

DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS
FOR ROSE CREEK

The following Covenants, Conditions and Restrictions are a consolidated version put together by the POA Board to reflect the various amendments that have been made prior to October of 2009. It is intended to provide a complete, updated, and readable version for use by the POA Board, property owners, and anyone else that made need to reference the same. Although The POA board has made every effort to ensure the accuracy of consolidating the language of prior amendments into this complete version, however, the POA does not warrant or guarantee the accuracy of this condensed version and recommends that any concerns regarding any language in the same be clarified through inspection of the documents on file with the Oklahoma County Clerk's office or file stamped copies of the same

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DECLARATION OF COVENANTS, CONDITIONS AND
RESTRICTIONS FOR ROSE CREEK

THIS DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR ROSE CREEK (the "Declaration") is made this 11th day of March, 2002, by the DEER CREEK LAND DEVELOPMENT COMPANY, L.L.C., an Oklahoma limited liability company (the "Declarant").

WITNESSETH:

WHEREAS, the Declarant is the owner of certain real property located in Oklahoma County, Oklahoma, which is more particularly described in **Exhibit "A"** attached hereto and incorporated herein (the "Property"), and the Declarant desires to subject such property to the provisions of this Declaration and to develop the property as a residential community and to provide a method for the administration and maintenance of the Property; and

WHEREAS, as hereinafter provided in this Declaration, the Declarant has retained and reserved the right, privilege, and option to submit to the provisions of this Declaration at a later time and from time to time as a part of Rose Creek, all or any portion of the real property described in **Exhibit "B"**, attached hereto and incorporated herein by this reference and other lands described in Section 2.06 herein.

NOW, THEREFORE, the Declarant hereby declares that all of the property described in **Exhibit "A"** and any additional property described in **Exhibit "B"** or Section 2.06 as may by subsequent amendment hereto be subjected to this Declaration shall be held, transferred, sold, conveyed, leased, occupied, and used subject to the following easements, restrictions, covenants, charges, liens, and conditions, which are for the purpose of protecting the value and desirability of and which shall touch, concern and run with title to the real property subjected to this Declaration and which shall be binding upon and inure to the benefit of all parties having any right, title, or interest in the described properties or any portion thereof, and their respective heirs, successors, successors-in-title, and assigns.

ARTICLE I

DEFINITIONS

1.01 Definitions. When used in this Declaration, unless the context shall prohibit or otherwise require, the following words, shall have all the following meanings and all definitions shall be applicable to the singular and plural forms of such terms:

(a) "Additional Property" shall mean and refer to the real property described in **Exhibit "B"** and all improvements thereon.

(b) "Aquatic Center" shall mean and refer to certain real property and all improvements thereon upon which the Declarant has constructed a swimming pool, fitness

center, playground, basketball court, and related facilities. The Aquatic Center shall initially be a part of the Club Property, but may be conveyed to the Association and then be considered as a portion of the Common Areas. (as amended 3-30-09)

(c) "Architectural Review Board" or "ARB" shall mean and refer to the committee established by the Board of Directors to administer the architectural functions and obligations described in Article XI herein.

(d) "Articles of Incorporation" shall mean and refer to the Articles or Certificate of Incorporation of Rose Creek Property Owners Association, Inc., as amended from time to time. (as amended 3-30-09)

(e) "Assessment" shall mean and refer to an Owner's share of the Common Expenses (which shall be established and levied against Lots or Dwellings on an annual basis in accordance with Article IX herein) or other charges from time to time assessed against an Owner by the Association in the manner herein provided.

(f) "Association" shall mean and refer to the Rose Creek Property Owners Association, Inc., an Oklahoma nonprofit corporation to be established by the Declarant, its successors and assigns.

(g) "Board of Directors" or "Board" shall mean and refer to the Board of Directors of the Association.

(h) "Building Guidelines" shall mean architectural design, development, and other guidelines, standards, controls, and procedures including, but not limited to, application and review procedures, adopted and administered, as they may be amended, by the Architectural Review Board.

(i) "By-Laws of the Association" or the "By-Laws" shall mean and refer to the By-Laws of the Association.

(j) "Club" shall mean and refer to the golf club created by the Declarant to be developed and operated on the Club Property.

(k) "Club Owner" shall mean the Declarant or any successor-in-title to the Club Property.

(l) "Club Plan" shall mean and refer to that certain plan of membership developed by the Declarant for the Club which is attached hereto as **Exhibit "C"**.

(m) "Club Property" shall mean that parcel or those parcels, of land adjacent to the Property developed by Declarant or any affiliate or designee of Declarant which is operated as a golf course and related facilities and the Aquatic Center, unless and until the latter is made a part of the common Areas. (as amended 3-30-09)

(n) "Club Users" shall mean and refer to the Club Owner, its employees, independent contractors, agents and all members, guests and invitees of the Club.

(o) "Common Area(s)" shall mean and refer to all real and personal property now or hereafter designated in writing by the Declarant as Common Areas and conveyed to the Association or designated as such and held by the Declarant for the benefit of the Association. Such real property may include but shall not be limited to roads, driveways, walkways, rights-of-ways, open spaces (landscaped and natural), lakes, recreational facilities and such other common areas which have been or may be designated by the Declarant as constituting Common Areas within the Property, together with such improvements thereon as may be necessary for the maintenance and upkeep of such areas. The Declarant, after the execution of this Declaration, may designate additional real property located within the Property as Common Areas by the filing with the Official Records, a supplement to the Declaration so designating such additional real property being designated as Common Areas. Specifically excluded from the Common Areas is the Club Property. Nothing contained herein shall limit the type of personal property which may be owned by the Association as Common Areas.

(p) "Common Expenses" shall mean and refer to all expenditures lawfully made or incurred by or on behalf of the Association, together with all funds lawfully assessed for the creation or maintenance of reserves, pursuant to the provisions of this Declaration.

(q) "Declarant" shall mean and refer to Deer Creek Land Development Company, LLC, an Oklahoma limited liability company, its successors and assigns.

(r) "Declaration" shall mean and refer to this Declaration of Covenants, Conditions, and Restrictions for Rose Creek and all amendments and supplements thereof filed for record in the Official Records.

(s) "Development" shall mean and refer to the Property and all improvements located or constructed thereon.

(t) "Dwelling" shall mean and refer to any improved property intended for use as a single-family attached or detached dwelling and shall include within its meaning (by way of illustration, but not limitation) townhouse units, cluster homes, patio or zero lot line homes, Z-lot homes, and single-family detached homes on separately platted lots.

(u) "Lot" shall mean and refer to any unimproved portion of the Property upon which it is intended that a single Dwelling shall be constructed. A parcel of land shall be deemed unimproved and thus considered to be a Lot, rather than a Dwelling, until the improvements constructed thereon are sufficiently complete to reasonably permit habitation thereof. Upon such completion, such parcel and the improvements thereon shall collectively be considered to be a Dwelling for purposes of this Declaration.

(v) "Mortgage" shall mean and refer to a mortgage, security deed, deed of trust, installment land sales contract, or other similar security instrument granting, creating, or conveying a lien upon, a security interest in, or a security title to a Lot or Dwelling.

(w) "Mortgagee" shall mean and refer to the holder of a Mortgage.

(x) "Neighborhood" shall mean and refer to a group of Lots and Dwellings designated as a separate Neighborhood for the purpose of receiving other benefits or services from the Association which are not provided to all Lots and Dwellings within the Property.

(y) "Neighborhood Assessments" shall mean and refer to assessments levied against Lots and Dwellings in a particular Neighborhood to fund Neighborhood Expenses.

(z) "Neighborhood Association" shall mean and refer to an owners association, established by or with the approval of the Declarant, having jurisdiction over any Neighborhood concurrent, but subordinate to, the Association.

(aa) "Neighborhood Expenses" shall mean and refer to actual and estimated expenses incurred or anticipated to be incurred by the Association for the benefit of Owners within a particular Neighborhood, which may include reasonable reserves, as the Board may authorize and as may be authorized herein or in a Supplemental Declaration applicable to a Neighborhood.

(bb) "Occupant" shall mean and refer to any person, including, without limitation, any Owner or any guest, invitee, lessee, tenant, or family member of an Owner, occupying or otherwise using a Dwelling within the Development.

(cc) "Official Records" shall mean and refer to the Office of the County Clerk of Oklahoma County, Oklahoma.

(dd) "Owner" shall mean and refer to one or more Persons, including Declarant, who or which owns fee simple title to any Lot or Dwelling excluding, however, those Persons holding an interest merely as security for performance of an obligation. In the event that there is recorded in the Official Records any installment sales contract covering any Lot or Dwelling, the Owner of such Lot or Dwelling shall be the purchaser under said contract and not the fee simple title holder. An installment land sales contract shall be an instrument whereby the purchaser is required to make payment for a Lot or Dwelling for a period extending beyond nine (9) months from the date of the contract, and where the purchaser does not receive title to such Lot or Dwelling until all such payments are made, although the purchaser is given use of such Lot or Dwelling.

(ee) "Person" shall mean and refer to a natural person, corporation, partnership, limited liability company, association, trust, or other legal entity, or any combination thereof.

(ff) "Plats" shall mean the map of the Property, which are recorded in the Official Records.

(gg) "Property" shall mean and refer to those tracts or parcels of land described in **Exhibit "A"**, together with all improvements thereon, and, upon submission to the provisions of this Declaration, the tracts or parcels of land described in **Exhibit "B"**, or any portion thereof, or other additional lands as provided in Section 2.04, together with all improvements thereon.

(hh) "Recreational Covenant" shall mean and refer to covenants encumbering the Property as more fully set forth in Article X.

(ii) "Supplemental Declaration" shall mean and refer to an amendment or supplement to this Declaration which subjects additional property to this Declaration, designates Neighborhoods, identifies any Common Area with the additional property, and/or imposes, expressly or by reference, additional restrictions and obligations on the land described therein.

(jj) Omitted

(kk) "Associations-Approved Golf Clubhouse" shall mean a golf clubhouse and related facilities to be constructed on the Club Property, the design of which (a) substantially conforms to the initial drawings and specifications therefor prepared by Bockus Payne Associated Architects (the "Bockus Plans"), and (b) complies with the architectural standards and Building Guidelines set forth herein and adopted by the ARB from time to time (collectively, the "ARB Requirements"), adapted as reasonably necessary for a commercial structure, all as approved in writing by the ARB. In the event of a conflict or inconsistency between the Bockus Plans and the ARB Requirements, the ARB Requirements shall control. All material additions, changes, repairs or restorations to, expansion, or remodeling or reconstructions of, and Association-Approved Golf Clubhouse must also be approved by the ARB in writing for the structure to remain an Association-Approved Golf Clubhouse.

(ll) "Default Rate" shall mean and refer to a rate of interest equal to the "Prime Rate" as published in the "Bonds, Rates and Yields" section of *The Wall Street Journal*, as the same may change from time to time, plus Five percent (5.00%). If more than one Prime Rate is so designated in *The Wall Street Journal*, then the highest rate so designated will be used to determine the Default Rate."

ARTICLE II

PLAN OF DEVELOPMENT

2.01 Plans of Development of Property.

(a) The real property which is, and shall be held, transferred, sold, conveyed, given, donated, leased and occupied subject to this Declaration is shown and described on **Exhibit "A"** including but not limited to the Lots, Dwellings, roads, utility systems, drainage systems, Common Areas, other improvements serving the Lots, Dwellings, Common Areas, to the extent the same are from time to time installed and existing.

(b) Declarant reserves the right to impose covenants, conditions, and restrictions on the Lots, Dwellings, Common Areas, other improvements, and other lands that the Declarant may from time to time own or develop within the Property shown and described on a Plat, which covenants, conditions, and restrictions shall be in addition to but not in abrogation or substitution of those imposed by this Declaration.

(c) Declarant shall have the right, but not the obligation for so long as Declarant owns any Lot or Dwelling primarily for the purpose of sale, or has the unexpired option to add the Additional Property or any portion thereof to the Development, to make improvements and changes to any such Lots or Dwellings owned by the Declarant, including without limitation, (i) changes in the location of the boundaries of any Lots, Dwellings and designated Common Areas, and (ii) installation and maintenance of any water, sewer, and other utility systems and facilities.

