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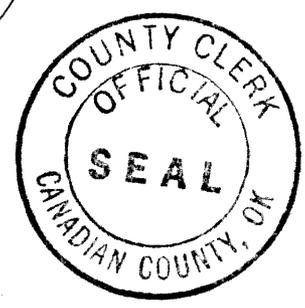
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DECLARATION
AND
COVENANTS, CONDITIONS, RESTRICTIONS
AND
PROVISIONS FOR FUTURE HOMEOWNER'S ASSOCIATION
FOR THE PLAT OF
"EASTWIND ESTATES"

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ARTICLE I

DEFINITIONS

Section 1. The following words, when used in this Declaration or any Supplemental Declaration (unless the context shall so prohibit), shall have the following meanings:

- A. "Addition" shall mean the real property described as Eastwind Estates Addition, Canadian County Oklahoma, as recorded on the plat thereof.
- B. "Assessments" shall mean that portion of the cost of maintaining, improving, repairing, insuring, operating and managing the Property which is to be paid by each separate owner as determined by the Association.
- C. "Association" shall mean and refer to the Eastwind Estates Homeowners Association, Inc., a non-profit organization which has been incorporated under the laws of the State of Oklahoma.
- D. "Building Setback Line" shall mean the line so designated on the plat where building may begin.
- E. "Common Area" shall mean all real property managed by the Association for the common use and enjoyment of the members of the Addition.
- F. "Council" shall mean the Council of the Eastwind Estates Homeowners Association.
- G. "Declarant" shall be the original filer of these restrictive covenants.
- H. "Fence" shall mean any structure of any material that functions as a barrier or boundary.
- I. "Floor Area" or "Floor Space" shall be calculated using veneer dimensions.
- J. "Lot" shall mean any parcel of land, as subdivided and recorded in the recorded plat of said Addition in the records of the County Clerk of Canadian County, State of Oklahoma.
- K. "Member" shall mean any person or entity that is a recorded owner of separately owned lots in the Eastwind Estates Homeowners Association.

- L. "Off-Road Unlicensed Motor Vehicle" shall mean any three or four wheel motorized all terrain vehicle; moped; off-road motor cycle or any other vehicle primarily designed for offroad use.
- M. "Outbuilding" shall mean any building that is separate from the main housing unit.
- N. "Owner" shall mean and refer to the owner of record, whether one or more persons or entities, of legal title to any Lot which is or may become a part of the Property, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation. Each Owner shall be a member of the Association.
- O. Participating Builder shall refer to those builders approved and authorized by the Declarant to build homes in Eastwind Estates Addition.
- P. "Plat" shall mean each and every Plat filed by the Declarant and recorded in the records of the County Clerk, Canadian County, Oklahoma, which covers all or any portion of Property.
- Q. "Property" or "Properties" shall mean and refer to that real property described in Article II.
- R. "Property Line" shall mean that line where surveyors pin the boundary of a lot.
- S. "Person" shall mean an individual, corporation, partnership, association, trust or other legal entity, or any combination thereof.
- T. "Residence" shall mean an improvement constructed for single family residence.
- U. "Residential Use" shall mean the occupation or use of a Residence in conformity with this Declaration and the requirements imposed by applicable zoning laws or other state, county or municipal rules and regulations.
- V. "Single Family" shall mean one or more persons each related to the other by blood, marriage, legal adoption or legal guardianship, or a group of not more than three persons not all related, who maintain a common household in a Residence.

ARTICLE II

PROPERTY SUBJECT TO THIS DECLARATION

The real property which is sold, conveyed and occupied, subject to this Declaration, is located in the City of Piedmont, Canadian County, State of Oklahoma, and is more particularly described as follows:

All of Eastwind Estates addition, being a sub-division located at the W2 of SE of Section 34, Township 14 North, Range 5 West of the I. M.

Section 1. For the purpose of providing an orderly development of said tract and to provide adequate Restrictive Covenants for the mutual benefit of the owners and their successors in the title to the various lots within said Addition, the undersigned do hereby impose the following Restrictions and Covenants to which it shall be incumbent upon all persons claiming by, through or under said owners to adhere.

