

**Condition of
Mountain Terrace Estates
Homeowners Association, Inc.
January 14, 2013**

*Board of Directors
John Burnell, President
William Carpenter, Vice-President
Deb Coyle, Secretary
Bill Nunnally, Treasurer
Clay Farris
Sandra Koller
Jim Payseno*

The members of the Mountain Terrace Estates Homeowners Association have administered the operation of the Association for three plus years. It is the board's objective to work toward the continued betterment of the community.

**Mountain Terrace Estates Homeowners Association, Inc.
(Arkansas Non-Profit Corporation)
Notes to the Financial Statements
December 31, 2012**

1. Organization

The Mountain Terrace Homeowners Association, Inc., (the "Association") was incorporated in the State of Arkansas as a non-profit corporation. The Association is responsible for the care, upkeep, and supervision of the real property and improvements within the Association. The Association consists of common area including a clubhouse and pool along with sixty-eight (68) units located on 17.79 acres more or less in Maumelle, Pulaski County, Arkansas.

2. Summary of Significant Accounting Policies

A. Basis of Accounting

The Association's records are presented using the cash method of accounting which recognizes revenues when received and expenses when paid.

B. Account Payable & Accounts Receivable

With the cash method of accounting, outstanding accounts payable and accounts receivable are not included in the financial reports. All 2012 Accounts Payable are paid. Accounts Receivable for sixty-eight units are current.

C. Audit

The yearly financial audit was performed in November 2012. The audit committee presented their written report to the Board of Directors on December 3, 2012. A copy of the cover letter is included in this annual report.

D. Assessments

Annual assessments are billed monthly and are due on the 1st of each month. Assessments beginning January 2013 will be \$198.00 per month or \$2376.00 per year.

E. Income Taxes

While the Association has been organized under Arkansas non-profit statutes as a corporation without capital stock or shareholders, the Association is not a tax-exempt organization. Consequently, the Association is subject to federal and state income taxes on net income derived from investments and other non-membership sources.

F. Recognition of Assets

Real and personal common property acquired by the Association from the developer is recorded as capitalized fixed assets and valued at cost in the period in which it is acquired.

G. Cash

For purposes of the Income Statement, the Association defines cash equivalents as all investments that are available upon demand.

H. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets

and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

I. Funds

The Association uses fund accounting, which requires that funds, such as operating funds and funds designated for future major repairs, replacements, and additions be classified separately for accounting and reporting purposes. Fund accounting is helpful in segregating funds having restrictions on their use. A disbursement from the Operating Fund or the Replacement Fund is at the discretion of the Board of Directors (the "Board") of the Association. Disbursements from a Special Assessment Fund may be made only for its designated purposes.

3. Reserve & Replacement Fund Investments

The Association has invested its reserve funds in a money market account.

4. Contract with Pugh Earthworks

Effective September 1, 2012 the Association entered into a one year agreement with the Pugh Earthworks to provide landscape maintenance services.

5. Contract with Central Termite

MTEHOA has a termite contract with Central Termite. The Agreement provides for an annual fee of \$67.50 per unit. Payments are made as the units are inspected.

6. Future Major Repairs and Replacements

The Association, as allowed by the Declarations, maintains a Reserve & Replacement Fund for major repairs and replacement of common property. Accumulated funds are held in a separate savings account and are generally not available for normal operations. Management intends to accumulate funds in the Reserve & Replacement Fund based on estimates of future needs for major repairs and replacements of common property components. Actual expenditures may vary from the estimated future expenditures, and the variations may be material. Therefore, amounts accumulated in the Reserve & Replacement Fund may not be adequate to meet all future needs for major repairs and replacements. If additional funds are needed, the Association has the right, subject to the Board of Director's approval, to increase regular assessments or delay major repairs and replacements until funds are available. Special Assessments for designated projects may be implemented with a 2/3 vote of the membership.

