

SECOND AMENDMENT
OF
THE COVENANTS, CONDITIONS, AND RESTRICTIONS
FOR THE MEADOW ASSOCIATION, INC.
A UNIT OWNERSHIP ESTATE

1998

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SECOND AMENDMENT
OF THE
DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS
FOR THE MEADOW ASSOCIATION, INC.
A UNIT OWNERSHIP ESTATE

This Amendment, made this _____ day of _____, 19____, by and between the undersigned owners of the Triad East P.U.D. Addition, according to the recorded Replat thereof,

WITNESSETH:

WHEREAS, the Meadow Association, Inc. owners executing this Second Amended Declaration comprise at least seventy-five percent (75%) of the owners eligible to vote of lots in the replat of TRIAD EAST P.U.D. ADDITION to the City of Norman, County of Cleveland, Oklahoma, according to the recorded plat thereof; and,

WHEREAS, the original Declaration of Covenants, Conditions, and Restrictions was executed covering all of Triad East P.U.D. Addition to the City of Norman, Cleveland County, Oklahoma, according to the recorded plat thereof, and filed in the office of the Cleveland County Clerk on August 9, 1971, in Book 521 Miscellaneous, Page 449; and, the Amendment of Covenants, Conditions and Restrictions filed in Book 548, Page 24, on January 11, 1973 and,

WHEREAS, the original Declaration of Covenants, Conditions, and Restrictions provided for the preservation of the values and amenities in such community and for the maintenance and improvement of said Private Open Space, the existing lighting in the replat of Triad East P.U.D. Addition, and other facilities now existing or hereafter erected on the Private Open Space or the Private Access Easements described on the plat of said addition and, to that end, subjected said addition to certain covenants, conditions, restrictions, easements, charges and liens hereinafter amended and set forth, herein sometimes collectively referred to as the Covenants and Restrictions, each and all of which are for the benefit of such property and each owner thereof; and,

WHEREAS, the original Declaration of Covenants, Conditions, and Restrictions created an agency to which was delegated and assigned the powers of maintaining and administering the community properties and facilities, administering and enforcing the Covenants, Conditions, and Restrictions, and collecting and disbursing the assessments and charges hereinafter created; and,

WHEREAS, the original Declarant incorporated under the laws of the State of Oklahoma, as a nonprofit corporation, The Meadow Association, Inc., for the purpose of exercising the functions aforesaid; and,

WHEREAS, the original Declaration of Covenants, Conditions, and Restrictions provided that the replat of Triad East P.U.D. Addition, is and shall be held, transferred, sold, conveyed and occupied subject to certain covenants, conditions, and restrictions hereinafter amended and set forth, which shall run with such real property and shall be binding on all parties having or acquiring any

right, title or interest therein or any part thereof, and shall inure to the benefit of each owner thereof and such owner's heirs, devisees, personal representatives, trustees, successors, and assigns, such covenants, conditions, and restrictions being hereby imposed upon such real property and every part thereof as a servitude in favor of each and every other party thereof as the dominant tenement; and,

WHEREAS, the replat of Triad East P.U.D owners, through the initial Declaration referenced above and through one or more Merger Agreements likewise filed of record, have accepted into their Association, the owners of the replat of the Triad East P.U.D. Lots; and,

WHEREAS, in the initial Amended Declaration and in this Second Amended Declaration it is contemplated that the Triad East P.U.D Addition, in the City of Norman, County of Cleveland, State of Oklahoma, shall be subject exclusively to this Second Amended Declaration of Covenants, Conditions, and Restrictions, hereinafter Amended Declaration; and

WHEREAS, the owners executing this Amended Declaration desire to amend the initial Amended Declaration of Covenants, Conditions, and Restrictions for Triad East P.U.D Addition referenced above;

NOW THEREFORE, said Meadow Association, Inc. Owners executing this document hereby amend the initial Amended Declaration of Covenants, Conditions, and Restrictions for Triad East P.U.D Addition, filed as above, to read as above and following and to wholly supplant and supersede said initial Amended Declaration.

ARTICLE I

DEFINITIONS

- 1.1 Unit Ownership Estate or Estate means all of the real estate and improvements described on the plans, submitted by this Declaration, portions of which are designated for separate ownership and the remainder of which is designated for common ownership solely by the Owners of those portions, all as more fully described herein.
- 1.2 Declarant shall mean and refer to the Meadow Association, Inc., a not-for-profit Oklahoma Corporation, and its Board of Directors (hereinafter Board) and its successors and assigns, who have been granted and have assumed the duties, obligations and privileges and rights reserved to the original Declarant, such Declarant being the owner of the Common Elements described as follows:

All of the portion of TRIAD EAST P.U.D. ADDITION to the City of Norman, Cleveland County, Oklahoma which lies outside the perimeter boundaries of each individual lot within said addition as designated on the recorded plat thereof.

- 1.3 Association means the Meadow Townhomes Homeowners' Association, its successors and assigns, which shall govern the administration of this Unit Ownership Estate, the members of which shall be all of the Owners of the Units. Membership shall not be separated from ownership of any unit which is subject to assessment.
- 1.4 Board shall mean the Board of Directors of the Association.
- 1.5 Bylaws means the Bylaws of the Association which are or shall be adopted by the Board as such Bylaws may from time to time be amended.
- 1.6 Rules and Regulations means the Rules and Regulations of the Association adopted by the Board, as they may be in effect from time to time pursuant to the provisions hereof.
- 1.7 Common Elements means all real property owned by the Association for the common use and enjoyment of the owners and includes all portions of the Estate other than the individual lots and those exterior portions of a Unit subject to maintenance and/or improvement by the Association.
- 1.8 Visible from Common Elements means, as to any given object, that such object is visible to a person six (6) feet tall, standing on any part of such Common Elements at an elevation no greater than the elevation of the base of the object being viewed.
- 1.9 Common Expenses means and includes expenses for maintenance, replacement, repair, operation, improvements, insurance, taxes, management, and administration; expenses declared Common Expenses by the provisions of this Declaration and the Bylaws of the Association; and all sums lawfully assessed against the Common and Limited Common Elements by the Board of the Association.
- 1.10 Limited Common Elements means those Common Elements which are either limited to and reserved for the exclusive use of an Owner of a Unit or are limited to and reserved for the exclusive common use of more than one but fewer than all of the Owners.
- 1.11 Architectural Control has the meaning specified in paragraph 14.5 below.
- 1.12 Owner means a person or persons, firm, corporation, partnership, trust, association, or other legal entity, or any combination thereof, who owns one or more Units and means the record owner of a fee simple title to any Lot.
- 1.13 Person means a natural person, corporation, partnership, association, trust, other entity, or any combination thereof.
- 1.14 Plans means, among other things, the legal description of the land, the plat of the land, the location of each Building, the location of each lot showing its unit number which are attached hereto and incorporated herein as exhibits.

