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DECLARATION 90.00

Master Declaration for Serenity Cove Estates

Dated: February 4, 2008
Grantor: A & A Ozark Properties, Inc.
Real Estate: See Exhibit A, page 20

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THIS DECLARATION is made by **A & A Ozark Properties, Inc.**, as Grantor, who is referred to here as Master Developer. Master Developer is the owner in fee simple of the real property in Stone County, Missouri, which is referred to here as Serenity Cove ("Serenity Cove," for short). The legal description of the land included in Serenity Cove is found on **Exhibit A**.

The purpose of this Declaration is to establish a set of covenants and procedures to govern the development and governance of Serenity Cove as a mixed-use community having all or some of the following components:

- Single-family residences
- Multi-family residences
- Retail and service businesses
- Private streets
- State-approved systems for central water supply and distribution and wastewater collection and treatment
- Community boat docks and related parking areas

The Master Developer has and will maintain significant rights over the future development of Serenity Cove and over the Serenity Cove Master Association, as described in this Declaration.

Serenity Cove will ultimately comprise one or more subdivisions, including conventional and condominium subdivisions. Use of the term "subdivision" in this Declaration may refer to condominiums and residential and non-residential subdivisions. The terms "lot" or "lots" refers to condominium units as well as lots in the ordinary sense, unless the context suggests otherwise.

The Master Association is a non-profit corporation whose responsibility is to insure, maintain, repair, replace and regulate the use of the private streets, common areas, community boat docks, and water supply and wastewater treatment systems of Serenity Cove. In addition, the Master Association has the right to perform the functions of a master condominium association, as authorized by the Missouri Uniform Condominium Act, and, with the consent of the declarant of any subdivision within Serenity Cove, to act as a manager of any sub-association in Serenity Cove.

1. The Master Association and Sub-Associations

1.1 Creation, control and membership

The provisions of this Declaration are to be enforced and administered by the Master Developer, who will control the Master Association through the appointment of directors and by voting. Purchasers of commercial or residential lots or condominium units in Serenity Cove automatically become members of the Master Association upon obtaining ownership of a lot or unit, and membership is inseparable from ownership. Even though owners of condominium units or lots in Serenity Cove will be members of the Master Association, as well as members of a sub-association, agreements between the declarant of each respective subdivision or condominium and the Master Developer may provide that voting rights of condominium unit and lot owners in the Master Association must be delegated to members of their respective condominium association or sub-association board as representatives of the condominium association or sub-association in the Master Association.

The Master Association may create classes of membership for non-resident lot owners which do not have full use rights. For example, purchasers of lots for construction of spec homes for resale might be restricted from use of Serenity Cove's common areas and amenities, except as necessary for construction and sales.

The Master Association is also subject to the provisions of the Missouri statutes regarding general corporations and non-profit corporations. The Master Association has bylaws, which may be modified by the vote of a majority of its members; however, the bylaws are limited to procedural matters and may not constitute restrictions on uses of real estate or provide for the creation of encumbrances on real estate, unless those provisions in the bylaws are also contained in a recorded instrument, executed and acknowledged by persons authorized by law to do so.

The Master Association's board may not modify this Declaration, though the board may propose amendments, which will not become effective unless approved by the Master Developer (unless the Master Developer has relinquished control by recording a writing to that effect in the office of the Stone County Recorder) and 67% of the members. Mortgagees and others whose encumbrances on lots are subordinate to this Declaration may choose to evidence their consent to any amendments. The lack of a mortgagee's consent on one lot or unit shall not affect the validity of the amendment on any other lot or unit, whether before or after foreclosure of that mortgagee's deed of trust.

1.2 Board of directors

The Master Association shall be governed and operated by its board of directors, elected by the members. The board shall initially consist of three persons appointed by the Master Developer. The number of board members and their terms shall be specified in the bylaws. The number of board members may be increased to five by the Master Developer or the board without the approval of the membership.

A majority of the board may appoint qualified members to serve the remainder of vacant unexpired terms.

The board may create committees consisting of at least one board member, with the remainder of the committee to be made up of members of the Master Association.

The Master Association's powers to govern and to make and enforce rules shall be carried out by the board. The board shall have all the powers reasonably implied from the responsibilities described in this Declaration. The Master Association and the board are subject to Missouri's statutes regarding general corporations and not-for-profit corporations.

1.3 Power to adopt rules

By majority vote of the board and with the consent of the Master Developer, the Master Association may adopt, amend and repeal rules governing uses that are permitted by this Declaration, as amended and supplemented, and maintenance of lots and streets in Serenity Cove. The rules shall be in writing and distributed to all members when adopted and upon request.

Any rule adopted by the board for the Master Association shall have the same force as a provision of this Declaration, unless the board has specified in the text of the rule that it shall be limited in scope or effect or if limited by law.

The Board does not have the power to amend this Declaration or the Master Association's bylaws.

1.4 The Master Association's primary responsibilities

The Master Association, through its board, is responsible for:

- enforcing covenants and restrictions contained in this Declaration and maintaining the common property of the Master Association, which may include its streets (including landscaped areas on the street rights-of-ways that are not contiguous to a residential lot and street lighting); and
- operating the drinking water supply, treatment and distribution system and the wastewater collection and treatment system serving all dwellings, commercial and non-residential real estate, and common areas of Serenity Cove (and possibly adjacent areas), as more specifically provided in Section 1.5 below.