2.02 Plans of Development of Additional Property. Declarant hereby reserves the option to submit from time to time the Additional Property or a portion or portions thereof to the Property. Said option may be exercised in Declarant's sole discretion in accordance with the following rights, conditions, and limitations, which are the only conditions and limitations on said option.

(a) The option may be exercised from time to time during a period of twenty (20) years from the date of this Declaration; provided, however, that Declarant reserves the right to terminate such option at any time prior to the expiration of such twenty (20) year period by executing and filing a supplement to the Declaration evidencing such termination in the Official Records, and except for such termination by Declarant, no other circumstances will terminate such option prior to the expiration of such twenty (20) year period.

(b) The legal description of the Additional Property is set forth in **Exhibit "B"**; portions of the Additional Property may be added to the Development at different times, and there are no limitations fixing the boundaries of those portions or regulating the order, sequence, or location in which any of such portions may be added to the Property. The exercise of the option to submit a portion of the Additional Property to the Declaration shall not bar the further exercise of this option as to other portions or the balance of the Additional Property.

(c) If the Additional Property or any portion thereof is added to the Property, Declarant reserves the right to designate the boundaries of the Lots and Dwellings, as well as the Common Areas to be added to the Development in connection therewith.

(d) Should the option to add the Additional Property, or any portion thereof, not be exercised within the term specified herein or be terminated by Declarant, such option shall in all respects expire and be of no further force and effect. In the event that such option expires or is terminated, Declarant shall not be obligated to impose on the Additional Property or any portion thereof any covenants, conditions, or restrictions the same as or similar to those contained herein and Declarant shall be free to develop the Additional Property as it deems fit.

(e) The option reserved by Declarant to cause all or any portion of the Additional Property to become part of the Development shall in no way be construed to impose upon Declarant any obligation to add all or any portion of the Additional Property to the Development or to construct thereon any improvements of any nature whatsoever.

(f) Attaching the legal description of the Additional Property to this Declaration shall in no way be construed as creating any type or form of encumbrance, restriction or servitude on the Additional Property. Only by the exercise of the option reserved by the Declarant shall the Additional property, or any portion thereof, be subject to the encumbrances, restrictions and servitudes created herein.

The option reserved under this Section 2.02 may be exercised by Declarant only by the execution of a Supplemental Declaration which shall be filed in the Official Records, together with a Plat showing the Additional Property or such portion or portions thereof as are being added to the Development by such amendment, as well as the Lots, Common Areas, if any, designated and contained within the Additional Property, or such portion thereof so submitted shall be conveyed to the Association by Declarant at such time as it deems fit by quit claim deed. Any Supplemental Declaration shall expressly submit the Additional Property or such portion thereof to all the provisions of this Declaration, and upon the exercise, if any, of such option or options, the provisions of this Declaration shall then be construed as embracing the real property described in **Exhibit "A"** and the Additional Property or such portion or portions thereof so submitted to the terms hereof, together with all improvements located thereon. If the Additional Property or any portion or portions thereof is added to the Development, then from and after the addition to the Development of the Additional Property or such portion or portions by such amendment to this Declaration, the number of votes in the Association shall be increased for Lots or Dwellings by the number of Lots platted, or Dwellings constructed and located on the Additional Property or such portion or portions thereof as are added so that there shall continue to be one vote in the Association per Lot or Dwelling in the Development. If the Additional Property or any portion thereof is added to the Development, the Declarant reserves the right to impose covenants, conditions, and restrictions on the Lots, Dwellings, Common Areas, other improvements, or other lands within the portion of the Additional Property that the Declarant may, from time to time own, develop, and add to the Development, which covenants, conditions, and restrictions shall be in addition to but not in abrogation or substitution of those imposed by this Declaration.

2.03 Withdrawal of Additional Property. Additional Property, which has been added to the Property as provided in Section 2.02 herein, may be withdrawn from the Property and from this Declaration by Declarant at any time prior to the time any Lot or Dwelling contained therein has been conveyed to a third party. Such withdrawal shall be accomplished by the execution of an amendment to this Declaration, which shall be filed in the Official Records, together with a Plat

showing the Additional Property being withdrawn. The withdrawal shall be effective upon the filing of such amendment and upon the filing of such amendment, the property described therein shall no longer be considered a part of the Property or subject to this Declaration.

2.04 Additional Lands. If the Declarant should develop additional lands now or hereafter owned by the Declarant which additional lands are not shown and described in **Exhibits "A" or "B"**, then such additional lands may be annexed to the properties subject to this Declaration by the Declarant without the assent of the other Members of the Association provided that the additional lands to be annexed shall be contiguous to a boundary line of the Property. Any annexation of additional lands to this Declaration as provided in this section may be exercised by Declarant only by the execution of an amendment to this Declaration in the form and substance provided for Additional Property as set forth in Section 2.02 of this Declaration.

2.05 Water, Sewer and Drainage Facilities. Declarant, its affiliates, successors, or assigns, shall construct the water distribution lines, sewer collection lines and drainage system serving the Development, including all lines, pipes, pumps, water towers or tanks, and other systems related thereto which are located within the Development. Declarant shall convey and dedicate all or any part of such water distribution lines, sewer collection lines and drainage system to the City of Oklahoma City or its designee. Notwithstanding the right to so convey such water distribution lines, sewer collection lines, and drainage system, such conveyance may be subject to a retention by Declarant of the transferable and alienable right to supply water, sewer treatment and drainage services to properties other than the Development and from time to time to expand such facilities, at its cost and expense, in order to provide such services to such other properties, provided that the provision of such services to such other properties shall not be permitted to the extent that it materially and adversely affects the adequacy of such services with respect to the Development.

2.06 Interest Subject to Plan of Development. Every purchaser of a Lot or Dwelling shall purchase such Lot or Dwelling and every Mortgagee and lienholder holding an interest therein shall take title, or hold such security interest with respect thereto, with notice of Declarant's plan of development as herein set forth, and Declarant shall have and does hereby specifically reserve the right to add the Additional Property or any portion or portions thereof to the Development as hereinabove provided, and, with respect to each Lot or Dwelling located within the Additional Property, to convey to the purchaser thereof the title to the Lot or Dwelling and its appurtenant membership and voting rights in the Association. Any provision of this Declaration to the contrary notwithstanding, the provisions of the foregoing plan of development set forth in this Article II may not be abrogated, modified, rescinded, supplemented, or amended in whole or in part without the prior written consent of Declarant.

ARTICLE III

PROPERTY RIGHTS

3.01 All Owners. Each Lot and Dwelling shall for all purposes constitute real property which, subject to the provisions of this Declaration, may be conveyed, transferred, and encumbered the same as any other real property. Each Owner shall be entitled to the exclusive ownership and

possession of his Lot or Dwelling, subject to the provisions of this Declaration, including without limitation, the provisions of this Article III. The ownership of each Lot and Dwelling shall include, and there shall pass with each Lot and Dwelling as an appurtenance thereto, whether or not separately described, all of the right and interest in and to the Common Areas as established hereunder, which shall include, but not be limited to, membership in the Association as described herein. Each Owner shall automatically become a member of the Association and shall remain a member thereof until such time as his ownership ceases for any reason, at which time his membership in the Association shall automatically pass to the successor-in-title to his Lot or Dwelling.

3.02 Owner's Easements of Enjoyment. Subject to the provisions of this Declaration and the rules, regulations, fees, and charges from time to time established by the Board of Directors in accordance with the By-Laws and the terms hereof, every Owner, his family, tenants, and guests shall have a non-exclusive right, privilege, and easement of use and enjoyment in and to the Common Areas, such easement to be appurtenant to and to pass and run with title to each Lot and Dwelling, subject to the following provisions:

(a) The right of the Association to borrow money (i) for the purpose of improving the Development, or any portion thereof, (ii) for acquiring additional Common Areas, (iii) for constructing, repairing, maintaining or improving any facilities located or to be located within the Development, or (iv) for providing the services authorized herein, and, subject to the provisions of Section 8.02 hereof, to give as security for the payment of any such loan a mortgage or other security instrument conveying all or any portion of the Common Areas; provided, however, that the lien and encumbrance of any such security instrument given by the Association shall be subject and subordinate to any and all rights, interest, options, licenses, easements, and privileges herein reserved or established for the benefit of Declarant, any Owner, or the holder of any Mortgage, irrespective of when such Mortgage is executed or given.

(b) The rights and easements reserved to Declarant in Sections 3.05, 3.06, 3.07, 3.08, 3.11, 3.12 and 3.15 hereof.

(c) The right of the Association to grant and accept easements as provided in Section 3.08 hereof and to dedicate or transfer fee simple title to all or any portion of the Common Areas to any public agency or authority, governmental authority, body politic, public or private utility, or other person, provided that any such transfer of the title must be approved by a majority of those present in person or by proxy at a duly held meeting of the Association and by Declarant, for so long as Declarant owns any Lot or Dwelling primarily for the purpose of sale or has the unexpired option to add the Additional Property or any portion thereof to the Development.

(d) The rights and easements reserved in Section 3.11 hereof for the benefit of the Association, its directors, officers, agents, and employees.

(e) The rights and easements reserved in Section 3.13 hereof for the benefit of the Additional Property.

(f) The access easements described in Section 3.19 hereof for the benefit of the Club Property.

3.03 Club Property. The Club Property shall not be encumbered by this Declaration. Neither the Association nor any Owner shall have any right, title or interest whatsoever in the Club Property or in the operations conducted in the Club Property, including, but not limited to, equity rights, prescriptive easements, use rights to use the improvements, or the right to continued operation of any improvements located on the Club Property. Notwithstanding the foregoing, every Owner of a Lot or Dwelling shall be required to be a member of the Club, and such Owner shall be subject to the same membership requirements, fees and dues structures and such other rules and regulations as are applicable to other Members in accordance with the Club Plan. The fees and dues charged under the Club Plan are separate and apart from the Assessments. “Nothing contained in the **Section 3.03** or elsewhere in this Declaration shall be deemed to waive, release or impair the Association’s right to place conditions on the payment of funds collected from Club Assessments to the Club Owner or owner of the Aquatic Center.”

3.04 Aquatic Center. While certain facilities constituting the Club Property may be available for the use and enjoyment of Persons that are not Owners, the Aquatic Center, while being a part of the Club Property, shall be for the exclusive use and enjoyment of Owners and their invitees, except as hereinafter provided. The Club Owner may sell memberships to the Aquatic Center to individuals, couples or families who are not Owners (herein, as applicable, a “**Non-Owner Member**”) on the following conditions: (a) the Non-Owner Member is also required to purchase and retain a golf membership to the Club so long as the Non-Owner has a membership to the Aquatic Center, (b) the Non-Owner Member is not charged less in membership fees and dues for a golf membership or a membership to the Aquatic Center than those respective fees and dues charged to an Owner (without regard to any Club Assessments charged to Owners); provided, if Owners or Non-Owner Members are charges a lump sum for both memberships, the amounts shall be equitably and consistently apportioned between such memberships for the purposes of determining compliance with the fees and dues comparisons required hereunder, and (c) the membership fees and dues charged to Non-Owner Members shall be the personal obligation of the Non-Owner Member. (as amended 3-30-09 & 6-13-09)

3.05 Access. All Owners, by accepting title to Lots, Dwellings, lands, or other improvements conveyed subject to this Declaration, waive all rights of uncontrolled and unlimited access, ingress and egress to and from such Lots, Dwellings, lands, or other improvements and acknowledge and agree that their means of access and ingress and egress to their Lots and Dwellings shall be limited to roads, sidewalks, walkways and trails located within the Development by Declarant, provided that pedestrian and vehicular access for Owners, and their guests, and invitees to and from all Lots and Dwellings shall be provided at all times. Declarant shall have the right within its sole discretion without the additional consent of any Owners to from time to time relocate and change the direction, width and orientation of the above-referenced roads, sidewalks, walkways and trails located within the Development, provided, however, that such relocated roads, sidewalks, walkways and trails shall provide a convenient and adequate means of access to the Lots or Dwellings of Owners within the Development. There is reserved unto Declarant, its affiliates, successors and assigns, the right and privilege, but not the obligation (i) to

maintain guarded or electronically-monitored gates controlling vehicular access to and from the Development, and (ii) to require payment of toll charges for use of roads within the Development by permitted commercial traffic or by members of the general public, which tolls shall be set at a reasonable amount to maintain the roads and provide security. (as amended 6-13-09)

3.06 Easements for Declarant. During the period that the Declarant owns any Lot or Dwelling primarily for the purpose of sale, or has the unexpired option to add the Additional Property or any portion thereof to the Development, Declarant shall have an alienable and transferable right and easement on, over, through, under, and across the Common Areas for the purpose of constructing Dwellings and other improvements in and to the Lots and the Additional Property and for installing, maintaining, repairing, and replacing such other improvements to the Property (including portions of Common Areas) as are contemplated by this Declaration or as Declarant desires, in its sole discretion, including, without limitation, any improvements or changes permitted and described by Article II hereof, and for the purpose of doing all things reasonably necessary and proper in connection therewith, provided in no event shall Declarant have the obligation to do any of the foregoing.