- 1.15 Building means one or more of the building improvements containing Units as shown on the Plans attached hereto.
- 1.16 Lot shall mean and refer to any plot of land shown upon any recorded subdivision of the Properties with the exception of the Common Elements.
- 1.17 Unit means a portion of the Estate designated for separate ownership, with the exception of the Common Elements, the boundaries of which are described in the Plans attached hereto and pursuant to paragraph 5.3 herein.
- 1.18 Pro Rata Share. Pro Rata Share means an owner's undivided interest of one and one-hundred and tenth (1/110) share of the common elements and the expenses thereof.
- 1.19 Eligible to Vote. Voting eligibility is reserved only for those Owners or Mortgage holders who are currently paying their pro rata share of the Common Expenses as described herein.

ARTICLE II

PROPERTY RIGHTS IN THE COMMON ELEMENTS

- 2.1 Common Elements: Description in Deeds. Any deed conveying unit ownership estates shall convey the undivided interest in the Common Elements which appertain to the Unit, whether described or not. The Board, on behalf of the Association, has the right to grant permits, licenses, and easements over the Common Elements for utilities, roads, and other purposes.
- 2.2 Easements of Enjoyment. Every owner shall have a right and easement of enjoyment in and to the Common Elements which shall be appurtenant to and shall pass with the title to every Unit, subject to the following provisions:
 - 2.2.1 The right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Elements;
 - 2.2.2 The right of the Association to suspend the right to the use of recreational facilities by an owner for any period during which any assessment against the owner's unit remains unpaid; and for a period not to exceed 60 days for infraction of its published rules and regulations;
 - 2.2.3 The right of the Association to dedicate or transfer all or any part of the Common Elements to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument signed by three-fourths (3/4) of the members agreeing to such dedication or transfer has been recorded.

ARTICLE III

ANNUAL ASSOCIATION MAINTENANCE FEES AND SPECIAL ASSESSMENTS

- 3.1 Purpose of Annual Maintenance Fee Assessments and Special Assessments for Capital Improvements; Common Expenses. The assessments and fees levied by the Association are Common Expenses and shall be used exclusively for the improvement and maintenance of the Common Elements, the Units, the Limited Common Elements and levied to promote the recreation, health, safety, and welfare of the residents in the Estate and of the units situated upon the estate.
- 3.2 Common Expenses, Basis. The assessments made for Common Expenses shall be based upon estimated expenses growing out of or connected with the maintenance, repair, operation, additions, alterations, and improvements of and to the Common Elements and Limited Common Elements, which sum may include, but shall not be limited to, expenses of management; taxes and special assessments until separately assessed; insurance premiums; taxes; landscaping and care of grounds; common lighting; repairs and renovations; removal of pollutants and trash collections; wages; utility charges; beautification and decoration; professional (including legal and accounting) fees; management fees; expenses and liabilities incurred by the Board on behalf of the Owners under or by reason of this Declaration and the Bylaws of the Association; any deficit arising or any deficit remaining from a previous period; the creation of reasonable contingency funds, reserves, working capital, and sinking funds as well as other costs and expenses relating to the Common and Limited Common Elements. Such assessments and fees shall also include all expenses for the service, if any, of Common Element electricity, gas, water, and sewer, and trash removal charges for the Units and shall be regarded as Common Expenses and assessed accordingly.
- 3.3 Creation of Lien and Personal Obligation of Assessments/Fees. The Declarant, for each unit owned within the Estate, hereby covenants, and each Owner of any unit by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association:
- 3.3.1 Annual Maintenance Fees, and Special Assessments for Capital Improvements, such assessments and fees to be established and collected as hereinafter provided. The annual maintenance fees (hereinafter called maintenance fees) and special assessments, together with interest, costs, late fees, penalties, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's 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. Such personal obligation for delinquent assessments shall not pass to the successors in title unless expressly assumed by such successors.

- 3.4 Special Assessments for Capital Improvements. In addition to the annual maintenance assessments hereof, with a vote of the membership, the Board 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 or reconstruction, unexpected repair, or replacement of a described capital improvement upon the Common or Limited Common Elements, including the necessary fixtures and personal property related thereto.
- 3.5 Maintenance Fee Assessment. The maintenance fee assessment shall be determined at the Meadow Association, Inc. annual meeting with a vote of the membership. The Board may increase the maintenance fee at any time to an amount sufficient to maintain the Estate at a special meeting called for this purpose. The Board may increase the maintenance fee each year by not more than 5% of the maintenance fee for the previous year without a vote of the membership.
- 3.6 Notice of Meeting and Quorum for any Action Authorized under Paragraphs 3.4 and 3.5 above. Written notice setting forth the purpose of the meeting taking any action authorized under Paragraphs 3.4 and 3.5 shall be sent to all members not less than 30 nor more than 60 days in advance of the meeting. At such meeting called, the presence of members or of proxies entitled to cast three-fourths (3/4) of all the votes shall constitute a quorum. Any such action shall have the majority assent of three-fourths (3/4) of the votes of members eligible to vote. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than 60 days following the preceding meeting.
- 3.7 Uniform Rate of Assessment. Both maintenance fee and special assessments must be fixed at a uniform rate for all units and may be collected on a monthly basis.
- 3.8 Certificate of Assessments. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer or an agent of the Association setting forth whether the assessments on a specified unit have been paid.
- 3.9 Common Expenses; Increases. In the event the cash requirement for Common Expenses exceeds the aggregate assessments made pursuant to paragraph 3.2, the Board of Directors for the Association may from time to time and at any time increase, pro rata, the monthly assessments. The omission or failure of the Board to fix the assessment for any period shall not be deemed a waiver, modification, or a release of the Owners from their obligation to pay the same. Assessments shall be payable at the address determined by the Board.
- 3.10 Benefit of Assessment or Association Earnings. No part of the assessments or net earnings of the Association shall inure to the benefit of any Unit Owner or individual, except to the extent that Unit Owners receive the benefits from the maintenance, repair, operations, additions, alterations, insurance, and improvements of and to the Common Elements.

- 3.11 Fixing Assessments; Adjustments. For the purpose of fixing and determining the annual fees and assessments or charges, the Board of the Association shall determine in advance for each calendar year the estimated aggregate amount of such fees and assessments or charges as may be necessary for such year and present a budget estimate to the members at their annual meeting. The Board may from time to time during each year make reasonable adjustments in said estimated aggregate amount. The estimated aggregate amount for each year's expenses shall be prorated among the Owners of the Units in accordance with the Plans attached hereto.