If the maintenance of the streets or street lighting is financed through a Neighborhood Improvement District or Community Improvement District, the Master Association will not be responsible for imposing and collecting assessments for street maintenance within those districts.

The Master Association has the rights to create, to use and to regulate utility easements within Serenity Cove; to create and enforce regulations for security and safety within Serenity Cove, including control of the entrance gate and requiring registration of guests and their vehicles; and to negotiate and enter into agreements with the U. S. Army Corps of Engineers relating to the use of the shoreline adjacent to Serenity Cove, the placement and use of boat docks and related parking facilities, and operation of community dock owners' associations.

In addition, the Master Association, through the board and an Architectural Control Committee, is responsible for review and approval of building and landscaping plans.

The board may hire persons having the appropriate credentials to assist the board in performing these responsibilities.

1.5 Master Association's power over water supply and wastewater treatment systems and related restrictions

The Master Association is the continuing operating authority and continuing authority (as those terms are defined in regulations promulgated under Chapters 640 and 644 of the Revised Statutes of Missouri, including 10 CSR 60-3.020 and 10 CSR 20-6.010) for the water supply and distribution and wastewater collection treatment systems constructed by the Master Developer, and is the owner of the water supply and wastewater collection and treatment facilities for which is it the permit holder and is the owner of all easements for wastewater mains and submains and related collection facilities such as lift stations. The powers described in this section are in addition to those stated elsewhere in this Declaration or provided by law.

The Master Association (through its board) is the holder of the permit to dispense drinking water and the operating permit for the wastewater system and has all powers required or implied by law for such authorities, including the power to require the connection of all dwellings and public accommodations to these systems.

No private drinking water wells or on-site wastewater treatment systems are allowed on any lot or common area within Serenity Cove. Each dwelling unit (regardless of legal form of ownership) must be connected to the Association's drinking water supply and wastewater collection and treatment systems. Each member of the Master Association and any sub-association thereof is bound by these restrictive covenants.

In connection with the water and wastewater systems, the Master Association board's powers include the following:

- a. To estimate the cost of the expenses of administration, modification, maintenance, repair and extension of any real or personal property belonging to the Master Association or dedicated to the use of the members of the Master Association, including but not limited to the public drinking water supply systems and wastewater collection and treatment facilities, any contracted or leased facilities and of all exterior portions of the improvements and property;
- b. After determining the amount required annually for such purposes, to submit a budget to the members as required by law, and to levy assessments as liens against each lot or condominium unit for the budgeted or actual amounts assessed;
- c. To cause estimates to be made for the computation of replacement reserve funding and to collect common expense and special assessments from the members and deposit such collections in the proper funds, in accord with the Declaration, such fund to be held, managed and administered by the Board;

- d. To disconnect or terminate water and wastewater services to lots or condominium units whose owners or tenants do not pay charges for water and wastewater service when due or who do not comply with reasonable regulations for conservation of water and use of the water wastewater systems; and
- e. To lease or convey the water supply and distribution facilities to a continuing operating authority, as that term is defined in 10 CSR 60-3.020, and the wastewater collection and treatment facilities to a continuing authority, as that term is defined in 10 CSR 20-6.010, with the members being obligated to conform to the terms of service of such authorities.

1.6 Board members and committee members not personally liable

No member of the board or any committee appointed by the board is be personally liable to any member or any guest of any member, or to the Master Association, for any damage, loss or prejudice suffered or claimed on account of any lawful act, omission or negligence of the Master Association or any committee of the Master Association. The Master Association shall indemnify and protect those who volunteer and who are elected or appointed to serve on the Master Association's board or committees, except against claims which a majority of the board votes determines to have likely been the result of theft, fraud, bribery or another illegal act.

Board members shall be accountable to the Master Association membership generally and judged according to the "business judgment rule" or "rule of reasonableness" except with regard to the custody of funds and the application of insurance proceeds, for which board members shall be held to a fiduciary standard.

1.7 Voting rights

The members of the Master Association shall each have one vote per lot or unit owned (except for lot or unit owners in subdivisions within Serenity Cove for which the Master Developer and subdivision declarant have provided that voting rights may be to delegated to one or more sub-associations, with a weight assigned by the Master Developer to that sub-association's vote) and the Master Developer shall have one vote for each lot or unit owned by others and one vote for each lot or unit that the Master Developer owns. Proxy voting is permitted in elections of board members, using the same procedure as proxy voting on budgets. Members who are delinquent in the payment of assessments are not entitled to vote on budgets or in elections. Within condominium associations, as required by the Missouri Uniform Condominium Act, the Master Developer's units shall not have disproportionate weight in voting.

1.8 Sub-Associations

The Master Developer may or may allow others to create associations of owners and lessees of commercial units and lots and residential developments within Serenity Cove, including condominium owners' associations. All such associations are sub-associations, which are subordinate to the Master Association.

2. Financial Matters

2.1 Master Association budget

The board shall propose an annual budget to be submitted to all members and sub-associations and considered for ratification at a meeting held before the beginning of the fiscal year for which the budget is proposed. The purpose of the budget is to provide for the maintenance, operation, insurance and replacement of the Master Association's property. The budget proposed by the board shall include amounts based upon good-faith estimates that will provide for the accumulation of funds for the replacement or repair of major components of the common elements and common areas. The board may provide that the voting be done entirely by mail, if an informational meeting (with notice to all owners) in advance of the voting deadline is held for presentation of the proposed budget. The board may permit voting by email or some other process using electronic communication, as long as voting by paper ballot is still an option.