ARTICLE III

MINIMUM SQUARE FOOT REQUIREMENT

Section 1. All residences on all lots shall have a minimum square footage of 2000 square foot (Veneer footage). If a residence has more than one level, the ground floor shall have 1600 square feet of floor area minimum. In computing the required square footage, the basement, attached porches and garages shall be excluded.

ARTICLE IV

BUILDING RESTRICTIONS

Section 1. Participating Builders. Only those builders approved and authorized by the Declarant will be allowed to build homes in Eastwind Estates. This requirement will end at the Transition Date (Article IX, Section 7).

Section 2. Garages. All residences in the Eastwind Estates subdivision will have a minimum of a three (3) car garage. This applies to attached or detached garages.

Section 3. Lateral Lines. All new dwellings being built in said Addition must have an adequate minimum amount of lateral lines as required by the Oklahoma

Department of Environmental Quality Soil Percolation (Perc Test), and approved by the Council as provided herein.

Section 4. Set Backs. No building shall be erected on any lot nearer to front lot line or nearer to the side street line than the minimum setback lines shown on the recorded plat. In any event, no building shall be located on any lot nearer than 40 feet from front curb, or more than 75 from the front curb, nor nearer than 25 feet to any side, nor nearer than 30 feet to any rear property line.

Section 5. Temporary Buildings. No temporary buildings, portable buildings, tents, shacks, trailers, carports, privies or other unsightly buildings shall be erected or constructed on any lot within the addition. No garage apartment shall be constructed upon any lot within the Addition.

Section 6. All residences shall face the street.

- (A) No clotheslines, garbage cans, trash, unused vehicles or other unsightly or objectionable items shall be stored, erected or left in a location visible from the street.
- (B) No storage bins or storage tanks shall be constructed or erected between the house and the street.

Section 7. Business's. No business (commercial or retail), trade or activity shall be carried on upon any lot. No noxious, offensive or illegal trade or activity shall be conducted on any lot. No acts shall be performed or committed which may be an annoyance or nuisance to the owner or owners of other lots within the Addition.

Section 8. Subdividing. No lot within the Addition shall be further subdivided, divided or reduced in size from the original plat filed herewith.

Section 9. Footing. Continuous footing of poured concrete must meet minimum requirements as provided by the Ordinances of the City of Piedmont, Oklahoma.

Section 10. Foundation. Foundations may be elevated, or slab concrete, provided that all foundations shall be enclosed and placed under exterior walls of all buildings. No structures shall be erected upon pillars or piers, without the Council's approval.

Section 11. Outbuildings. Outbuildings will be limited to one. Building will be of a size not to exceed 1200 square feet with a sidewall not to exceed 12 feet. Outbuilding should be of a prefinished painted metal exterior finish or constructed of a material like that of the main dwelling. Outbuildings will be constructed or erected to the rear of the residence. The front of the outbuilding will not be nearer

the street than the rear most part of the residence. For those residences located on corner lots, outbuildings will not be nearer the street than the rear most corner of the residence farthest from the street. Under no circumstances shall an outbuilding be used as a dwelling. A detached garage will count as the authorized allowable outbuilding and must be constructed of the same material and architectural design as the main dwelling.

Section 12. Driveways and Sidewalks. All driveways to residences within said Addition will consist of either concrete or a minimum of 3 inches asphalt and will be a minimum of ten (10) feet wide. Any road, lane or driveway off of the main street will be concrete or 3 inches of asphalt for a minimum of 100 feet. Sidewalks will be required on all properties within said Addition and will run along all street side boundaries. Sidewalks will be curb high and be 48 inches wide. EXCEPTION: The owner of lot Eleven (11), Block Four (4), will not be required to have sidewalk on the Eastern side of his lot.

Section 13. Mailboxes. All Mailboxes within said Addition will be constructed of Brick or Stone of the same style and color as that used on the main dwelling. Each mailbox will have an address block located on the on the side of the box facing the street.

Section 14. Outdoor Lighting. All outdoor lighting erected on outbuildings, security lights or yard lights will be erected in such a way as to be unobtrusive to neighbors.