ARTICLE IV

OWNER OBLIGATION TO PAY PRO RATA SHARE OF ASSESSMENTS

- 4.1 Owner Obligation to Pay Pro Rata Share. All Owners shall be obligated to pay the assessments, either estimated or actual, imposed by the Board of the Association to meet the Common Expenses. The pro rata share of assessments shall be determined in accordance with the Plans attached hereto.
- 4.1.1 Unpaid Assessments. As more fully provided in the Declaration, each member is obligated to pay to the Association maintenance fees and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessments which are not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency, and the Association may bring an action at law against the owner personally obligated to pay the same and/or foreclose the lien against the property, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Elements or abandonments of his Lot.
- 4.1.2 Owner's Personal Obligation for Payment of Assessments; Non-Exemption from Payment; Board Responsibility to Collect; Interest, Costs, and Attorney Fees; Suit; Notice to Mortgagee. The amount of Common Expenses assessed against each Unit shall be the personal and individual debt of the Owner thereof. No Owner may exempt himself from liability for the contribution toward the Common Expenses by waiver of the use of enjoyment of any of the Common Elements or by abandonment of the Unit. The Board shall have the responsibility to take prompt action to collect any unpaid assessment which remains unpaid more than fifteen (15) days from the due date for payment thereof. In the event of a default by an Owner in the payment of the assessment, such Owner shall be obligated to pay interest at the rate of 10 percent (10%), or at the highest lawful rate, The Board may from time to time determine, per annum on the amount of the assessment from due date thereof, together with all expenses, including attorney's fees, incurred to collect such assessment together with late charges as provided by the Bylaws of the Association. Suit to recover a money judgment for unpaid Common Expenses may

be instigated in Cleveland County, Oklahoma, and may be maintainable without foreclosing or waiving the lien securing same. Additionally, in the event that the mortgage on a Unit should so provide, a default in the payment of an assessment shall be a default in such mortgage and if required by the mortgagee by written notice to the Association, the Board shall give notice of any default in payment of an assessment to the mortgagee.

- 4.2 Payment of Assessments/Fees for Common Expenses; Due Date. Assessments for the estimated pro rata share of the Common Expenses shall be due monthly in advance on the first day of each month. In the event the ownership of a Unit commences on a day other than the first day of a month, the assessment for that month shall be prorated. Payment will be considered late and late charges will accrue if not received at the Association's mailing address postmarked on or before the fifth (5th) day of the month in which the payment is due.

ARTICLE V

UNITS OWNERSHIP AND BOUNDARY; LIMITED COMMON ELEMENTS

- 5.1. Ownership-Title. A Unit may be held and owned by one or more persons in any real property relationship recognized under the laws of the State of Oklahoma.
- 5.2. Division of Property into Units. The tract of land described in the Plans attached hereto and the improvements thereon are hereby divided into the Units.
- 5.3. Unit Boundary.
- 5.3.1 For purposes of ownership, maintenance, repair, alteration, and remodeling, an Owner shall be deemed to own: all portions of the interior nonsupporting walls of a Unit; the materials (such as, but not limited to, plaster, paneling, wallpaper, paint, wall and floor tile, and flooring, but not including the subflooring) making up the finished surfaces of the Unit interior walls, of the Unit support walls, of the Unit ceilings, and of the floors within the Unit. The Owner shall also be deemed to own the heating, cooling, and hot water units serving the Owner's Unit notwithstanding the fact that such heating, cooling and hot water units may lie outside the herein described boundary.
- 5.3.2 If any chute, flue, duct, wire, conduit, bearing wall, bearing column, or any other fixture lies partially within and partially outside the designated boundaries of a Unit, any portion thereof serving only that Unit is a Limited Common Element allocated solely to that Unit, and any portion thereof serving more than one Unit or any portion of the Common Elements is a part of the Common Elements.
- 5.3.3. Subject to the provisions of paragraph 10.2, all spaces, interior partitions, other fixtures and improvements within the boundaries of a Unit are a part of the Unit.

5.3.4 Inseparability of a Unit. Each Unit, the appurtenant undivided interest in the Common Elements, and the Limited Common Elements, shall together comprise one Unit, shall be inseparable and may be sold, assigned, leased, devised, or encumbered only as a Unit. Further, except with the prior written consent of one hundred percent (100%) of the holders of first mortgage liens, and except as provided in 60 Oklahoma Statutes Annotated §527 in the event of substantial total destruction of the Estate, the Unit may not be partitioned or subdivided.

5.4 Limited Common Elements shall be:

5.4.1 The structural and other commonly used components of each building, storage areas, windows, and exterior doors of units, the utilities, sewers, power, water, and other common lines running through the walls, ceilings, attic, or floor of each Unit for the service of the other Units;

5.4.2 Courtyards, patios, balconies, or terraces, and assigned parking spaces(s), if any. Any other Common Element, which is shown on the Plans attached hereto as a Limited Common Element; and

5.4.3 The parking space as shown in the Plans attached hereto, which is appurtenant to the Unit and which will accommodate two (2) personal vehicles, together with the right of ingress and egress in and upon said parking space.

5.4.4 As described in paragraph 10.1 herein.

ARTICLE VI

GENERAL RESTRICTIONS

6.1 Offensive or Noxious Use. The Owner of any Unit shall not use or allow the use of such Unit for any purpose which will be noxious, offensive, or detrimental to the use of the other Units or which will create or emit any objectionable, offensive, or noxious odors, dust, gases, fumes, or other such material or which will in any manner violate any applicable zoning ordinance or other regulations enacted by any duly constituted governmental authority.

6.2 Drilling Prohibited. No drilling or puncturing of the surface for water, oil, gas, or other minerals or hydrocarbons shall be permitted.

6.3 Livestock. The keeping of any poultry, cattle, horses, or other livestock of any kind or character is prohibited.

- 6.4 Refuse Storage, Growth. The storage of trash, ashes, or other refuse, except in receptacles as required by the City of Norman, is prohibited. All refuse and trash receptacles will, at all times, be kept within the individual unit's patio. Weeds, underbrush, or other unsightly plant growths shall not be permitted to grow or remain on Common Elements. No trash, ashes, or other refuse may be thrown in any other Owner's Unit or in or on the Common Elements.
- 6.5 Signs and Billboards; Declarant's Right. No signs of any kind or billboards shall be permitted on any Unit or Common or Limited Common Element without the prior written consent of the Association; however, this prohibition shall not apply to the Declarant in identifying the Estate.
- 6.6 Vehicle Parking and Storage. No truck in excess of 3/4 tons or other vehicle which is not normally used as daily transportation, boat, camper, recreational vehicle, motor/mobile home, or large commercial vehicle, and no vehicle in the process of being repaired or that is otherwise presently inoperable, shall be stored or parked on the Common Elements within the Estate; the operation and parking of all vehicles on the Estate are subject to the Bylaws and the Rules and Regulations of the Association. No vehicle of any type may be parked on or driven on or across the grounds of the Common Elements.
- 6.7 View From Common Elements or Unit. All garbage cans, personal items, equipment, coolers, or storage piles, etc. shall be located so as not to be visible from the Common Elements or any other Unit within the Estate.
- 6.8 Storage of Fluids; Tanks. No elevated tanks of any kind shall be erected, placed, or permitted on any Unit or on the Common or Limited Common Elements and no tank for the storage of oil or other fluids may be maintained above or under the ground on any Lot..
- 6.9 Radio or Television Transmitting or Receiving Device. No radio or television transmitting or receiving device shall be allowed on any Unit with an exposed or exterior antenna placed or maintained on any part of the Common or Limited Common Element, or on the roof of any Unit, nor may be visible from the Common Elements, or Limited Common Element.
- 6.10 Activities Increasing Insurance Rate; Waste. Nothing shall be done in any Unit or on the Common or Limited Common Elements which will result in the increase of fire or casualty insurance premiums thereon or the cancellation of such insurance. No waste shall be committed on the Common or Limited Common Elements.
- 6.11 Temporary Structure. No trailer, tent, shed, or shack shall be erected, placed, or permitted, nor shall any structure of a temporary character be used at any time as a residence, nor shall any structure be erected on any of the Common Elements or Limited Common Elements, without the prior written consent of the Association.
- 6.12 Nuisance Activity. No noxious or offensive activity shall be carried on, nor shall anything be done therein which may be or may become an annoyance or nuisance.

