

BYLAWS
OF
OXFORD RIDGE PROPERTY OWNERS ASSOCIATION
An Arkansas Nonprofit Corporation

ARTICLE I.
OFFICES

1.1 Registered Office and Agent. The registered office and registered agent of Oxford Ridge Property Owners Association (the "Association") shall be as designated with the Office of the Secretary of the State of Arkansas, as it may be changed from time to time.

1.2 Other Offices. The Association may also have offices at such other places both within and without the State of Arkansas as the Board of Directors may from time to time determine or as the business of the Association may require.

ARTICLE II.
MEMBERS

2.1 Members. Each and every person, persons or legal entity who shall own any Lot, as defined in the Declaration, situated in the real property covered by that certain Declaration of Covenants, Conditions and Restrictions for Oxford Ridge Subdivision, City of Bentonville, Benton County, Arkansas (the "Subdivision"), filed at Record Instrument #2005 30260 on June 17, 2005 in the office of the Circuit Clerk and Ex-Officio Recorder of Benton County, Arkansas, or by any amendment or supplementary declaration thereto filed in accordance with the provisions thereof (the "Declaration"), shall automatically be a Member of the Association, provided that any person or entity who holds an interest merely as security for the performance of any obligation shall not be a Member. Each and every Resident (who is not otherwise an Owner) may, but is not required to, be a non-voting Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot in the

Subdivision. Ownership of such Lot shall be the sole qualification for Membership in the Association; however, a Member's privileges to use the Common Properties may be regulated or suspended as provided in the Declaration, the Association's Bylaws, or the rules and regulations promulgated by the Association's Board of Directors. During the Development Period, Membership shall consist of two classes, the Class A Members and the Class B Member, as defined in the Declaration.

2.2 Voting Rights.

(a) During the Development Period only the Class B Member shall constitute the voting Members of the Association. The Class B Member shall be entitled to cast one (1) vote for each Lot located within the Subdivision. All votes relating to the Ownership of a Lot shall be cast by the Declarant to the exclusion of the Class A Members.

(b) Following the expiration of the Development Period the Class A Members shall constitute the voting Members of the Association. The Owners of each Lot in good standing shall be entitled to one (1) vote per Lot. Where more than one Owner owns and holds a record fee interest in a Lot, either as joint tenants, tenants in common, or tenants by the entirety, for the purposes of voting at meetings of the Association or on issues submitted to the Members, said multiple Owners shall cast one vote collectively for each Lot owned.

(c) Any Member owning all or any portion of a Lot in the Subdivision may assign his, her or its voting rights, as such rights relate to a particular area of land to a lessee holding a lease on such particular Lot to a lessee holding a lease on such Lot.

(d) The Oxford Ridge Property Owners Association shall not be a voting Member of the Association by virtue of its ownership of any Lot, or other tract or parcel of land situated on the real property covered by the Declaration or by any amendment or supplementary declaration thereto.

2.1 Transfers of Membership Interests. All transfers of Membership interest shall be governed by and in accordance with the Declaration. Except as set forth herein, or in the Declaration or the Association's Articles of

Incorporation, as amended from time to time, no Member of the Association may transfer his, her or its Membership or any right arising therefrom separate and apart from a transfer of his, her or its ownership interest in the Lot in the Subdivision giving rise to said Membership. Each Owner shall notify the Association of any transfer or assignment of the fee title to his, her or its Lot and the name and address of the transferee or purchaser. Such transfer shall automatically operate to transfer the Membership to the new Owner thereof.

ARTICLE III. MEETINGS OF MEMBERS

3.1 Annual Meeting. An annual meeting of the Members shall be held at such time and place as the Board of Directors may determine, for the transaction of such business as may come before the meeting. If the date specified for a meeting shall be a legal holiday in the State of Arkansas, then the annual meeting shall be held on the next succeeding business day. If the election of directors shall not be held on the day designated herein for any annual meeting, or at any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the Members as soon thereafter as conveniently may be.

3.2 Special Meetings. Special meetings of the Members may be called by the President, a Member of the Board of Directors, or the Members holding at least five percent (5%) of the voting power of the Association upon their signing, dating and delivering to any officer of the Association one (1) or more written demands for such meeting describing the purpose or purposes for which it is to be held. The close of business on the 30th day before delivery of the demand or demands for a special meeting to any officer of the Association is the record date for the purposes of determining whether the five percent (5%) requirement herein has been met. In the event that notice of a special meeting demanded by the Members holding five percent (5%) of the voting power of the Association is not given within 30 days after the date the written demand or demands are delivered to the officer of the Association, any Member signing the demand or demands may set the time and place of the meeting and give the notice pursuant to the notice provisions set forth in these Bylaws.

3.3 Place of Meeting. The Board of Directors may designate any place, either within or without the State of Arkansas as the place of meeting for any annual meeting or for any special meeting called by the Board of Directors. If no designation is made or if a special meeting be otherwise called, the place of meeting shall be the registered office of the Association in the State of Arkansas; but if all the Members shall meet at any time and place, either within or without the State of Arkansas, and consent to the holding of a meeting, such meeting shall be valid without call or notice, and at such meeting any corporate action may be taken.

