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Articles of Association 72211
HOMES ASSOCIATION DECLARATION

THIS DECLARATION, made this 4th day of AUGUST, 1970, by INTERNATIONAL PAPER COMPANY, TRANSPORTATION PROPERTIES, INC., and PAUL J. MOOSER and BETTY R. MOOSER, hereinafter referred to as "Declarants":

WITNESSETH:

WHEREAS, Declarants are the owners of certain real property in the City of Little Rock, Pulaski County, Arkansas, which is more particularly described as:

A tract of land in Sections 13 and 14, T-2-N, R-13-W, Pulaski County, Arkansas, to be platted and known as Walnut Valley, an addition to the City of Little Rock, Pulaski County, Arkansas, which plat shall be duly recorded in the office of the Circuit Clerk and Ex Officio recorder of Pulaski County, Arkansas.

AND WHEREAS, Declarants will convey the said real property subject to certain covenants, conditions, restrictions, reservations, liens and charges as hereinafter set forth;

NOW THEREFORE, Declarants hereby declare that all of that real property described above shall be held, sold and conveyed subject to the following easements, restrictions and conditions, all of which are for the purpose of enhancing and protecting the value, desirability, and attractiveness of the said real property. These easements, covenants, restrictions and conditions shall run with said real property and shall be binding on all parties having or acquiring any right, title or interest in said real property, or any part thereof, and shall inure to the benefit of each owner thereof.

ARTICLE I

DEFINITIONS

Section 1. "Association" shall mean and refer to the Walnut Valley Homes Association, Inc., its successors and assigns.

Section 2. "Properties" shall mean and refer to that certain real property hereinbefore described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

This instrument was prepared by
Channing, Mitchell, Hemmick & Channing
1200 Doyle Building
Little Rock, Arkansas 72201

Section 3. "Common Area" as used herein shall mean that portion of the Properties described as follows:

Tracts B, C, D, E, F, G, H, I and J of WALNUT VALLEY, an addition to the City of Little Rock, Pulaski County, Arkansas, as shown by the recorded plat thereof.

together with all improvements which may at any time hereafter be situated thereon.

Section 4. "Lot" shall mean and refer to a plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area and with the exception of any plot of land designated on such map as a "Tract."

Section 5. "Member" shall mean and refer to every person or entity who holds membership in the Association.

Section 6. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot located within the Properties, including contract sellers, but excluding others having such interest merely as security for the performance of an obligation.

Section 7. "Declarants" shall mean and refer to International Paper Company, Transportation Properties, Inc., and Paul J. Mooser, and any other person or entity who may acquire undeveloped land from any one or more of the Declarants for the purpose of development.

ARTICLE II

MEMBERSHIP AND VOTING RIGHTS

Section 1. Every owner of a Lot within the Properties shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is within the Properties.

Section 2. The Association shall have two classes of voting membership:

Class A. Class A members shall be all Owners with the

exception of the Declarants and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.

Class B. The Class B members shall be the Declarants and each Declarant shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever last occurs:

- (a) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership, or
- (b) on January 1, 1976.

ARTICLE III

PROPERTY RIGHTS

Section 1. Members' Easements of Enjoyment. Every member shall have a right and easement to use and enjoy the Common Area and all improvements constructed thereon. Said right shall be appurtenant to and shall pass with the title to every Lot within the Properties, subject, however, to the following provisions:

- (a) the right of the Association to limit the number of guests and members;
- (b) the right of the Association to charge the members reasonable admission and other fees for the use of any recreational facility situated upon the Common Area;
- (c) the right of the Association to permit non-members of the Association to use any recreational facilities situated upon the Common Area upon payment of such initiation fees and annual fees as the Association may determine;
- (d) the right of the Association, in accordance

with its Articles and By-Laws, to borrow money for the purpose of improving the Common Area and to construct and maintain facilities and improvements thereon, and in aid thereof to mortgage said property. In the event such property should be so mortgaged, the rights of the members of the Association hereunder to use and enjoy such Common Area shall be subject and subordinate to the rights of the mortgagee therein;

(e) the right of the Association to suspend the voting rights and right to use of the recreational facilities of a member

(i) for any period during which any assessment against his Lot remains unpaid, and

(ii) for a period not to exceed thirty (30) days for any infraction of the published rules and regulations of the Association relating to such use;

(f) the right of the Association to dedicate or transfer all of or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. Such dedication and transfer shall be effective only upon the recording of an instrument signed by members entitled to cast two-thirds (2/3) of the votes of the Class A membership and two-thirds (2/3) of the votes of the Class B membership, if any, in which such members evidence their agreement to such dedication and transfer. Provided, however, the votes of members whose Lot is then subject to a mortgage shall not be counted in determining such two-thirds (2/3) vote unless the holder of such mortgage shall assent to such dedication and transfer in an instrument properly executed and recorded.