- 6.13 Clothes Drying Facilities. No outside clothes-drying facility or lines, shall be Visible from the Common Elements.
- 6.14 Air Conditioners. No air conditioner may be installed in any window or other opening.
- 6.15 Trees and Shrubs. No trees or shrubs of any kind may be planted on or removed from the grounds, without the prior written consent of the Association; provided, however, that any tree or shrub for which permission to remove is obtained must be replaced.
- 6.16 Children: Responsibilities of Parents-Guardians. All children, whether belonging to owners, tenants of such owners, employees of owners or tenants, family members, guests, invitees, or occupants of a unit or the invited guests of such children shall abide by all Association Rules and Regulations and shall be informed of such Rules and Regulations by the responsible parent or guardian. No child shall be permitted to roam unsupervised (without a parent or guardian present) within the Estate. Any costs to the Association for vandalism, destruction of property, throwing trash on the grounds, making holes in the grass, damage to shrubs or trees, sidewalks, curbs or streets, or other damage on the Common or Limited Common Elements by the children of any owner, family member, guest, invitee, tenant or occupant will become an assessment against the responsible Unit Owner.
- 6.17 Household Pets: Care and Restraint: Limit on Number: Indemnification by Owners. No animal shall be kept except one (1) household pet. Such pet may not be kept or bred for any commercial purpose and shall have such care and restraint so as not to be obnoxious or offensive on account of noise, odor, or unsanitary conditions. No pet may be staked or tied to or on any Common or Limited Common Element. No savage or dangerous animal shall be kept. No household pet, exceeding fifteen (15) pounds, may be kept without written permission of the Association. No pet may be permitted to run loose within the Estate, and any Owner who causes any animal to be brought or kept within the Estate shall indemnify and hold harmless the Association for any loss, damage, or liability which the Association may sustain as a result of the presence of such animal on the premises, whether or not the Association has given its permission therefor. A pet owner must abide by the municipal animal laws and maintain the pet at all times in a humane manner.
- 6.18 Violation of General Restrictions. The Board shall assess and collect a fine of up to \$50.00 per month or any portion thereof, from any Owner, who is found by the Board to be in violation of the Covenants, Bylaws or Rules governing this Association. The Owner shall be notified of the violation and what the owner must do to correct the violation, and the Owner shall also be advised of the consequences of the Owner's failure to effect said correction. The Owner in violation shall correct said violation within fifteen (15) days or five (5) days after the next regularly scheduled Board meeting, whichever is greater. The Owner may appear at the next regular board meeting to appeal any fine so levied. If an Owner fails to appeal or fails to correct the violation within sixty (60) days of the above mentioned Board meeting, the Board shall be authorized to utilize the Association's resources to correct the violation and to assess the owner in violation for these costs. There shall be added to the actual cost of the work 18%, plus the administrative expenses of the Board, plus a reasonable attorney fee, in addition to

any fines previously imposed. The Board shall notify the Owner of the cost of performing the work, and if the Owner does not pay within fifteen (15) days, said costs shall be deemed an unpaid special assessment and shall be a lien on the property and subject to all collection rights herein provided.

ARTICLE VII

OWNER AND DECLARANT USE AND OCCUPANCY

- 7.1 Use and Occupancy; Rights to Rent. All Units shall be used and occupied only for single family residence purposes by the Owner, by the Owner's family, or the Owner's guests or tenants. However, Units shall not be rented by the Owners thereof for transient or hotel purposes, which shall be defined as (a) rental for any period less than thirty (30) days; or (b) any rental if the occupants of the Unit are provided customary hotel services, such as room service for food and beverage, maid service, furnishing laundry and linen, and bellboy service.
- 7.2 Mortgagee Right to Rent; Leases Subject to Declaration. Notwithstanding the above, if any mortgagee forecloses on any Unit, said mortgagee shall have the right to rent said Unit upon such terms as it deems advisable until the Unit is sold. Any lease made shall be in writing and shall be subject to the Covenants, Conditions, and Restrictions contained in this Declaration and further subject to the Bylaws, and any and all rules and regulations of the Association.
- 7.3 Unit Owner Duty to Inform. It shall be the duty of any unit owner to inform all tenants of the Unit of any and all the Rules and Regulations of the Association in writing as a part of any lease or rental agreement.
- 7.4 Declarant Business Office. Declarant and its employees, representatives, and agents may maintain a business office and other facilities necessary or required to conduct the business of the Association.

ARTICLE VIII

ASSOCIATION OF UNIT OWNERS; MANDATORY MEMBERSHIP

- 8.1 Administration and Management of the Estate; Mandatory Membership. The administration and management of this Estate shall be governed by these Covenants, Conditions and Restrictions and the Bylaws of the Association, a copy of which are attached hereto and incorporated herein by reference. An Owner of a Unit, upon becoming an Owner, shall mandatorily be a member of the Association and shall remain a member for the period of ownership. The Association shall be governed by a Board as is provided in the Bylaws of the Association.
- 8.2 Reserves and Working Capital. The Association shall establish and maintain an adequate reserve fund for the periodic maintenance, repair, and replacement of improvements to the Common Elements and those Limited Common Elements which the Association may be

obligated to maintain. The fund shall be maintained out of regular assessments for Common Expenses. Additionally, a working capital fund shall be established for each Unit equal to at least ninety (90) days estimated Common Expenses at the time of transfer of ownership. Each Unit's share of the working capital fund shall be collected and transferred to the Association at the time of closing of the sale of each Unit for the use and benefit of the Association.

- 8.3 Terminable Contracts. The Association may employ agents, servants, and employees and any person or firm to act as Managing Agent at any agreed compensation for a maximum contract term of one (1) year, but any agreement for professional management of the Estate, or any contract providing for services by Declarant or any lease to which Declarant or affiliate of Declarant is a party, must provide for termination by either party with or without cause or payment of a termination fee on not less than thirty (30) days written notice, and immediate contract cancellation for violation of law or substantial nonperformance.
- 8.4 Records; Retention. The Board shall keep or cause to be kept current certified copies of the recorded Declaration, Bylaws, and the books and records with detailed accounts of the receipts and expenditures affecting the Estate and its administration and specifying the maintenance and repair expenses of the Common Elements and any other expenses incurred by or on behalf of the Association. The records so kept shall be available for inspection, upon written request, by all Owners, lenders, and the holders, insurers, and guarantors of first mortgages at convenient hours on working days or under other reasonable circumstances.
- 8.5 Auditing. All records shall be kept in accordance with accepted accounting procedures and shall be audited at least once a year by an auditor outside the Association. Owners and holders, insurers, and guarantors of first mortgages shall be entitled to receive, free of charge upon written request, annual audited financial statements of the Association upon completion.
- 8.6 Notice to Mortgagees. The holder, insurer, or guarantor of the mortgage on any Unit in the Estate is entitled to timely written notice of:
- 8.6.1 Any condemnation or casualty loss that affects either a material portion of the Estate or the Unit securing its mortgage;
 - 8.6.2 Any default in the performance by the individual Unit borrower of any obligation under the unit ownership estate documents which is not cured within sixty (60) days.
 - 8.6.3 A lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association; and
 - 8.6.4 Any proposed action that requires the consent of a specified percentage of eligible mortgage holders.