3.4 Notice of Meetings. Written or printed notice stating the place, day and hour of any meeting of Members shall be delivered, either personally, by facsimile transmission or by mail, to each Member entitled to vote at such meeting, not less than ten (10) (or if notice is mailed by other than first class or registered mail, thirty (30)) nor more than sixty (60) days before the date of such meeting, by or at the direction of the President or the Secretary, or the officers or persons calling the meeting. In case of a special meeting or when required by statute or by these bylaws, the purpose or purposes for which the meeting is called shall be stated in the notice. If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail addressed to the Member at his address as it appears on the records of the Association, with postage thereon prepaid. If sent by facsimile, the notice of the meeting shall be deemed delivered upon successful transmission of such facsimile. Any Member may waive notice of any meeting. Such waiver must be in writing, signed by the Member entitled to the notice, and delivered to the Association for inclusion in the minutes or filing with the Association's records. The attendance of a Member at any meeting shall constitute a waiver of notice of such meeting, except where a Member attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully convened or called. Such objection must be made at the beginning of any such meeting.

3.5 Record Dates. The Board of Directors may establish a record date for determining the Members entitled to notice of a meeting and entitled to

vote or exercise any other lawful rights at the meeting. If the Board of Directors does not establish a record date (a) Members at the close of business on the business day preceding the date on which notice is given are entitled to notice of the meeting and (b) Members on the date of the meeting who are otherwise eligible to vote shall be entitled to vote at the meeting. A record date established by the Board of Director may not be more than seventy (70) days before the date of the meeting. A determination of Members entitled to notice of or to vote at a meeting of the Members shall be effective for any adjournment of the meeting unless the Board fixes a new record date. The Board must fix a new record date if the meeting is adjourned to a date more than seventy (70) days after the original record date for the meeting.

3.6 Informal Action by Members. Any action required by law to be taken at a meeting of the Members, or any action which may be taken at a meeting of Members, may be taken without a meeting if one (1) or more consents in writing, setting forth the action so taken, shall be signed by those Members representing at least eighty percent (80%) of the voting power of the Association, and delivered to the Association for inclusion in the minutes or for filing with the Association's records. The record date for determining Members entitled to take action without a meeting is the date the first Member signs the consent referred to herein. The Association shall provide written notice of Member approval pursuant to this Section, to all Members who have not signed the written consent referred to herein. If written notice is required, Member approval pursuant to this Section shall be effective ten (10) days after such written notice is given.

3.7 Quorum. The Members holding one-half of the total eligible votes which may be cast at any meeting shall constitute a quorum at such meeting. If a quorum is not present at any meeting of Members, a majority of the Members present may adjourn the meeting from time to time without further notice.

3.8 Majority Vote. When a quorum is present at any meeting, the vote of the Members holding a majority of all votes held by the Members, present in person or represented by proxy at the meeting, shall decide all matters brought before the meeting, unless the matter is one which, by express provision of law

or the Declaration or the articles of incorporation or bylaws, a different vote is required, in which case such express provision shall govern and control the decision of such matter.

3.9 Proxies. At any meeting of Members, a Member entitled to vote may vote by proxy executed in writing by the Member or by his duly authorized attorney-in-fact. No proxy shall be valid after eleven months from the date of its execution, unless otherwise provided in the proxy.

ARTICLE IV. DIRECTORS

4.1 General Powers. The affairs of the Association shall be managed by its Board of Directors. Directors shall be individuals who are Members of the Association or the designated representative of an entity that is a Member of the Association. All the corporate powers, except as otherwise provided by law or the articles of incorporation or bylaws of the Association, shall be vested in and exercised by the Board of Directors.

4.2 Number, Election, Tenure and Qualifications. The Board of Directors shall initially consist of three (3) individuals, with the initial Board of Directors to be appointed by the Developer in the Declaration to serve a ten (10) year term. The tenure, qualifications and all other matters not specifically provided for herein in regard to the directors of the Association shall be as specified in the Declaration. Any election of Directors shall be by plurality of the votes cast by the Members of the Association entitled to vote in the election of directors present, in person or by proxy, at a meeting of the Members at which a quorum is present. Cumulative voting shall not be permitted. The number of directors may be increased or decreased from time to time by amendment to the Articles of Incorporation and Bylaws, but no decrease shall have the effect of shortening the term of any incumbent director. The total number of directors may not be decreased to less than three (3). Each director shall hold office until the expiration of his term and until his successor shall have been elected and qualified. Any director may resign at any time by giving written notice of such resignation to the Board of Directors of the Association.

The resignation shall be effective when the notice is effective, unless said notice specifies a later effective date.

4.3 Regular Meetings. A regular annual meeting of the Board of Directors shall be held without other notice than this bylaw, immediately after, and at the same place as, the annual meeting of Members, unless changed or otherwise designated by the Board of Directors. The Board of Directors may provide by resolution the time and place, either within or without the State of Arkansas, for the holding of additional regular meetings of the Board without other notice than such resolution.

4.4 Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the President, the Chairman of the Board of Directors, or a majority of the Board of Directors. The person or persons authorized to call special meetings of the Board may fix any place, either within or without the State of Arkansas, as the place for holding any special meeting of the Board called by them.