The proposed budget is to be mailed by the board to the members at least 15 days and no more than 30 days before the voting deadline or meeting scheduled for the ratification of the budget, along with a blank proxy form and ballot, which shall allow an absent member to appoint any member, including a board member, to cast a vote for or against the proposed budget. Proxy forms for budget ratification that do not indicate how the vote shall be cast shall be disregarded. The board shall send out a return envelope for the proxy form and ballot, which shall have a place for the unit or lot number to be specified on the proxy form, but not on the ballot. To insure anonymity of ballots, the ballot itself will not identify the member submitting it or unit or lot for which it is submitted.

Regardless of whether there is a quorum, unless a majority of members vote against the proposed budget, the proposed budget will go into effect. If a majority of members (in person or by proxy) vote against the proposed budget, the current budget will be extended until a proposed budget is ratified by the same process described above.

The costs associated with the maintenance, operation, insurance, repair and replacement of private streets, water and wastewater facilities shall be a part of the budget; however, these items may be assessed by the Master Association out of necessity, regardless of whether the budget is ratified.

The budget process for the Master Association may incorporate the process for ratification of budgets of sub-associations.

2.2 Assessments

a. Initial assessment. Until the Master Association has established a different assessment by adoption of a budget, an annual assessment of \$500 is hereby imposed on each single-family residential lot in Serenity Cove. This assessment shall be prorated by day for any partial year, with the amount allocable for the remainder of the calendar year collected at the closing of the sale of each lot by the Master Developer.

The Master Developer is not liable for this initial assessment. The Master Developer, on behalf of the Master Association, may waive or negotiate the collection of this initial assessment with respect to sales made to builders and for sales of multiple lots.

b. Imposition and allocation of assessments. The ratification of the budget shall create an obligation upon member to make timely payments of assessments. Portions of the proposed budget allocated to the costs of maintenance, insurance, repair and replacement of private streets and water and wastewater systems as proposed by the board of the Master Association shall be validly assessed even though the budget containing them is not ratified; otherwise, these essential services could not be provided.

The allocation of the budget to the various lots and units shall be equal for all lots and units. The Master Developer shall be exempt from paying any assessments, except for any lots or units that the Master Developer owns on which a commercial business or dwelling has been completed.

Notice of the amount of the assessment for the upcoming fiscal year shall be mailed to the address shown on the Master Association's records as the owners' address, promptly after the budget has been ratified or rejected.

Assessments are a personal debt of the owner of each lot, as well as a debt secured by a lien on the assessed lot. If there are multiple owners of a lot, the personal liability for assessments shall be joint and several.

c. Payment annually or in installments. Assessments may be paid annually or in installments in advance. The board may by rule impose a \$5 per installment handling fee for those not paying annually in advance. Any monthly installment shall be considered delinquent if not paid by the 15th calendar day of the month due. For any lot for which at least one twelfth of the annual assessment has not been paid to the Master Association by January 15 of each year, the entire amount of the annual assessment shall be delinquent.

c. Procedure for assessment liens. In order to preserve the priority of its lien for delinquent assessments, the Master Association's board shall file and record notices of liens for assessments by the last day of each month against each lot with delinquent assessments, and the cost of preparation and recording the notice of lien shall become a charge against each such delinquent lot and its respective owner, along with any costs of collection as described in section d of this article. The board shall also mail a copy of the notice of lien to the owner of the lot for which the lien is claimed and may also send a notice of the lien to any party which claims a lien on the same property.

Unpaid installments of assessments shall become a lienable claim at the time they become delinquent, with the priority date of the lien established by the filing of a notice of lien. Interest shall accrue on unpaid assessments at the rate of 18 percent per year from the date due, before and after judgment. Once any monthly installment is delinquent, the remaining assessments for the remainder of the budget year (or calendar year, if no budget has been adopted) shall accelerate and become due and secured by a lien.

d. Collection and foreclosure. The Master Association, through its board, shall be obligated to promptly collect assessments, and may seek personal judgments against owners of lots or may foreclose the assessment lien in the same manner as a power of sale deed of trust is foreclosed under Missouri statutes, or both, and the Master Association has the power to appoint a trustee to hold any such foreclosure sale. The Master Association may use any lawful means, including the employment of attorneys and collection agencies. The costs of collection, including attorney fees, court costs, service and publication fees, recording fees for filing of the lien and for filing releases of lien, locator fees, court reporter fees, deposition fees, witness fees, fees for title research, shall be added to any delinquent account, and may be recovered by the Master Association as a part of any judgment or from the proceeds of a foreclosure.

2.3 Special assessments

a. Special assessments for unexpected or non-recurring costs. Special assessments may be imposed upon the affirmative vote of a majority of lot owners for the unexpected or non-recurring construction of capital improvements, or the repair, reconstruction, or replacement of a feature of the common streets. Once imposed, special assessments shall be added to the annual assessment for the current year and the liability for and collection of special assessments shall follow the procedure outlined in this article for assessments generally.

Special assessments necessary to fund the continued operation of the water and wastewater treatment facilities, in compliance with federal and state regulations, may be imposed without the consent of owners of lots and units.

b. Special assessments against particular lots. The Board of the Master Association may impose a special assessment against one or more lots for the Master Association's costs in abating a nuisance, correcting a violation of a provision of this Declaration, or taking action in an emergency to protect life or property, when the owner or occupant of a lot is not immediately available. Special assessments under this paragraph may include attorney fees, interest at the annual rate of 18% beginning 30 days after the lot owner has been presented with an itemized invoice for the Master Association's costs, and may be collected using any of the procedures contained in this article.