3.07 Changes in Boundaries; Additions to Designated Common Areas. Declarant expressly reserves for itself and its affiliates, successors and assigns, the right to change and realign the boundaries of the designated Common Areas and any Lots or Dwellings owned by Declarant, including the realignment of boundaries between adjacent Lots, Dwellings, or both, owned by Declarant, provided that any such change or realignment of boundaries shall not materially decrease the acreage of the designated Common Areas and shall be evidenced by a revision of or an addition to the applicable Plat which shall be recorded in the Official Records.

3.08 Easements for Utilities. There is hereby reserved for the benefit of Declarant, the Association, and their respective successors and assigns, the alienable, transferable, and perpetual right and easement, as well as the power to grant and accept easements, subject to the limitations herein, to and from any public authority or agency, public service district, public or private utility, or other person, upon, over, under, and across (i) all of the Common Areas, (ii) all land within easement areas shown on recorded subdivision plats, and (iii) all land located along the interior of and within five (5') feet of each boundary of all Lots and all Dwellings, such land to be bounded by the exterior boundaries of such Lots and Dwellings and by lines in the interior of such Lots and Dwellings which are exactly five (5') feet from such exterior boundaries for the purpose of installing, replacing, repairing, maintaining all utilities, including, but not limited to storm sewers and drainage systems and electrical, gas, telephone, cable television, water, sewer, advanced water treatment, and irrigation lines.

Such easements may be granted or accepted by Declarant, its successors or assigns, or by the Board of Directors, provided, however, that for so long as Declarant owns any Lot or Dwelling primarily for the purpose of sale, or has the unexpired option to add the Additional Property or any portion thereof to the Development, the Board of Directors must obtain the written consent of Declarant prior to granting or accepting any such easements. To the extent practicable, all utility lines and facilities serving the Development and located therein shall be located underground. By virtue of any such easement, it shall be expressly permissible for the providing utility company or other supplier or servicer, with respect to the portions of the Development so encumbered, (i) to

erect and maintain pipes, lines, manholes, pumps, and other necessary equipment and facilities, (ii) to cut and remove trees, bushes, or shrubbery, (iii) to grade, excavate, or fill, or (iv) to take any other similar action reasonably necessary to provide economical and safe installation, maintenance, repair, replacement, and use of such utilities and systems. Provided, however, the easements reserved herein shall not entitle the holders of such easements to construct or install any of the foregoing systems, facilities or utilities over, under or through any Dwelling, and any damage to a Lot or Dwelling resulting from the exercise of this easement shall promptly be repaired by, and at the expense of the Person exercising such easement.

3.09 Easements for Walks, Trails and Signs. There is hereby reserved for the benefit of Declarant, the Association, and their respective successors and assigns, the alienable, transferable, and perpetual right and easement upon, over, and across all land located along the interior of and within ten (10') feet of each boundary located adjacent to streets and roads, such lands to be bounded by such exterior boundaries adjacent to streets and roads and by lines in the interior of such Lots and Dwellings which are exactly ten (10') feet from such exterior boundaries, for the installation, maintenance, and use of sidewalks, jogging trails, bike paths, golf cart paths, traffic directional signs, and related improvements.

3.10 Easements for Road Construction. There is hereby reserved for the benefit of the Declarant and its successors and assigns, the temporary right and easement upon, over and across all unimproved land located along the interior of and within thirty (30') feet of each boundary located adjacent to streets and roads, such lands to be bounded by such exterior boundaries adjacent to streets and roads and by lines in the interior of such Lots and Dwellings which are exactly thirty (30') feet from such exterior boundaries, for the construction of such streets and roads. The easement provided in this Section 3.10 shall be deemed to commence upon the recording of this Declaration and shall terminate thirty (30) days following the completion of the street and road adjacent to such Lot or Dwelling.

3.11 Easements for Association. There is hereby reserved a general right and easement for the benefit of the Association, its directors, officers, agents, and employees, including, but not limited to, any manager employed by the Association and any employees of such manager, to enter upon any Lot or Dwelling, or any portion thereof in the performance of their respective duties. Except in the event of emergencies, this easement is to be exercised only during normal business hours and then, whenever practicable, only upon advance notice to and with permission of the Owner or Occupant of the Lot or Dwelling directly affected thereby.

3.12 Sales and Construction Offices. Notwithstanding any provisions or restrictions herein to the contrary, there is hereby reserved for the benefit of Declarant and its affiliates, successors and assigns the alienable and transferable right and easement in and to the Property for the construction and maintenance of signs, sales offices, construction offices, business offices, and model Dwellings, together with such other facilities as in the sole opinion of Declarant may be reasonably required, convenient, or incidental to the completion, improvement, or sale of Lots, Dwellings, Common Areas, or the Additional Property, for so long as Declarant owns any Lot or Dwelling primarily for the purpose of sale or has the unexpired option to add the Additional Property or any portion thereof to the Development. Declarant shall have the right to locate the

above-described sales and construction offices within any property owned by Declarant without the additional consent of any Owners.

3.13 Easements for Additional Property. There is hereby reserved in Declarant, and its successors, assigns, and successors-in-title to the Additional Property, for the benefit of and as an appurtenance to the Additional Property and as a burden upon the Property, perpetual, non-exclusive rights and easements for (i) pedestrian and vehicular access, ingress, egress and parking over, across, within, and on all sidewalks, trails, parking facilities, water courses, and basins and water dependent structures which may from time to time be located within the Property or within easements serving the Property, (ii) the installation, maintenance, repair, replacement, and use within the Property and those portions of Lots encumbered pursuant to Section 3.08 hereof, for utility facilities and distribution lines, including, without limitation, drainage systems, storm sewers, and electrical, gas, telephone, water, sewer, and cable system lines, and (iii) drainage and discharge of surface water onto and across the Property, provided that such drainage and discharge shall not materially damage or affect the Development or any improvements from time to time located thereon.

3.14 Maintenance Easement. Subject to the terms of Section 5.02(b) hereof, there is hereby reserved for the benefit of Declarant, the Association, and their respective agents, employees, successors, and assigns, an alienable, transferable, and perpetual right and easement to enter upon any Lot and upon unimproved portions of any Dwelling, for the purpose of mowing, removing, clearing, cutting, or pruning underbrush, weeds, stumps, or other unsightly growth and removing trash, so as to maintain reasonable standards of health, fire safety, and appearance within the Development, provided that such easements shall not impose any duty or obligation upon Declarant or the Association to perform any such actions. Furthermore, there is hereby reserved for the benefit of Declarant, the Association, and their respective agents, employees, successors, and assigns, an alienable, transferable, and perpetual right and easement, but not the obligation, to enter upon any unimproved portions of Lots or Dwellings, which are located within thirty (30) feet from the water's edge of any lake, water course, pond, or other body of water within the Development, for the purpose of mowing such area and keeping the same clear and free from unsightly growth and trash, as well as for the purpose of maintaining such bodies of water, such maintenance to include, without limitation, dredging and the maintenance of reasonable water quality standards.

3.15 Environmental Easement. There is hereby reserved for the benefit of Declarant, the Association, and their respective Agents, employees, successors, and assigns, an alienable, transferable, and perpetual right and easement on, over, and across all Lots and all unimproved portions of Dwellings for the purpose of taking any action necessary to effect compliance with environmental rules, regulations, procedures from time to time promulgated or instituted by the Board of Directors or by any governmental entity, such easement to include, without limitation, the right to implement erosion control procedures and practices, the right to drain standing water, and the right to dispense pesticides and herbicides.

3.16 Wells and Effluent. There is hereby reserved for the benefit of Declarant and its affiliates, agents, employees, successors, and assigns, an alienable, transferable, and perpetual right and easement (i) to pump water from lakes, ponds, basins, water dependent structures, and

other bodies of water located within the Development for the purpose of irrigating any portions of the Development, (ii) to drill, install, locate, maintain, and use wells, pumping stations, water towers, siltation basins and tanks, and related water and sewer treatment facilities and systems within the Common Areas and lands within the Property owned by the Declarant, or (iii) to spray or locate any treated sewage effluent within the Common Areas, or upon any Lot or upon unimproved portions of any Dwelling.

3.17 Golf Property Construction Easements. There is hereby reserved for the benefit of the Club Property temporary easements and rights of entry on, over and across all Lots, all unimproved portions of Dwellings and the Common Areas for the construction of certain improvements as follows:

(a) Water supply lines, irrigation lines, sanitary and storm sewer lines, electric and gas supply lines, telephone lines, other utility service lines, golf cart paths, and other improvements related to and reasonably necessary for the construction and operation of the Club Property.

(b) Improvements to the Club Property and all other related improvements over and across portions of the Property adjacent to and abutting the Club Property. The easement received herein shall extend for thirty (30') feet onto the Property along the contiguous property lines between the Property and the Club Property.

(c) The easement rights created in this Paragraph 3.17 shall include (i) the right to cut, trim, or remove any trees or other obstructions which may interfere with the construction, reconstruction, or operation of the Club Property, pile dirt and materials, and to operate equipment on the surface of the land, within the easement areas described herein, during periods of construction of the improvements to the Club Property; and (ii) the right of ingress and egress onto the easement areas described herein for the purpose of exercising the rights herein granted.

(d) The easement rights created herein shall be nonexclusive and Declarant and Owners shall have the right to use the land within the easement areas described herein for any purpose not inconsistent with the rights herein conveyed.

(e) Within a reasonable time after completion of any portion of the improvements to the Club Property, the surface of the easement areas described herein shall be restored as near as practicable to the condition found prior to the construction of such portion of the Club Property, including, without limitation, ground covers, plantings, roads, sidewalks and other improvements.

(f) The easement provided in Section 3.17(a) herein shall be deemed to commence upon the recording of this Declaration and shall be terminated thirty (30) days following the completion and the placement into service of the improvements to the Club Property.

(g) The easement provided in Section 3.17(b) herein shall be deemed to commence upon the recording of this Declaration and shall be terminated thirty (30) days

following the completion and the placement into service of the last of the improvements comprising the Club Property.

3.18 Club Property Utility Easements. There is hereby reserved for the benefit of the Club Property, easements for utility service lines, golf course irrigation lines, communication lines and electric lines as follows:

(a) Upon the completion of the improvements to the Club Property, a permanent nonexclusive utility easement shall be deemed created over each utility service line for the maintenance, repair, replacement, and reconstruction of the utility service lines constructed for the benefit of the Club Property. The Utility Easements shall extend five (5') feet on either side of each utility service line as actually constructed, or such additional land as reasonably necessary to allow for the maintenance, repair, replacement and reconstruction of each utility service lines constructed for the benefit of the Club Property.

(b) Upon completion of the golf course irrigation system, a nonexclusive golf course irrigation easement shall be deemed created over each golf course irrigation water, communication, and electric line located on the Property for the maintenance, repair, replacement, and reconstruction of the golf course irrigation water, communication and electric lines.