4.5 Notice. Notice of any special meeting of the Board of Directors shall state the date, time and place of said meeting, and shall be given at least two (2) days before such meeting by written notice delivered personally or sent by mail or facsimile to each director at the address of such director as shown by the records of the Corporation. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage thereon prepaid. If notice is given by facsimile, such notice shall be deemed to be delivered upon successful transmission of the facsimile. A copy of any notice sent to the Board of Directors by facsimile must also be sent to each director on the same business day by mail or by personal delivery. Any director may waive notice of any meeting. The attendance of a director at any meeting shall constitute a waiver of notice of such meeting except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully convened or called. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board need be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these

bylaws. Members of the Board of Directors may participate in such meetings by means of conference telephone or similar communications equipment by reason of which all persons participating in the meeting can hear each other and participation in a meeting in such manner shall constitute presence in person at such meeting except where a director so participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

4.6 Quorum. A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board; but if less than a majority of the directors are present at any meeting, a majority of the directors present may adjourn the meeting from time to time without further notice.

4.7 Manner of Acting. The act of a majority of the directors present in person at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by law or by these bylaws.

4.8 Vacancies. Any vacancy occurring in the Board of Directors shall be filled by the Board of Directors even if the remaining directors constitute less than a quorum; provided, however, that in the event of a vacancy a director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office. Any directorship to be filled by reason of any increase in the number of directors shall be filled by election at an annual meeting or at a special meeting of the Members called for that purpose. In the event of a resignation with a notice specifying a later effective date, the Board may fill the pending vacancy prior to the effective date so long as it specifies that the successor shall not take office until the effective date.

4.9 Compensation. Directors as such shall not receive any stated salaries for their services, but, by resolution of the Board of Directors, a fixed sum and expenses of attendance, if any, may be allowed for attendance at each regular or special meeting of the Board; but nothing herein contained shall be

construed to preclude any director from serving the Association in any other capacity and receiving compensation therefor.

4.10 Informal Action by Directors. Any action required by law to be taken at a meeting of directors, or any action which may be taken at a meeting of directors, may be taken without a meeting if the action is taken by all Members of the Board and evidenced by a consent in writing, setting forth the action so taken, signed by all of the directors. The written consent shall be filed with and included in the minutes filed with the corporate records of the Association. Any action so taken shall be effective when the last director has signed such a consent, unless a different effective date is specified.

ARTICLE V.
OFFICERS

5.1 Officers. The officers of the Association shall be a President, one or more Vice Presidents (the number thereof to be determined by the Board of Directors), a Secretary, a Treasurer, and such other officers as may be elected in accordance with the provisions of this Article. The Board of Directors may elect or appoint such other officers, including one or more Assistant Secretaries and one or more Assistant Treasurers, as it shall deem desirable, such officers to have the authority and perform the duties prescribed, from time to time, by the Board of Directors. Any two or more offices may be held by the same person, except the offices of President and Secretary.

5.2 Election and Term of Office. The officers of the Association shall be elected annually by the Board of Directors at the regular annual meeting of the Board of Directors. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as convenient. New offices may be created and filled at any meeting of the Board of Directors. Each officer shall hold office until his successor shall have been duly elected and shall have qualified.

5.3 Removal. Any officer elected or appointed by the Board of Directors may be removed by the Board of Directors at any time, with or without cause, whenever in its judgment the best interests of the Association would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the officer so removed. Election or appointment of an officer shall not, of itself, create any contract rights.

5.4 Resignation. Any officer may resign at any time by delivering a written notice of resignation to the Association. The resignation is effective when the notice is effective, unless the notice specifies a future effective date. If a written resignation specifies a future effective date, and the Association accepts the future effective date, the Board of Directors may fill the pending vacancy before the effective date, so long as the Board provides that the successor shall not take office until the effective date.

5.5 Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors for the unexpired portion of the term.

5.6 President. The President shall be the principal executive officer of the Association and shall in general supervise, manage and control all of the business and affairs of the Association. He shall preside at all meetings of the Members and, if the Chairman of the Board is absent, of the Board of Directors. He may sign, with or without the Secretary or any other proper officer of the Association authorized by the Board of Directors, any deeds, mortgages, bonds, contracts or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these bylaws or by statute to some other officer or agent of the Association. Additionally, he shall see that all orders and resolutions of the Board of Directors are carried into effect. In general, he shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

5.7 Vice President. In the absence of the President or in the event of his inability or refusal to act, the Vice President (or in the event there be more than one Vice President, the Vice Presidents in the order of their election) shall perform the duties of the President, and when so acting shall have all the powers of and be subject to all the restrictions upon the President. Any Vice President shall perform such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

5.8 Treasurer. The Treasurer shall have charge and custody of and be responsible for all funds and securities of the Association; receive and give receipts for moneys due and payable to the Association from any source whatsoever, and deposit all such moneys in the name of the Association in such banks, trust companies or other depositories as shall be selected by the Board of Directors. He shall keep full and accurate records and accounts of all receipts and disbursements of the Association; disburse funds of the Association as ordered by the Board of Directors, and prepare financial

statements as directed by the Board of Directors. In general, he shall perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the President or by the Board of Directors. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Board of Directors shall determine.