3. Design and Use Restrictions

3.1 Lots restricted

Lots shall be used for recreational, religious, institutional, commercial, multi-family residential, and single-family residential purposes only, as designated in the supplemental declaration recorded for each subdivision. Master Developer may conduct sales activities of residential units and lots and lots with houses on residential lots, or assign the right to conduct sales activities on residential lots, except in subdivisions where such activities are prohibited by recorded restriction.

No streets or driveways shall be constructed to allow vehicular access across the perimeter boundary of Serenity Cove, except with the prior written consent of the Master Developer.

No lot owner or occupant shall allow the accumulation of trash, garbage, rubbish, or junk.

For each phase of each subdivision within Serenity Cove, the developer must record a supplemental declaration of covenants, conditions and restrictions, or a supplemental condominium declaration, that make reference to the binding effect of this Master Declaration and which establishes design criteria for the real estate encumbered by that supplemental declaration that are consistent with or stricter than the design criteria contained in this Article.

3.2 Requirement of design approval

(a) Other than construction undertaken by the Master Developer, no building, exterior wall, fence, tennis court, swimming pool, or other structure shall be erected, placed or altered on any lot until the construction plans, elevation drawings, specifications and a plot plan showing the location of the proposed structure, water and sewer service line locations, proposed grading and excavation, and stormwater drainage have been approved by the Architectural Control Committee (ACC).

(b) Until the Master Developer has relinquished the right, as shown by a written instrument signed by the Master Developer, the Master Developer shall serve as the ACC. Thereafter, the Master Association's Board may determine the number of members of the ACC, qualification of members, and procedures, and the President of the Board shall appoint members, subject to approval by a majority of the Board.

(c) The ACC and its members shall not be liable for damages to any person submitting a request for approval, or to any owner of a lot or condominium unit by reason of action, failure to act, approval or disapproval, or failure to approve or disapprove any such request.

(d) Applications for construction of structures shall include a landscape plan and include the location of any driveway to be constructed. Applications shall be submitted to and approved by the ACC before submittal of building permit applications to the any governmental authorities having applicable regulations.

(e) In evaluating proposed structures and landscaping, the ACC shall consider the quality of workmanship and materials, harmony and composition of exterior design with existing structures, and compliance with building setback lines and other matters established on the Serenity Cove plat or in this Declaration. The ACC's review shall be based on compliance with the Design Criteria presented here and any additional design criteria included in a supplemental declaration or as properly adopted by the board of a sub-association. In addition, the ACC may submit to the board of the Master Association additional design criteria, for such structures such as mailboxes, trash receptacles, fences or approved types of siding or roofing, which after board approval shall guide the ACC's approval process.

3.3 Architectural Control Committee procedures and fees

The ACC shall exercise its best judgment to see that all improvements, construction, landscaping and alterations on the properties conform and harmonize with the existing surroundings and structures. The ACC shall maintain a list of approved builders. New builders may be added to the list upon petition to show quality of workmanship and experience at the level of residential construction appropriate for this Serenity Cove. Exterior building corners of the proposed residence and driveway shall be staked on site.

Submissions for ACC approval shall include the following:

- a. Site Plan at scale of 1"=20' or larger
- b. Roof and Floor plans at 1/8"=1' or larger
- c. Exterior Elevations indicating exterior materials and colors
- d. A time schedule indicating starting and completion dates.
- e. Landscape Plan, which shall indicate the placement of driveways, a description of proposed grading and excavation and disposition of soil and rock removed, and stormwater drainage.
- f. A base application fee, initially \$250 and subject to change by the Master Association's board.

The ACC shall approve or disapprove all plans and requests within 30 days after receipt by the Committee of all necessary information. In the event the ACC fails to take any action within 30 days after the request and all necessary information has been submitted, a clean-up deposit and road damage fee in the proper amounts have been submitted, approval shall be presumed and this Article shall be deemed to have been fully complied with.

The ACC shall maintain written records of all applications submitted to it and of all actions taken. Plans, specifications and other records and minutes of ACC actions shall be kept by the ACC for at least one year.

A majority vote of the ACC shall be necessary for approval of any requests.

All reasonable fees and expenses incurred by the ACC, including the fees of architects or engineers hired to review submittals, shall be paid by the applicant.

Upon approval of a plan, the ACC shall approve the issuance of a permit upon the submittal of a deposit to insure clean up of construction materials and completion of the permitted structures and, if required by the ACC, a road damage fee, in an amount set by the ACC to cover the Master Association's cost of typical additional maintenance and road repairs caused by construction of the permitted structures.

3.4 Design criteria for Single-Family and Two-Family Dwellings

The following design criteria will be applicable to lots any subdivision unless the recorded supplemental declaration for that subdivision establishes different criteria.

a. Exterior elements. The minimum roof pitch permitted shall be an 5/12 pitch. All roofs shall be covered with architectural-grade asphalt, tile, slate or wood shingles or shakes, unless a different material is approved by the ACC. Exterior wall materials shall be continued to within six inches of finished grade. No steel or vinyl siding is permitted. Steel or aluminum soffit is permitted. All decks must be attached. Uncovered patios (i. e., concrete or masonry on grade) may be uncovered. All dwellings shall display the correct 911 address on the dwelling and mailbox.