(c) Upon completion of the improvements to the Club Property, Declarant, its successors or assigns, may prepare a plat or survey indicating the location and existence of the easements reserved herein and create and record specific easements, consistent with the terms hereof, for all or any portion of the improvements.

3.19 Club Access. The Declarant hereby reserves the right to grant perpetual access easements to the Club Owner and Club Users over portions of the Common Areas for pedestrian and vehicular access for the benefit of the Club Property.

3.20 Golf Cart Paths. There is hereby reserved for the benefit of the Club Property, a nonexclusive easement for the purpose of construction, maintenance, repair, and replacement of golf cart paths over and across portions of the Common Areas as designated on Plats to provide ingress and egress by and between portions of the Club Property. The Club Owner shall maintain the easements reserved herein in a safe and orderly manner. Further, the Club Owner shall have the right to install, replace, maintain and repair directional and safety signage within the Golf Cart Path Easements, as deemed reasonably necessary.

3.21 Golf Cart and Maintenance Vehicle Easement. There is hereby reserved for the benefit of the Club Property, a nonexclusive easement to Club Users to operate golf carts, operate machinery, equipment and maintenance vehicles as are reasonably necessary in connection with the operation and maintenance of the Club Property over and across all easements reserved in Section 3.19 herein, roads, streets, and rights-of-way within the Common Property.

3.22 Golf Course Play Easement. There is hereby reserved to the Club Users, a nonexclusive easement over and across the Common Areas, Lots and certain unimproved portions of Dwellings for the following purposes:

- (a) Retrieval of golf balls, including the right to enter on any Lot or certain unimproved portions of Dwellings for that purpose, provided that the person retrieving the golf ball shall do so in a reasonable manner and will repair any damage caused by such entry.
- (b) Flight of golf balls over, across and upon the Common Areas and Lots.
- (c) Doing of every act necessary and incident to the playing of golf and other recreational activities on the Club Property, including, but not limited to, the operation of lighting facilities for operation of swimming, driving range, and golf practice facilities during hours of darkness, and the creation of usual and common noise levels associated with such recreational activities.
- (d) Creation of noise related to the normal maintenance and operation of the Club Property, including, but not limited to, the operation of mowing and spraying equipment. Such noise may occur from early morning until late evening.
- (e) An easement for the overspray of herbicides, fungicides, pesticides, fertilizers and water over portions of the Common Property and Lots located adjacent to the Club Property.

The easements reserved herein over certain unimproved portions of Dwellings are limited to any unimproved area situated outside of any fenced area but in no event more than twenty-five (25') feet from any point on the boundary of the Dwelling.

3.23 Damage by Errant Golf Balls. The Owners, for themselves and each and every subsequent Owner, hereby acknowledges and agrees that the existence of a golf course in the Club Property is beneficial and highly desirable; however, each Owner acknowledges and agrees that portions of the Property located adjacent to the Club Property are subject to the risk of damage or injury due to errant golf balls. The Owners, for themselves and each subsequent Owner, their successors and assigns, hereby assume the risk of damage and injury and hereby release the Declarant and any other owner of the Club Property, their respective successors and assigns, from any and all liability for damage or injury caused by errant golf balls in, on, or around the Lots, Dwellings and Common Property and agrees to indemnify and hold the Declarant and any other owner of the Club Property, their respective successors and assigns, harmless from any and all claims, actions, costs or liability arising from any damage or injury caused, directly or indirectly, by golf balls flying, landing, hitting, or resting in or around the Lots, Dwellings and Common Property. The obligation to indemnify, defend and hold harmless shall pass with title to each Lot, Dwelling and Common Property. Nothing contained herein shall be deemed to limit liability of the individual golfer who has struck the errant golf ball for any damage he or she has caused.

3.24 Encroachments. The construction of any improvements adjacent to or encroaching upon any pond, lake or other body of water within the Development is prohibited unless otherwise permitted by the Declarant and the Board of Directors and approved by the Architectural Review Board.

3.25 No Partition. There shall be no judicial partition of the Development or any part thereof, nor shall any person acquiring any interest in the Development or any part thereof seek any such judicial partition unless the Development has been removed from the provisions of this Declaration.

ARTICLE IV

MEMBERSHIP IN THE ASSOCIATION

4.01 Membership in the Association. Each Owner shall have a membership in the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot or Dwelling, and ownership of a Lot or Dwelling shall be the sole qualification for such membership. In the event that fee title to a Lot or Dwelling is transferred or otherwise conveyed, the membership in the Association which is appurtenant thereto shall automatically pass to such transferee. The foregoing is not intended to include Mortgagees or any other persons who hold an interest merely as security for the performance of an obligation, and the giving of a security interest shall not terminate or otherwise affect an Owner's membership in the Association. Where a mortgagee or other person holding an interest in a Lot or Dwelling as security for the performance of an obligation acquires title to such Lot or Dwelling through a foreclosure proceeding or the issuance of a deed in lieu of foreclosure, such mortgagee or other transferee shall be deemed to have a membership in the Association upon acquiring title to such Lot or Dwelling. Notwithstanding any of the foregoing to the contrary, no Owner, whether one or more persons, shall have more than one membership per Lot or Dwelling. In the event of multiple Owners of a Lot or Dwelling, votes and rights of use and enjoyment shall be as provided herein. The rights and privileges of membership, including the right to vote and to hold an office in the Association, may be exercised by a member, but in no event shall more than one vote be cast or more than one office held for each Lot or Dwelling, and further provided that a member casting a vote or holding an office with respect to his Lot or Dwelling shall not be entitled to cast an additional vote or to hold an additional office for the Lot upon which his residential unit is located. When more than one person holds an interest in any Lot or Dwelling, the vote for such Lot or Dwelling shall be exercised as those Owners of such Lot or Dwelling themselves determine and notify the Secretary or an Assistant Secretary of the Association prior to any meeting. In the absence of such notice, the vote appurtenant to such Lot or Dwelling shall be suspended in the event more than one person seeks to exercise it. Such a suspended vote shall be counted for the purpose of calculating a quorum, but such a suspended vote shall not be cast with regard to voting matters of the Association until the persons owning such Lot or Dwelling determine how such vote shall be cast and so advise the Secretary or Assistant Secretary of the Association. The voting weight Appurtenant to each Lot or Dwelling is equal and each Lot or Dwelling shall have one vote. Such voting weight shall continue to be equally apportioned upon the addition of all or a portion of the Additional Property to the Development, and each Lot or Dwelling therein shall have one vote. Each Owner, by acceptance of a deed or other conveyance for a Lot or Dwelling, consents and agrees to the dilution of his voting interest in the Association by virtue of the submission from time to time of the Additional Property or any portion thereof to the terms of this Declaration as provided herein.

ARTICLE V

MAINTENANCE

5.01 Responsibilities of Owners. Unless specifically identified herein or identified in a Supplemental Declaration, all maintenance and repair of Lots and Dwellings, together with all other improvements thereon or therein and all lawns, landscaping, and grounds on and within a Lot or Dwelling, shall be the responsibility of the Owner of such Lot or Dwelling. Unless the responsibility for such is vested in other Persons through a Supplemental Declaration, each Owner shall be responsible for maintaining such Owner's Lot or Dwelling, as the case may be, in a neat, clean, and sanitary condition, and such responsibility shall include the maintenance and care of all exterior surfaces of all Dwellings, buildings, and other structures and all lawns, trees, shrubs, hedges, grass, and other landscaping. As provided in Section 5.02(b) hereof, each Owner shall also be obligated to pay for the costs incurred by the Association for repairing, replacing, maintaining, or cleaning any item which is the responsibility of such Owner, but which responsibility such Owner fails or refuses to discharge. Except for the Declarant, no Owner shall: (i) decorate, change, or otherwise alter the appearance of any portion of the exterior of a Dwelling, building or other improvement or the landscaping, grounds, or other improvements within a Lot unless such decoration, change, or alteration is first approved, in writing, by the Architectural Review Board as provided in Article XI hereof, or (ii) do any work which, in the reasonable opinion of the Architectural Review Board, would jeopardize the soundness and safety of the Development, reduce the value thereof, or impair any easement or hereditaments thereto, without in every such case obtaining the written approval of the Architectural Review Board and the Owners directly affected thereby or benefiting from such easement or hereditament.

5.02 Association's Responsibility.

(a) Except as may be herein otherwise specifically provided, the Association shall maintain and keep in good repair all portions of the Common Areas, which responsibility shall include the maintenance, repair, and replacement of: (i) all roads, walks, trails, harbors, lakes, ponds, parking lots, landscaping, landscaped areas, and other improvements situated within the Common Areas or within the easements described in Section 3.09 hereof, (ii) such utility lines, pipes, plumbing, wires, conduits, and related systems which are a part of the Common Areas and which are not maintained by a public authority, public or private utility, or other person. The Association shall not be liable for injury or damage to any person or property: (A) caused by weather conditions or by any Owner or any other person not acting as either an agent or employee of the Association, (B) resulting from any rain or other surface water which may leak or flow from any portion of the Common Areas, or (C) caused by a pipe, plumbing, drain, conduit, appliance, equipment, or utility line or facility, the responsibility for the maintenance of which is that of the Association, becoming out of repair, nor shall the Association be liable to any Owner for loss or damage, by theft or otherwise, of any property of such Owner which may be stored in or upon any portion of the Common Areas or any other portion of the Property. No diminution or abatement of assessments, fees, or charges shall be claimed or allowed by reason of any alleged failure of the Association to take some action or to perform some function required to be taken or performed by the Association under this Declaration, or for inconvenience or discomfort arising from the making of improvements or repairs which

are the responsibility of the Association, or from any action taken by the Association to comply with any law, ordinance, or with any order or directive of any municipal or other governmental authority, the obligation to pay such assessments, fees, and charges being a separate and independent covenant on the part of each Owner.

(b) In the event that Declarant or the Board of Directors determines that: (i) any Owner has failed or refused to discharge properly his or its obligations with regard to the maintenance, cleaning, repair, or replacement of items for which he or it is responsible hereunder, or (ii) the need for maintenance, cleaning, repair, or replacement which is the responsibility of the Association hereunder is caused through the willful or negligent act of an Owner, his family, tenants, guests, or invitees, and is not covered or paid for by insurance in whole or in part, then, in either event, Declarant or the Association, except in the event of an emergency situation, may give such Owner written notice of Declarant's or the Association's intent to provide such necessary maintenance, cleaning, repair, or replacement, at the sole cost and expense of such Owner and setting forth with reasonable particularity the maintenance, cleaning, repairs, or replacement deemed necessary. Except in the event of emergency situations, such Owner shall have fifteen (15) days within which to complete the same in a good and workmanlike manner, or in the event that such maintenance, cleaning, repair, or replacement is not capable of completion within said fifteen (15) day period, to commence said maintenance, cleaning, repair, or replacement and diligently proceed to complete the same in a good and workmanlike manner. In the event of emergency situations or the failure of any Owner to comply with the provisions hereof after such notice, Declarant or the Association may provide (but shall not have the obligation to so provide) any such maintenance, cleaning, repair, or replacement at the sole cost and expense of such Owner and said cost shall be added to and become a part of the assessment to which such Owner and his Lot or Dwelling are subject and shall become a lien against such Lot or Dwelling. In the event that Declarant undertakes such maintenance, cleaning, repair, or replacement, the Association shall promptly reimburse Declarant for Declarant's costs and expenses.

5.03 Neighborhood's Responsibility. Owners of Lots and Dwellings within each Neighborhood shall be responsible for paying, through Neighborhood Assessments, the costs of operating, maintaining, and insuring certain portions of the real property within such Neighborhood. This may include, without limitation, costs of maintaining any signage, entry features, right-of-way, landscaping, and open space between the Lots and Dwellings within the Neighborhood and adjacent streets within the Neighborhood, regardless of ownership and regardless of the fact that such maintenance may be performed by the Association. As an alternative, the Board may resolve that such maintenance shall be performed by the applicable Neighborhood Association, if any.