5.9 Secretary. The Secretary shall attend and keep the minutes of the meetings of the Members and of the Board of Directors in one or more books provided for that purpose, record all votes/actions of such meetings, see that all notices are duly given in accordance with the provisions of these bylaws or as required by law, be custodian of the Corporate records and of the seal of the Association and see that the seal of the Association is affixed to all documents as necessary, the execution of which on behalf of the Association under its seal is duly authorized in accordance with the provisions of these bylaws; keep a register of the post office address of each Member which shall be furnished to the Secretary by such Member; and in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

ARTICLE VI. COMMITTEES

6.1 Architectural Control Committee. The Association shall have an Architectural Control Committee, to be established and governed in accordance with the terms of the Declaration, these bylaws, as applicable, and by the Board of Directors to the extent provided in the Declaration. Upon its initial formation, the Architectural Control Committee shall be composed of three (3) members, to be appointed by the Developer, who shall serve during the Development Period, following which time the Board of Directors of the Association shall assume its authority to designate no more than five (5) total members. Members, other than those initially appointed by the Developer, shall serve three (3) year terms. No absentee Owner, other than the Developer's appointed representative, may serve on the Architectural Control Committee. Nothing

contained herein shall be construed to preclude any member of this committee from serving the Association in any other capacity. Removal of members of the committee shall be governed by the Declaration; however, if the Declaration makes no provision therefor, then such committee members may be removed at any time by the Board of Directors with or without cause. Unless otherwise provided by the Declaration, the Board of Directors shall have the exclusive right and power at any time and from time to time to appoint additional Members and fill vacancies on such committee. The committee's function, powers and duties shall be governed by the terms of the Declaration; however, if no provision is made in the Declaration, then the Board of Directors shall establish the same.

6.2 Compliance Committee. The Association shall have a Compliance Committee, to be established and governed in accordance with the terms of the Declaration, these Bylaws, as applicable, and the Board of Directors to the extent provided in the Declaration. The Compliance Committee shall receive grievances and form complaints for submission to the Board of Directors regarding the breach of any of the covenants, conditions and restrictions. The Compliance Committee shall be composed of three (3) members, who shall be appointed by the Board of Directors; and the terms of such members shall be three (3) years. Nothing contained herein shall be construed to preclude any member of this committee from serving the Association in any other capacity. Removal of members of the Compliance Committee shall be governed by the Declaration; however, if the Declaration makes no provision therefor, then such committee members may be removed at any time by the Board of Directors, with or without cause. Unless otherwise provided by the Declaration, the Board of Directors shall have the exclusive right and power at any time and from time to time to appoint additional members to fill vacancies for this committee. The committee's function, powers and duties shall be governed by the terms of the Declaration; however, if no provision is made in the Declaration, then the Board of Directors shall establish the same.

6.3 Other Committees. The Board of Directors, by resolution adopted by a majority of the Directors, may create one or more committees (in addition to the Architectural Control Committee) as determined to be necessary. Except

as otherwise provided in such resolution, members of such committee or committees shall be Members of the Association or designated representatives of entities that are Members of the Association, and the President of the Association shall appoint the members thereof subject to approval by the Board of Directors. Members of a committee as such shall not receive any stated salaries for their services, but, by resolution of the Board of Directors, a fixed sum and expenses of attendance, if any, may be allowed for attendance at each meeting thereof; but nothing herein contained shall be construed to preclude any committee member from serving the Association in any other capacity and receiving compensation therefor.

6.4 Term of Office. Each member of a committee shall continue as such until the next annual meeting of the Members of the Association or until the successor to such member is appointed unless the committee shall be sooner terminated, or unless such member be removed from such committee, or unless such member shall cease to qualify as a member thereof, subject to the provisions of Section 6.1 and 6.2 of these bylaws concerning the Architectural Control Committee and the Compliance Committee, respectively.

6.5 Chair. One member of each committee shall be appointed as the Chair of such committee by the President, subject to approval by the Board of Directors.

6.6 Vacancies. Vacancies in the Membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments, subject to the provisions of Section 6.1 and Section 6.2 of these bylaws concerning the Architectural Control Committee and the Compliance Committee, respectively.

6.7 Quorum. Unless otherwise provided in the resolution of the Board of Directors designating a committee, a majority of the whole committee shall constitute a quorum and the act of a majority of the Members present at a meeting at which a quorum is present shall be the act of the committee.

6.8 Rules. Each committee may adopt rules for its own government not inconsistent with these bylaws, the articles of incorporation of the Association, the Declaration, or with rules adopted by the Board of Directors.

ARTICLE VII. ASSESSMENTS

7.1 Annual Assessment. Each owner of any Lot or part of any property covered by the Declaration, or any supplementary declaration thereto filed in accordance with the provisions thereof, except the Association itself, shall pay to the Association an annual assessment to be determined by the Association's Board of Directors in accordance with the Declaration or any supplementary declaration thereto. The Board of Directors shall follow the provisions of the Declaration, or any supplementary declaration thereto, in fixing the annual assessment and in the determination of how and when said assessments shall be paid; however, if no such provisions are set forth in the Declaration, then the Board of the Directors shall be responsible for establishing these matters. In connection therewith, the Board of Directors of the Association should consider maintenance costs and future needs of the Associations in the determination of the actual assessment amounts. Unless otherwise provided in the Declaration, or any supplementary declaration thereto, the Association may not accumulate a surplus at the end of the year which is more than two (2) times the maximum permissible annual assessments for the year.