Section 2. Delegation of Use. Any member may delegate, in accordance with the By-Laws of the Association, his right of enjoyment to the Common Area and facilities and improvements situated thereon, to the members of his family, his tenants, or contract purchasers who reside on the property.

Section 3. Title to the Common Area. The Declarants hereby covenant that fee simple title to the Common Area will be conveyed to the Association prior to the due date of the first annual assessment assessed against any Lot subject to this Declaration, all as provided in ARTICLE IV hereof.

ARTICLE IV

COVENANT FOR MAINTENANCE, ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarants, for each Lot owned within the Properties subject to assessment, hereby covenant, and each Owner other than Declarants of any Lot within the Properties by acceptance of a deed thereto, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the Lot against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments. The assessments levied

by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents in the Properties and for the improvement and maintenance of the Common Area.

Section 3. Maximum Annual Assessment. Until January 1 of the year immediately following the due date of the first annual assessment assessed against any lot subject to this declaration, the maximum annual assessment shall be Twenty Dollars (\$20.00) for each Lot subject to assessment.

(a) From and after January 1 of such year, the maximum annual assessment may be increased each year not more than 3% above the maximum assessment which may have been assessed for the previous year without a vote of the membership.

(b) From and after January 1 of such year, the maximum annual assessment may be increased above said 3% so long as such assessment shall have the assent of the members entitled to cast two-thirds (2/3) of the votes eligible to be cast by each class of members at a meeting duly called for that purpose.

(c) The Board of Directors may fix the annual assessment at any amount not in excess of the maximum and may suspend such annual assessment for any given year.

Section 4. Special Assessments for Capital Improvements.

In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto.

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provided that any such assessment shall have the assent of the members entitled to cast two-thirds (2/3) of the votes eligible to be cast by each class of members at a meeting duly called for that purpose.

Section 5. Notice and Quorum for Any Action Authorized Under Sections 3 and 4. Written Assent. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 shall be sent to all members not less than 30 days nor more than 60 days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than 60 days following the preceding meeting. In the event at any such meeting there are not sufficient members present in person or by proxy to cast two-thirds (2/3) of all the votes eligible to be cast by each class of members, but there are sufficient members present in person or by proxy to constitute a quorum as above defined, or in the event there are sufficient members present in person or by proxy to cast two-thirds of said votes but such members fail to assent to such increased assessment by the vote required therefor, members not so present at such meeting may, within thirty (30) days thereafter, give their written assent to such assessment, and upon delivery of such written assents to the Secretary of the Association within such time, the votes of such members not so present at such meeting shall be deemed votes cast at such meeting in favor of such assessment.

Section 6. Uniform Rate of Assessment. Both annual and

Special assessments must be fixed at a uniform rate for all Lots subject to assessment and may be collected on a monthly basis.

Date of Commencement of Annual Assessments:

Due Dates. The annual assessments provided for herein shall commence as to any Lot not owned by a Declarant on the first day of the month following that month in which

(a) residences have been constructed on at least 175 of the Lots subject to this Declaration and such residences are actually occupied by the Owners thereof or persons claiming under such Owners, and

(b) a written certification to such effect has been filed by International Paper Company in the Office of the Register of Deeds of Pulaski County, Arkansas. Such certificate shall set forth the actual commencement date of said annual assessments.

Such assessments shall commence as to any of the other Lots subject to this Declaration on the first day of the month following that month in which a deed conveying said Lot from a Declarant to the first grantee thereof (other than a Declarant grantee) is recorded in the office of the Register of Deeds of Pulaski County, Arkansas. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot subject to assessment at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been

paid.

Section 8. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessments which are not paid when due shall be delinquent and shall constitute a lien on the Lot against which said assessment is made. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of ten percent (10%) per annum, and the Association may bring an action at law against the owner personally obligated to pay the same, or foreclose its lien against the Lot, or both, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot. Assessment liens shall continue for a period of one (1) year from the date upon which an assessment becomes delinquent, and no longer; provided that if, within such period, proceedings shall have been instituted to enforce such lien in any court in Pulaski County, Arkansas, having jurisdiction in suits for the enforcement of liens, such lien shall continue until the termination of the proceeding and until the sale of such Lot under execution of the judgment establishing it.