ARTICLE IX

EASEMENTS, RESERVATION FOR ACCESS

- 9.1 Easements for Encroachments. If any portion of the Common or Limited Common Elements encroaches upon a Unit or Units, a valid easement for the encroachment and for the maintenance of same, so long as it stands, shall and does exist, regardless of whether such easement is shown on the Plans attached hereto. If any portion of a Unit encroaches upon the Common or Limited Common Elements, or upon adjoining Unit or Units, a valid easement for the encroachment and for the maintenance of same, so long as it stands, shall and does exist. Such encroachments and easements shall not be considered or determined to be encumbrances either on the Common or Limited Common Elements or on the Units.
- 9.2 Reservation for Access, Maintenance, Repair, and Emergencies; Negligence of Owner; Easement by Association. The Owners shall have the irrevocable right, to be exercised by the Board of the Association, or its agent, to have access to each Unit from time to time during reasonable hours as may be necessary for the maintenance, repair, or replacement of any of the Common or Limited Common Elements thereon or accessible therefrom, or for making emergency repairs therein necessary to prevent damage to the Common or Limited Common Elements or to another Unit or Units. Damage to the interior or any part of a Unit or Units resulting from the maintenance, repair, emergency repair, or replacement of any of the Common or Limited Common Elements or as a result of emergency repairs within another Unit, at the instance of the Association, shall be a Common Expense of all of the Owners; provided, however, if such damage is the result of the misuse or negligence of a Unit Owner or its Occupants, then such Unit Owner shall be responsible and liable for all such damage. All maintenance, repairs, and replacements as to the Common or Limited Common Elements, whether located inside or outside of Units (unless necessitated by the negligence or misuse of a Unit Owner or Occupant, in which case such expense shall be charged to such Unit Owner), shall be the Common Expense of all the Owners. The Board, upon resolution duly passed, shall have the authority to grant, on behalf of the Association, permits, licenses, and easements over the Common Elements for utilities, roads, and other purposes notwithstanding the fact that the Common Elements are owned in undivided interests by the Owners of Units in the Estate.

ARTICLE X

MAINTENANCE RESPONSIBILITY OF ASSOCIATION AND OWNER

- 10.1 Association's Maintenance Responsibility. The Association shall be responsible for the maintenance, operation, and repair of the Common and Limited Common Elements, i.e., exterior maintenance upon each unit which is subject to assessment hereunder, as follows: paint, repair, replace and care for roofs, gutters, downspouts, exterior building surfaces, excepting glass surfaces, streets, curbs, trees, shrubs, grass, walks, fences, and other exterior improvements.

- 10.2 Owner's Maintenance Responsibility. For purposes of maintenance, an Owner shall be deemed to own the interior of a Unit as defined in paragraph 5.3. An Owner shall maintain and keep in repair the Unit, including the appliances and lighting fixtures thereof. All lighting fixtures, equipment, and electrical wiring installed within the Unit commencing at a point where the utilities enter the Unit shall be maintained and kept in repair by the Owner thereof. As maintenance and repair of common water pipes, but not interior plumbing fixtures, shall be by the Association, such utilities shall not be disturbed or relocated by an Owner without the written consent and approval of the Board. An Owner must request written approval from the Board to replace or modify exterior doors and windows. The Owner shall do no act nor do any work that will impair the structural soundness or integrity of the building or impair any easement or hereditament, nor shall the owner make any changes to the individual patio or terrace, if any, appurtenant to his Unit, without written approval of the Association. An Owner shall also keep the appurtenances to his Unit in a clean and sanitary condition and be responsible for repairs caused by negligence or misuse of that Owner to any Limited Common Element of which the owner has beneficial use, in accordance with the terms of this paragraph. However, the Board shall have the right to do any necessary maintenance work or repairs to the Limited Common Elements if the Owner fails to do so and assess the Owner for the cost thereof. An Owner, after acquiring an adjoining Unit or an adjoining part of an adjoining Unit, may remove or alter any intervening partition or create apertures therein, even if the partition in whole or in part is a Common Element, if those acts do not impair the structural integrity or mechanical Systems or lessen the support of any portion of the Common Elements. Removal of interior partitions or creation of interior apertures under this paragraph is not an alteration of boundaries.

ARTICLE XI

STRICT COMPLIANCE WITH DECLARATION, BYLAWS, AND RULES AND REGULATIONS

- 11.1 Strict Compliance with Provisions of Declaration, Bylaws, and Rules and Regulations. Each Owner shall comply strictly with the provisions of this Declaration, the Bylaws of the Association, and the administrative Rules, Regulations, decisions, and resolutions of the Association set forth herein and adopted pursuant thereto as the same may be lawfully amended from time to time. Failure and refusal after written notice to comply with any of the same shall be grounds for an action to recover sums due, for damages or injunctive relief or both, and for reimbursement of all attorney's fees incurred in connection therewith and interest on all of such amounts at the highest lawful rate, which action shall be maintainable by the Managing Agent or Board in the name of the Association on behalf of the Owners or, in a proper case, by an aggrieved Owner.
- 11.2 Enforcement at Law or In Equity. The Association or any Owner or Declarant, so long as Declarant has a record interest in the covered property, shall have the right to enforce by proceedings at law or in equity, all restrictions, conditions, covenants, reservations, liens, and charges now or hereafter imposed by the provisions of this Declaration or any amendment hereto, including the right to prevent the violation of any such restrictions, conditions, covenants, or reservations and the right to recover damages or other dues for such violation; provided, however, with respect to assessment liens and Association Rules, the Association

shall have the exclusive right to the enforcement thereof. Failure by the Association or by any Owner to enforce any covenant, condition, or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. The Association or any Owner shall also have the right to enforce by proceedings at law or in equity the provisions of this Declaration or the Bylaws and any amendments thereto.