7.2 Special Assessments. In addition to the annual assessments authorized by Section 7.1 hereof, the Association may, by vote of its Members as set out in Section 7.5 hereof, levy in any assessment year or years a special assessment for such purposes as determined necessary. All special assessments shall be governed by and in accordance with the terms of the Declaration or any supplementary declaration thereto.

7.3 Purpose of Assessments. The assessments levied by the Association shall be used for the purposes set forth in the Declaration, or any supplementary declaration thereto. Subject to the provision of the Declaration, or any supplementary declaration thereto, the assessments shall be used for

the purpose of promoting the comfort, health, safety and welfare of the owners of the Lots or property covered by the Declaration, or any supplementary declaration thereto, and for carrying out the purposes of the Association as stated in its Articles of Incorporation.

7.4 Increase in Rate of Annual Assessment. Any increase in the maximum rate of the annual assessment as authorized by Section 7.1 hereof must be made in accordance with the provisions of the Declaration, or any supplementary declaration thereto. Unless otherwise provided in the Declaration, the increase must be approved by a majority vote of the Members of the Association as specified in these bylaws, voting in person or by proxy, at a meeting duly called for such purpose, written notice of which shall be given to Members at least thirty (30) days in advance and shall set forth the purpose of the meeting.

7.5 Voting Requirements for Special Assessment. Any special assessment authorized by Section 7.2 hereof must be approved in accordance with the terms and provisions of the Declaration, or any supplementary declaration thereto. In the absence of any specifications in the Declaration, special assessments must be approved by a majority of the total eligible votes of the Membership of the Association pursuant to these bylaws, voting in person or by proxy, at a meeting duly called for such purpose, written notice of which shall be given to all Members at least thirty (30) days in advance and shall set forth the purpose of the meeting.

7.6 Due Date of Assessments. The assessments for any year shall become due and payable at such times as shall be specified in the Declaration, or any supplementary declaration thereto; however, if no provision is made therein, then the due date and any delinquent date shall be determined by the Board of Directors. The due date and delinquent date of any special assessment shall be established in the same manner as the annual assessments.

7.7 Owner's Personal Obligation for Payment of Assessments. Except as otherwise provided by the Declaration, or any supplementary declaration thereto, the following shall be applicable to all annual and special assessments:

(a) The annual and special assessments provided for herein shall be the personal and individual debt of the owner of the Lot or property covered by such assessment;

(b) No owner may exempt himself, herself or itself from any liability for such assessment; and

(c) In the event of a default in the payment of any such assessment, the owner of the Lot or property shall be obligated to pay interest at the maximum lawful rate on the amount of the assessment from the due date thereof, together with all costs and expenses, including attorneys' fees.

7.8 Assessment Lien and Foreclosure. The establishment of any liens and charges on the Lots or other property covered by the Declaration, and any supplementary declarations thereto, and the assessments provided herein and therein, shall be governed by and in accordance with the terms of the Declaration, and any supplementary declaration thereto. However, to the extent not provided for in the Declaration, or any supplementary declaration thereto, the provisions of this Section 7.8 shall be applicable to the establishment and enforcement of such lien. Therefor, all sums assessed in a manner provided by the Declaration and this Article, together with all applicable interest and the cost of collection, including attorneys' fees as hereinafter provided, shall thereupon become a continuing lien and charge on the Lots and property covered by such assessment, which shall bind such property in the hands of the owner, and the owner's heirs, devisees, personal representatives and assigns. The aforesaid lien shall be superior to all other liens and charges against the said property, except only for tax liens and all sums unpaid on a first mortgage lien or first deed of trust lien of record, securing in either instance sums borrowed for the improvement of the property in question. The Association shall have the power to subordinate the aforesaid assessment lien to any other lien. Such power shall be entirely discretionary with the Association. To evidence the aforesaid assessment lien, the Association shall prepare a written notice of assessment lien setting forth the amount of the

unpaid indebtedness, the name of the owner of the property covered by such lien and a description of the property. Such notice shall be signed by one of the officers of the Association and shall be recorded in the office of the Circuit Clerk and Ex-Officio Recorder of Benton County, Arkansas. Such lien for payment of assessments shall attach with the priority above set forth from the date that such payment becomes delinquent as set forth in Section 7.7 above and may be enforced by the foreclosure of the defaulting owner's property by the Association in like manner as a mortgage on real property subsequent to the recording of a notice of assessment lien as provided above, or the Association may institute suit against the owner personally obligated to pay the assessment and/or for foreclosure of the aforesaid lien judicially. In any foreclosure proceeding, whether judicial or not judicial, the owner shall be required to pay the costs, expenses and reasonable attorney's fees incurred. The Association shall have the power to bid on the property at foreclosure or other legal sale and to acquire, hold, lease, mortgage, convey or otherwise deal with the same. Upon the written request of any mortgagee holding a prior lien on any part of any property being assessed, the Association shall report to said mortgagee any unpaid assessments remaining unpaid for longer than thirty (30) days after the same are due.

7.9 Common Properties Exempt. All Common Properties or Common Areas as defined in the Declaration, or any supplementary declaration thereto, and all portions of any of the property covered by such Declaration, or any supplementary declaration thereto, that is owned by or otherwise dedicated to any political subdivision shall be exempted from the assessments and liens created herein.