Outbuildings may not have a floor area greater than 100 square feet. The siding and roof of the outbuilding must be of the same materials as that of the primary dwelling on the lot.

b. Driveways and garages. All driveways are to be of a minimum thickness of four inches of reinforced poured concrete over at least four inches of base rock or three inches of asphalt mix over four inches of base rock. All asphalt driveways must be sealed with an emulsion sealer at least once every three years. No house may be occupied until the driveway is paved.

No garage may have an entrance facing the same street as the front door of the house, without the prior written approval of the Master Developer or the ACC.. Garage doors shall be kept closed at all times except when necessary for ingress or egress. Garage doors shall contain architectural elements that break up the expanse of the door. The interior walls of the garage shall be finished with gypsum board and painted. No garage shall be used for or converted to living space, but shall be used for storage of automobiles and related uses. Visitor parking spaces may be permitted on lots off-street. Visitor parking spaces shall be screened from the street and accessed only from driveways.

No basketball goals shall be attached to front or side of any residence or garage. Any basketball goals must be mounted on a steel pole of not less than three inches in diameter, with backboards no larger than four feet by four feet.

Driveway culverts must meet applicable city or county specifications for length and diameter.

c. Walls and fences. Walls and fences shall be constructed of materials that are compatible with the residence on the lot where the wall or fence is built. Chain-link fences are prohibited, though chain-link dog runs behind fences or walls are permissible. No wall may extend more than five feet beyond the building setback line, and none may exceed four feet in height, except for decorative posts. No fence or hedge shall be permitted from the front of the lot to the back of the house that exceeds five feet in height.

Privacy fences shall have the posts or other supports on the inside. However, posts with brick, stone or cultured-stone veneers may be visible from the outside.

d. Setbacks. No part of any dwelling, including porches, paved terraces and attached garages, or any other building, shall be erected closer than 35 feet to the front property line (or the to the edge of the pavement, on irregularly shaped lots), 25 feet to the side property line, or, on corner lots, 25 feet to the side property line. On each lot there shall be a rear yard having a depth of not less than 25 feet to the rear property line. Walls and fences may not be more than five feet outside the building setback lines.

e. Landscaping and maintenance. A landscape plan shall be submitted to the ACC at the same time as the building permit application is submitted. All trees larger than six inches in diameter four feet from ground level shall be shown on the plan, and no such trees may be removed without consent of the ACC. No building materials shall be stockpiled within the drip lines of trees to be saved. The Master Association may assess a fine, secured by a lien on the lot, if any tree having a trunk diameter of six inches or greater at a height of four feet above ground level at the base of the tree is removed without the consent of the ACC.

All landscaping shall be installed and completed within 30 days of the completion of the residence except during the period between November 1 and March 15. Landscaping not installed during this winter period shall be installed by the following May 15.

All aboveground garbage can storage areas, trash containers, outdoor maintenance areas, compressors and condensers shall be screened with shrubs or walls.

All aboveground electrical transformers, phone pedestals and cable TV pedestals shall be screened with walls or landscaping.

f. Lighting. Exterior lighting shall be designed and installed so as to avoid spilling light or glare on adjacent properties or upon the street. Holiday lighting shall not be displayed except between November 1 and January 15.

g. Mailboxes. If the United States Postal Service permits individual mailboxes, mailbox design must comply with criteria established by the ACC. Otherwise, mailboxes are not permitted except in clusters installed by the Master Developer or the Master Association.

3.5 Owners' obligations to repair and rebuild

Each owner of a single-family or two-family dwelling, at such owner's sole cost and expense, shall repair such owner's residence, keeping the same in a condition comparable to the condition of such residence at the time of its initial construction, excepting only normal wear and tear.

If all or any portion of a residence is damaged or destroyed by fire or other casualty, it shall be the duty of the owner or owners, with all diligence, to rebuild, repair, or reconstruct such residence in a manner that will substantially restore it to its appearance and condition immediately prior to the casualty. Reconstruction shall be undertaken with three months after the damage occurs, and shall be completed within twelve months after the damage occurs, unless prevented by causes beyond the control of the owner or owners.

3.6 Design standards for commercial and multi-family structures

Design standards for institutional, commercial and residential structures containing more than two dwelling units shall be established on a case-by-case basis by the Master Developer.

3.7 Prohibited and restricted structures and uses

The structures and uses listed below are prohibited within Serenity Cove, except under the terms described. Declarants of subdivisions or condominiums within Serenity Cove may adopt stricter or additional prohibitions.

a. Prohibited structures:

1. Portable buildings.
2. Buildings constructed elsewhere.
3. Mobile homes and manufactured homes.
4. Temporary structures, other than temporary offices and storage buildings associated with houses under construction, which may be on a lot for no more than 60 days, unless written approval for a longer time is given by the ACC.
5. Except for (a) name and address on houses, having letters no more than six inches in height (b) "for sale" signs not larger than 24 inches by 24 inches, and (d) signs erected by the Master Developer, no signs of any kind shall be displayed to public view on a lot or the common area without prior written consent of the Master Developer or the Master Association, if the Master Developer is no longer operating the Master Association.
6. Propane tanks, swimming pools, and doghouses, woodpiles or stacks of firewood, unless behind privacy fences. Exterior clotheslines are prohibited.
7. Elevated tanks.
8. Satellite dishes, unless not visible from any street, and radio or television towers or antennae, to the maximum extent that such facilities may be prohibited.
9. Incinerators.

b. Vehicle and construction restrictions

1. Other than for vehicles and equipment owned or leased by the Master Developer or the Master Association, no truck with more than six wheels shall be permitted to remain in Serenity Cove longer than the time necessary for the loading or unloading of its cargo, except at active construction sites.