ARTICLE XI:

MORTGAGEE ASSESSMENT LIEN

- 12.1 Assessment Lien; Priority; Notice of Lien; Recording; Enforcement; Receiver. All sums assessed but unpaid for the share of Common Expenses chargeable to any Unit, including any fees, late charges, fines, or interest, shall constitute a lien on such Unit prior to all other liens except the following: (1) assessments, liens, and charges for taxes past due and unpaid on the Unit, (2) judgments entered in a Court of Record prior to the date of Common Expense assessment, (3) mortgage instruments of encumbrance duly recorded prior to the date of such assessment, (4) mechanic's and materialmen's liens arising from labor performed or material furnished upon a Unit prior to the date of such assessment, and (5) mechanic's and materialmen's liens for labor performed or material furnished upon the Common Elements to the extent of the proportionate part chargeable to the Unit Owners which constitute a part of an assessable charge for Common Expenses. satisfaction of which shall discharge the assessment to the extent of the payment made. To evidence such lien, the Board shall prepare a written notice of assessment lien setting forth the amount of such unpaid indebtedness, the name of the Owner of the Unit, and a description of the Unit. Such a notice shall be signed by one of the Board or by one of the officers of the Association and shall be recorded in the office of the County Clerk of Cleveland County, Oklahoma. Such lien for the Common Expenses shall attach from the due date thereof and impart notice to third parties from the date of the recording thereof. Such lien may be enforced by the foreclosure of the defaulting Owner's Unit subsequent to the recording of a notice or claim thereof by the Association in like manner as a mortgage on real property. In any such proceedings, the Owner shall be required to pay the costs, expenses, and attorney's fees incurred for filing the lien and, in the event of foreclosure proceedings, the additional costs, all expenses and attorney's fees incurred. The Owner of the Unit being foreclosed shall be required to pay to the Association the monthly assessment for the Unit during the period of foreclosure, and the Association shall be entitled to the appointment of a receiver to collect the same. The Association shall have the power to purchase a Unit at foreclosure or other legal sale and to acquire and hold, lease, mortgage, vote the votes appurtenant to, convey, or otherwise deal with the same.
- 12.2 Mortgagee May Pay Assessment. Any mortgagee holding a lien on a Unit may pay, but shall not be required to pay, any unpaid Common Expenses payable with respect to such Unit, and such payment shall not be deemed a waiver by the Association of default by the Unit Owner.
- 12.3 Assessments Collectible Upon Sale. Upon the sale or conveyance of a Unit, all unpaid assessments against the seller for the pro rata share of the Common Expenses, including interest and costs and reasonable attorney's fees incurred in collection, shall be first paid

out of the sales price or by the purchaser in preference of any other assessments or charges of whatever nature, except the following:

- 12.3.1 Assessments, liens, and charges for taxes past due and unpaid on the Unit;
 - 12.3.2 Judgments entered in a Court of Record prior to the date of Common Expense assessment;
 - 12.3.3 Mortgage instruments of encumbrance duly recorded prior to the date of such assessments;
 - 12.3.4 Mechanic's and materialmen's liens arising from labor performed or material furnished upon a Unit prior to the date of such assessment; and
 - 12.3.5 Mechanic's and materialmen's liens for labor performed or material furnished upon the Common Elements to the extent of the proportionate part chargeable to the Unit Owners which constitute a part of an assessable charge for Common Expenses, the satisfaction of which shall discharge the assessment to the extent of the payment made in a voluntary conveyance of a Unit, the grantee of the Unit shall be jointly and severally liable with the grantor for all unpaid assessments by the Association against the latter for the share of the Common Expenses up to the time of the grant or conveyance, without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee therefor. However, any such grantee shall be entitled to a statement from the Managing Agent or Board of the Association, as the case may be, setting forth the amount of the unpaid assessments against the grantor due the Association, and such grantee shall not be liable for, nor shall the Unit conveyed be subject to a lien for, any unpaid assessments made by the Association against the grantor in excess of the amount therein set forth.
- 12.4 Mortgaging a Unit; Priority; Mortgage Subject to Declaration; Mortgagee in Title-Unpaid Assessments. An Owner shall have the right from time to time to mortgage or encumber the Unit and the interests appurtenant thereto by deed of trust, mortgage, or other instrument, but the lien created thereby shall be subject to the terms and provisions of this Declaration, and any mortgagee or other lienholder who acquires a Unit through judicial foreclosure, public sale, or other means shall be subject to the terms and conditions of this Declaration except as specifically excepted herefrom. Where the holder of a first mortgage of record or other purchaser obtains title to the unit ownership estate as a result of foreclosure of the first mortgage or deed in lieu of foreclosure, such acquirer of title shall not be liable for the share of the Common Expenses or assessments chargeable to such Unit which became due prior to acquisition of title to such Unit by such acquirer. Such unpaid share of Common Expenses or assessments shall be deemed to be Common Expenses collectible from all of the Units including such acquirer, the successors and assigns.

- 12.5 Notice to Mortgagee of Uncured Default. A first mortgagee, upon request, will be entitled to written notification from the Association of any default in the performance of the individual Unit borrower of any obligation under the unit ownership estate documents which is not cured within sixty (60) days.

ARTICLE XIII

INSURANCE, DAMAGE TO OR DESTRUCTION OF IMPROVEMENTS

- 13.1 Hazard Insurance; Master Policy. The Association shall carry a blanket insurance policy for the Building, Improvements and Common Elements in the amount not less than 80% of the insurable value (based upon replacement cost) from an insurance company qualified to do and conduct business in the State of Oklahoma and holding a rating of A M Best's Insurance Reports of Class A or better. The limits of coverage of said insurance shall be reviewed annually by the Board, with respect to fire, lightning and extended coverage, vandalism and malicious mischief insurance covering the Common Elements and Units and, if required by law, workmens compensation insurance (all of which shall be hereinafter referred to as the "Master Policy"), with respect to the project and the Association's administration thereof in accordance with the following.
- 13.2 Flood Insurance. If the Property is located in an area identified as being within an area having special flood hazards, a "blanket" policy of flood insurance on the Property must be maintained in the amount of the aggregate of the outstanding principal balances of the mortgage loans on the Units comprising the Property or the maximum limit of coverage available under the National Flood Insurance Act of 1968, as amended, whichever is less.
- 13.3 Public Liability Coverage. The Association shall also obtain and maintain, to the extent obtainable, public liability insurance in such limits as may from time to time be determined necessary, covering all of the Common Elements, commercial spaces and public ways in the Property. Such insurance policy shall contain a "severability of insurance" endorsement which shall preclude the insurer from denying the claim of a Unit Owner because of negligent acts of the Association or other Unit Owners. The scope of coverage must include all other coverage in the kinds and amounts required by private institutional mortgage investors for projects similar in construction, location and use. Coverage shall be for at least \$1,000,000 per occurrence for personal injury and/or property damage. The Association shall use its best efforts to see that the liability insurance carried by the Association shall contain a cross-liability insurance endorsement, or appropriate provisions to cover liability of the Owners, individually and as a group, to another Owner.
- 13.4 Policy Provisions. The Master Policy and the endorsements made a part thereof may provide for such deductibles from any amounts otherwise payable thereunder as the Association may determine, and shall also