Section 15. Lot Maintenance. The lot owner shall maintain all lots in a neat and clean condition. Weeds and brush shall be cut regularly by the lot owner. Should lots become unsightly, the Council may, after giving thirty (30) day notice in writing addressed to the last known address of the lot owner, contract to have weeds cut or lot cleaned and bill the owner at a rate of 150% of the cost of clearing the Lot. Should the bill become more than sixty (60) days in arrears, the Council may file a lien against the property for unpaid amount plus interest and related fees.

Section 16. Construction Period. Upon commencement of excavation for construction on any lot in this Addition, the work must be continuous, weather permitting, until the improvement is completed. No delay in the course of construction within a period of twelve (12) months will be permitted, unless further extension of time for the completion of said improvement is given by the Council.

Section 17. Temporary Dwellings. Under no circumstance will any outbuilding or detached garage erected or constructed on any lot in said Addition be used as a dwelling while the main residence is under construction.

Section 18: Motor Homes, Campers and trailers. Under no circumstances shall motor homes, mobile homes, campers or trailers be used as a dwelling in said addition.

ARTICLE V

ARCHITECTURE

Section 1: Plotting. A complete set of plans: plot plan, elevation, floor plan materials list, size, use of structure, location on lot, perc test, and a non-refundable \$500.00 Architectural Fee and any other pertinent information must be submitted to the Council for its written approval in advance of construction on any lot within said Addition. These plans will be kept in the Council's possession. If exterior changes are made subsequent to the Council's initial approval, these changes must be submitted to the Council following the procedures set forth for new construction. Perc tests are to be performed by a qualified agency or engineer. The results of this test must accompany the set of building plans to receive approval for commencement of construction. The Council reserves the right to call for an independent inspection to verify the specifications set forth in plans submitted and approved by the Council. If the owner is found to be non-conforming to these plans, the error must be corrected directly and the cost of the inspection borne by the owner.

Section 2: Building Materials. The exterior of any dwelling shall be at least eighty (80%) percent brick, or stone, and twenty (20%) may be lap siding or other material which will blend together with the brick or stone.

Section 3: Commencement of Construction. Construction or erection of any structure shall not commence until such a time the owner is granted written approval from the Council as set forth herein.

Section 4. Roofs. Roofs of all residences constructed in said Addition are to be 300 pounds per square or more of composition shingle similar to, but not limited to, Elk Products-Prestique I or GAF Timberline Series. The minimum pitch on all residences will be 8 - 12. Metal, shake, and tile roofs are not allowed.

Section 5. Septic Systems. Septic systems shall be constructed in strict accordance with the requirements of the Oklahoma State Department of Health.

ARTICLE VI

SIGNS, BILLBOARDS AND MISCELLANEOUS STRUCTURES

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Section 1. Commercial Signs and Billboards. No commercial signs or billboards shall be permitted in the Addition except those of Overland Express Realty Inc. advertising the sale of property and those signs of the participating builders advertising planned construction, these sign will not exceed four feet square in size. This requirement may be waived at the discretion of the Declarant or after the transition to the Homeowners Association.

Section 2. Miscellaneous Structures. No miscellaneous structures, equipment or yard art shall be permitted in the Addition without prior written approval of the Council.

ARTICLE VII

GENERAL

Section 1. Initial Assessment. Each lot sold will at the time of closing be assessed an initial assessment to the Eastwind Estates Homeowners Association of \$300.00. This fee will be paid as agreed upon between the Seller and the Buyer/Builder.

Section 2. Detached Structures. No pergola or any detached structure or building for purely ornamental or other purposes shall be erected on any part of any lot in front of the building front setback line.

Section 3. Livestock. Livestock will not be allowed in the addition. Domestic dogs and cats are allowed but will not exceed two in number; provided that unweaned puppies or kittens may be kept. All animal enclosures must be kept clean, neat and odor-free at all times.

Section 4. Garbage Dumping. No refuse or garbage may be thrown or dumped on any vacant lot in this Addition. Builders will be held responsible to see that concrete trucks do not "clean" their trucks on vacant lots within said Addition.

Section 5. Swimming Pools. Swimming pools are allowed but must be of the in-ground type. No above ground pools are allowed.

