and these covenants shall thereafter automatically extend in effect for successive periods of ten (10) years unless at any time a seventy-five percent (75%) majority of the then Owners of Pads in Cotswold Village agree to the amendment or removal of these covenants in whole or in part.

**17. RIGHT TO ENFORCE.**

a. Right to Sue. The covenants, agreements, and restrictions herein set forth shall run with the title to the Pads in this Cotswold Village and bind the present Owners, their heirs, successors, and assigns, future Owners and their heirs, successors, and assigns; and all parties claiming by, through or under them shall be taken to hold, agree, and covenant with the Owners of other Pads in Cotswold Village, their heirs, successors, and assigns, and with Owners, as to the covenants and agreements herein set forth and contained. None shall be personally binding on any person, persons, or corporations except with respect to breaches committed during its, his or their holding of title to Pads in Cotswold Village. The Developer, the H.O.A., or any Owner or Owners of Pads in this Cotswold Village shall have the right to sue for and obtain an injunction, prohibitive or mandatory, to prevent the breach of or to enforce the observance of any of the covenants, agreements or restrictions contained herein together with any other rights to which they might otherwise be entitled under the laws of the State of Arkansas.

b. Fine. The Board of Directors may assess a fine for violation of the Covenants and Restrictions of Cotswold Village; for violation of the rules and regulations of the A.R.C. or the H.O.A. The maximum fine that may be levied will be established by the H.O.A. in its bylaws or rules and regulations and may be amended from time to time. The H.O.A. will establish a process for administration of alleged violations.

c. Limitation of Action. The right to sue to enforce the Covenants and Restrictions, bylaws or rules and regulations and to fine for violations of the Covenants and Restrictions, bylaws or rules and regulations are not alternative remedies and may be pursued simultaneously or independently.

**18. AMENDMENT.**

a. Amendment, Rescission or Additions. The Developer, its successors and assigns, may amend, rescind or add to Paragraph 13 of the Covenants and Restrictions as set forth herein from time to time.

b. Amendment by Owners. These covenants may be amended at any time by the Owners of approved and completed structures on the pads in Cotswold Village, if said Owners together own fifty-one percent (51%) ownership. Such amendment shall have immediate effect upon recording in the real estate records of and for Benton County. No changes in these covenants in the manner herein set forth shall be valid unless the same shall be placed of record in the office of the Recorder of Benton County, Arkansas, duly executed and acknowledged by the requisite number of Owners, and such amendment shall have immediate effect upon recording.

**19. ASSIGNMENT, TRANSFER OR CONVEYANCE.**

The Developer reserves the right to assign, transfer or convey any reservation, right or obligation of the Developer under the terms of these Covenants and Restrictions, and upon such assignment, transfer or conveyance, the Developer shall immediately be released and discharged as to any and all liability incident to such reservation, right or obligation.

**20. SEVERABILITY.**

Invalidation of any one of these covenants or restrictions by judgment or court order shall not affect any other provision herein, and the remaining provisions shall remain in full force and effect.

IN WITNESS WHEREOF, the Owner has hereunto set its hand and seal this 20 day of APRIL, 2009.

COTSWOLD PARTNERS, LLC

BY:   
GEORGE WESTMORELAND,  
Managing Partner

ACKNOWLEDGMENT

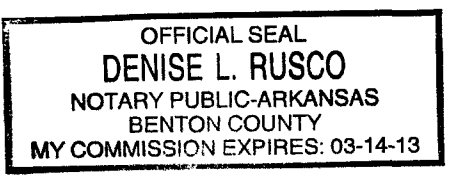
STATE OF ARKANSAS     )  
  )ss.  
COUNTY OF BENTON     )

BE IT REMEMBERED, that before me, a Notary Public, duly commissioned, qualified and acting, within and for the state and county aforesaid, personally appeared, GEORGE WESTMORELAND, who stated that he is the Managing Partner of COTSWOLD PARTNERS, LLC, a limited liability company, and is duly authorized in that capacity to execute the foregoing instrument for and in the name and behalf of said company and further stated and acknowledged that he had so signed, executed and delivered said instrument for the consideration, uses and purposes therein mentioned and set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of office this 20 day of April, 2009.

*Denise L. Rusco*  
NOTARY PUBLIC

03-14-13  
My Commission Expires:



Book 2009 Page 17796  
Recorded in the Above  
DEED Book & Page  
04/21/2009  
Benton County, AR  
I certify this instrument was filed on  
04/21/2009 2:30:25PM  
and recorded in DEED Book  
2009 at pages 0017780 - 0017796  
Brenda DeShields-Circuit Clerk