

**GREGORY D. WILLIAMS**  
**LAW FIRM**

www.williamsandrenken.com

Gregory D. Williams  
Andrew W. Renken  
Dana L. Martin

**FILED<sup>2</sup>**

MAR 17 2006

Missouri Public  
Service Commission

March 15, 2006

Colleen M. Dale  
Secretary  
Missouri Public Service Commission  
P.O. Box 360  
Jefferson City, MO 65102-0360

Attn: Filing Desk

Re: Case No. WC-2006-0303

Dear Sirs:

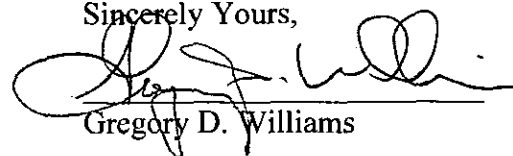
Please find enclosed for filing in the above referenced matter the original and 8 copies of the following:

1: Answer to Complaint.

An additional copy is enclosed to be stamped "filed" and returned to me in the enclosed envelop.

If you have any questions regarding this matter, please contact me at your earliest convenience.

Sincerely Yours,



Gregory D. Williams

cc: by facsimile to (573) 751-1847  
Robert Franson  
Office of Public Counsel

BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI

FILED<sup>2</sup>  
MAR 17 2006

The Staff of the Missouri Public Service  
Commission,

Complainant,

v.

Hurricane Deck Holding Company, et al.,

Respondents.

Case No. WC-2006-0303

Missouri Public  
Service Commission

ANSWER TO COMPLAINT

Come Now the Respondents in the above captioned matter and for their Answer  
to the Complaint herein state:

1. Paragraph 1 of said complaint does not contain any factual allegations such that  
no response thereto is required of Respondents.
2. Paragraph 2 of said complaint does not contain any factual allegations such that  
no response thereto is required of Respondents. Respondents affirmatively state  
that the "Staff of the Missouri Public Service Commission" is not a person or  
other entity authorized by law to prosecute a complaint against the Respondents  
herein and that therefore this action must be dismissed.
3. Respondents admit the allegations of Paragraph 3 of the Complaint.
4. Respondents admit the allegations of Paragraph 4 of the Complaint.
5. Respondents admit that Gregory D. Williams is the president, director and  
registered agent of Hurricane Deck Holding Company. Respondents admit that  
Gregory D. Williams is the incorporator of Chelsea Rose Land Owners  
Association, Inc. Respondents admit that P.O. Box 431, Sunrise Beach, Missouri

is the mailing address of the Gregory D. Williams. Respondents deny each and every other allegation contained in Paragraph 5 of the Complaint.

6. Respondents admit that Debra J. Williams is the corporate secretary of Hurricane Deck Holding Company, and deny each and every other allegation contained in Paragraph 6 of the Complaint.
7. Respondents deny the allegations of Paragraph 7 of the Complaint.
8. Respondents admit the allegations of Paragraph 8 of the Complaint.
9. Respondents admit the allegations of Paragraph 9 of the Complaint.
10. Respondents admit that Osage Water Company has various certificated service areas in Camden County, Missouri, and deny each and every other allegation contained in paragraph 10 of the Complaint.
11. Respondents admit the allegations of paragraph 11 of the Complaint.
12. Respondents deny the allegations of paragraph 12 of the Complaint.
13. Respondents deny the allegations of paragraph 13 of the Complaint.

#### Count I

14. Respondents incorporate their answers to Paragraphs 1 through 13 of the Complaint set forth above.
15. Respondents state that paragraph 15 does not contain factual allegations such that no response thereto is required of Respondents.
16. Respondents state that paragraph 16 does not contain factual allegations such that no response thereto is required of Respondents.
17. Respondents admit that Hurricane Deck Holding Company owns two water wells, a water distribution system, a wastewater treatment plant, and a sewage collection

system located on property owned by it or to which it has retained easements therefore, and deny each and every other allegation contained in paragraph 17 of the complaint.

18. Respondents admit that Hurricane Deck Holding Company sent the letter attached as Attachment A to the Complaint to property owners within the developments developed by Hurricane Deck Holding Company, and deny each and every other allegation contained in Paragraph 18 of the Complaint.

19. Respondents admit that on behalf of the Chelsea Rose Land Owners Association, Inc. an assessment for the costs incurred for the operation of common amenities for the developments developed by Hurricane Deck Holding Company was mailed to property owners within said developments on December 30, 2005, and deny each and every other allegation contained in Paragraph 19 of the Complaint. In further response to said allegations, Respondents state that the Declaration of Restrictions for Chelsea Rose Estates dated February 2, 1990 and recorded February 9, 1990 in Book 333, Page 792, Camden County Recorder's Office specifically authorized the imposition and collection of such assessments on properties developed by Hurricane Deck Holding Company,

20. Respondents deny the allegations of Paragraph 20 of the Complaint. Further answering, Respondents state that other than Hurricane Deck Holding Company, none of the Respondents herein are alleged to have engaged in the provision of water or sewer services for gain, and the Complaint fails to state a claim upon which relief may be granted against said other Respondents. Further answering, Respondents state that neither Hurricane Deck Holding Company nor any other

respondent has engaged in the selling or supply of water or sewer utility service for gain. Further answering, Respondents state that neither they, nor any of them, have provided water or sewer utility service to the public.