Section 9. Subordination of the Lien to Mortgage.

The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

ARTICLE V

ANNEXATION OF ADDITIONAL PROPERTIES

Section 1. Annexation of additional property shall require the assent of two-thirds ($2/3$) of the votes of the Class A members and two-thirds ($2/3$) of the votes of the Class B members, if any, at a meeting duly called for this purpose, written notice of which shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting setting forth the purpose of the meeting. The presence of members present in person or by proxy entitled to cast sixty percent (60%) of the votes of each class of membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirement set forth above, and the required quorum at such subsequent meeting shall be one-half ($1/2$) of the required quorum of the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting. In the event at any such meeting there are not sufficient members present in person or by proxy to cast two-thirds ($2/3$) of all those votes eligible to be cast by the Class A membership or by the Class B membership or both, but there are sufficient members present in person or by proxy to constitute a quorum as hereinabove defined; or in the event there are sufficient members present in person or by proxy to cast two-thirds ($2/3$) of said votes but such members fail to assent to the annexation of such additional property by the vote required for such annexation, members not so present at such meeting may, within thirty (30) days thereafter, give their written assent to such annexation and upon the delivery of such written assents to the Secretary of the Association within such time, the votes of such members not so present at such meeting shall be deemed votes cast at such meeting in favor of such

annexation.

Section 2. If the Defendants, or any one of them, should develop additional lands within an area described as follows:

A part of the SE 1/4 Section 33 and part of the NW 1/4 SW 1/4 Section 34, T-2-N, R-13-W, Pulaski County, Arkansas more particularly described as: Beginning at the Northwest Corner of the NW 1/4 SE 1/4 Said Section 33; thence S89°40'15"E along the North line thereof 736.4 ft.; thence S10°42'45" W 186.9 ft.; thence S27°57'45" W 451.6 ft.; thence S80°53'27" S 58 ft.; thence S0°14'27"E 120 ft.; thence S20°03'27"E 53.3 ft.; thence S0°14'27"E 120 ft.; thence S89°45'33"E 366.30 ft.; thence N68°40'33" E 213.5 ft.; thence S89°19'27"E 131.3 ft.; thence S73°26'50"E 60.2 ft.; thence S76°53'13"E 121.4 ft.; thence N11°50'47"E 70 ft.; thence N23°20'47"E 86.3 ft.; thence N50°44'47"E 114.5 ft.; thence N60°46'47"E 222.0 ft.; thence S61°09'13"E 191.2 ft.; thence N66°23"E, 831.8 ft.; thence S62°35"E, 781.7 ft.; thence S7°13'45"W, 355.0 ft.; thence S0°04'39"W, 329.1 ft. to a point on the South line of the NW 1/4 SW 1/4 Section 34; thence West along said South line 698.33 ft. to the Northeast corner of the SE 1/4 SE 1/4 Section 33; thence S02°55'10"E 682.7 ft.; thence N90°47'46"W 1321.14 ft. to a point on the West line of said SE 1/4 SE 1/4; thence N02°40'50"W along said West line 676.65 ft. to the Southeast corner of the NW 1/4 SE 1/4 Section 33; thence S89°45'33"W along the South line thereof 1316.0 ft. to the Southwest corner of said NW 1/4 SE 1/4; thence N0°42'18"W along the West line thereof 1341.1 ft. to the point of beginning.

such additional lands may be annexed to said Properties without the assent of the Class A members, provided however, that the development of the additional lands described in this section shall be in accordance with a general plan submitted to and approved by the Federal Housing Administration and the Veterans Administration in connection with the development of that real property hereinabove first described, which general plan shows the proposed additions to the Properties and contains (a) a general indication of size and location of such additions and proposed land uses in each addition; (b) the approximate size and location of the Common Area, if any, proposed for each addition; (c) the general nature of proposed common facilities and improvements to be constructed upon such Common Area, if any; and

(1) A statement that the proposed additions, if made, will become subject to assessment for their just share of the Association expenses. Such general plan shall not bind the Declarant to make the proposed additions or to adhere to the plan in any subsequent development of the land shown thereon. Detailed plans for the development of additional lands must be submitted to the Federal Housing Administration and the Veterans Administration prior to such development. If either the Federal Housing Administration or the Veterans Administration determines that such detailed plans are not in accordance with the general plan on file and either agency so advises the Association and the Declarant, the annexation of the additional lands within that area above described shall be in the manner prescribed in Section 1 of this Article VI.