ARTICLE VIII. MAINTENANCE

8.1 Duty of Maintenance. Except as otherwise provided in the Declaration, or any supplementary declaration thereto, all Owners and occupants (including lessees) of any part of any Lot or any other part of the property covered by the Declaration, or supplementary declaration thereto, shall jointly and severally have the duty and responsibility at their sole cost and

expense, to keep their Lot or that part of such property so owned or occupied, including buildings, improvements and grounds in connection therewith, in a well-maintained, safe, clean and attractive condition at all times. Such maintenance includes, but is not limited to, the following:

- (a) Prompt removal of all litter, trash, refuse and wastes;
- (b) Lawn mowing;
- (c) Tree and shrub pruning;
- (d) Watering;
- (e) Keeping exterior lighting and mechanical facilities in working order;
- (f) Keeping landscape areas alive, free of weeds and attractive;
- (g) Keeping parking areas, driveways and roads in good repair;
- (h) Complying with all government health and police requirements;
- (i) Repainting of improvements;
- (j) Repair of exterior damages to improvements; and
- (k) Such other maintenance as determined to be appropriate by the Board of Directors.

8.2 Enforcement. Except as otherwise provided in the Declaration, or any supplementary declaration thereto, if, in the opinion of the Association, any such owner or occupant has failed in any of the foregoing duties or responsibilities, then the Association may give such person written notice of such failure and such person must within ten (10) days after receiving such notice, perform the care and maintenance required. Should any such person fail to fulfill this duty and responsibility within such period, then the Association through its authorized agent or agents shall have the right and power to enter onto the premises and perform such care and maintenance without any liability for damages for wrongful entry, trespass or otherwise to any person. The owners and occupants (including lessees) of any part of the property on which such work is performed shall jointly and severally be liable for the cost of such work and shall promptly reimburse the Association for such cost. If such owner or occupant shall fail to reimburse the Association within thirty (30) days after receipt of a statement for such work from the Association, then said indebtedness shall be a debt of all of said persons jointly and severally, and

shall constitute a lien against that portion of the property on which said work was performed. Such lien shall have the same attributes as the lien for assessments and special assessments set forth in Section 7.8 of these bylaws, which provisions are incorporated herein by reference, and the Association shall have identical powers and rights in all respects, including but not limited to the right of foreclosure.

ARTICLE IX. INDEMNIFICATION

9.1 General. For purposes of these bylaws and this Article, the term "Association" shall have the same meaning as the term "Corporation" as defined in the Arkansas Nonprofit Corporation Act of 1993 (the "Act"). Additionally, the terms "Director", "Expenses", "Liability", "Official Capacity", "Party" and "Proceeding", as well as any other applicable terms, shall have the same definitions as assigned to them pursuant to the Act. It is the goal of this article, as well as these bylaws, to be in compliance with the Act at all times.

9.2 Standard for Indemnification. Except as otherwise provided herein or in the Act, the Association may indemnify a person made a party to a proceeding because the person is or was a director of the Association against liability incurred in said proceeding only if it is determined in accordance with Section 9.06 that the person:

(a) conducted himself or herself in good faith;

(b) reasonably believed:

(1) in the case of conduct in such person's official capacity with the Association, that such conduct was in the Association's best interest; and

(2) in all other cases, that the conduct was at least not opposed to the Association's best interests; and

(c) in the case of any criminal proceeding, had no reasonable cause to believe such conduct was unlawful.

9.3 Prohibited Indemnification. Except as provided in Section 9.5, a director may not be indemnified under Section 9.2 in respect of a proceeding:

(a) brought by or in the right of the Association in which the person is adjudged liable to the Association; or

(b) in which the person is adjudged liable on the basis that personal benefit was improperly received by such person, whether or not the benefit resulted from an action taken in the person's official capacity.

9.4 Effect of Termination of Proceeding. The termination of a proceeding by judgment, order, settlement, or conviction, or on a plea of nolo contendere, or its equivalent, is not, of itself, determinative that the person did not meet the requirements set forth in Section 9.2.

9.5 Mandatory Indemnification. Any person who is a director of the Association who is wholly successful, on the merits or otherwise, in the defense of any proceeding to which such person was a party because of his or her capacity as a director or officer of the Association, shall be entitled to indemnification of all reasonable expenses actually incurred by such person in connection with the proceeding.

9.6 Determination of Indemnification. A determination of indemnification under Section 9.2 must be made:

(a) by a majority vote of a quorum consisting of directors who, at the time of the vote, are not named parties to the proceeding;

(b) if such a quorum cannot be obtained, by a majority vote of a committee of the Board of Directors, designated to act in the matter by a majority vote of all directors, consisting solely of two or more directors who at the time of the vote are not named parties to the proceeding;

(c) by special legal counsel selected by the Board of Directors or a committee of the Board of Directors by vote as set forth in Subsection (a) or (b) of this Section, or, if such a quorum cannot be obtained and such a committee cannot be established, by a majority vote of all directors; or

(d) by the Members in a vote that excludes the vote of directors who are named parties to the proceeding.

9.7 Authorization of Indemnification. Authorization of indemnification and determination as to reasonableness of expenses must be made in the same manner as the determination that indemnification is permissible, except that (i) if the determination that indemnification is permissible is made by special legal counsel, authorization of indemnification and determination as to reasonableness of expenses must be made in the manner specified by Subsection (c) of Section 9.6 for the selection of special legal counsel, and (ii) the provision of this Article making indemnification mandatory in certain cases specified herein shall be deemed to constitute authorization in the manner specified by Section 9.6 of indemnification in such cases.