--	--

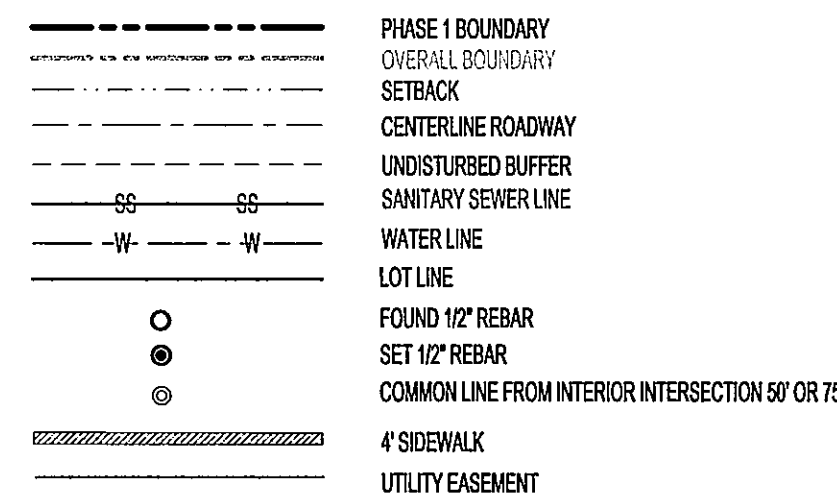
FINAL PLAT

501-227-4459

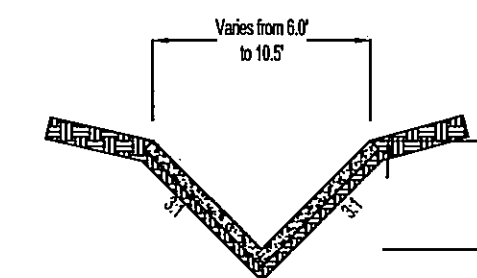
205002379 H 402



1. TOWN HOMES, A PLANNED RESIDENTIAL DEVELOPMENT
2. OWNER OF RECORD: LIFESTYLE COMMUNITIES, L.L.C., P.O. BOX 13160, MAUMELLE, AR 72113
3. SOURCE OF TITLE: 2004005888
4. 76 UNITS, 4.27 UNITS PER ACRE
5. EXISTING COVENANTS AND RESTRICTIONS: NONE
6. SOURCE OF WATER: CITY OF MAUMELLE
7. SOURCE OF SEWER: CITY OF MAUMELLE
8. NONE OF THIS PROPERTY IS LOCATED IN THE
FLOOD WAY OR FLOOD PLAIN AS SHOWN ON FIRM
MAP #050577-0001-A AND #050577-0002-A
9. PROPERTY IS ZONED "PRD"
10. ALL LOTS ARE 50.00' X 75.00' RECTANGULAR AND EXTEND FROM THE COMMON LINE BETWEEN DWELLINGS
11. ALL STORM SEWER WITHIN 50' ACCESS EASEMENT EXCEPT AS NOTED WHERE EASEMENT IS 7.5' EACH
SIDE
12. WATER LINE & SEWER LINE EASEMENTS 7.5' EACH SIDE OF NEW MAINS AS SHOWN ON PLAT
13. GAS & ELECTRIC EASEMENTS 5' EACH SIDE OF UTILITY AS CONSTRUCTED
14. ALL "L???" LINES ARE BEARING AND DISTANCES AS SHOWN IN EAST CORNER REFERENCE TABLE TO
REFERENCE CORNER "1"E
15. ALL "LW???" LINES ARE BEARING AND DISTANCES AS SHOWN IN WEST CORNER REFERENCE TABLE TO
REFERENCE CORNER "1"W"



OWNER OF RECORD:
LIFESTYLE COMMUNITIES, LLO
P.O. BOX 13160
MAUMELLE, AR. 72113



S=0.035 ft
TYPICAL DITCH SECTION
with CONCRETE LINER

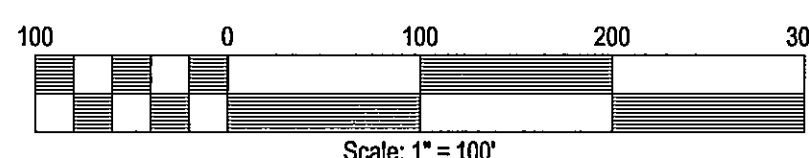
WATER LINE TABLE		
NUMBER	DIRECTION	DISTANCE
W1	S 78°30'10" W	225.39
W2	S 86°36'31" W	115.04
W3	N 09°41'40" W	91.71
W4	N 38°47'45" W	327.13
W5	N 81°15'57" W	30.61
W6	N 89°31'21" W	123.54
W7	S 81°26'15" W	34.94
W8	S 16°42'16" E	149.99
W9	N 24°37'15" W	95.36
W10	N 03°21'21" E	167.50
W11	N 02°10'45" W	70.71
W12	N 83°31'28" E	23.46
W13	N 11°47'01" E	220.25
W14	N 16°15'09" E	247.26

NUMBER	WEST CORNER REFERENCES TABLE		
	DIRECTION	DISTANCE	
LW1	N 09°06'13" E	365.31'	
LW2	S 26°23'00" W	1050.29'	
LW3	S 33°25'36" W	699.77'	
LW4	S 30°19'12" W	814.68'	
LW5	S 28°06'10" W	931.95'	
LW6	S 48°45'08" W	775.71'	
LW7	S 44°02'03" W	876.88'	
LW8	S 40°19'45" W	983.64'	
LW9	S 37°24'10" W	1093.63'	
LW10	S 30°22'17" W	437.90'	
LW11	S 40°37'30" W	181.61'	
LW12	S 67°53'27" W	353.19'	
LW13	S 66°49'43" W	641.03'	
LW14	S 77°50'25" W	620.08'	
LW15	N 87°10'10" W	175.09'	
LW16	S 74°43'52" W	464.79'	
LW17	N 66°17'37" W	269.05'	
LW18	N 63°37'14" W	657.94'	
LW19	N 58°45'44" W	469.56'	
LW20	S 40°45'08" W	623.93'	