Section 6. Fences. All fences shall be constructed in a good and workman-like manner of wood boards, plastic, wrought iron or vinyl material; and shall be artistic in design and shall not detract from the appearance of any adjacent structures. No fence shall exceed six (6) feet in height as measured from the high side of the ground. No fences shall be constructed within the front yard area. No barbed wire or electric fences shall be allowed. No chain-link fence is permitted.

ARTICLE VIII

VEHICLES

Section 1. Speed Limit. A maximum speed limit of 25 miles per hour on all roads in the Addition will be strictly enforced.

Section 2. Off-Road Vehicles. No off-road unlicensed motor vehicles shall be operated in the Addition.

Section 3. Parking. No vehicle used for public transportation, recreation, commercial business, commercial transportation or any other use shall be parked or stored on any street within the Addition. Vehicles belonging to guests of lot owners may be parked on the street for a period not to exceed 24 hours, if said lot owner does not have sufficient off-street parking to accommodate said vehicle. No parking of trailers, boats or vehicles, which are not commonly used as everyday transportation, will be allowed on vacant lots. No inoperable, unlicensed or similar equipment shall be permitted to remain upon any area within the Addition, except within a completely enclosed outbuilding as outlined in Article IV, Section 11.

ARTICLE IX

EASTWIND ESTATES HOMEOWNERS ASSOCIATION

Section 1. Formation of Association. The Owners of Lots within the addition shall constitute Eastwind Estates Homeowners Association, which will be a nonprofit organization in the form as determined in the reasonable discretion of the Council; that from and after the formation of such nonprofit organization, the rights and duties of the members and of the organization shall continue to be governed by the provisions of this Declaration.

Section 2. Council of Directors. The affairs of the Association shall be governed by a Council of Directors (the "Council") which shall be composed of one or more members, to be determined in the reasonable discretion of the Council. The initial Board shall be composed of Declarant or his designated representative only. In the event of death or resignation of any member or members of the Council, the remaining member or members, if any, shall have full authority to appoint a successor member or members. Members of the Council shall not be entitled to any compensation for services performed pursuant to this Declaration. Upon the Transition Date and without further action by any person or persons, (i) the term of the initial Council members or their successors shall end, and (ii) the initial Council members and their successors shall be released from any and all liability whatsoever for claims arising out of or in connection with this Declaration,

exempting only claims arising prior to the Transition Date. The initial Council shall consist of Harold V. Rother and Stanley B. Hoar or as assigned by the Declarant.

Section 3. Qualification for Membership. Each Owner of a lot (including Declarant) in the addition shall be a member of the Association and shall be entitled to one membership and one vote for each lot owned. Ownership of a lot shall be the sole qualification for membership in the Association. On those Lots financed by the Declarant, voting rights shall remain with the Declarant until all financing requirements have been met and the mortgage note cleared.

Section 4. Transfer of Membership. Membership in the Association shall not be assigned, transferred, pledged, hypothecated, conveyed, or alienated in any way except upon the transfer of tile to the Lot and then only to the transferee of the tile to the Lot. Any transfer of title to a Lot shall automatically transfer membership in the Association to the new Owner.

Section 5. Annual and Special Meetings. Within the period commencing thirty (30) days before the Transition Date and ending thirty (30) days after the Transition Date, there shall be a meeting of the members of the Association and thereafter there shall be an annual meeting of the members of the Association in the first quarter of each fiscal year at such reasonable place and time as may be designated by written notice from the Council delivered to the Owners no less than thirty (30) days before the meeting. At the first such meeting, and at each annual meeting thereafter, the Owners shall elect, by majority vote, individuals to serve as Council members until a successor is elected at the next annual meeting. Each lot shall be entitled to one vote for each director and the voting for directors shall be non-cumulative. The financial statement for the preceding year (if any) and the budget, the Council has adopted for the pending fiscal year, shall be presented at the annual meeting for the information of the members. Special meetings of the members of the Association may be called upon, at any time, not less than fourteen (14) days prior written notice to all Owners, for the purpose of considering matters which require the approval of all or some of the Owners, or any other reasonable purpose.