9.8 Court Determination of Indemnification. Any person who is a director of the Association and is a party to a proceeding, may apply for indemnification to the court conducting the proceeding, or to another court of competent jurisdiction. If, upon application of a director, a court of competent jurisdiction determines, after giving any notice the court considers necessary:

(a) the director is entitled to mandatory indemnification under Section 9.5, the court may order indemnification in the amount it considers proper and shall also order the Association to pay such person's reasonable expenses incurred to obtain the court ordered indemnification; or

(b) that such person is fairly and reasonably entitled to indemnification in view of all the relevant circumstances, whether or not such person has met the requirements as set forth in Section 9.2, or has been adjudged liable in the circumstances described by Section 9.3, the court may order indemnification in the amount it considers proper; however, if such person has been adjudged

liable in the circumstances described by Section 9.3, the court shall limit indemnification to reasonable expenses incurred.

9.9 Advancement of Expenses. Reasonable expenses incurred by a director who is a party to a proceeding may be paid or reimbursed by the Association in advance of the final disposition of the proceeding after:

(a) the Association receives a written affirmation by the director of the good faith belief of such director that such director has met the standard of conduct necessary for indemnification under this Article;

(b) the Association requires a written unlimited general obligation of the director, executed personally or on the director's behalf (that can be accepted without reference to financial ability to make repayment and need not be secured) to repay the amount paid or reimbursed if it is ultimately determined that the director has not met the required standard of conduct; and

(c) a determination that the facts then known to those making the determination would not preclude indemnification under this Article.

The determinations and authorizations of payments under this Section 9.9 must be made in the manner specified by Sections 9.6 and 9.7.

9.10 Expenses of Witness. Notwithstanding any other provision of this Article, the Association may pay or reimburse expenses incurred by a director in connection with the appearance as a witness or other participation in a proceeding at a time when the director is not a named defendant or respondent in the proceeding, given that such appearance or participation occurs by reason of such person being or having been a director of the Association.

9.11 Indemnification of Officers. The Association shall indemnify any officer of the Association, who is not a director, to the same extent as that provided for directors of the Association as specified in Section 9.5. In addition, an officer of the Association, who is not a director, shall be entitled to apply for court ordered indemnification in the same manner as directors, as provided in Article IX.

9.12 Indemnification and Advancement of Expenses to Officers and Others. The Association may indemnify and advance expenses to an officer, employee or agent of the Association, who is not a director, to the same extent as to a director, and to such further extent as such person may be entitled by the Association's articles of incorporation, bylaws, general or specific action of the Board of Directors, or contract or as permitted or required by law.

9.13 Indemnification of Architectural Control Committee Members. For purposes of these bylaws and indemnification, the Members of the Architectural Control Committee shall be considered agents of the Association for the limited purposes specified in their role on the Architectural Control Committee as established under these bylaws or the Declaration. In connection therewith, the Association may indemnify and advance or reimburse expenses to any person who is or was a Member of the Architectural Control Committee to the same extent that it may indemnify and advance or reimburse expenses to directors under this Article and the Act.

9.14 Non-Exclusive; Continuation of Indemnification. The indemnification provided by this Article shall not be exclusive of any other rights to which the person claiming indemnification may be entitled under any agreement, any vote of disinterested directors or otherwise. The indemnification and advance payments provided by this Article shall continue as to a person who has ceased to hold his position as a director, officer, employee or agent.

9.15 Liability Insurance. The Association may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee, or agent of the Association, or who, while a director, officer, employee or agent of the Association is or was serving at the request of the Association as a director, officer, partner, trustee, employee, or agent of another foreign or domestic business or nonprofit corporation, association, partnership, joint venture, sole proprietorship, trust, employee benefit plan or other enterprise, against any liability asserted against such person or incurred by such person in such a capacity or arising out of the status as such a person, whether or not the

Association would have the power to indemnify such person against that liability under this Article or the Act.

9.16 Report to Members. Any indemnification of or advance of expenses to a director in accordance with this Article shall be reported in writing to the Members of the Association with or before the notice or waiver of notice of the next meeting of Members or with or before the next submission to Members of a consent to action without a meeting pursuant to the Act and, in any case, within the 12-month period immediately following the date of the indemnification or advance.

ARTICLE X.
GENERAL PROVISIONS

10.1 Books and Records. The Association shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Members, Board of Directors and committees having any of the authority of the Board of Directors, and shall keep at the registered or principal office a record giving the names and addresses of the Members entitled to vote. All books and records of the Association may be inspected by any Member, or his agent or attorney for any proper purpose at any reasonable time.

10.2 Checks and Notes. All checks or demands for money and notes of the Association shall be signed by such officer or officers or such other person or persons as the Board of Directors may from time to time designate.

10.3 Fiscal Year. The fiscal year of the Association shall be as determined by the Board of Directors.

10.4 Seal. The Association seal shall have inscribed thereon the name of the Association and shall be in such form as the Board of Directors may prescribe.