Section 3. Upon satisfaction of those prerequisites for annexation of any additional lands or properties as set forth in Sections 1 and 2 of this Article VI, the annexation of such additional lands or properties shall be deemed to be accomplished upon the filing of a notice of such annexation in the office of the Recorder of Deeds of Pulaski County, Arkansas, executed by the owners of all of such additional lands or properties, which notice shall describe such lands or properties and the Common Area, if any, located thereon, and shall provide, among other things, that such land and properties are subject to all of the same conditions, restrictions, reservations, liens and charges as are in this Declaration contained excepting only therefrom the provisions fixing the commencement date of the annual assessments, which date will be fixed in said notice.

ARTICLE VI

RIGHTS, POWERS AND DUTIES OF THE ASSOCIATION

The Association, in addition to all other rights, powers and duties as are herein contained and in its Articles of

Incorporation contained, shall have all powers, rights, and privileges which are now or may hereafter be conferred by the laws of Arkansas upon a not-for-profit corporation by Act No. 176 of the Acts of Arkansas of 1963, and any amendments thereto.

ARTICLE VII

GENERAL PROVISIONS

Section 1. Enforcement. The Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. 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.

Section 3. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association, or the Owner of any Lot subject to this Declaration, their respective legal representatives, heirs, successors, and assigns, for a term of twenty (20) years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years. The covenants and restrictions of this Declaration may be amended during the first twenty (20) year period by an instrument signed by the owners of not less than eighty percent (80%) of the Lots within the Properties and thereafter by an instrument signed by the Owners of not less than seventy-five percent (75%) of the Lots within the Properties. Any amendment must be properly recorded.

IN WITNESS WHEREOF, the undersigned, being the Declarants
herein, have caused this instrument to be executed this 11 day
of August, 1970.

INTERNATIONAL PAPER COMPANY

By [Signature]
Attorney-in-Fact

ATTEST:

[Signature]
Assistant Secretary

TRANSPORTATION PROPERTIES, INC.

By [Signature]
VICE President

ATTEST:

[Signature]
Secretary

Betty R. Mooser
Betty R. Mooser

Paul J. Mooser
Paul J. Mooser

STATE OF KANSAS)
COUNTY OF JOHNSON) ss.

On this 11 day of August, 1970, before me,
appeared Wigand, Tinsley, to me personally known, who
being by me duly sworn, did say that he is the Attorney-in-Fact of
International Paper Company, a corporation, and that the seal affixed
to the foregoing instrument is the corporate seal of said corporation
and that said instrument was signed and sealed in behalf of said
corporation by authority of its Board of Directors, and said
Wigand, Tinsley acknowledged said instrument to be the
free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my
notarial seal at my office in Pratt, Kansas, the
day and year last above written.

[Signature]
Notary Public within and for
said County and State

My commission expires:
February 5, 1972

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STATE OF ARKANSAS)

SS
COUNTY OF PULASKI)

On this 11 day of August, 1970, before me, appeared James I. Sullivan, to me personally known, who being by me duly sworn, did say that he is the President of Transportation Properties, Inc., a corporation, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said James I. Sullivan acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal at my office in Little Rock, Arkansas, the day and year last above written.

James H. [Signature]
Notary Public within and
for said County and State

My Commission Expires:

July 27, 1974

STATE OF ARKANSAS)

SS
COUNTY OF PULASKI)

BE IT REMEMBERED, that on this day came before me, the undersigned, a Notary Public within and for the County aforesaid, duly commissioned and acting, Paul J. Mooser and Betty R. Mooser, his wife, to me well known as the grantors in the foregoing instrument, and stated that they had executed the same for the consideration and purposes therein mentioned and set forth.

And on the same day also voluntarily appeared before me, the said Betty R. Mooser, wife of the said Paul J. Mooser, to me well known, and in the absence of her said husband declared that she had of her own free will, executed said instrument and signed the relinquishment of dower and homestead in the said instrument for the consideration and purposes therein contained and set forth, without compulsion or undue influence of her said husband.

WITNESS my hand and seal as such Notary Public on this the 11 day of August, 1970.

James H. [Signature]
Notary Public

My Commission Expires:

6-7-74

NO. 55189 FILED FOR RECORD August 19, 1970

AT 9:26 p.m. AND RECORDED August 20, 1970

(SEAL) ROGER McNAIR, CIRCUIT CLERK

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