

ARTICLE 10

ARCHITECTURAL REVIEW COMMITTEE DEVELOPMENT/CONSTRUCTION

10.1 Site Development/Architectural Review Committee.

(a) An Architectural Review Committee (the "Committee", or ARC) shall be established by the Association's Board of Directors and shall at all times consist of the Developer and no less than two nor more than four persons appointed by the Board, until such time as Developer elects not to serve, at which time the Board shall appoint that member of the Committee as well. All members appointed by the Board shall be Lot Owners. The Architectural Review Committee shall assist Lot Owners in complying with the development restrictions set forth in this document.

(b) Except as otherwise provided herein, a majority of the members of the Committee shall have the power to act on behalf of the Committee without the necessity of a meeting and without the necessity of consulting the remaining members of the Committee. The Committee may act only by written instrument setting forth the action taken and signed by the members of the Committee consenting to such action, provided further, however, that the Developer's consent shall be required for all Committee action until such time as a Developer elects not to serve on the Committee.

(c) If the Committee shall cease to exist for any reason shall fail to function, the Board of Directors of the Association shall serve as the Committee, and in the absence of such a Board, the Committee shall be selected by a majority of Lot Owners.

(d) The Committee shall have no affirmative obligation to be certain that all of the restrictions contained in this Declaration are fully complied with and no member of the Committee shall have any personal liability, responsibility, or obligation, whatsoever, for any decision or lack thereof, in the carrying out of duties as a member of such Committee. Such Committee and its members shall have only an advisory function, and

the sole responsibility for compliance with all of the terms of this Declaration shall rest with the Lot Owner. Each Lot Owner agrees to save, defend, and hold harmless the Committee and each of its members on account of any activities of the Committee relating to such Lot Owner's Lot or improvements to be constructed on such Lot.

(e) The Committee, if it observes deviations from or lack of compliance with the provisions of this Declaration, shall report such deviations or lack of compliance to the Board of Directors of the Association for appropriate action.

10.2 Architectural Review Committee Approval.

(a) No Lot Owner shall construct, alter, or maintain any improvements on a Lot until all the following have been completed:

1. The Lot Owner has submitted to the Committee four (4) complete sets of preliminary sketches showing floor plans, exterior elevations and an outline of specifications for materials and finishes;
2. The Committee has approved the preliminary sketches, and
3. Upon approval of preliminary sketches, the Lot Owner has submitted to the Committee four (4) copies of complete site plans and specifications therefore, in a form satisfactory to the Committee, showing insofar as is appropriate:
 - i. The size, dimensions and style of the improvements, including, by way of illustration and not limitation, the dwelling, garage and outbuildings, if any;
 - ii. The exterior design and building materials;
 - iii. The exterior color scheme;
 - iv. The approximate location of the improvements on the Lot, including, by way of illustration and not limitation, the dwelling, garage and outbuildings, if any;

v. The approximate location of the driveways, parking areas and landscaping (including location and construction of all fences or walls, recreational facilities, and utilities) and the types of materials to be used therefor, and

vi. The vegetation proposed to be removed or altered in order to accommodate construction, complete landscaping and enhance views.

4. Such plans and specifications have been approved in writing by the Committee.

5. An acknowledgment form is signed by both the Lot Owner and their contractor wherein each acknowledges that they have read and understand the provisions of the restrictions set forth in this Declaration.

(b) Approval for any plans that comply with restrictions embodied in this Declaration will not be unreasonably withheld, however, approval of the preliminary sketches and detailed site plans and specifications described above may be withheld, not only because of the noncompliance with any of the restrictions and conditions contained herein (including the submission of incomplete site plan), but also because of the reasonable dissatisfaction of the Committee as the location of the structure(s) on the Lot, color scheme of such structure(s), finish, design, proportions, shape, height, type or appropriateness of the proposed improvement or alteration, the materials used therein, the kind, shape or type of roof proposed to be placed thereon, or because of its reasonable dissatisfaction with any matters or things which, in the reasonable judgment of the Committee, would render the proposed improvement inharmonious or out of keeping with the objectives of the Developer or the improvements erected in the immediate vicinity of the Lot. The Committee may exercise reasonable discretion to grant a variance to the restrictions and conditions contained herein, when in the reasonable judgment of the Committee, the granting of a variance would not render the proposed improvement inharmonious or out of keeping with the objectives of the Developer or the improvements erected in the immediate vicinity of the Lot. Approval of plans does not evidence compliance with this Declaration and any variance must be specifically granted.

(c) Any building, structure or improvement, including subsequent alterations or modifications, shall be erected or constructed in substantial conformity with the site plans and specifications approved by the Committee.

(d) If, at any time, a Lot Owner shall have submitted to the Committee site plans and specifications in accordance with this section for a structure or alteration, and the Committee has neither approved such plans and specific specifications within fourteen (14) days from the date of submission nor notified the Lot Owner of its objection within that fourteen (14) day period, then such site plans and specifications shall be deemed to have been approved by the Committee, provided that the plans conform to, or are in harmony with, these restrictions, the applicable zoning ordinance or other governmental regulation, if any, and the existing structures in Walnut Bend, and further provided that no suit to enjoin the construction has been commenced prior to the completion of any improvements to the Lot.

(e) In the event that a Lot Owner shall file revised site plans and specifications for a structure or alteration with the Committee after receiving objections from the Committee with respect to original site plans and specifications, and the Committee has neither approved them nor notified the Lot Owner of further objections within fourteen (14) days from the date of submission, then such revised site plans and specifications shall be deemed to have been approved by the Committee. The date of submission is herein defined as the date upon which any member of the Committee has received said site plans and specifications.