10.5 Dedicated Property. The Association shall have power to dedicate any of its property to an appropriate public authority for public use; provided that any such dedication shall have the approval of a majority of the total eligible votes of the Membership of the Association as defined in Section 2.2 of these bylaws voting, in person or by proxy, at a meeting duly called for such purpose, written notice of which shall be given to all Members at least thirty (30) days in advance and shall set forth the purpose of the meeting.

10.6 Protective or Restrictive Covenants. The Protective or Restrictive Covenants set out in the Declaration or any supplementary declaration referred to in Section 2.1 of these bylaws are binding on the Members of the Association. The Association shall have the right (but not the duty) to enforce

any of the covenants and restrictions set out in any such Declaration or supplementary declaration. Enforcement of the covenants and restrictions shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate any covenant or restriction, either to restrain violation or to recover damages, and against the land, to enforce any lien created by these covenants; and failure by the Association or any owner to enforce any such covenant or restriction shall in no event be deemed a waiver of the right to do so thereafter.

10.7 Waiver of Notice. Whenever any notice is required to be given under the provisions of the Arkansas Non-Profit Corporation Act of 1993 or under the provisions of these bylaws, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

10.8 Resignation. Any director, officer or agent may resign by giving written notice to the President or the Secretary. The resignation shall take effect at the time specified therein, or immediately if no time is specified. Unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

10.9 Amendments to Bylaws. These bylaws may only be amended, altered, repealed or readopted by the Class B Member, until such time as the Development Period, as defined in the Declaration, ends. Thereafter, these bylaws may only be altered, amended or repealed, and new bylaws may be adopted at a meeting of the Members at which a quorum is present, by an affirmative vote of two-thirds (2/3) of the Members of the Association entitled to vote thereon. In the event that the Board of Directors or the Members of the Association seek an amendment to these bylaws, to be approved by the Members at a Membership meeting, the Association shall give notice to its Members of the proposed Membership meeting, in writing, in accordance with Section 3.4 of these bylaws concerning notice of Member meetings. The notice must state that one of the purposes of the meeting is to consider the proposed amendment, and the notice must also contain or be accompanied by a copy or summary of the proposed amendment. In the event that approval by the

Members is sought in accordance with Section 3.6 of these bylaws for informal action by the Members, by a written consent or written ballot, the material soliciting the approval shall contain or be accompanied by a copy or summary of the proposed amendment.

10.10 Table of Contents and Headings. The table of contents and headings used in these bylaws have been inserted for organization and convenience only and do not constitute matters to be construed in interpretation.

10.11 Construction. Whenever the context so requires, the masculine shall include the feminine and neuter, and the singular shall include the plural, and conversely. If any portion of these bylaws shall be, invalid or inoperative, then, so far as is reasonable and possible, the remainder of these bylaws shall be considered valid and operative and effect shall be given to the intent manifested by the portion held invalid or inoperative.

10.12 Declaration. Nothing contained in these Bylaws shall constitute an amendment to the Declaration which can only be amended by the Members in the manner specified by the Declaration. However, these Bylaws are intended to implement certain provisions of the Declaration and otherwise, together with the Articles of Incorporation, specify the organization and governance of the Association.

10.13 Loans or Guarantees for Directors or Officers. The Association may not lend money to nor guarantee the obligation of any director or officer of the Association.

10.14 Definitions. All words or terms used in these bylaws that are defined in the Declaration shall have the meaning given and assigned to them in said Declaration.

10.15 Governing Law. These bylaws shall be governed by and construed in accordance with the laws of the State of Arkansas applicable thereto, including without limitation the Arkansas Nonprofit Corporation Act of 1993,

without regards to the conflicts of laws provisions thereof. Any and all claims or causes of action shall and must be filed only in the courts of the State of Arkansas for Benton County or the United States District Court for the Western District of Arkansas, which shall have exclusive jurisdiction over any and all disputes which arise in relation hereto, whether in law or in equity. All Members, Directors, officers and agents of the Association expressly agree, consent, and stipulate that venue shall be exclusively within said courts. Further, the Members, Directors, officers and agents expressly agree, consent and stipulate to the exercise of personal jurisdiction over them and subject matter jurisdiction over any such controversy arising in relation hereto being only in the courts listed herein.

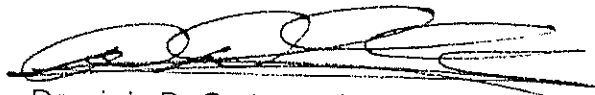
APPROVED, ADOPTED AND EFFECTIVE as of the filing of the Articles of Incorporation of Oxford Ridge Property Owners Association.

SOLE INCORPORATOR:

OXFORD RIDGE, LLC
an Arkansas limited liability company

By: LandQuest Communities of Arkansas, LLC,
It's member

By:

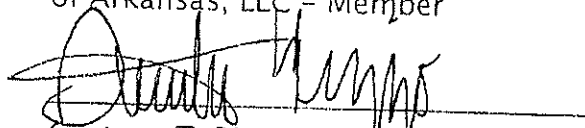


Dominic D. Geric, authorized
representative of LandQuest

Communities

of Arkansas, LLC - Member

By:



Gaetano T. Rizzo, authorized
representative of LandQuest

Communities

of Arkansas, LLC - Member

Approved and Adopted, and made a part of the corporate records of Oxford Ridge Property Owners Association, and effective on the date set forth above.

Bart T. Bauer, Secretary