Section 6. Books and Records. The Council shall cause to be kept complete, detailed and accurate books and records of the receipts and expenditures (if any) of the Association, in a form that complies with generally accepted accounting practices. The books and records, authorizations for payment of expenditures, and all contracts, documents, papers and other records of the Association shall be available for examination by the Lot Owners and the agents or attorneys of either of them, during normal business hours and at any other reasonable time or times.

Section 7. Transition Date. The "Transition Date" shall be the date on which control of the Council passes from Declarant to the Association. The Transition Date will be either (i) the date designated by the Declarant in a written notice to the Owners, this date may be by the Declarants election any date after this Declaration has been recorded or (ii) the 120th day after the Declarant has transferred title to the purchasers of Lots representing seventy percent (70%) of the total voting power of all Lot Owners in the Addition or (iii) five (5) years following the recording date of this Declaration. For purposes of the foregoing clause (ii), however, transfer of title to a Lot by Declarant to any Participating Builder shall be disregarded and title to any Lot owned by Participating Builder shall not be deemed transferred for purposes of determining the Transition Date until the Lot is further transferred by Participating Builder to a purchaser who is neither a Participating Builder or Declarant.

ARTICLE X

AUTHORITY OF THE COUNCIL

Section 1. Adoption of Rules and Regulations. The Council is empowered to adopt, amend, and revoke, on behalf of the Association, detailed administrative rules and regulations necessary or convenient, from time to time, to insure compliance with the general guidelines of this Declaration to promote the comfortable use and enjoyment of the Property and to govern the operation and procedures of the Association. The rules and regulations may, without limitation, authorize voting by proxy or mail, or both, on Association matters. The rules and regulations of the Association shall be binding upon all Owners and occupants and all other Persons claiming any interest in the Property.

Section 2. Enforcement of Declaration, Etc. The Council shall have the power to enforce the provisions of this Declaration, and rules and regulations of the Association for the benefit of the Association. The failure of any Owner to comply with the provisions of this Declaration, or the rules and regulations of the Association will give rise to a cause of action in the Association (acting through the Council) and any aggrieved Lot Owner for recovery of damages, or injunctive relief, or both. If a legal action is brought to interpret or enforce compliance with the provisions of this declaration, or the rules or regulations of the Association, the prevailing party shall be entitled to judgment against the other party for its reasonable expenses, court costs, and attorney's fees in the amount awarded by the court.

Section 3. Goods and Services. The Council shall acquire and pay for, as common expenses of the Association, all goods and services reasonably necessary or convenient for efficient and orderly maintenance of all portions of the Common Areas and any related facilities or improvements not maintained by public utility Companies or a governmental entity. The goods and services shall include (by way of illustration and not limitation) utility services for Common Areas; policies of insurance; and maintenance, repair, landscaping, gardening, and general upkeep of the Common Areas and any related facilities or improvements, including park areas, greenbelts, retention basin and street trees. The Council may hire such employees, as it considers necessary.

Section 4. Protection of Common Areas. The Council may spend such funds and take such action, as it may from time to time deem necessary to preserve the Common Areas, settle claims or otherwise act in what it considers to be in the best interests of the Association.

ARTICLE XI

BUDGET AND ASSESSMENT FOR COMMON EXPENSES

Section 1. Fiscal Year, Preparation of Budget. The Council may adopt such fiscal year for the Association as it deems to be convenient. Unless otherwise stated, the year will be the calendar year. As soon as the Council in its discretion deems advisable and prior to the expiration of each fiscal year thereafter, the Council shall establish a budget for the costs of maintaining the Common Area during the ensuing fiscal year. The Council shall then assess each Lot within the Addition with its pro rata share, based upon the number of Lots within the Addition. The Council, at its election, may require the Lot Owners to pay the amount assessed in equal monthly or quarterly installments or in a lump sum annually. The Council shall notify each Lot Owner in writing, at least ten days in advance, of each assessment period of the amount of the assessment for said period, which notice shall be accompanied by a copy of the budget on which the assessment is based. The assessment levied by the Council shall be used to promote the recreation, health, safety and welfare of the Lot Owners and for the improvement and maintenance of the Common Areas.