The Association may, but shall not be obligated to, assume maintenance responsibility for property within any Neighborhood, in addition to any property which the Association is obligated to maintain by this Declaration or any Supplemental Declaration by agreement with the Neighborhood Association. All costs of such maintenance shall be assessed as a Neighborhood Assessment against the Lots and Dwellings within the Neighborhood to which the services are provided.

ARTICLE VI

INSURANCE AND CASUALTY LOSSES

6.01 Insurance.

(a) The Board of Directors or its duly authorized agents shall have the authority to obtain and continue in effect adequate property insurance, in such form as the Board deems appropriate, for the benefit of the Association and insuring all insurable improvements in and to the Common Areas against loss or damage by fire or other hazards, including, without limitation, extended coverage, flood, vandalism, and malicious mischief, such coverage to be in an amount sufficient to cover the full replacement cost (without depreciation but subject to such deductible levels as are deemed reasonable by the Board) of any repair or reconstruction in the event of damage or destruction from any such hazard.

(b) The Board or its duly authorized agents shall have the authority to obtain and continue in effect a public liability policy covering all the Common Areas and all damage or injury caused by the negligence of the Association, its members, its directors and officers, or any of its agents. Such public liability policy shall provide such coverages as are determined to be necessary by the Board of Directors.

(c) The Board or its duly authorized agents shall have the authority and may obtain: (i) worker's compensation insurance to the extent necessary to comply with any applicable laws, and (ii) such other types and amounts of insurance as may be determined by the Board to be necessary or desirable.

(d) All such insurance coverage obtained by the Board of Directors shall be written in the name of the Association as trustee for each of the Owners and costs of all such coverage shall be a Common Expense. Exclusive authority to adjust losses under policies obtained by the Association and hereafter in force with respect to the Development shall be vested in the Board of Directors; provided, however, that no mortgagee or other security holder of the Common Areas having an interest in such losses may be prohibited from participating in the settlement negotiations, if any, related thereto. Insofar as permitted by law, the Association shall be required to make reasonable effort to secure insurance policies with the provisions hereinafter set forth.

(i) All policies shall be written with a company licensed to do business in the State of Oklahoma and holding a rating of A+ or better in such financial categories as established by Best's Insurance Reports, if such report is available or, if not available, its equivalent rating or the best rating possible.

(ii) All property insurance policies shall be for the benefit of the Owners and their Mortgagees as their interests may appear.

(iii) All policies shall contain a waiver of the insurer's right to cancel without first giving thirty (30) days' prior written notice of such cancellation to the Association and to any Mortgagee to which a mortgagee endorsement has been issued.

(iv) In no event shall the insurance coverage obtained and maintained by the Association's Board of Directors hereunder be brought into contribution with insurance purchased by individual Owners or their Mortgagees.

(v) All policies shall contain a waiver of subrogation by the insurer as to any claims against the Association, the Association's directors and officers, the Owners, and their respective families, servants, agents, tenants, guests, and invitees, including, without limitation, the Association's manager.

(vi) All policies shall contain a provision that no policy may be canceled, invalidated, or suspended on account of the conduct of one or more of the individual Owners, or their respective families, servants, agents, employees, tenants, guests, and invitees, or on account of the acts of any director, officer, employee, or agent of the Association or of its manager, without prior demand in writing delivered to the Association to cure the defect and the allowance of a reasonable time thereafter within which the defect may be cured.

(vii) All liability insurance shall contain cross-liability endorsements to cover liability of the Association to an individual Owner.

(e) It shall be the individual responsibility of each Owner at his own expense to provide, as he sees fit, public liability, property damage, title, and other insurance with respect to his own Lot and Dwelling. Notwithstanding the foregoing, Declarant shall not be required to maintain insurance on Lots or Dwellings owned by the Declarant.

6.02 Damage or Destruction to Common Areas. Immediately after the damage or destruction by fire or other casualty to all or any part of the Common Areas covered by insurance written in the name of the Association, the Board of Directors or its duly authorized agent shall proceed with the filing and adjustment of all claims arising under such insurance, and, in any such event, the Board shall obtain reliable and detailed estimates of the cost of repair or reconstruction of the damaged or destroyed property. Repair or reconstruction, as used in this Article VI, means repairing or restoring the damaged property to substantially the same condition in which it existed prior to the fire or other casualty. Unless within sixty (60) days following any damage or destruction to all or a part of the Common Areas, Declarant, for so long as Declarant owns a Lot or Dwelling primarily for the purpose of sale or has the unexpired option to add the Additional Property or any portion thereof to the Development, together with at least seventy-five percent (75%) of the total vote of the Association, shall otherwise agree, the Association shall restore or replace such damaged Common Areas. If the insurance proceeds, if any, for such damage or destruction are not sufficient to defray the cost thereof, and such deficiency cannot be appropriated from a reserve fund as may have been established for such purpose, the Board of Directors may levy a special assessment against all Owners, without the necessity of a vote pursuant to Section

9.04 hereof, such special assessment to be in an amount sufficient to provide funds to pay such excess cost of repair or reconstruction. Such a special assessment shall be levied against the Owners equally in the same manner as annual assessments are levied, and additional assessments may be made at any time during or following the completion of any repair or reconstruction. Any and all sums paid to the Association under and by virtue of such assessments shall be held by and for the benefit of the Association together with the insurance proceeds, if any, for such damage or destruction. Such insurance proceeds and assessments shall be disbursed by the Association in payment for such repair or reconstruction pursuant to and in accordance with such method of distribution as is established by the Board of Directors. Any proceeds remaining after defraying such costs shall be retained by and for the benefit of the Association. If it is determined that the damage or destruction for which the insurance proceeds are paid shall not be repaired or reconstructed, such proceeds shall be retained by and for the benefit of the Association, and the ruins of the Common Areas damaged or destroyed by fire or other casualty shall be cleared and the Common Areas left in a clean, orderly, safe, and sightly condition.

6.03 Damage or Destruction to Lots or Dwellings . In the event of damage or destruction by fire or other casualty to any Lots or Dwellings, and in the further event that either the Owner of such Lot or Dwelling elects not to repair or rebuild the damaged or destroyed Lot or Dwelling, such Owner making such election shall promptly clear away the ruins and debris of any damaged improvements of vegetation and leave such Lot or Dwelling in a clean, orderly, safe, and sightly condition. Should such Owner elect to repair or rebuild such Lot or Dwelling, such Owner shall repair or rebuild such Lot or Dwelling to substantially the same condition as existed prior to such fire or other casualty and in accordance with all applicable standards, restrictions, and provisions of this Declaration (including, without limitation, Article XI hereof). All such work or repair or construction shall be commenced promptly following such damage or destruction and shall be carried through diligently to conclusion.

ARTICLE VII

CONDEMNATION

7.01 Condemnation of Common Areas. Whenever all or any part of the Common Areas of the Development shall be taken by any authority having the power of condemnation or eminent domain, or is conveyed in lieu thereof by the Board of Directors acting on the agreement of at least seventy-five percent (75%) of the total vote of the Association and of Declarant, as long as Declarant owns a Lot or Dwelling primarily for the purpose of sale or has the unexpired option to add the Additional Property or any portion thereof to the Development, the award or proceeds made or collected for such taking or sale in lieu thereof shall be payable to the Association and shall be disbursed or held as follows:

(a) If the taking or sale in lieu thereof involves a portion of the Common Areas on which improvements have been constructed, then, unless within sixty (60) days after such taking Declarant, for so long as Declarant owns a Lot or Dwelling primarily for the purpose of sale or has the unexpired option to add the Additional Property or any portion thereof to the Development, together with at least seventy-five percent (75%) of the total membership of the Association, shall otherwise agree, the Association shall restore or

replace such improvements so taken, to the extent practicable, on the remaining lands included in the Common Areas which are available therefor, in accordance with the plans approved by the Board of Directors, the Architectural Review Board, and by Declarant, for so long as Declarant owns a Lot or Dwelling primarily for the purpose of sale or has the unexpired option to add the Additional Property or any portion thereof to the Development. If the awards or proceeds are not sufficient to defray the cost of such repair and replacement and such deficiency cannot be appropriated from a reserve fund as may have been established for such purpose, the Board of Directors may levy a special assessment against all Owners, without the necessity of a vote pursuant to Section 9.04 hereof, such special assessment to be in an amount sufficient to provide funds to pay such excess cost of repair or reconstruction. Such a special assessment shall be levied against the Owners in the same manner as annual assessments are levied, and additional special assessments may be made at any time during or following the completion of any repair or reconstruction. If such improvements are not to be repaired or restored, the award or proceeds shall be retained by and for the benefit of the Association.

(b) If the taking or sale in lieu thereof does not involve any improvements to the Common Areas, or if there are funds remaining after any such restoration or replacement of such improvements is completed, then such award, proceeds, or funds shall be retained by and for the benefit of the Association.

(c) If the taking or sale in lieu thereof includes any portion of a Lot or Dwelling and also includes any part of the Common Areas, then a court of competent jurisdiction shall apportion such award or proceeds and such award or proceeds shall be disbursed to the Association and the Owners so affected so as to give just compensation to the Owners of any Lot or Dwelling taken for their interest in such Lot or Dwelling; provided, however, such apportionment may instead be resolved by the agreement of: (i) the Board of Directors, (ii) the Owners of all Lots or Dwellings wholly or partially taken or sold, together with the Mortgagees for each such Lot or Dwelling, and (iii) Declarant, as long as Declarant owns a Lot or Dwelling primarily for the purpose of sale or has the unexpired option to add the Additional Property or any portion thereof to the Development.

7.02 Condemnation of Lots or Dwellings.

(a) In the event that all or any part of a Lot or Dwelling is taken by any authority having the power of condemnation or eminent domain, or is conveyed in lieu thereof, and in the further event that the Owner of such Lot or Dwelling responsible for the maintenance and repair of such Lot or Dwelling elects not to restore the remainder of the Lot or Dwelling, then such Owner making such election shall promptly clear away any remaining improvements damaged or destroyed by such taking or conveyance and shall leave such Lot or Dwelling and any remaining undamaged improvements thereon in a clean, orderly, safe, and sightly condition. In addition, if the size or configuration of such Lot or Dwelling remaining after such taking or conveyance is insufficient to permit the restoration of the remaining improvements thereon or therein to their condition prior to such taking or conveyance in compliance with all applicable standards, restrictions, and provisions of this Declaration and all applicable zoning, subdivision, building, and other governmental

regulations, then such Owner shall have the option, after clearing away all remaining improvements or portions thereof and placing the remainder in a clean, orderly, safe, and slightly condition referred to above, of deeding the remaining portion of the Lot or Dwelling to the Association as a part of the Common Areas, and thereafter any such Owner shall not have any further voting rights or membership rights or privileges in the Association or with respect to the Development and shall not be subject to any further assessments imposed by the Association and payable after the date of such deeding.

(b) In the event that any part of a Lot or Dwelling is taken by any authority having the power of condemnation or eminent domain, or is conveyed in lieu thereof, and if the Owner of such Lot or Dwelling responsible for the maintenance and repair of such Lot or Dwelling elects to restore the remainder of the same, such Owner making such election shall restore the remainder of such Lot or Dwelling as nearly as practicable to the same condition it was in prior to such taking or conveyance and in accordance with the applicable standards, restrictions, and provisions of this Declaration and all such work of restoration shall be commenced promptly following such taking or conveyance and shall be carried through diligently to conclusion.

(c) As to any Lot or other portion of the Development (or any portion thereof) owned by Declarant which has been approved or permitted by any governmental entity in any fashion for the construction or placement of any type of improvement or specified number of dwelling units thereon which is taken by an authority having the power of condemnation or eminent domain, or is conveyed in lieu thereof, Declarant shall have the right, but not the obligation, in its sole discretion, to seek any and all types of governmental approval to have those improvements or assigned number of dwelling units associated with the Lot or other portion of the Development taken by eminent domain designated, placed and constructed within other areas of the Property or Additional Property. All Owners by acceptance of a deed to any Lot or Dwelling within the Development, agree and consent to the approval, placement, and construction of the aforementioned improvements anywhere within the Property or Additional Property designated by Declarant.