2. Recreational vehicles, which include all-terrain vehicles, travel trailers, campers, motor homes, boats, or similar equipment, or mobile or stationary trailers of any kind shall be permitted on lots within Serenity Cove; provided, however, that they may not be lived in and may not be parked where they are visible from the street or from the front yard of any adjacent lot.
3. Commercial vehicles, construction equipment, and construction trailers of any kind shall not be permitted on any lots, on the common area, or on a street within Serenity Cove except as necessary for loading and unloading, or as a temporary construction trailer used during the construction of a house on a lot. Any such temporary construction trailer shall be removed immediately upon the completion of the construction of the house it serves. In no case may a construction trailer, construction equipment, or commercial vehicle be upon a lot for more than 60 days. The Master Developer reserves the right to permit the placement of a sales or office trailer within Serenity Cove.
4. No disabled motor vehicle shall be parked or kept upon any lot, the common area or a street within Serenity Cove for more than 48 hours.
5. Every lot not containing a completed dwelling shall have a portable toilet for construction workers. Oil changes for construction equipment must be done outside Serenity Cove. Concrete trucks must dump their surplus or waste, and may be washed only in locations within Serenity Cove, if any, designated by the Master Developer or ACC. Contractors may not wash their vehicles within Serenity Cove. Construction workers may not bring pets within Serenity Cove. The general contractor for each jobsite is responsible for controlling dust and noise, including loud music, from that jobsite, and must provide containers for collection of construction waste. Daily working hours for construction shall be one hour before sunrise through one hour after sunset. No blasting shall be done without the approval of the Architectural Control Committee, whose approval is conditioned upon an indemnification of the Master Association by the blasting contractor regarding damage from blasting.
6. Excessive noise from motor vehicles or lawn maintenance equipment is prohibited. The Master Association's board may establish fines and other sanctions for creation of excessive noise and may also restrict the hours or days which loud equipment, such as leaf blowers and mowers, may be used.

c. Miscellaneous use restrictions

1. Sports equipment, bicycles, and children's toys (except when being used under adult supervision), shall be kept behind fenced yards or stored inside.
2. No animals other than ordinary household pets, such as dogs and cats, shall at anytime be kept on any lot for any purpose, and no more than two in total. This restriction does not prohibit keeping caged birds and reptiles and fish that are kept inside at all times.
3. No fowl, poultry, horses, swine, sheep, goats, or other domesticated farm animals, shall be allowed upon any lot.
4. No animals shall be bred or kept for commercial purposes. All household pets shall be restrained when allowed outside the owner's residence and all fecal waste shall be removed promptly.
5. Garage doors shall be kept closed at all times except when necessary for ingress or egress.
6. Waste receptacles shall be kept out of sight except on days when sanitation trucks will be scheduled to pick up waste.
7. Garage sales, patio sales, and other home sales of used merchandise are prohibited except as permitted annually or semi-annually by the Master Association.
8. Discharge of fireworks and firearms are prohibited.
9. Burning of waste is prohibited, other than burning of leaves and yard waste when it is safe to do so. Burning during dry or windy weather is prohibited. If a burn permit is required by governmental regulation or rule adopted by the Master Association, burning without a permit is prohibited.
10. Removal of soil is prohibited except as permitted in writing by the ACC in connection with excavation for swimming pools and building sites.

3.8 Governmental regulations.

The Master Association, acting through its board, is authorized by this Declaration to enforce the ordinances of Stone County and any other unit of local government having jurisdiction over Serenity Cove relating to uses of the lots, as though those ordinances were stated in this Declaration. Those ordinances pertain to resubdivision of lots, nuisances, permitted, building codes (if any), building setbacks and landscaping.

In addition, the Master Association is the holder of permits for the provision of public drinking water and wastewater collection and treatment services to the residents of Serenity Cove. The Master Association is obligated to comply with provisions of federal and state law relating to provision of drinking water and wastewater collection and treatment. All residents are required to comply with the Master Association's rules for the use of and payment for these water and wastewater facilities.

4. Easements and Common Areas; Combination and Resubdivision of Lots

4.1 Owner's easements of enjoyment of common areas

Every owner of a lot shall have a right and easement of ingress and egress in passenger vehicles and a right of pedestrian use over and through the entrance gate, streets and sidewalks (if any), and any other common areas that are conveyed to or dedicated by plat or deed as common area to the Master Association.

All rights of enjoyment, ingress and egress granted here are subject to the authority of the Master Association to adopt and enforce reasonable rules for the use thereof.

4.2 Easements for encroachment

There shall exist reciprocal appurtenant easements between adjacent lots and between adjacent lots and common areas. The purpose of these easements is to allow for the existence, within one-foot of any common or any setback line, of encroachments due to the accidental placement, settling, shifting, reconstruction or alteration of any improvement or structure, in order to prevent disputes, litigation and demolition of improvements and other structures that cause minimal interference with use.

4.3 Easements for construction, maintenance and utilities

The Master Developer, for itself and for the Master Association, reserves an assignable easement for the installation, construction, maintenance and improvement of utility, water, sewer, roads, landscaping, and drainage facilities, over, across, through and under each lot and common area. The easement described in this section is referred to as the Utility Easement.