Section 2. The first annual assessment shall not exceed \$150.00 per lot, and shall not be collected prior to the first anniversary date of the recording of this Declaration. The Eastwind Estates Homeowners Association will determine subsequent annual assessment after its formation. Common area expense may include, but are not limited to, lawn care, plat care, park, street tree and sign maintenance.

Section 3. Certificate of Unpaid Assessments. Any failure by the Council or the Association to make the budget and assessments thereunder, before the expiration of any fiscal year for the ensuing year, shall not be deemed a waiver or modification in any respect of the provisions of this Declaration, or a release of the Owners from the obligation to pay assessments during that or any subsequent year, and the assessment amount and payment method established for the preceding fiscal year (if any) shall continue until a new assessment is established. Upon the request of any Owner or Mortgagee or prospective Owner or prospective Mortgagee of a Lot, the Council will furnish a statement of the amount, if any, of unpaid assessments charged to the Lot. The statement shall be conclusive upon the Council and the Association as to the amount of such indebtedness on the date of the statement in favor of all purchasers and Mortgagees of the Lot who rely on the statement in good faith. All assessments and other receipts received by the Association shall belong to the Association.

Section 4. Date of Commencement of Annual Assessments. The annual assessments provided for herein shall commence, as to all Lots, at such time as the Council in its absolute discretion, deems advisable. The first annual assessment shall be attested according to the number of months remaining in the fiscal year.

Section 5. Initial Assessment and Budget. The escrow agent will collect an initial assessment of Three Hundred Dollars (\$300.00) per Lot at the time of closing of each Lot. The escrow agent shall pay this initial assessment to the Association. This assessment shall constitute the initial budget of the Association for Legal Creation, Common Area maintenance and repair unless further amended by the Council. Future annual assessments shall be set at the annual meeting for collection the following year. The first annual assessment shall be as disclosed in Section 2 above.

ARTICLE XII

LIEN AND COLLECTION OF ASSESSMENTS

Section 1. Assessments Are a Lien Priority. All unpaid sums assessed by the Association for the share of the common expenses, chargeable to any Lot, and any sums specially assessed to any lot, under authority of this Declaration, shall constitute a lien on the Lot and all its appurtenances from the date the assessment becomes due and until fully paid. The lien for such unpaid assessments shall be subordinate to tax liens on the Lot in favor of assessing unit and/or special district, and to all sums unpaid on all First Mortgages of record, but, to the extent permitted by applicable law, shall have priority over all other liens against the Lot. A first Mortgagee that obtains possession through a Mortgage foreclosure or deed of trust sale, shall take the Lot free of any claims for the share of common expenses or assessments by the Association chargeable to the Lot which became due before such possession, but will be liable for the common expenses and

assessments that accrue after taking possession. The Lot's past-due share of common expenses or assessments shall become new common expenses chargeable to all of the Lot Owners, including the Mortgagee or foreclosure sale purchaser and their heirs, successors and assigns, in proportion to the number of Lots owned by each of them. Notwithstanding any of the foregoing, however, the Owner and the real estate contract purchaser shall continue to be personally liable for past due assessments as provided in Section 3 below. For purposes of this Section, "Mortgage" do not include a real estate contract and "Mortgagee" does not include the vendor or the assignee or designee of a vendor real estate contract.

Section 2. Lien May Be Foreclosed. The lien for delinquent assessments may be foreclosed by suit by the Council, acting on behalf of the Association, in like manner as the foreclosure of a Mortgage of real property. The Council, acting on behalf of the Association, shall have the power to bid on the lot at the foreclosure sale, and to acquire and hold, lease, Mortgage, and convey the same.

Section 3. Assessments Are Personal Obligations. In addition to constituting a lien on the Lot, all sums assessed by the Association chargeable to any Lot, together with interest, late charges, costs and attorneys' fees, in the event of delinquency, shall be the personal obligations of the Owner and any contract purchaser of the Lot, when the assessment is made, and their grantees. Suit to recover personal judgement for any delinquent assessments shall be maintainable without foreclosing or waiving the liens securing them.