21. Respondents deny the allegations of Paragraph 21 of the Complaint, and affirmatively state that the sewer system owned by Hurricane Deck Holding Company has only one (1) outlet.

22. Respondents deny the allegations of Paragraph 22 of the Complaint.

23. Respondents state that Paragraph 23 of the Complaint does not contain any factual allegations and that no response thereto is required of Respondents.

24. Respondents deny the allegations of Paragraph 24 of the Complaint.

WHEREFORE, having fully answered, Respondents pray for dismissal of the Complaint herein, for recovery of their attorney's fees herein incurred as provided in Chapter 536, RSMo, and for their costs herein incurred.

## COUNT II

COME NOW the Respondents and for their Answer to Count II of the Complaint state:

25. Respondents incorporate their answers set forth in Paragraphs 1-24 above.

26. Respondents state that Paragraph 26 of the Complaint does not contain any factual allegations and no answer thereto is required of Respondents.

27. Respondents admit the allegations of Paragraph 27 of the Complaint, and affirmatively state that none of the Respondents provides water or sewer utility service to the public for gain.

28. Respondents deny the allegations of Paragraph 28.

WHEREFORE, having fully answered, Respondents pray for Dismissal of Count II of the Complaint herein, for recovery of their attorney's fees herein incurred as provided in Chapter 536, RSMo, and for their costs herein incurred.

### COUNT III

COME NOW the Respondents and for their Answer to Count III of the Complaint herein state:

29. Respondents incorporate their Answers set forth in Paragraphs 1 through 28 above.

30. Respondents admit the allegations of Paragraph 30 of the Complaint.

Respondents affirmatively state that the last permit for said sewer system was issued to Respondent Hurricane Deck Holding Company in 1998 and expired in 2003, and that MDNR failed to process the renewal application therefore, although the same was timely submitted to MDNR.

31. Respondents state that Paragraph 31 of said Complaint does not contain any factual allegations such that no response thereto is required of respondents.

32. Respondents state that Paragraph 32 of said Complaint does not contain any factual allegations such that no response thereto is required of respondents.

33. Respondents state that Paragraph 33 of said Complaint does not contain any factual allegations such that no response thereto is required of respondents.

34. Respondents deny the allegations of Paragraph 34 of said Complaint.

35. Respondents deny the allegations of Paragraph 35 of said Complaint.

WHEREFORE, having fully answered, Respondents pray for Dismissal of Count III of the Complaint herein, for recovery of their attorney's fees herein incurred as provided in Chapter 536, RSMo, and for their costs herein incurred.

#### COUNT IV

COME NOW the Respondents and for their Answer to Count IV of the Complaint state:

36. Respondents incorporate herein by their answers as set forth in Paragraphs 1 through 35 above.
37. Respondents admit that Hurricane Deck Holding Company's letter states the intent of said corporation to transfer its water and sewer systems to the Chelsea Rose Land Owners Association, Inc., and that the Articles of Incorporation of said Association are attached as Attachment C to the Complaint. Respondents deny each and every other allegation contained in Paragraph 37 of said Complaint.
38. Respondents admit that the Complainant, whoever, that may be, is without knowledge of the facts alleged in said complaint. Respondents deny each and every other allegation contained in Paragraph 38 of the Complaint.
39. Respondents state that Paragraph 39 of said Complaint does not contain any factual allegation such that no response thereto is required of Respondents.
40. Respondents state that they are without knowledge as to the truth or falsity of the allegations of Paragraph 40 of said Complaint, and affirmatively state that said water and sewer systems are located properties which are subject to one or more deeds of trust which have been outstanding since prior to the construction of said

systems. Respondents further affirmatively state that said water and sewer system are not owned by a "water corporation" or a "sewer corporation" and that the Commission has no jurisdiction over the transfer, sale, assignment, mortgage, encumbrance, or disposition thereof.

41. Respondents deny the allegations of Paragraph 41 of said Complaint.

WHEREFORE, having fully answered, Respondents pray for Dismissal of Count IV of the Complaint herein, for recovery of their attorney's fees herein incurred as provided in Chapter 536, RSMo, and for their costs herein incurred.

#### COUNT V

COME NOW the Respondents and for their Answer to Count V of the Complaint herein state:

42. Respondents incorporate their Answers to Paragraphs 1 through 41 above.

43. Respondents state that Paragraph 43 of said Complaint fails to allege any facts such that no response thereto is required of Respondents.

44. Respondents state that Paragraph 44 of said Complaint fails to allege any facts such that no response thereto is required of Respondents.

WHEREFORE, having fully answered, Respondents pray for Dismissal of Count V of the Complaint herein, for recovery of their attorney's fees herein incurred as provided in Chapter 536, RSMo, and for their costs herein incurred.



