

18. **MEMBERSHIP IN WATER ASSOCIATION:** JKRK Properties, LLC. or its successor or transferee, shall be the Owner of the central water system serving the individual lots, including the well, reservoir, common lots and water line distribution system. Each lot owner shall be responsible for maintenance of the service line to the improvements located upon the lot from the main line. Each lot owner shall enter into a standard water users agreement with JKRK Properties, LLC. or its successor, as provided in Exhibit A attached hereto and incorporated herein by this reference.

19. **MEMBERSHIP IN HOMEOWNERS ASSOCIATION:** A Homeowners Association to be known as Timberwood Park Estates Homeowners Association, Inc., which shall be a non profit corporation organized under the laws of the State of South Dakota, may be formed at such time as ninety percent (90%) or more of the lots in Phase I, Phase II and any other phase(s) to which these Declaration of Covenants, Conditions and Restrictions have been annexed, have been transferred by JKRK Properties, LLC. to third parties. Each lot owner, by accepting title to a lot, agrees to become a member of the Association. Each lot shall have one vote concerning association members. The Homeowners Association shall have the right to assess fees for road maintenance and collect monies for covenants enforcement. The By-Laws of the Homeowners Association will provide that in the event that any lot owner fails to pay the fees assessed by the Homeowners Association, the Homeowners Association shall have the right to place a lien upon the defaulting property owner's lot. Provided, however, this lien shall be subordinate to any first mortgage lien upon the defaulting property owner's lot. Prior to the organization of an Association, all lots that have been transferred to a third party by JKRK Properties, LLC. may be assessed a thirty-five dollar (\$35.00) monthly fee per lot for road maintenance and snow removal.

20. **ANNEXATION OF ADDITIONAL PROPERTY TO THESE COVENANTS:** The Developer reserves the right to plat additional phase(s) to Timberwood Park Estates. The Developer may, but is not obligated to file a document with the Register of Deeds Office Meade County entitled "Notice of Annexation of Declaration of Covenants, Conditions and Restrictions" which document shall provide that the real property located within such additional phase(s) shall also be subject to this Declaration of Covenants, Conditions and Restrictions the same as if said real property had been included within Phase I or Phase II. Provided, however, nothing herein shall prevent the Developer from modifying in total or in part any of the Declaration of Covenants, Conditions and Restrictions pertaining to additional phase(s).

21. **ROAD DISTRICT:** The Developer or Association shall be responsible for the maintenance of the roads within the subdivision and designated access roads to the subdivision. At such time as twenty percent (20%) or less of the lots in phase one are sold, the Developer may file the documents required to form a road district.

22. **DESIGN COMMITTEE:** There shall be established by the Association a Design Committee to enforce these covenants and to administer the portions of these covenants where approval by the Developer is required when ninety percent (90%) or more of the lots in Phase I, Phase II and any other phase(s) to which these Declaration of Covenants, Conditions and Restrictions have been annexed, have been transferred by JKRK Properties, LLC. to third parties.