Section 4. Late Charges and Interest of Delinquent Assessments. The Council may from time to time establish late charges and a rate of interest to be charged on assessments delinquent for a period of more than ten (10) days after the date when due. In the absence of another established, non-usurious rate, delinquent assessments shall bear interest at the rate of twelve percent (12%) per annum. If an installment on an assessment against a Lot is not paid when due, the Council may elect to declare the entire assessments against the Lot for the remainder of the fiscal year to be immediately due and payable.

Section 5. Recovery of Attorneys' Fees and Costs. In any action to collect delinquent assessments the prevailing party shall be entitled to recover, as a part of its judgment, a reasonable sum for attorneys' fees and all costs and expenses reasonably incurred in connection with the action, in addition to taxable costs permitted by law.

Section 6. Remedies Cumulative. The remedies provided herein are cumulative and the Council may pursue them and any other remedies, which may be available under law, although not expressed herein, either concurrently or in any order.

Section 7. No Avoidance of Assessments. No Owner may avoid or escape liability for assessments provided for herein by abandoning his or her Lot.

ARTICLE XIII

FAILURE OF COUNCIL TO INSIST ON STRICT
PERFORMANCE, NO WANER.

Section 1. The failure of the Council in any instance to insist upon the strict compliance with this Declaration or rules and regulations of the Association, or to exercise any right contained in such documents, or to serve any notice or to institute any action, shall not be construed as a waiver or a relinquishment for the future of any term, covenant, condition or restriction. The receipt, by the Council, of payment of any assessment from an Owner, with Knowledge of any breach by the Owner, shall not be a waiver of the breach. No waiver by the Council of any requirement shall be effective unless expressed in writing and signed by the Council.

ARTICLE XIV

LIMITATION OF LIABILITY

Section 1. So long as a Council member, or Association member, or Declarant has acted in good faith, without willful or intentional misconduct, upon the basis of such information as is then possessed by such Person, then no such Person shall be personally liable to any Owner, or to any other Person, including the Association, for any damage, loss, or prejudice suffered or claimed on account of any act, omission, error, or negligence of such Person; provided that this Article shall not apply where the consequences of such act, omission, error, or negligence are covered by any insurance actually obtained by the Council.

ARTICLE XV

INDEMNIFICATION

Section 1. Each Council member and Declarant shall be indemnified by the Association against all expenses and liabilities, including attorneys' fees, reasonably incurred by or imposed in connection with any proceeding to which he may be a party, or in which he may become involved, by reason of holding or having held such a position, or any settlement thereof, whether or not he holds such position at the time such expenses or liabilities are incurred, except to the extent such expenses and liabilities are covered by insurance and except in such cases wherein such Council member or Declarant is adjudged guilty of willful misfeasance in the performance of his or her duties; provided, that in the event of a settlement, the indemnification shall apply only when the Council approves such settlement and reimbursement as being for the best interests of the Association.

ARTICLE XVI

INSURANCE

Section 1. At such times as Council deems appropriate, the Council shall cause the Association to purchase and maintain, as a common expense, a policy or policies which the Council deems necessary or desirable to provide casualty insurance; comprehensive liability insurance; with such deductible provisions as the Council deems advisable; insurance, if available, for the protection of the Association's Council and representatives from personal liability in the management of the Association's affairs; and such other insurance as the Council deems advisable. The Council shall review the adequacy of the Association's insurance coverage at least annually.

ARTICLE XVII

DAMAGE AND REPAIR OF DAMAGE TO PROPERTY

Section 1. In the event of any casualty, loss or other damage to the Common Area for which the then current assessments by the Council are insufficient to repair, or restore or for which there are not insurance proceeds or insufficient insurance proceeds available to the Council for such restoration or repair, the Council may make a special assessment against each Lot within the Addition for its pro rata share of the cost and expenses to repair and/or restore the Common Areas. The special assessment shall be payable, at the determination of the Council, in either monthly or quarterly installments or in a single lump sum amount. The council shall notify each Lot Owner of any such special assessment not less than twenty (20) days prior to the date such special assessment or the first installment thereon is due and payable, which notice shall be accompanied by a reasonably detailed statement of the Council's estimated costs and expenses of repairing and/or restoring the Common Areas.