Gregory D. Williams #32272

Andrew W. Renken #56680

Highway 5 at Lake Road 5-33

P.O. Box 431

Sunrise Beach, MO 65079

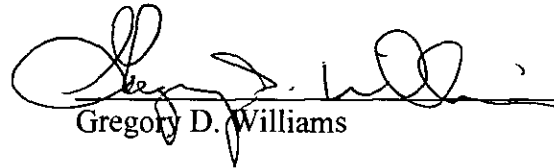
(573) 374-8761 (telephone)

(573) 374-4432 (facsimile)  
gregwms@charterinternet.com

**CERTIFICATE OF SERVICE**

I hereby certify that on the 22 day of February, 2006 a true copy of the foregoing was served on all parties of record by depositing the same in first class mail, postage prepaid, and addressed as follows:

General Counsel's Office, P.O. Box 360, 200 Madison Street, Suite 800, Jefferson city, MO 65102; Lewis R. Mills, Jr., P.O. Box 2230, 200 Madison Street, Suite 650, Jefferson City, MO 65102.



Gregory D. Williams

DECLARATION OF RESTRICTIONS  
FOR  
CHELSEA ROSE ESTATES

This Declaration is made on the date hereinafter set forth by Hurricane Deck Holding Company, A Missouri Corporation, hereinafter referred to as "Developer".

WHEREAS, Developer is the owner of certain property at the Lake of the Ozarks, Camden County, Missouri, the plat of which was recorded in the Office of the Recorder of Deeds, Camden County, Missouri, on the 9 day of February, 1990, in Plat Book 38, Page 29, under the plat name of CHELSEA ROSE ESTATES.

NOW THEREFORE, Developer hereby declares that all of the properties described above shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions which are for the purpose of protecting the value and desirability of and which shall run with the real property and be binding on all parties having any right, title or interest in the described properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

Developer specifically negates and otherwise denies any equitable servitude in favor of any lot owner or persons against any and all other real property owned by Developer or any partner of Developer that may be created by this Declaration of Restrictions.

Developer retains the right to declare any real property as shown on the plat of Chelsea Rose Estates and held by it a common area.

I. DEFINITIONS

SECTION 1. "Association" shall mean and refer to Chelsea Rose Land Owners Association, Inc., a Missouri Not for Profit corporation, its successors and assigns.

SECTION 2. "Common Area" shall mean real property owned by the Association for common use and enjoyment of the owners. The common area to be owned by the association at the time of the conveyance of the first lot shall include the following portions shown in the recorded plat for Chelsea Rose Estates:

- a. Roadway as shown on plat as dedicated to the lot owners in this subdivision for ingress and egress and the installation of utilities.

SECTION 3. "Declaration" means this Declaration of Restrictions and any amendments thereto or supplemental declarations.

SECTION 4. "Developer" shall mean Hurricane Deck Holding Company, its successors, and assigns.

SECTION 5. "Development" means all numbered lots, common areas, roads, amenities and easements situated and depicted on the recorded plat of Chelsea Rose Estates and all other real property which may be annexed thereto.

SECTION 6. "Improvements" shall mean all buildings, outbuildings, sewers, water systems, roads, driveways, parking lots, fences, retaining and other walls, docks, piers, hedges, poles, antenna and any other structures of any type or kind.

SECTION 7. "Lot" means any numbered lot shown in the plat of the development.

SECTION 8. "Owner" shall mean any person or legal entity including the developer who holds fee simple title to any lot.

SECTION 9. "Plat" means the plat of Chelsea Rose Estates and any additions or annexations thereto as they are from time to time recorded.

SECTION 10. "Single family dwelling" shall mean a residential dwelling usually intended for one or more persons, each related to the other by blood, marriage, or legal adoption together with his or their domestic servants, maintaining a common household in such dwelling.

## II. PROPERTY RIGHTS

SECTION 1. "Owner's Easement of Enjoyment" Every owner shall have a right and easement of enjoyment in and to the common area which shall be appurtenant to and shall pass with the title to every lot subject to the following provisions:

- a. The right of the Association to suspend voting rights and the right to use the common area by an owner for any period during which any assessment against his lot remains unpaid;
- b. The right of the Association to dedicate or transfer all or any part of the common area to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed upon by the members. No such dedication or transfer shall be made unless an instrument signed by two-thirds of each class of members agreeing to such dedication or transfer has been recorded.
- c. The rights, privileges, easements, reservations and exceptions in favor of the Developer, as set out herein.

SECTION 2. Delegation of Use. Any owner may delegate in accordance with the By-Laws of the Association, his right of enjoyment to the common area and facilities to the members of his family, his tenants or contract purchasers who reside on the property.

### III. THE ASSOCIATION

SECTION 1. General. The Association is or will be a Missouri Not-For-Profit corporation organized to further and promote the common interest of property owners in the Development. The Association shall have such powers in the furtherance of its purposes as are set forth in its Articles of Incorporation and By-Laws.