The types of utilities for which this easement is available include electrical, water, sewer, CATV, telephone, and telecommunications. Providers of these services and their contractors may use this easement for the purposes of installation, construction, maintenance (including pruning of trees and shrubs) and improvement.

The Master Developer and the Master Association (and their employees and contractors) shall have the right, after reasonable notice to owners, to enter upon any lot for the purpose of removing any tree or branches that may tend to interfere with the maintenance of utilities at any reasonable hour on any day.

The Utility Easement may be defined on any plat filed for Serenity Cove.

No dwelling or other structure of any kind shall be built or placed on the Utility Easement.

4.4 Master Developer's easement for future development

The Master Developer's easement for future development includes ingress and egress and connecting additional streets and utility easements to serve adjacent parcels of land. Master Developer is not required by this easement to place land served by this easement under this Declaration. Master Developer shall promptly repair and restore any common areas damaged by the exercise of Master Developer's rights under this paragraph.

4.5 Partition of common area not permitted

There shall be no judicial partition of the common areas of Serenity Cove.

4.6 Combination and resubdivision of lots (other than condominium units)

Two or more lots may be combined into one lot with the approval of the Master Developer or the ACC. The applicant for such combination must be the owner of the lots to be combined and a replat reflecting the combination must be prepared by a registered surveyor and recorded in the office of the Stone County Recorder before the ACC will permit a structure to encroach on any interior lot line of the lots to be combined. Combination of lots, except by the Master Developer, will not reduce each original lot's liability for assessments to the Master Association or any sub-association.

With the consent of the Master Developer or the ACC, boundaries between two adjacent lots may be adjusted, if the result will not create a new lot or result in a lot that has a size of less than 1.5 acre. Any boundary adjustment must be reflected in a replat prepared by a registered surveyor and recorded in the office of the Stone County Recorder.

5. Master Developer's Reserved Rights

In addition to all other rights established or reserved by this Declaration, Master Developer shall have the right to annex or add additional property to Serenity Cove at any time by filing a supplemental declaration and plat, recorded in the Stone County Recorder's Office, subjecting property to the provisions of this instrument. In addition, Master Developer has reserved the rights described in Section 4.4 above.

Master Developer has a right, on behalf of the Master Association, to convey the drinking water supply, treatment and distribution system, or the wastewater collection and treatment facilities, or both water and wastewater systems, subject to the obligation of the owner or owners of those facilities to continue to provide water supply and wastewater collection and treatment to the owners of lots, townhomes, condominium units, and common areas in Serenity Cove. If the Master Developer sells the water supply or wastewater systems, Master Developer is entitled to receive the entire purchase price, less any closing costs and amounts allocable to replacement or reserve funds, as compensation for the Master Developer's capital costs incurred in the construction of the water and wastewater facilities.

6. General Provisions

6.1 Enforcement. Master Developer, the Master Association, or any owner shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, easements, reservations, liens, and charges now or hereafter imposed by the provisions of this Declaration. Failure by Master Developer, the Master Association, or by any owner to enforce any covenant or restriction contained in this Declaration shall in no event be deemed a waiver of the right to do so at a later date. In any legal action for enforcement of provisions of this Declaration by the Master Association, the prevailing party shall be entitled to its costs, including attorney fees.

6.2 Severability. Invalidation of any one of the covenants or restrictions contained in this Declaration by judgment or court order shall in no way affect any other provisions, which shall remain in full force and effect.

6.3 Amendments. This Declaration may be amended in whole or part at any time within ten years from the date of the recording of this document, only by duly recording an instrument executed and acknowledged by the Master Developer or its transferee, successors or assigns, with the amendment to take effect as and when recorded. As used in this section, the words "transferee," "successors," and "assigns" specifically excludes any purchasers of lots without the recording of a document assigning Master Developer's rights as declarant of this Serenity Cove.

Ten years after the recordation of this Declaration, it may be amended in whole or in part by duly recording an instrument executed and acknowledged by not less than a two-thirds majority of the owners of lots, with the amendment to take effect as and when specified in the amendment.

6.4 Subordination. No breach of any of the conditions contained in this Declaration or reentry by reason of such breach shall defeat or render invalid the lien of any mortgage made in good faith and for the value as to Serenity Cove or any lot in Serenity Cove; provided, however, that such conditions shall be binding on any owner whose title is acquired by foreclosure, trustee's sale or otherwise.

6.5 Duration. 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 Master Developer, the Master Association or any member thereof for a period of twenty-five years from the date of this Declaration, and thereafter shall continue automatically in effect for additional periods of ten years, unless otherwise agreed to in writing by the then owners of at least three-quarters of Serenity Cove lots.

6.6 Governing Law. This Declaration shall be governed, construed, and enforced in accordance with the laws of the State of Missouri.

6.7 Delivery of Notices and Documents. Any written notice or other documents relating to or required by these Restrictions may be delivered either personally or by mail. If by mail, it shall be deemed to have been delivered the day after a copy of same has been deposited in the United States mail, postage prepaid, addressed as follows:

(a) If to the Master Association or the ACC, to the Master Association at its office in care of the Developer, until the Master Association has its own address.

(b) If to a lot owner, to the address of any Lot within Serenity Cove, owned, in whole or in part, by him or any other address last furnished by that owner to the Master Association.

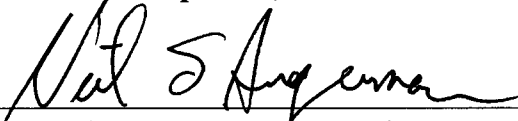
(c) If to the Master Developer, to its registered agent at its registered office.