ARTICLE XVIII

AMENDMENTS OF DECLARATION

Section 1. Any Owner may propose amendments to this Declaration to the Council. A majority of the members of the Council may cause a proposed amendment to be submitted to the members of the Association for their consideration. If an amendment is proposed by owners of twenty percent (20%) or more of the Lots, then, irrespective of whether the Council concurs in the proposed amendment, it shall be submitted to the members of the Association for their consideration at their next regular or special meeting for which timely notice may be given. Notice of a meeting at which an amendment is to be considered

shall include the text of the proposed amendment. Amendments may be adopted at a meeting of the Association or by written consent of the requisite number of Persons entitled to vote, after notice has been given to all Persons entitled to receive notice of a meeting of the Association. The unanimous consent of all Owners shall be required for adoption of either (i) an amendment changing the voting power or portion of assessments appurtenant to each Lot, or (ii) an amendment of Article IV or (iii) of this Article XVIII. Once an amendment has been adopted by the Association, the amendment will become effective when a certificate of the amendment, executed by a member of the Council, has been recorded in the real property Records of Canadian County, Oklahoma.

ARTICLE XIX

DURATION

Section 1. The covenants, condition and restrictions of this Declaration shall run with and bind the Property and shall inure to the benefit of and be enforceable by the Owners, their respective legal representatives, heirs, successors and assigns, for a period of thirty (30) years from the date this Declaration is recorded, after which time the covenants, conditions and restrictions shall be automatically extended for successive periods of ten (10) years each unless an instrument signed by a majority of the then Owners has been recorded agreeing to terminate the covenants, conditions and restrictions.

ARTICLE XX

RESERVATION OF DECLARANT'S RIGHT TO AMEND TO COMPLY WITH FNMA, FHLMC OR FHA REQUIREMENTS

Section 1. Amendment by Declarant. Declarant reserves the right to amend the Declaration as may be necessary to comply with Federal Home Loan Mortgage Corporation ("FHLMC") or Federal National Mortgage Association ("FNMA") or Federal Housing Administration ("FHA") regulations or requirements as necessary to enable the holders of first mortgages or deeds of trust to sell first mortgages or deeds of trust to FHLMC or FNMA or if such amendment is necessary to secure funds or financing provided by, through or in conjunction with FHLMC or FNMA or FHA.

Section 2. Authorization to Amend. If Declarant, at its option, determines that it is necessary to amend the Declaration, then Declarant, on behalf of all Lot Owners in the Association, is hereby authorized to execute and to have recorded (or filed in the case of the Articles) said required amendment or amendments. All Lot Owners hereby grant to Declarant a full and complete power of attorney to take

any and all actions necessary to effectuate and record said amendment or amendments and agree that said amendment or amendments shall be binding upon their respective Lots and upon them and their heirs, personal representatives, successors and assigns to the same extent as if they had personally executed said amendment or amendments. All Lot Owners hereby acknowledge and agree that the power of attorney granted herein shall be deemed coupled with an interest and shall be irrevocable.

Section 3. Duration. Declarant's right under this Article shall exist only until the Transition Date.

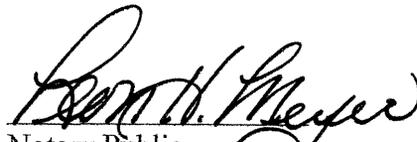
IN WITNESS WHERE OF, Shirley A Rother, owner of the aforesaid land, have caused this instrument to be executed at piedmont, Oklahoma on this 31 day of MAR 2003.


Shirley A. Rother

STATE OF OKLAHOMA)
)
County of Canadian)

On this 31 day of MAR 2003 before me, the undersigned, a Notary Public in and for said county and state aforesaid, personally appeared Shirley A. Rother, to me known to be identical person who signed the name of the maker there of to the within and foregoing instrument, and acknowledged to me that he executed the same as his free and voluntary act and deed, for the uses and purpose therein set forth.

Given under my hand and seal the day and year last written above.
My Commission Number 02002353 Expires 18 MAR 06.


Notary Public