Section 2. Formation of the Association. The Developer shall form the Association within a reasonable time after the sale of the first lot, but at least no later than the sale of 100% of the lots in the Development. Until the formation of the Association the Developer shall act on behalf of the Association and shall have the same powers and duties of the Association as set forth in this Declaration.

Section 3. Membership. Every owner of a lot which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any lot which is subject to assessment. The Association shall have two classes of voting membership.

Class A: Class A members shall be all owners with the exception of the developer and shall be entitled to one vote for each lot owned. When more than one person holds an interest in any lot all such persons shall be members, the vote for such lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any lot.

Class B The Class B member shall be the developer or its assigns and shall be entitled to vote equal to  $66\frac{2}{3}\%$  of all the votes of all classes of members. The Class B membership shall cease and be converted to Class A membership (in accordance with and with the number of votes set forth by the preceding paragraph) on the happening of any one of the following events, whichever occurs earliest:

- a. When 100% of the lots within the development (either in its present form or including annexed property) shall have been sold by the Developer,
- b. On January 1, 1999,
- c. Voluntary dissolution of the Class B membership and conversion to Class A membership by the Developer.

### IV. ASSESSMENTS

#### SECTION 1. Authority of the Association to Make Assessments.

The Association (or the Developer acting on behalf of the Association until the Association is formed) shall have the power to levy the following kinds of assessments.

- a. Regular Annual Assessments. The regular annual assessment shall be used exclusively to promote the improvements, maintenance, operation and supervision of the common area and facilities located thereon, for the purposes of recreation, health, safety and welfare of the residents and homes situated on the properties.

b. **Special Assessments.** In addition to the annual assessments authorized above, the Developer or the Association may levy in any assessment year a special assessment applicable to that year only for the purpose of defraying in whole or in part the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the common area including fixtures and personal property related thereto.

**Section 2. Creation of Lien and Personal Obligation for Assessments.** Each owner of any lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay the Association the assessments identified in this Declaration, such assessments to be established and collected as hereinafter provided. All assessments identified in this Declaration together with interests, costs and reasonable attorney fees shall be a charge on the land and shall be a continuing lien upon the property against which such assessment is made, and such lien shall survive conveyance of said land until paid in full. Each such assessment together with interest, costs and reasonable attorney fees shall also be the personal obligation of the person who was the owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them. The lien may be enforced by suit brought by the association or the Developer.

**SECTION 3. Regular Annual Assessment.** The Developer shall set the first annual assessment.

a. From and after January 1 of the year immediately following the conveyance of the first lot to an owner, the annual assessment may be set each year by the Board of Directors or the Developer or its assigns, not more than 15% above the assessment for the previous year without a vote of the membership.

b. From and after January 1 of the year immediately following the conveyance of the first lot to an owner, the maximum annual assessment may be increased above the amount set forth in subparagraph a above by a vote of two-thirds of the members of the Association in attendance at a meeting duly called for this purpose.

c. The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

**SECTION 4. Special Assessments for Capital Improvements.** In addition to the annual assessments authorized above, the Developer or the Association may levy in any assessment year a special assessment applicable to that year only for the purpose of defraying in whole or in part the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the common area including fixtures and personal property related thereto.

**SECTION 5. Limitation on Special Assessments.** No special assessment shall be made without the assent of two-thirds of the vote of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

**SECTION 6. Notice and Quorum for Any Action Authorized Under Sections 3 and 4.** Written notice of any meeting called for the purpose of taking any action authorized under Sections 3 or 4 shall be sent to all members not less than 30 days nor more than 60 days in advance of the

meeting. At the first such meeting called, the presence of members or proxies entitled to cast 60% of all of the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirements, and the required quorum at the subsequent meeting shall be one-half of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than 60 days following the preceding meeting.

SECTION 7. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all lots.

SECTION 8. Date of Commencement of Regular Annual Assessment. Due Dates. The regular annual assessments provided for herein shall be paid in advance for each calendar year commencing with January 1. The first regular annual assessment shall be payable concurrently with the purchase of a lot by the owner and shall be adjusted according to the number of months remaining in the calendar year. The Developer or Board of Directors of the Association shall fix the amount of the annual assessment against each lot at least 30 days in advance of each annual assessment period.

Written notice of the annual assessment shall be sent to every owner subject thereto. The due dates shall be established by the Developer or by the Board of Directors of the Association. The Developer or the Association shall upon demand and for a reasonable charge, furnish a certificate signed by the Developer or an officer of the Association setting forth whether the assessments on a specified lot have been paid.

SECTION 9. Effect of Non-Payment of Assessments: Remedies of the Association. Any assessment (whether it be regular, annual or special) if not paid within 30 days after the due date, shall bear interest from the due date at the rate of 18% per annum. The Association (or the Developer acting on behalf of the Association) may bring an action at law or equity against the owner personally obligated to pay the same, or foreclose the lien against the property. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the common area or abandonment of his lots.