ARTICLE VIII

ADMINISTRATION

8.01 Common Areas. The Association, subject to the rights of Declarant and the rights and duties of the Owners set forth in this Declaration, shall be responsible for the exclusive management and control of the Common Areas and all improvements thereon (including furnishings and equipment related thereto) and shall keep the same in a good, clean, attractive, and sanitary condition, order, and repair, pursuant to the terms and conditions thereof. Except to the extent otherwise required by the provisions of the Oklahoma Statutes relating to nonprofit corporations, this Declaration, the By-Laws, or the Articles of Incorporation, the powers herein or otherwise granted to the Association may be exercised by the Board of Directors, acting through the officers of the Association, without any further consent or action on the part of the Owners.

8.02 Duties and Powers. The duties and powers of the Association shall be those set forth in the provisions of the Oklahoma Statutes relating to nonprofit corporations, this Declaration, the By-Laws, and the Articles of Incorporation, together with those reasonably implied to effect the purposes of the Association; provided, however, that if there are conflicts or inconsistencies between the Oklahoma Statutes, this Declaration, the By-Laws, and the Articles of Incorporation, in that order, shall prevail, and each Owner of a Lot or Dwelling, by acceptance of a deed or other conveyance therefor, covenants to vote in favor of such amendments as will remove such conflicts or inconsistencies. The Association may exercise any other right or privilege given to it expressly by this Declaration or by law, together with every other right or privilege reasonably to be implied from the existence of any right or privilege given to it herein or reasonably necessary to effectuate any such right or privilege. Such powers of the Association shall include, but shall not be limited to, the power to purchase or otherwise receive title to one or more Lots or Dwellings and to hold, lease, mortgage, sell, and convey the same. Such duties may include, but shall not be limited to, arranging with governmental agencies, public or private utilities, or others, as a Common Expense or by billing directly to Lots and Dwellings, to furnish trash collections, water, sewer, and/or security service for the Common Areas and/or the Lots and Dwellings. Notwithstanding the provisions of this Declaration to the contrary, as long as Declarant shall own any Lot or Dwelling primarily for the purpose of sale or has the unexpired option to add the Additional Property or any portion thereof to the Development, the Association shall not, without the consent of Declarant, borrow money or pledge, mortgage, or hypothecate all or any portion of the Common Areas. (as amended 6-13-09)

8.03 Agreements. Subject to the prior approval of Declarant as long as Declarant owns a Lot or Dwelling primarily for the purpose of sale or has the unexpired option to add the Additional Property or any portion thereof to the Development, all agreements and actions lawfully authorized by the Board of Directors shall be binding upon all Owners, their heirs, legal representatives, successors, and assigns, and all others having an interest in the Development or the privilege of possession and enjoyment of any part of the Development; and in performing its responsibilities hereunder, the Association, through its Board of Directors, shall have the authority to delegate to persons of its choice such duties of the Association as may be determined by the Board of Directors. In furtherance of the foregoing and not in limitation thereof, the Association may obtain and pay for the services of any person or entity to manage its affairs or any part thereof, to the extent it deems advisable, as well as such other personnel as the Association shall deem necessary or desirable for the proper operation of the Development, whether such personnel are furnished or employed directly by the Association or by any person or entity with whom or with which it contracts. All costs and expenses incident to the employment of a manager shall be a Common Expense. During the term of such management agreement, such manager may, if authorized by the Board of Directors, exercise all of the powers and shall be responsible for the performance of all the duties of the Association, excepting any of those powers or duties specifically and exclusively reserved to the directors, officers, or members of the Association by this Declaration or the By-Laws. Such manager may be an individual, corporation, or other legal entity, as the Board of Directors shall determine, and may be bonded in such a manner as the Board of Directors may require, with the cost of acquiring any such bond to be a Common Expense. In addition, the Association may pay for, and the Board of Directors may hire and contract for, such legal, accounting and other professional services as are necessary or desirable in connection with

the operation of the Development or the enforcement of this Declaration, the By-Laws, or the rules and regulations of the Association.

8.04 Management Agreement. The Declarant or an affiliate shall be employed as the manager of the Association and the Development for a period of five (5) years commencing with the recording of this Declaration. Thereafter, the Board of Directors of the Association shall select and employ the entity or individual to act as manager of the Association and the Development, provided, however, following the expiration of the above-referenced five (5) year term of Declarant, as manager and continuing for a period of two (2) years thereafter, no individual or entity shall be employed as manager of the Association and the Development without the written approval of the Declarant.

8.05 Personal Property and Real Property for Common Use. The Association, through action of its Board of Directors, may acquire and hold tangible and intangible personal property and real property and may dispose of the same by sale or otherwise. All funds received and title to all properties acquired by the Association and the proceeds thereof, after deducting therefrom the costs incurred by the Association in acquiring or selling the same, shall be held by and for the benefit of the Association. The shares of the Owners in the funds and assets of the Association cannot be individually assigned, hypothecated, or transferred in any manner, except to the extent that a transfer of the ownership of a Lot or Dwelling also transfers the membership in the Association which is an appurtenance to such Lot or Dwelling.

8.06 Rules and Regulations. As provided in Article XII hereof, the Association, through its Board of Directors, may make and enforce reasonable rules and regulations governing the use of the Lots, Dwellings, and Common Areas, which rules and regulations shall be consistent with the rights and duties established by this Declaration.

ARTICLE IX

ASSESSMENTS

9.01 Purpose of Assessments. The assessments for Common Expenses provided for herein shall be used for the general purposes of promoting the recreation, health, safety, welfare, common benefit, and enjoyment of the Owners and occupants of the Development, and maintaining the Development and improvements therein, all as may be more specifically authorized from time to time by the Board of Directors.

9.02 Creation of Lien and Personal Obligation of Assessments. Each Owner of a Lot or Dwelling, by acceptance of a deed or other conveyance thereof, whether or not it shall be so expressed in such deed or conveyance, is deemed to covenant and agree to pay to the Association: (a) annual assessments to be established and collected as provided in Section 9.03 hereof, (b) special assessments to be established and collected as provided in Section 9.04 hereof, (c) individual or specific assessments against any particular Lot or Dwelling which are established pursuant to the terms of this Declaration, including, but not limited to, fines as may be imposed against such Lot or Dwelling in accordance with Article XIII hereof, (d) Neighborhood Assessments as applicable and as established and collected as provided in Section 9.06 herein, and

(e) Club Assessments which may be established and collected as provided in **Section 9.03** hereof. Any such assessments, together with late charges, interest on the unpaid balance at the default rate per annum, and court costs and attorneys' fees incurred to enforce or collect such assessments, shall be an equitable charge and a continuing lien upon the Lot or Dwelling, the Owner of which is responsible for payment. Each Owner shall be personally liable for assessments coming due while he is the Owner of a Lot or Dwelling, and his grantee shall take title to such Lot or Dwelling subject to the equitable charge and continuing lien therefor, but without prejudice to the rights of such grantee to recover from his grantor any amounts paid by such grantee therefor; provided, however, the lien for unpaid assessments shall not apply to the holder of any first priority Mortgage or to the holder of any Mortgage securing a loan made by Declarant, its affiliates, successors, or assigns, and who takes title to a Lot or Dwelling through foreclosure or through conveyance of a deed in lieu of foreclosure or to any purchaser of such Lot or Dwelling at such foreclosure sale. In the event of co-ownership of any Lot or Dwelling, all of such co-Owners shall be jointly and severally liable for the entire amount of such assessments. Assessments shall be paid in such manner and on such dates as may be fixed by the Board of Directors, provided that unless otherwise specifically provided by the Board or in this declaration, the annual assessments, including club assessments, shall be paid in advance at the beginning of the fiscal year of the Association. "For all platted Lots or Dwellings owned by Declarant, yearly assessments shall be paid in arrears at the end of the fiscal year of the Association; provided, however, if a Lot or Dwelling is sold during the fiscal year, the entire yearly assessment for that year shall be payable at the time of the sale. Notwithstanding the foregoing, the following qualifications and limitations on the assessments payable by Declarant (as hereinafter specially defined for purposes of these qualifications and limitations) shall apply: (A) So long as Declarant owns any platted Lots or unoccupied Dwellings, Declarant shall not be subject to any additional assessment with respect to such Lots or unoccupied Dwellings that may hereafter adopted by the Association to provide incentive or assistance funds for the construction of a golf club house on the Club Property or assistance in the maintenance or operation of the golf course on the Club Property; and (B) the yearly assessment payable by the Declarant with respect to any such platted Lot or unoccupied Dwelling shall reduce in accordance with the following schedule:

(1) For the first year, measured from the date the Lot is deemed developed (as hereinafter defined), the assessment on the Lot or unoccupied Dwelling shall be the full amount determined as provided for other non-Declarant owned Lots (herein a "**Full Assessment**"). For all Lots deemed developed as of the date of this Amendment the foregoing one-year period shall be deemed to start on the effective date of this Amendment, and the subsequent yearly periods described below will be measured from the effective date of this Amendment.

(2) For the second year after the Lot is deemed developed, the yearly assessment shall be one-half (1/2) of the Full Assessment.

(3) For the third year after the Lot is deemed developed and thereafter until the Lots is sold, the yearly assessment shall be one-quarter (1/4) of the Full Assessment.

(4) The reduced assessments shall apply only to the Declarant. Therefore, if a Lot is sold during any fiscal year the portion of the assessment attributable to portion of the year after the sale (and payable at the time of sale) shall be a pro rata portion of the Full Assessment

and a pro rata portion of any Club Assessment for that year. Because the reductions may occur at times other than the beginning of a fiscal year, the yearly assessment for a fiscal year may have to be determined using two different rates.

For purposes of the foregoing schedule of reducing assessments, a Lot shall be deemed “developed” when the street serving the Lot is paved and available for vehicular access to the Lot and electric service to the Lot is available in the platted easement serving the Lot. Also, for purposes of clauses (A) and (B) of this **Section 9.02**, the term Declarant shall mean Deer Creek Land Development Company, LLC, Real Estate Holding, LLC, Series C (herein “**REH3**”), and the immediate transferee of all Lots and Dwelling owned by **REH3.**” (as amended 3-30-09 & 6-13-09)

9.03 Computation of Annual Assessments.

(a) It shall be the duty of the Board at least thirty (30) days prior to the Association's annual meeting to prepare a budget covering the estimated Common Expenses during the coming year, such budget to include contributions to a reserve account if necessary for the future capital needs of the Association. The Board shall cause a copy of the budget and the proposed total of the annual assessments to be levied against Lots or Dwellings for the following year to be delivered to each Owner at least fifteen (15) days prior to such meeting. The budget and the annual assessments shall become effective unless disapproved at the annual meeting by either: (i) Declarant, as long as Declarant has the authority to appoint and remove directors and officers of the Association, or (ii) a vote of a majority of the votes of the Owners who are voting in person or by proxy at such meeting. Notwithstanding the foregoing, in the event the proposed budget is not approved or the Board of Directors fails for any reason to determine the budget for the succeeding year, then and until such time as a budget shall have been determined as provided herein, the budget and annual assessments in effect for the then current year shall be increased in proportion by the greater of either ten (10%) percent of the budget and assessments for the previous year or by the percentage increase, if any, over the previous year's Consumer Price Index for all Urban Consumers, United States City Average, All Items (1982-84=100), or its successor index, and such increased budget shall be implemented for the succeeding year, until a new budget shall have been approved as provided above. Once the budget has been determined and becomes effective, the Association will forward to each Owner a statement indicating the Owner's portion of the annual assessments due for the succeeding year which shall be due and payable to the Association within thirty (30) days of receipt of the statement. If any budget at any time proves inadequate for any reason, then the Board may call a meeting of the Association for the approval of a special assessment as provided in Section 9.04 hereof. The Common Expenses to be funded by the annual assessments may include, but shall not necessarily be limited to, the following:

- (i) management fees and expenses of administration, including legal and accounting fees;
- (ii) utility charges for utilities serving the Common Areas and charges for other common services for the Development, including trash collection and

security services, if any such services or charges are provided or paid by the Association;