- 13.4.1 provide that the insurer issuing said policy agrees to abide by the decision of the Association whether to repair, reconstruct or restore all or any damaged or destroyed portion of the Common Elements or Units covered thereby,
- (b) contain no "escape" or "other insurance" clause that would cause said policy to become void in whole or in part or cause any proceeds payable thereunder to be reduced, set off, apportioned, prorated or otherwise brought into contribution with or by reason of separate insurance contained by or for any Owner or his mortgagee,
 - (c) provide that only improvements made or installed by the Association shall affect the valuation of any Building or Improvements on the Property for co-insurance purposes,
 - (d) provide for at least an annual insurance review, which shall include an appraisal of all Buildings, Improvements and personal property of the Association located on or within the Property required to be insured hereby by a representative of the insurer issuing the Master Policy,
 - (e) contain a waiver by said insurer of any and all rights of subrogation against any Owner, Declarant (and each member of Declarant's staff and Declarant's employees), the Association, its Board (and each member thereof), its officers (and each of them), the manager and manager's staff, and the agents, representatives and employees of the Association,
 - (f) provide that the Master Policy cannot be cancelled, invalidated, suspended, substantially modified, terminated, avoided or expired in whole or in part by reason of any act, omission or breach of any covenant contained in this Declaration by any Owner, Declarant, the Association, its Board, its officers, the manager and manager's staff or the agents, representatives or employees of the Association without a prior written demand that the Association cure such breach, and that in no event shall the Master Policy be cancelled, invalidated, suspended, substantially modified, terminated, voided or expired for any reason without ninety (90) days' prior written notice from the insurer to the Association, the Declarant (if Declarant retains a record interest in the Property) and to any Owner or mortgagee who shall have filed a written request with said insurer for such notice,
 - (g) provide that the Board or its authorized agent or representative shall have the exclusive authority to adjust any and all losses covered by said policy,
 - (h) provide that the insurance obtained pursuant to this Article XXIV shall not be prejudiced by any act or neglect of any of the insureds when such act or neglect is not within the knowledge and control of the insureds collectively,

- (i) provide that the insurance obtained pursuant to this Article XXIV shall not be prejudiced by failure of the insureds collectively to comply with any warranty or condition with regard to any portion of the premises over which the insured collectively have no control,
- (j) provide that the insurance obtained pursuant to this Article XXIV shall not be prejudiced by reasons of the vacancy or nonoccupancy of any one or more Units within the Property, provided that this Declaration (as the same may be amended from time to time) is in force and the Property is operating as a unit ownership estate under the laws of the State of Oklahoma,
- (k) provide that all insurance proceeds under the Master Policy shall be payable to the Association as trustee to be held and expended as provided in this Declaration for the benefit of the Owners and their respective mortgagees as their interests may appear, and
- (l) provide that the insurer shall issue certificates or memoranda of insurance to the Association and, upon request, to any Unit Owner, mortgagee or beneficiary under a deed of trust.

- 13.5 Named Insured; Mortgagee Clause. The Master Policy shall be purchased by the Association, naming the Association as the insured, as attorney-in-fact or trustee (for all of the Owners). All policies of hazard insurance must contain or have attached the standard mortgagee clause commonly required by mortgagee investors in the State of Oklahoma.
- 13.6. Fiduciary Liability Insurance. The Board shall also obtain and maintain, to the extent maintainable, professional and fiduciary liability insurance coverage against dishonest acts on the part of Directors, managers, trustees, employees or volunteers responsible for handling funds belonging to or administered by the Association. The fidelity bond or insurance shall be in an amount sufficient to provide protection which is in no event less than one and one-half times the estimated annual operating expenses and reserves of the Association. In connection with such coverage, an appropriate endorsement to the policy to cover any persons who serve without compensation shall be added if the policy would not otherwise cover such persons. The fidelity policy shall provide that it may not be cancelled or substantially altered or amended (including cancellation for non-payment of premium) without at least thirty (30) days' prior written notice to the Board and each mortgage loan servicer on behalf of FNMA and FHLMC.
- 13.7 Insurance for Unit Owner. Each Owner may obtain insurance at Owner's own expense for Owner's own benefit. Insurance coverage on all furnishings and decorations and other items of personal property belonging to an Owner and casualty and public liability insurance coverage within each Unit are specifically made the responsibility of the Owner thereof.
- 13.8 Other Perils. The Association may, in its sole discretion, elect to carry insurance to cover other perils.

- 13.9 Damage to or Destruction of Improvements. Repair; Resolution Not to Proceed with Repair; Partition; Notice to Mortgagees Where Substantial Damage. Except as hereinafter provided, damage to a Building shall be promptly repaired and restored by the Board using the proceeds of insurance, if any, on the Building for that purpose, and the Unit Owners shall be liable for assessment for any deficiency; provided, however, if there is substantially total destruction of the property, or if seventy-five percent (75%) of the Unit Owners other than the Declarant and seventy-five percent (75%) of the holders of first mortgages duly resolve not to proceed with repair or restoration, then and in that event the property or so much thereof as shall remain, shall be subject to partition at the suit of any Unit Owner, in which event the net proceeds of sale, together with the net proceeds of insurance policies, if any, shall be considered as one fund and shall be divided among all the Unit Owners in proportion to their respective undivided ownership of the Common Elements, after first paying off, out of the respective shares of Unit Owners, to the extent sufficient for that purpose, all liens on the Unit of each Unit Owner. First mortgagees will be given immediate notice of any substantial damage or loss to, or taking of, the Common Elements of the Project if such loss or taking exceeds Ten Thousand Dollars (\$10,000.00) or damage to a Unit covered by a mortgage purchased in whole or in part by the Federal Home Loan Mortgage Corporation or the Federal National Mortgage Association exceeds One Thousand Dollars (\$1,000.00). No reallocation of interests in the Common Elements resulting from a partial condemnation or partial destruction of such an Estate may be effected without the prior approval of holders holding mortgages on all remaining Units whether existing in whole or in part, and which have at least fifty-one percent (51%) of the votes of such remaining Units subject to holders of mortgages.
- 13.10 Bids from Contractors; Costs in Hand; Board Obligation in Reconstruction; Compliance with Original Plans. The Board shall obtain bids (setting forth in detail the work required to restore the area to the same condition that existed prior to the damage and the itemized cost for such work) from at least two (2) reputable contractors and shall award reconstruction work to the lowest bidder, at their discretion; provided, however, that the Board shall not be required or authorized to award such contract until it has sufficient monies, whether from insurance proceeds or the collection of special assessments levied in accordance with this paragraph, with which to pay the cost of reconstruction as reflected by the bid to be accepted by the Board. The Board, upon awarding said contract, shall thereafter be authorized to disburse monies to the contractor in accordance with said contract out of the insurance proceeds held by the Board and the special assessments levied and collected by the Board in accordance with this paragraph. It shall be the obligation of the Board to take all steps necessary to assure the commencement and completion of such reconstruction at the earliest possible date. All such reconstruction shall be in accordance with the original Plans of construction of the Estate unless other action is approved by holders holding mortgages on Units which have at least fifty-one percent (51%) of the votes of Units subject to holders of mortgages.