SECTION 10. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any lot shall not affect the assessment lien. However, the sale or transfer of any lot pursuant to a first mortgage foreclosure or any proceeding in lieu thereof shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such lot from liability for any assessments thereafter becoming due or from the lien thereof.

SECTION 11. Assessments Against Developer or Association. No charge or assessment shall be made against the Developer or Association. No charge or assessment shall be made against the Developer or the Association for any lots or common area owned by them.

## V. CONVEYANCE OF COMMON AREAS TO THE ASSOCIATION

SECTION 1. Conveyance. Developer will convey all common areas described herein, to the Association free and clear of all liens and encumbrances but subject to such easements and rights of

way, restrictions of record and other conditions as the Developer may at the time of such conveyance, deem appropriate and proper. Such conveyance shall be deemed to have been accepted by said Association and those persons who from time to time are members thereof upon the recording of a deed or deeds conveying such common areas to the Association.

SECTION 2. Use. The use and enjoyment of the common areas and the improvements thereon whether before or after conveyance to the association, shall be subject to the powers of the Developer and the Association and the rules adopted by them regulating and governing the use of such property and improvements and subject to the reservations of the right by the developer to reasonable use of such common areas in connection with its sales and development programs.

SECTION 3. Maintenance. Maintenance of the common areas and repairs to any improvements thereon shall be the obligation and responsibility of the developer until conveyance to the Association, and thereafter the association shall have the sole responsibility therefor.

## VI. LAND USE RESTRICTIONS

SECTION 1. Generally. Lots in the development shall be subject to the restrictive or other provisions of this Declaration (as supplemented or amended) relating to their permissible uses.

SECTION 2. Single Family Residential. Only single family dwellings and such outbuildings as are usually accessory thereto shall be permitted on any lot designated herein. The restrictions contained in this declaration shall apply specifically to any construction on said lots. Developer or its assigns reserves at all times the right to approve the actual location of any dwelling and outbuildings, if any, upon any lot within the development.

SECTION 3. Setbacks. Developer reserves the right at all times to approve the actual location of any dwelling upon any lot within the development. No dwelling may be constructed within thirty (30) feet of the shoreline of the Lake of the Ozarks, nor within ten (10) feet of any Lot Line shown on the Plat.

SECTION 4. Construction and Area Size. There shall not be more than one single family dwelling unit for each lot. The amount of fully enclosed floor area may vary without restriction so long as the construction meets the other requirements of this Declaration, is permanent in nature and is in harmony with the development or with the improvements erected on the other lots.

SECTION 5. Type of Construction. Subject to the approval of the Developer, dwellings may be of single or multiple story construction.

SECTION 6. Accessory Outbuildings. Without the approval of the Developer or the Association, only one outbuilding may be erected on any lot or parcel. In no event shall any such accessory outbuilding or partially completed building or temporary structure ever be used for human occupancy or habitation.

**SECTION 7. Completion of Construction.** Construction of any improvement once commenced shall be completed within nine months. Improvements not so completed or upon which construction has ceased for 90 consecutive days or which have been partially or totally destroyed and not rebuilt within six months, shall be deemed nuisances. Developer or the Association may remove any such nuisance or repair or complete the same at the cost of the owner.

**SECTION 8. Prohibition Against Used Structures.** No used buildings or structures intended for use as a dwelling shall be placed on any lot.

**SECTION 9. Maintenance of Lots.** All lots and parcels, whether occupied or unoccupied, and any improvements placed thereon shall at all times be maintained in such manner as to prevent their becoming unsightly, unsanitary or a hazard to health. If not so maintained, the Developer or the Association shall have the right through their agents and employees, to do so; the cost of which shall be added to and become a part of the annual assessment to which each such lot is subject. In particular, without the express written consent of the Developer, none of the following shall be allowed upon any lot within the subdivision:

- a. Trees, shrubs and bushes that overhang roadways or sidewalks;
- b. Machinery or appliances in plain view from either the roads, the Lake of the Ozarks or adjoining lots;
- c. Automobiles, boats and equipment of all sorts being repaired, salvaged or constructed in plain view from either the roads, the Lake of the Ozarks or adjoining lots.

Neither the Association nor the Developer nor their agents, employees or contractors shall be liable for any damage which may result from any maintenance work performed.

**SECTION 10. Disposal of Sanitary Waste.** Each lot shall connect to the central sewage system. No individual septic system or sewage treatment plant may be installed or operated on any lot or common area. Each owner shall be responsible for paying the usual and customary charges for said sewer system, including any hookup fee.

**SECTION 11. Fences.** All property lines shall be kept free and open and no fences, hedges or walls shall be permitted thereon without Developer's approval.

**SECTION 12. Nuisances.** No noxious or offensive activities or nuisances shall be permitted on any lot.

**SECTION 13. Signs or Advertisements.** No "for sale" signs shall be erected or maintained on any of the lots exceeding 24" X 36" in size.