(iii) the cost of any policies of insurance purchased for the benefit of all the Owners and the Association as required or permitted by this Declaration, including fire, flood, and other hazard coverage, public liability coverage, and such other insurance coverage as the Board of Directors determines to be in the interests of the Association and the Owners;

(iv) the expenses of maintenance, operation, and repair of those portions of the Common Areas which are the responsibility of the Association under the provisions of this Declaration;

(v) the expenses of maintenance, operation, construction repair and replacement of other amenities and facilities serving the Development, the maintenance, operation, construction, repair and replacement of which the Board from time to time determines to be in the best interest of the Association;

(vi) the expenses of the Architectural Review Board which are not defrayed by plan review charges;

(vii) ad valorem real and personal property taxes assessed and levied against the Common Areas;

(viii) the expenses for conducting recreational, cultural, or other related programs for the benefit of the Owners and their families, tenants, guests, and invitees;

(ix) such other expenses as may be determined from time to time by the Board of Directors of the Association to be Common Expenses, including, without limitation, taxes and governmental charges not separately assessed against Lots or Dwellings;

(x) the expenses of maintenance, operation, repair and reconstruction of any and all roadways, pathways, trails, lakes, waterways and landscaped areas within the property and additional property which have not been designated as Common Areas and conveyed to the Association;

(xi) all expenses associated with the acquisition and employment of individuals or entities supplying security services to the Association on behalf of the Owners of Lots and Dwellings within the Development (such expenses shall include payments made to the Declarant by the Association for the above-referenced security services provided by Declarant); and

(xii) the establishment and maintenance of a reasonable reserve fund or funds: (a) for maintenance, repair, and replacement of those portions of the

Common Areas which are the responsibility of the Association and which must be maintained, repaired, or replaced on a periodic basis, (b) to cover emergencies and repairs required as a result of casualties which are not funded by insurance proceeds, and (c) arising from unpaid assessments or liens, as well as from emergency expenditures and other matters, all as may be authorized from time to time by the Board of Directors.

(b) The total annual assessments shall be divided equally among the Lots and Dwellings. Upon the addition of the Additional Property or any portion thereof to the Development, the Lots and Dwellings being added to the Development shall thenceforth pay assessments which are equal to those imposed upon Lots and Dwellings previously in the Development. In such event, the Association's budget shall be accordingly revised by the Board, without the necessity of approval by the Owners, to include Common Expenses and assessments related to such additional Lots and Dwellings.

(c) In addition to the regular annual assessments as determined above, the Association may levy and collect a Club Assessment against each Lot (other than Lots owned by the Declarant, including any successor Declarant) if construction of an Association-Approved Golf Club house is commenced on the Club Property. The first Club Assessment will be a special assessment in the amount of \$200 per lot and may be levied in calendar year 2009, but only if the construction of an Association-Approved Golf Clubhouse is commenced before November 1, 2009. If construction of an Association-Approved Golf Clubhouse is commenced after November 1, 2009 and before January 1, 2010, the Association will levy and collect a Club Assessment of \$400 per Lot for 2010 as of January 1, 2010. If an Association-Approved Golf Clubhouse is not commenced until after January 1, 2010 or until after the first day of any subsequent calendar year, the first Club Assessment will be levied upon such commencement in a prorated maximum amount determined by multiplying \$400 by a fraction whose numerator is the number of days remaining in the year after the date of commencement and whose denominator is 365. After the initial Club Assessment is levied, subsequent annual Club Assessments will be levied in the maximum amount of \$400 per Lot per year as of the first day of each calendar year if the Association-Approved Golf Clubhouse has been completed. Construction of the Association-Approved Golf Clubhouse shall be deemed to have been commenced when the site has been cleared and graded and the footings have been poured. Construction of the Association-Approved Golf Clubhouse shall be deemed to have completed when a final certificated of use and occupancy for the entire Association-Approved Golf Clubhouse has been issued by the applicable governmental authority(ies) and Association-Approved Golf Clubhouse has opened for use by the Members. Collected Club Assessments shall be paid to the Club Owner upon receipt by the Association or as otherwise agreed in writing between the Association and Club Owner. The Association may establish the conditions and timing of payments of funds from the Club Assessments to the owner of the Club Property in the reasonable discretion of the Board of the Association, as determined from time to time. Nothing contained herein shall be deemed to constitute the Declarant or any subsequent owner of the club Property as third party beneficiary of the provisions of this **Section 9.03(c)** entitled to enforce the same. Notwithstanding the foregoing, the Association may enter into a separate binding contract with the owner of the Club Property

regarding the payment of funds from Club Assessments to such owner.” (as amended 3-30-09 & 6-13-09)

9.04 Special Assessments. In addition to the annual assessments authorized above, the Association, acting through its Board of Directors, may levy, in any assessment year, special assessments for Common Expenses, applicable to that year only, provided that except as otherwise permitted in Sections 6.02 and 7.01 hereof, any such assessment shall be approved by: (i) Declarant, as long as Declarant owns any Lot or Dwelling primarily for the purpose of sale or has the unexpired option to add the Additional Property or any portion thereof to the Development, and (ii) by a majority of the votes of the Owners who are voting in person or by proxy at a meeting duly called for this purpose in accordance with the provisions of Section 9.08 hereof. The Board of Directors may make such special assessments payable in installments over a period which may, in the Board's discretion, extend in excess of the fiscal year in which adopted. Such special assessments are to be prorated among the Lots and Dwellings as provided with respect to annual assessments.

9.05 Individual Assessments. Any expenses of the Association occasioned by the conduct of less than all of the Owners or by the family, tenants, agents, guests, or invitees of any Owner shall be specially assessed against such Owners and their respective Lots or Dwellings. The individual assessments provided for in this Section 9.05 shall be levied by the Board of Directors and the amount and due date of such assessment so levied by the Board shall be as specified by the Board.

9.06 Computation of Neighborhood Assessments. At least thirty (30) days prior to the Association's annual meeting, the Board shall prepare a separate budget for each Neighborhood covering the estimated Neighborhood Expenses, if any, expected to be incurred on behalf of such Neighborhood during the coming year. The Board shall be entitled to set such budget only to the extent that (a) this Declaration, any Supplemental Declaration, or the By-Laws specifically authorize the Board to assess certain costs as a Neighborhood Assessment, or (b) the Association expects to incur expenses to provide additional services for a Neighborhood. Any Neighborhood may request that additional services or an increased level of services be provided by the Association, and in such case, any additional costs shall be added to such budget. Such budget shall include a reserve contribution establishing a fund for repair and replacement of items maintained as a Neighborhood Expense, if any, within the Neighborhood.

Neighborhood Expenses shall be levied as a Neighborhood Assessment against the Lots and Dwellings within the benefited Neighborhood as provided for in any Supplemental Declaration. If specified in the Supplemental Declaration applicable to such Neighborhood, any portion of the assessment intended for exterior maintenance or replacement reserves shall be levied on each of the benefited Lots or Dwellings in proportion to the benefit received. Such proportion shall be specified in the Supplemental Declaration applicable to such Neighborhood.

Neighborhood budgets shall become effective unless disapproved by a majority vote of the Owners in the Neighborhood for which the Neighborhood budget applies. There shall be no obligation to call a meeting for the purpose of considering the Neighborhood budget except on petition of Owners representing at least ten (10%) percent of votes in such Neighborhood. Notice of Neighborhood Assessment shall be provided as set forth in Section 9.06. The right to disapprove

shall apply only to those line items in the Neighborhood budget which are attributable to services requested by the Neighborhood. In the event the Owners within any Neighborhood disapprove any line item of a Neighborhood budget, the Association shall not be obligated to provide the services anticipated to be funded by such line item of the budget. If the Board fails for any reason to determine the Neighborhood budget for any year or if the budget is disapproved, then and until such time as such budget shall have been determined as provided herein, the Neighborhood budget in effect for the immediately preceding year shall continue for the current year.

9.07 Assessments on Property Resales. In addition to the annual assessments, special assessments and individual assessments as provided herein, each Owner of a Lot or Dwelling shall at the closing of the resale of such Lot or Dwelling pay to the Association an amount equal to one-fourth (1/4) of one (1%) percent of the gross sales price of such Dwelling or one-half (1/2) of one (1%) percent of the gross sales price of such Lot. For purposes of this Paragraph 9.07, "Resale" is defined as any transfer of legal or equitable title to all or any portion of the property for valuable consideration, other than by gift, inheritance, or mortgage foreclosure, where said transfer occurs subsequent to the initial sale by the Declarant, its successors or assigns, to a bona fide purchaser for value. A Resale transfer of legal or equitable title shall also include, but is not limited to, the execution of (i) a contract of sale which provides for a closing more than one (1) year beyond the date of execution of said contract; (ii) a lease for a term, including renewal terms, in excess of one (1) year with a purchase option which applies rental payments toward the purchase price; or (iii) an option for a term, including renewal terms, in excess of one (1) year which applies option payments toward the purchase price. (as amended 3-30-09)

All amounts collected as a result of Resales as described herein shall be used for such purposes for the benefit of the Association, the Common Areas, or the Development as a whole, as may be determined in the sound discretion of the Board." (as amended 3-30-09)

9.08 Notice of Meeting and Quorum. Written notice of the annual meeting of the Association, as well as any other meeting called for the purpose of taking any action authorized under Section 9.03 and 9.04 hereof, shall be sent to all Members not less than fifteen (15) days nor more than forty-five (45) days in advance of such meetings. With respect to annual and special meetings of the Members of the Association, the presence of Members or proxies entitled to cast over one-third (1/3) of all votes of the Association shall constitute a quorum. Any Member whose right to vote has been suspended shall not be considered as a Member of Association for purposes of determining a quorum. Any Member who does not attend the annual or a special meeting of the Association and who has not given a valid proxy to another person in attendance at such meeting, shall be deemed to have given that Owner's proxy to the Board for purposes of constituting a quorum and voting. Such proxy may be voted by any member of the Board, or in the event of a disagreement, by a majority of the Directors on the Board. (as amended 3-30-09)

9.09 Liens. All sums assessed against any Lot or Dwelling pursuant to this Declaration, together with court costs, reasonable attorneys' fees, late charges, and interest as provided herein, shall be secured by an equitable charge and continuing lien on such Lot or Dwelling in favor of the Association. Such liens shall be superior to all other liens and encumbrances on such Lot or Dwelling except only for: (i) liens of ad valorem taxes, and (ii) liens for all sums unpaid on a first priority Mortgage or on any Mortgage to Declarant, or its affiliates, successors, or assigns, and all

amounts advanced pursuant to any such Mortgage and secured thereby in accordance with the terms of such instrument. Notwithstanding the foregoing to the contrary, the subordination of assessments and charges to the lien of such Mortgages shall only apply to such assessments and charges which have become due and payable prior to a foreclosure. All other persons acquiring liens or encumbrances on any Lot or Dwelling after this Declaration has been recorded shall be deemed to consent that such liens or encumbrances shall be inferior to such future liens for assessments and charges as provided herein, whether or not such prior consent shall be specifically set forth in the instruments creating such liens or encumbrances.