- 13.11 Distribution of Proceeds; Priority Rights of First Mortgagees. Nothing contained herein or in any of the unit ownership estate documents shall give a Unit Owner or any other party priority over any rights of first mortgagees of Units in the case of a distribution of insurance proceeds or eminent domain awards.
- 13.12 Eminent Domain. Acquisition of All or Substantially All of a Unit. If a Unit is acquired by eminent domain, or if part of a Unit is acquired by eminent domain leaving the Unit Owner with a remnant which may not practically or lawfully be used for any purpose permitted by this Declaration, the award must compensate the Unit Owner and mortgagees, if any, as their interest may appear, for the Unit and its Common Element interest, whether or not any Common Element interest is acquired. Upon acquisition, unless the decree otherwise provides, that Unit's entire Common Element interest, votes in the Association, and Common Expense liability are automatically reallocated to the remaining Units in proportion to the respective interests, votes, and liabilities of those Units before the taking, and the Association shall promptly prepare, execute, and record an amendment to the Declaration reflecting the reallocations. Any remnant of a Unit remaining after part of a Unit is taken under this subsection is thereafter a Common Element.
- 13.13.1 Acquisition of Part of a Unit. Except as provided in paragraph 13.5, if part of a Unit is acquired by eminent domain, the award must compensate the Unit Owner and mortgagees, if any, as their interest may appear, for the reduction in value of the Unit and its Common Element interest. Upon acquisition, (1) that Unit's Common Element interest, votes in the Association, and Common Expense liability are reduced in proportion to the reduction in the size of the Unit, or on any other basis specified in this Declaration, and (2) the portion of Common Element interest, votes, and Common Expense liability divested from the partially acquired Unit are automatically reallocated to that Unit and the remaining Units in proportion to the respective interests, votes, and liabilities of those Units before the taking with the partially acquired Unit participating in the reallocation on the basis of its reduced interests, votes, and liabilities.
- 13.13.2 Acquisition of Part of Common Elements. If part of the Common Elements is acquired by eminent domain, the award must be paid to the Association for the use and benefit of the Unit Owners and their mortgagees, if any, as their interests may appear. The Association shall divide any portion of the award not used for any restoration or repair of the remaining Common Elements among the Unit Owners in proportion to their respective Common Element interests before the taking.
- 13.13.3 Association to Represent Owners. The Association shall represent the Unit Owners in any condemnation proceedings or in negotiations, settlements, and agreements with the condemning authority for acquisition of the Common Elements, or part thereof. Each Unit Owner appoints the Association as attorney-in fact for such purposes.

ARTICLE XIV

GENERAL CONDITIONS

- 14.1 Registration of Mailing Address of Unit Owners. Each Owner shall register a mailing address with the Association, and notices or demands intended to be served upon an Owner shall be sent by mail, postage prepaid, addressed in the name of the Owner at such registered mailing address.
- 14.2 Association Address; Service Agent. All notices, demands, or other notices intended to be served upon the Board of the Association or to the Association shall be sent certified mail, postage prepaid, to the President of the Meadow Association, Inc., Post Office Box 289, Norman, Oklahoma 73070, or at such other address which the Board may furnish from time to time or served in person upon the service agent of the Association, Dana Hare, DMG Real Estate Services, 1011 24th Avenue NW, Norman, Oklahoma 73069.
- 14.3 Period of Ownership. The Unit Ownership Estate Created by this Declaration, and the plans shall continue until this Declaration is revoked in the manner as is provided for in this Declaration or by law.
- 14.4 Waiver Clause. Except as to the payment of assessments, the Association shall have the power to grant to any Owner a waiver, variance, or exception of and from any of the provisions of this Declaration, upon approval of a three-fourths (3/4) majority of the votes by the members of the Association at the annual meeting of the Association or at any special meeting called for this purpose.
- 14.5 Architectural Control. No building, fence, wall or other structure shall be commenced, erected or maintained upon the Common or Limited Common Elements, 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 harmony of external design and location in relation to surrounding structures and topography by the Board, or by the recommendation of an Architectural Control Committee composed of three (3) or more representatives appointed by the Board. In the event said Board, or its designated Committee, fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required and this article will be deemed to have been fully complied with.
- 14.6 Failure to Enforce Not Waiver. No provision contained in this Declaration or the Bylaws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same irrespective of the number of violations or breaches which may occur.
- 14.7 Captions. The captions herein are inserted only as a matter of convenience, and for reference,

and in no way define, limit, or describe the scope of this Declaration or exhibits or the intent of any provision hereof.

- 14.8 Covenants to Run With the Land. The covenants, conditions and restrictions of this Declaration shall run with and bind the Estate and shall inure to the benefit of and be enforceable by the Association or any Owner, their respective legal representatives, heirs, successors and assigns.
- 14.9 Declarant Easement. Declarant has an easement through the Common Elements as may be reasonably necessary for the purpose of discharging Declarant's obligations or exercising Declarant's rights reserved herein.
- 14.9.1 General Reservations. Declarant reserves the right to establish within the Common Elements future easements, reservations, exceptions, and exclusions consistent with the ownership of the Estate and for the best interests of the Unit Owners and the Association in order to serve the entire Estate.
- 14.10 Enforcement. The Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.
- 14.11 Attorneys Fees. In the event action is instituted to enforce any of the provisions contained in this Declaration, the party prevailing in such action shall be entitled to recover from the other party thereto as part of the judgment, reasonable attorneys' fees and costs of such suit. In the event the Association is a prevailing party in such action, the amount of such attorneys' fees and costs shall be a special assessment with respect to the Unit involved in the action.
- 14.12 Special Amendment. Declarant hereby reserves and is granted the right and power to record a Special Amendment to this Declaration at any time and from time to time which amends this Declaration (i) to comply with requirements of the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Department of Housing and Urban Development, the Federal Housing Administration, the Veterans Administration, or any other governmental agency or any other public, quasi-public or private entity which performs (or may in the future perform) functions similar to those currently performed by such entities and/or (ii) to induce any of such agencies or entities to make, purchase, sell, insure, or guarantee first mortgages covering Units and/or (iii) to comply with the requirements of any permanent lender or title insurance company. In furtherance of the foregoing, a power coupled with an interest is hereby reserved and granted to the Declarant to make or consent to a Special Amendment.

- 14.13 Revocation of Declaration; Approvals by Owners, Mortgagees. This Declaration shall not be revoked unless all of the Owners and all of the holders of any recorded mortgage or lien covering or affecting any or all of the Units unanimously consent and agree to such revocation by instrument(s) duly recorded. This Declaration shall not be merged with a successor regime without the prior written approval of the Administrator of the Veterans Administration and unless the Owners representing an aggregate ownership interest of ninety percent (90%), or more, of the Common Elements and ninety percent (90%) of the holders of any recorded first mortgage or lien covering or affecting any or all Units consent and agree to such merger by instrument(s) duly recorded.
- 14.14 Amendment of Declaration. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first twenty (20) year period by an instrument signed by not less than ninety percent (90%) of Unit owners eligible to vote, and thereafter by an instrument signed by not less than seventy-five percent (75%) of the Unit Owners eligible to vote. Any amendment must be recorded. Written notice of any meeting called for the purpose of amending this Declaration shall be sent to all of the Owners and all of the holders of any recorded mortgage or lien covering or affecting any or all of the Units not less than 30 days nor more than 60 days in advance of the meeting. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be sixty percent (60%) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than 60 days following the preceding meeting. Amendment may also be made by notarized instrument after notification as above.
- 14.15 Severance. If any of the provisions of this Declaration or any paragraph, sentence, clause, phrase, or word, or the application thereof in any circumstance be invalidated by judgment or court order, such invalidity shall not affect the validity of the remainder of this Declaration, and the application of any such provisions, paragraph, sentence, clause, phrase, or word in any other circumstances shall not be affected thereby and shall remain in full force and effect.
- 14.16 Conflict in Documents. In the event than any inconsistency or conflict exists between the items of the Declaration, the By-Laws, or any rule or regulation then in force, the inconsistency or conflict shall in every instance be controlled by the Declaration.