**SECTION 14. Conduct of Business.** There shall be no conduct of business or commercial enterprise of any kind on any lot or on the waters of the Lake of the Ozarks adjoining any lot without the express written consent of the Developer or the Association.

SECTION 15. Animals. No animals shall be kept or maintained on any lot except the usual household pets which shall be kept reasonably confined so as not to become a nuisance. "Household pets" as used herein shall mean no more than two dogs and/or two cats per household.

SECTION 16. Garbage and Refuse Disposal. No owner shall burn trash, garbage or other like household refuse without a permit from the Developer or the Association nor shall any owner accumulate on his lot junked vehicles, or litter, refuse or garbage except in receptacles.

SECTION 17. Fuel Storage Tanks and Trash Receptacles. Fuel storage tanks including LP gas or gasoline, on any lot shall be prohibited. Every receptacle for ashes, rubbish or garbage shall be so placed and kept as not to be visible from any street, lake or common area within the Development, except at the times when refuse collections are made.

SECTION 18. Restriction on Temporary Structures and Parking. No travel trailer, boat, or mobile home or tent shall be placed or erected on any lot or portion of the Development nor shall any overnight camping be permitted on any lot. A permit to park boats, trailers, mobile homes on a lot may be granted by the Developer or the Association, but in no event shall such a vehicle be used for overnight sleeping or in any way as a permanent or temporary dwelling while parked on said lot nor shall it remain on the premises for more than 3 consecutive days. There shall be no "on street" parking of any vehicles, trailers or boats.

SECTION 19. Removal of Trees. No tree with a diameter of four inches or more may be removed from any lot without the prior written consent of the Developer or the Association.

SECTION 20. Docks and Piers. No dock, pier or other similar structure shall be constructed or located adjacent to any lot without express written permission of the Developer or the Association. Location of any dock, ramp or pier shall always be subject to Developer's approval or the Association's approval. The length of access ramps to a dock and the overall size of each dock are subject to the approval of the Developer or the Association.

SECTION 21. Ditches and Swales. Each owner shall keep drainage ditches and swales located on such owner's lot free and unobstructed and in good repair and shall provide for the installation of such culverts upon the lot as may be reasonably required for proper drainage.

SECTION 22. Subdivision of Lots. No lot or parcel shall be further subdivided by the Owners without prior written approval of the Developer or the Association. Developer reserves the right to resubdivide lots or parcels prior to the time of the original sale.

SECTION 23. Drilling and Mining. No drilling, refining, quarrying or mining operation of any kind shall be permitted on any lot.

SECTION 24. Outside Lighting and Noise. There shall be no outside lighting or electrical speakers allowed in any construction on any lot, or free standing on any lot without the express written consent of Developer.

SECTION 25. Livestock or Pets for Commercial Purposes. No livestock or pets shall be kept within the development for commercial purposes or for agricultural purposes.

SECTION 26. Developer's Access to Lots. The Developer or the Association shall have the right of access to the lots at reasonable times and in such a reasonable manner as to minimize inconvenience to the lot owners for the purpose of constructing, maintaining or inspecting facilities owned by the Association or essential to the development as a whole, or for the purpose of furthering or enforcing the restrictions within this declaration.

SECTION 27. Seawall Construction. Seawalls may be constructed with stone, concrete, or other masonry materials.

SECTION 28. Clotheslines. Exterior clotheslines are hereby prohibited.

SECTION 29. Firewood. Firewood shall be neatly stacked in an orderly fashion.

SECTION 30. Waterwells. Each dwelling must be connected to the central water system serving the Development. No individual waterwells or common waterwells may be installed on any Lot or Common Area. Each Lot owner shall be responsible for payment of the usual and customary charges for water service, including any hookup fee.

## VII. DEVELOPER AND ASSOCIATION APPROVAL OF CONSTRUCTION AND IMPROVEMENT

SECTION 1. Architectural Control. No building, fence wall or other structure shall be commenced, erected or maintained upon the properties, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials and location of the same shall have been submitted to and approved in writing as to the harmony of exterior design and location in relation to the surrounding structures, quality of materials and workmanship, and topography by both (a) the Developer and after the Association has been formed, (b) the Board of Directors of the Association. The Board may delegate its right of approval to an architectural committee composed of three or more representatives appointed by the Board. In the event the Developer and said Board (or its designated committee) fail to approve or disapprove such design and location within thirty (30) days after the plans and specifications have been submitted to it, approval will not be required and this section will be deemed to have been fully complied with.

SECTION 2. Grounds for Disapproval. The Developer or Association may disapprove any application if such application does not comply with this Declaration or for the following reasons:

1. Because of the reasonable dissatisfaction with grading plans, location of the proposed improvement on a lot, finished ground elevation, color scheme, finish, design, proportions, architecture, shape, height or style of the proposed improvement, the materials used therein, the kind, pitch, or type of roof proposed to be placed thereon; or

2. If in the judgment of the Developer or Association reasonably exercised, the proposed improvement will be inharmonious with the development or with the improvements erected on other lots.

3. Failure to comply with the codes identified herein or designated by the Board of Directors as supplementary or replacing the Codes identified herein.