Any notice address may be changed at any time by the party concerned by furnishing a written notice of change of address to the Master Association. Each owner of a Lot shall file the correct mailing address of such owner with the Master Association, and shall promptly notify the Master Association in writing of any subsequent change of address.

The authorized officer of Master Developer has executed this instrument.

A & A Ozark Properties, Inc.

By


Neil S. Angerman President

STATE OF MISSOURI ACKNOWLEDGMENT
COUNTY OF TANEY

On this 4th day of February, before me personally appeared Neil S. Angerman, to me personally known, who being duly sworn, did say that he is the President of **A & A Ozark Properties, Inc.** (the "Corporation"), and that the foregoing instrument was signed in behalf of the Corporation by authority of its board of directors, and he acknowledged the foregoing instrument to be the free act and deed of the Corporation and that the Corporation has no seal.



HARRY STYRON
My Commission Expires
April 25, 2009
Taney County
Commission #05405582


Notary Public

Exhibit A
Legal DescriptionDESCRIPTION:

A TRACT OF LAND SITUATED IN SECTION 5, TOWNSHIP 21 NORTH, RANGE 22 WEST, STONE COUNTY, MISSOURI, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT AN EXISTING STONE MARKING THE NORTHEAST CORNER OF THE NE1/4 OF THE SW1/4 OF SAID SECTION 5; THENCE S 02°14'04" W, ALONG THE EAST LINE OF SAID NE1/4 OF THE SW1/4, A DISTANCE OF 1316.01 FEET, TO THE NORTHEAST CORNER OF THE SE1/4 OF THE SW1/4; THENCE S 02°12'28" W, THE EAST LINE OF THE SE1/4 OF THE SW1/4, A DISTANCE OF 277.68 FEET, TO A POINT ON THE NORTHERLY RIGHT-OF-WAY LINE OF M.S.H.D. ROUTE UU; ALONG THE NORTHERLY RIGHT-OF-WAY LINE OF M.S.H.D. ROUTE UU AS FOLLOWS; THENCE S 89°12'35" W, A DISTANCE OF 744.75 FEET; THENCE SOUTHWESTERLY ALONG A 9.3384 DEGREE CURVE TO THE LEFT 357.13 FEET (SAID CURVE HAVING A CHORD BEARING AND DISTANCE OF S 72°30'57" W, 352.11 FEET AND HAVING A RADIUS OF 613.55 FEET); THENCE S 55°53'17" W, A DISTANCE OF 295.38 FEET, TO A POINT ON THE WEST LINE OF THE SE1/4 OF THE SW1/4; THENCE N 01°59'54" E, LEAVING THE NORTHERLY RIGHT-OF-WAY LINE OF M.S.H.D. ROUTE UU AND ALONG SAID WEST LINE, A DISTANCE OF 611.30 FEET, TO THE SOUTHEAST CORNER OF THE NW1/4 OF THE SW1/4; THENCE N 87°44'34" W, A DISTANCE OF 1316.15 FEET, TO THE SOUTHWEST CORNER OF SAID NW1/4 OF THE SW1/4; THENCE N 01°44'51" E, ALONG THE WEST LINE OF SECTION 5, A DISTANCE OF 1630.44 FEET, TO AN EXISTING COE MONUMENT #E500-3-16; ALONG THE GOVERNMENT FEE TAKING LINE OF TABLE ROCK LAKE AS FOLLOWS; THENCE S 87°53'24" E, A DISTANCE OF 333.28 FEET, TO COE MONUMENT #E500-3-15; THENCE N 42°21'31" E, A DISTANCE OF 1272.04 FEET, TO COE MONUMENT #E500-3-14; THENCE N 51°48'14" E, A DISTANCE OF 1505.71 FEET, TO COE MONUMENT #E500-3-13; THENCE S 43°54'51" E, A DISTANCE OF 461.16 FEET, TO COE MONUMENT #E500-3-12; THENCE S 24°58'35" E, A DISTANCE OF 362.24 FEET, TO COE MONUMENT #E500-3-11; THENCE S 28°21'11" W, A DISTANCE OF 362.99 FEET, TO COE MONUMENT #E500-3-10, BEING THE NORTHWEST CORNER OF THE SW1/4 OF THE NE1/4; THENCE S 88°15'48" E, A DISTANCE OF 1304.59 FEET, TO COE MONUMENT #E500-3-9; THENCE CONTINUE S 88°15'48" E, LEAVING THE GOVERNMENT FEE TAKING LINE AND ALONG THE NORTH LINE OF THE SW1/4 OF THE NE1/4, A DISTANCE OF 25.33 FEET, TO THE NORTHWEST CORNER OF THE SE1/4 OF THE NE1/4; THENCE S 87°32'36" E, A DISTANCE OF 1329.65 FEET, TO THE NORTHEAST CORNER OF THE SE1/4 OF THE NE1/4; THENCE S 04°07'49" W, A DISTANCE OF 1299.20 FEET, TO THE SOUTHEAST CORNER OF THE SE1/4 OF THE NE1/4; THENCE N 87°53'16" W, ALONG THE SOUTH LINE OF THE S1/2 OF THE NE1/4, A DISTANCE OF 2608.62 FEET, TO THE POINT OF BEGINNING. CONTAINING 250.96 ACRES OF LAND, MORE OR LESS, SUBJECT TO ALL EASEMENTS AND RESTRICTIONS OF RECORD.

AEA