NUMBER	DIRECTION	DISTANCE
LE1	S 15°08'17" E	1079.88'
LE2	S 04°58'25" E	973.95'
LE3	S 07°30'00" E	858.81'
LE4	S 10°41'37" E	747.32'
LE5	S 15°01'39" E	636.62'
LE6	S 18°32'20" E	974.14'
LE7	S 22°44'56" E	872.65'
LE8	S 27°55'03" E	775.88'
LE9	S 32°05'55" E	417.74'
LE10	S 45°03'27" E	739.86'
LE11	S 37°23'18" E	706.63'
LE12	S 55°40'56" E	892.49'
LE13	S 41°05'17" E	310.89'
LE14	S 64°29'39" E	770.38'
LE15	S 69°59'27" E	640.39'
LE16	S 77°17'33" E	543.18'
LE17	S 67°11'38" E	435.50'
LE18	S 85°29'59" E	850.29'
LE19	N 87°51'09" E	348.74'
LE20	S 58°14'30" E	598.15'

NUMBER	CHORD DIRECTION	TANGENT	RADIUS	ARC LENGTH	CHORD LENGTH
RC1	N 78°29'41" E	12.53	89.50	24.90	24.82
RC2	N 20°49'22" W	31.12	100.00	60.35	59.44
RC3	N 64°27'18" E	448.62	100.00	270.30	195.21

NUMBER	DIRECTION	DISTANCE
R1	N 82°24'29" E	295.29'
R2	N 70°31'25" E	153.72'
R3	N 86°27'56" E	152.94'
R4	S 03°32'03" E	164.91'
R5	S 38°06'40" E	310.64'
R6	N 12°58'44" W	302.33'
R7	N 12°47'22" E	604.69'



WE, THE UNDERSIGNED, OWNERS OF THE REAL ESTATE SHOWN AND DESCRIBED HEREIN, DO HEREBY CERTIFY THAT WE HAVE LAID OFF, PLATTED AND SUBDIVIDED, AND DO HEREBY LAY OFF, PLAT AND SUBDIVIDE SAID REAL ESTATE IN ACCORDANCE WITH THIS PLAT.

LIFESTYLE COMMUNITIES, LLC
P.O. BOX 13160
MAUMELLE, AR 72113

CONTACT: TONY MEREDITH, 501-851-4621

Signed Tony Meredith by Kay H. Manis P.O.A.

7-26-05
DATE OF EXECUTION

Tony Meredith by
NAME Kay H. Maris

P.O. Box 13160
ADDRESS Maumelle, AR 72113

SOURCE OF TITLE: D.R.

INSTRUMENT NO. 2004005888

CERTIFICATE OF RECORDING

THIS DOCUMENT, INSTRUMENT NUMBER 2005062379 FILED FOR RECORD July 14 2005

Bettina Bright
SIGNED
PAT O'BRIEN, Circuit County Clerk

CERTIFICATE OF ENGINEERING ACCURACY

I, RAYMOND HICKEY, HEREBY CERTIFY THAT THIS PLAT CORRECTLY REPRESENTS A PLAN MADE BY ME, AND THAT THE ENGINEERING REQUIREMENTS OF THE MAUMELLE SUBDIVISION RULES AND REGULATIONS HAVE BEEN COMPLIED WITH.

SIGNED

7-26-05
DATE OF EXECUTION


RAYMOND HICKEY, REGISTERED PROFESSIONAL ENGINEER
NO. 7730, ARKANSAS

CERTIFICATE OF SURVEYING ACCURACY

I, RAYMOND HICKEY HEREBY CERTIFY THAT THIS PLAT CORRECTLY REPRESENTS A BOUNDARY SURVEY MADE BY ME AND ALL MONUMENTS SHOWN HEREON ACTUALLY EXIST AND THEIR LOCATION, SIZE, TYPE AND MATERIAL ARE CORRECTLY SHOWN.

SIGNED

7-26-05
DATE OF EXECUTION

Raymond Hickey
RAYMOND HICKEY, REGISTERED LAND SURVEYOR
NO. 1401, ARKANSAS

CERTIFICATE OF FINAL APPROVAL

IN WITNESS WHEREOF, I have hereunto set my hand and the seal of said County, this 14th day of May, 2018.

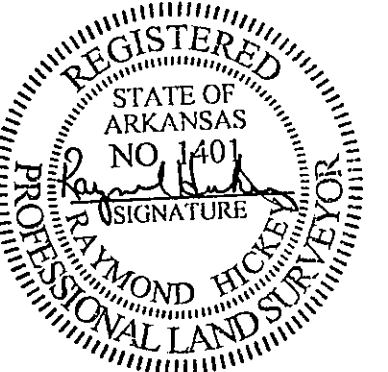
SIGNED:

7/26/05 
DATE OF EXECUTION CHAIRMAN, MAUMELLE PLANNING COMMISSION

LEGAL DESCRIPTION

[illegible]

WATERSIDE
ADDITON
INSTRUMENT 92-66194
BOOK D, PAGE 567
ED "R-1"



WATERS
ADDITON
INSTRUMENT 92-66194
BOOK D, PAGE 567
ZONED "R-1"

\\Cae\Projects\2000064\PLAT.dwg, 7/26/2005 10:47:08 AM, Raymond,
1050C.pc3, 1:1