SECTION 3. Rules and Regulations. The Developer or Association may from time to time adopt written rules and regulations of general application governing its procedures which may include among other things provisions for the form and content of the applications, required provisions for notice of approval or disapproval, including a reasonable time period for approval by reason of failure to disapprove, etc.

SECTION 4. Variances. The Developer and after its formation the Association may grant reasonable variations or adjustments from the provisions in this Declaration where literal application thereof results in unnecessary hardship and if the granting hereof will not be materially detrimental or injurious to the owners of the other lots.

SECTION 5. Liability. Notwithstanding the approval by the Developer of plans and specifications or its inspection of the work in progress, neither the Developer, the Association nor any person acting on behalf of any of them shall be responsible in any way for any defects and any plans and specifications or other materials submitted to the Developer nor for any defects in any work done pursuant thereto. Each person submitting such plans or specifications shall be solely responsible for the sufficiency thereof and the adequacy of improvements constructed pursuant thereto.

SECTION 6. Building Codes. All improvements constructed on the property shall conform to all building, fire, and safety codes adopted in any jurisdiction in which the property is located at the time the improvements are constructed, and, to the BOCA codes as promulgated at the time of construction of said improvements.

#### IIV.

SECTION 1. Easements for Utilities. The Developer, the Association, and their licensees reserve an easement for the purpose of all utilities necessary for the Development over each lot or parcel, including the right to ingress or egress to the extent reasonably necessary to exercise such easement. The easement shall be a 10 foot wide strip running along all lot lines adjacent to platted roads for the installation, maintenance and operation of utilities including radio and TV transmission cables and to cut, trim or remove trees and plantings wherever necessary upon such lots in connection with such installation, maintenance and operation. An easement is retained for the purpose of locating, constructing, operating and maintaining water lines, and all necessary appurtenants across all lots at locations deemed necessary by Developer for the construction, operation and maintenance of a water system. Said easements shall consist of a temporary easement 20 feet wide lying 10 feet either side of the centerline of the water line located as deemed necessary by the Developers. Upon completion of construction, the temporary construction easement is automatically vacated, and a

permanent easement 10 feet wide lying five feet either side of the centerline of the water lines as constructed shall be retained. An easement is retained for the purpose of locating, constructing, operating, and maintaining sewer lines and all appurtenants across all lots at locations deemed necessary by the Developer for the construction, operation and maintenance of a sewer system. Said easement shall be across that portion of each lot lying within thirty feet of the Lake of the Ozarks. Said easements shall consist of the right of egress and ingress to the easement across the lots of this development, together with the right to trim, cut or remove any trees or vegetation necessary to accomplish the above stated purpose. Subsequent owners of the herein describe property shall have no cause of action against Developer or its licensees, successors, heirs, or assigns, or the Association either at law or in equity by reason of any damage caused to said property in location, construction, operation or maintenance of the water lines, except in the case of gross negligence. Developer may convey these utility easements to any public or private utility company providing utility service to any portion of the Development.

SECTION 2. Slope and Drainage. A 10 foot wide easement is reserved running along the inside of all lot lines coincident with the street right of way lines for purpose of cutting, filling, drainage and maintenance of slopes and drainage courses.

SECTION 3. Other Easements. other easements shown on the plat or which are otherwise of record are reserved.

SECTION 4. Use of and Maintenance by Owners. The areas of any lots affected by the easements reserved herein shall be maintained continuously by the owner of such lot but no structures, plantings or other materials shall be placed or permitted to remain or other activities undertaken thereon which may damage or interfere with the use of said easements for the purpose herein set forth. Improvements within such areas shall be maintained by the owner except those for which a public authority or utility company is responsible.

SECTION 5. Liability for Use of Easement. No owner shall have any claim or cause of action against the Developer or the Association arising out of the exercise or non-exercise of any easement reserved hereunder, or shown on the plat except in cases of willful or wanton misconduct.

## IX. REMEDIES

SECTION 1. Enforcement. Developer and each person to whose benefit this Declaration inures, including the Association, may proceed at law or in equity to prevent the occurrence, continuation or violation of any provision of this Declaration and the Court in such action may award the successful party reasonable expenses in prosecuting such action, including attorney fees.

SECTION 2. Suspension of Privileges. Developer until such right is transferred to the Board of Directors of the Association and thereafter, such Board, may suspend all voting rights and rights to use the Association's common area of any owner for any period during which any Association assessment against such owner remains unpaid or during the period of any continuing

violation of the provisions of this Declaration by such owner after the existence thereof has been declared by the Board.

SECTION 3. Cumulative Rights. Remedies specified herein are cumulative and any specifications of them shall not be taken to preclude an aggrieved party's resort to any other remedy at law or in equity. No delay or failure on the part of an aggrieved party to invoke an available remedy in respect of a violation of any provision in this Declaration shall be held to be a waiver by that party of any right available to him upon the recurrence or continuance of said violation or the occurrence of a different violation.

#### X. GRANTEE'S ACCEPTANCE

SECTION 1. Each grantee or purchaser of any lot or parcel shall by acceptance of a deed conveying title thereto or the executing of a contract for the purchase thereof, whether from Developer or a subsequent owner of such lot or parcel, accept such deed of contract upon and subject to each and all of the provisions of this Declaration and to the jurisdiction, rights, powers, privileges and immunities of Developer and of the Association. By such acceptance such grantee or purchaser shall for himself, his heirs, devisees, personal representatives, grantees, successors and assigns, lessees, and/or lessors, covenant, consent and agree to and with developer and the grantee or purchasers of each other lot to keep observe, comply with and perform the covenants, conditions and restrictions contained in this Declaration. Such acceptance shall further constitute an acceptance of the property therein conveyed "as is" and an acknowledgement that the Developer has fully performed all of its obligations with respect to said property or the Owner thereof. No Owners shall have any cause of action against Developer subsequent to the acceptance of such Owner's deed for any act, omission, or representation occurring prior to the delivery of said deed, unless said representation is in writing and expressly states that it is to survive the acceptance and recording of such owner's deed.

SECTION 2. Severability. Invalidation of any of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions which shall remain in full force and effect.

SECTION 3. Term of Declaration. The covenants and restrictions of this Declaration shall run with and bind the land and be binding upon all parties claiming an interest in the land until January 1, 1999, after which the same shall automatically renew for successive periods of ten years each unless terminated by a majority vote of the Association.

SECTION 4. Equitable Servitudes. Developer specifically denies that the imposition of these restrictive covenants, or any amendments or supplements thereto, upon the real property known as Chelsea Rose Estates creates any equitable servitudes upon any other real property owned by Developer or any of its partners and each lot owner, successor in interest and transferee of any lot or tract shall be deemed to deny the existence of any equitable servitudes by acceptance of any conveyance of any real property interest in Chelsea Rose Estates.

SECTION 5. Reservations by Developer. In addition to the reservations and exceptions as hereinbefore set out, Developer specifically retains:

a. The right, power, authority and ability to allow Developer, its heirs, assigns, transferees, grantees, and successors in interest to use and enjoy any and all amenities of Chelsea Rose Estates including, but not limited to, the roadways, and common areas, upon the payment of its pro rata share of the operation and maintenance of any said amenities as if, and on the same basis as a lot owner of Chelsea Rose Estates.

b. The right, power, authority and ability to resubdivide any lot, block or parcel of land within the subdivision at any time within five (5) years from the date of the execution of this Declaration.

Each lot owner, successor in interest and transferee of any lot or tract shall affirm such reservation by acceptance of any conveyance or transfer of any real property interest within Chelsea Rose Estates.

SECTION 6. Amendment. This Declaration may be amended by the Developer until 100% of the lots in Chelsea Rose Estates or additions thereto have been conveyed to individual lot owners and thereafter such right of amendment is vested in the Association and if by the association such amendment shall have attached to it resolution of the Board of Directors of such Association attesting to the action of such Association and the said restrictions shall be prepared in form suitable for filing and filed in the Office of the Recorder of Deeds of Camden County, Missouri.

IN WITNESS WHEREOF, the undersigned Developer of Chelsea Rose Estates has hereunto set its hand and seal this 2nd day of February, 1990.



Hurricane Deck Holding Company

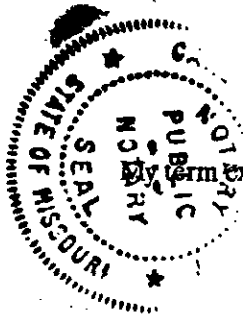
Gregory D. Williams  
Gregory D. Williams,  
President

(Seal)  
Theresa Humphrey  
Theresa Humphrey,  
Secretary

STATE OF MISSOURI           )  
  ) ss.  
COUNTY OF CAMDEN        )

On this 2nd day of Feb., 1990, before me, Carlynn Neperadine, a Notary Public, personally appeared Gregory D. Williams, being duly sworn stated that he is the President of Hurricane Deck Holding Company, that he executed the foregoing instrument on behalf of said corporation, and that he was authorized by the Board of Directors of said corporation to execute the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed  
my official seal at my office in Sunrise Beach  
the day and year last above written.



Carolyn Neporadny  
Notary Public in and for said  
County and State

CAROLYN NEPORADNY  
NOTARY PUBLIC - STATE OF MISSOURI  
COMMISSIONED in MORGAN COUNTY  
MY COMMISSION EXPIRES AUG. 30 - 1993

BOOK 0333 PAGE 0792

S. Missouri, County of Camden. ss  
I, Don Williams, Clerk of the Circuit Court and Ex-  
Recorder of said County do hereby certify th  
within instrument of writing was on the 9  
Feb. A.D. 1990 at 10:08 minutes  
duly filed for Record and is now recorded in the re-  
that office in Book 333 at Page 792  
fee \$48.00

Don Williams  
Recorder  
Tricia Sherr  
Deputy