9.10 Effect of Nonpayment; Remedies of the Association. Any Assessments or charge of an Owner or any portions thereof which are not paid when due shall be delinquent. Any assessment or charge delinquent for a period of more than ten (10) days after the date when due shall incur a late charge in an amount as may be determined by the Board from time to time and shall also commence to accrue interest at the default rate. A lien and equitable charge as herein provided for each assessment or charge shall attach simultaneously as the same shall become due and payable, and if an assessment or charge has not been paid within thirty (30) days, the entire unpaid balance of the assessment or charge may be accelerated at the option of the Board and be declared due and payable in full. The continuing lien and equitable charge of such assessment or charge shall include the late charge established by the Board of Directors, interest on the principal amount due at the rate default rate per annum or the maximum interest rate allowed by the laws of the State of Oklahoma, whichever is lower. All costs of collection (including reasonable attorneys' fees and court costs), and any other amounts provided or permitted hereunder or by law. In the event that the assessment or charge remains unpaid after sixty (60) days from the original due date, the Association may, as the Board shall determine, institute suit to collect such amounts and to foreclose its lien. The equitable charge and lien provided for in this Article shall be in favor of the Association, and each Owner, by his acceptance of a deed or other conveyance to a Lot or Dwelling vests in the Association and its agents the right and power to bring all actions against them personally for the collection of such assessments and charges as a debt and/or to foreclose the aforesaid lien in the same manner as other liens for the improvement of real property. The Association shall have the power to bid on the Lot or Dwelling at any foreclosure sale and to acquire, hold, lease, mortgage, and convey the same. No Owner may waive or otherwise escape liability for the assessments and charges provided for herein, including by way of illustration but not limitation, non-use of the Common Areas or abandonment of his Lot or Dwelling, and an Owner shall remain personally liable for assessments, charges, interest, and late charges which accrue prior to a sale, transfer, or other conveyance of his Lot or Dwelling. (as amended 6-13-09)

9.11 Certificate. The Treasurer, any Assistant Treasurer, or the manager of the Association shall, within ten (10) days of a written request and upon payment of such fee as is from time to time determined by the Board of Directors, furnish to any Owner or such Owner's Mortgagee which requests the same, a certificate in writing signed by said Treasurer, Assistant Treasurer, or manager setting forth whether the assessments and charges for which such Owner is responsible have been paid, and, if not paid, the outstanding amount due and owing, together with all fines, accrued interest, and other penalty charges. Such certificate shall be conclusive evidence against all but such Owner of payment of any assessments and charges stated therein to have been paid.

9.12 Date of Commencement of Annual Assessments. The annual assessments provided for herein shall commence as to each Lot and Dwelling on the later of: (i) the day on which such Lot or Dwelling is submitted to this Declaration, or (ii) the date of completion of the road right-of-way immediately adjacent to such Lot or Dwelling. The annual assessments shall be due and payable in such manner and on such schedule as the Board of Directors may provide. Annual assessments and any outstanding special assessments shall be adjusted for such Lot or Dwelling according to the number of months then remaining in the then fiscal year of the Association and the number of days then remaining in the month in which such Lot or Dwelling is first conveyed. Annual and special assessments for Lots and Dwellings in portions of the Additional Property hereafter submitted to the terms of this Declaration shall commence with respect to each such Lot and Dwelling on the day of the recording of the amendment to the Declaration so submitting such parcels, and annual and special assessments for each such Lot and Dwelling shall be adjusted according to the number of months then remaining in the fiscal year of the Association and the number of days then remaining in the month in which such assessments commence.

ARTICLE X

RECREATIONAL COVENANT

10.01 Purpose. Declarant's plan for the Development is based upon Declarant's desire to establish a residential community with significant social and recreational components. In furtherance of this goal, Declarant has established the Club to operate and maintain the social and recreational facilities within the Development for the benefit of the Owners. By this Recreational Covenant, Declarant desires to provide for issuance of a Membership (as described below) in the Club for each Lot or Dwelling.

10.02 Binding Effect. Declarant, as the owner of the Property and the Club Property, hereby declares that all of the Property shall be held, sold, and conveyed subject to the covenants, conditions, and easements contained herein, which shall run with the title to all the Property. This Covenant shall be binding upon all Persons having any right, title or interest in any portion of the Property, their heirs, successors, successors-in-title, and assigns and shall inure to the benefit of the Club Owner.

10.03 Issuance of Memberships. Declarant, as the Club Owner, shall cause a membership (the "Membership") to be issued to all Owners entitling an Owner to use and enjoyment of all the recreational facilities within the Club Property and in accordance with the Club Plan. Only one Membership shall be issued for each Lot or Dwelling. If more than one person holds title to a Lot or Dwelling, the Membership will be issued to a designated Owner.

10.04 No Ownership Interest. No Owner, by virtue of ownership of a Lot or Dwelling or by virtue of holding the Membership in the Club, acquires any ownership interest, beneficial interest, or other vested interest whatsoever in the Club or the Club Owner, but only the privilege of using and enjoying the Club's facilities in accordance with the Club Plan, as amended from time to time.

10.05 Membership Fees. Each Owner of a Lot or Dwelling, by accepting a deed to such Lot or Dwelling is deemed to covenant and agree to pay the membership fees and dues charged by Club Owner in accordance with the Club Plan and any other charges incurred by such Owner ("Membership Fees") in a timely manner. All such Membership Fees, together with interest (computed from its due date at a maximum rate of 18% per annum or such higher rate as Club Operator may establish, subject to the limitations of Oklahoma law), late charges, costs, and reasonable attorneys' fees, shall be the personal obligation of the Owner.

10.06 Failure to Pay Fees. Should an Owner fail to pay Membership Fees in accordance with the Club Plan, the Membership of that Owner shall, at the option of the Declarant or other owner of the applicable Club Property be terminated, and thereafter that Membership shall cease to exist. Notwithstanding the foregoing, termination of a Membership shall not relieve the Owner whose Membership has been terminated of the personal obligation to pay all dues, fees and charges accrued or incurred prior to termination. Upon transfer of a Lot or Dwelling Unit by an Owner whose associated Membership has been terminated, a subsequent purchaser shall be required to purchase a Membership in the Club at the then prevailing purchase price for a Membership and shall be required to pay any delinquent dues, fees and charges of the transferring Owner. (as amended 3-30-09)

ARTICLE XI

ARCHITECTURAL STANDARDS

11.01 Purpose. In order to preserve the natural setting and beauty of the Development, to establish and preserve a harmonious and aesthetically pleasing design for the Development, and to protect and promote the value of the Development, the Lots, Dwellings, and all improvements located therein or thereon shall be subject to the restrictions set forth in this Article XI. Every grantee of any interest in the Development, by acceptance of a deed or other conveyance of such interest, agrees to be bound by the provisions of this Article XI.

11.02 Architectural Review Board. The Board of Directors shall establish the ARB of not less than three (3) members. Any member appointed by the Board may be removed with or without cause by the Board at any time by written notice to such appointee, and a successor or successors appointed to fill such vacancy shall serve the remainder of the term of the former member. Notwithstanding the foregoing to the contrary, any member appointed to the ARB by the Board shall be subject to the prior approval of Declarant until that date which is three (3) years from and after the date on which Declarant's right to appoint and remove officers and directors of the Association is terminated. The ARB shall elect a chairman and he, or in his absence, the vice chairman, shall be the presiding officer at its meetings. The ARB shall meet at least once in each calendar month, as well as upon call of the chairman, and all meetings shall be held at such places as may be designated by the chairman. A majority of the members shall constitute a quorum for the transaction of business, and the affirmative vote of a majority of those present in person or a proxy at a meeting of the ARB shall constitute a quorum for the transaction of business, and affirmative vote of a majority of those present in person or by proxy at a meeting of the ARB shall constitute the action of the ARB on any matter before it. The ARB is authorized to retain the services of consulting architects, landscape architects, urban designers, engineers, inspectors,

attorneys, and/or other professionals in order to advise and assist the ARB in performing its functions set forth herein. Each member of the ARB may be paid a stipend or honorarium as from time to time determined by the Board.

11.03 Permitted Improvements. No improvements of any nature whatsoever shall be constructed, altered, added to, or maintained upon any part of the Development, except: (i) for Dwellings and other improvements which are constructed by Declarant, (ii) such improvements as are approved by the ARB in accordance with this Article XI, or (iii) improvements which pursuant to this Article XI do not require the consent of the ARB.

11.04 Construction of Improvements.

(a) All buildings, structures, or other improvements on or with respect to any Lot or Dwelling shall be located only within the set-back lines specified on the plats thereof recorded at the time of submission of said Lots or Dwellings to this Declaration, provided that the ARB shall be empowered to grant variances with respect to such set-back lines.

(b) No construction of improvements on any Lots or Dwellings shall be undertaken or conducted on Sundays or holidays as established by the ARB, except for: (i) construction activities of Declarant, (ii) emergency situations involving the potential loss, injury, or damage to persons or property, and (iii) as otherwise permitted by the ARB.

(c) The ARB shall maintain a list of builders that are approved to construct Dwellings within the Development. Should an Owner desire to construct a Dwelling, that Owner shall be required to use a builder so approved.

(d) The ARB, in its sole discretion, may require that any Owner, contractor and/or subcontractor for any planned improvements within the Development post payment and/or performance bonds with the ARB to assure that such contractor or subcontractor shall satisfactorily complete such improvements, such bonds to be in the name of the Association and to be in form and amount satisfactory to the ARB. Furthermore, the ARB, in its sole discretion, may require that an Owner place in escrow with the ARB a sum of no more than Five Thousand Dollars (\$5,000) in order to assure the completion of all improvements, including landscaping, in accordance with the approved plans and specifications and within the time periods provided in this Section 11.03 and in Section 11.05 hereof. The exterior of any improvement permitted by this Declaration shall be completed within eighteen (18) months after the construction of same shall have been commenced, except where the ARB allows for an extension of time because such completion with such time is impossible or would result in great hardship to the Owner or builder thereof due to strikes, national emergencies, fires, floods, lightning, earthquakes, or other casualties. In the event that such improvements or landscaping are not completed within the provided periods, the ARB shall be entitled to collect on or enforce any payment or performance bonds required hereunder so as to ensure the proper completion of any such improvements. Furthermore, the ARB shall be entitled to retain any sums so held in escrow as a penalty for such failure to complete, and such sums shall be remitted to and shall be the property of the Association. Any such sums so held in such escrow shall, at the

discretion of the ARB, be invested so as to earn interest, and any interest earned thereon shall be paid to the Owner making such escrow deposit, if his escrow deposit is refunded, or if remitted to the Association, shall be the property of the Association.

(e) Dwellings may not be temporarily or permanently occupied until a Certificate of Occupancy has been issued by the City of Oklahoma City, Oklahoma. No temporary house, shack, tent, barn, or other outbuilding shall be permitted on any Lot or Dwelling at any time, except for temporary structures for social functions as may be permitted by rules and regulations promulgated by the Board, nor shall any stable, poultry house or yard, or other similar yard structure be constructed or allowed to remain on any Lot or Dwelling, or allowed to remain on any Lot or Dwelling. During the continuance of construction by an Owner, such Owner shall require its contractors to maintain the Lot or Dwelling in a reasonably clean and uncluttered condition and, to the extent possible, all construction trash and debris shall be kept within refuse containers. Upon completion of construction, such Owner shall cause its contractors to immediately remove all equipment, tools, and construction material and debris from the Lot or Dwelling on which such construction has been completed.

11.05 Building Guidelines. Declarant has prepared or shall prepare the initial Building Guidelines which shall apply to construction and landscaping activities within the Development as provided in this Article XI. The Building Guidelines shall contain general provisions applicable to all of the Property, as well as specific provisions which vary from one portion of the Property to another depending upon location, unique characteristics, intended use, and any other applicable zoning ordinances. The Building Guidelines are intended to provide guidance to Owners regarding matters of particular concern in considering applications hereunder. The Building Guidelines are not the exclusive basis for decisions of the ARB, and compliance with the Building Guidelines does not guarantee approval of any application.

During the period that the Declarant owns a Lot or Dwelling primarily for the purpose of sale, or has the unexpired option to add the Additional Property or portions thereof, Declarant shall have sole authority to amend the Building Guidelines from time to time in its sole discretion. Thereafter, the ARB shall have authority to amend the Building Guidelines with the Board of Director's consent. Amendments to the Building Guidelines shall not apply to require modifications to or removal of structures previously approved once the approved construction or modification has commenced.

11.06 Architectural Approval. To preserve the architectural and aesthetic appearance of the Development, no construction of improvements of any nature whatsoever shall be commenced or maintained by any Owner, other than Declarant, with respect to the construction or exterior of any Dwelling or with respect to any other portion of the Development, including, without limitation, the construction or installation of sidewalks, driveways, parking lots, mail boxes, decks, patios, courtyards, swimming pools, tennis courts, greenhouses, playhouses, awnings, walls, fences, wharves, bulkheads, exterior lights, garages, guest quarters, or other outbuildings, nor shall any exterior addition to or change or alteration therein be made (including, without limitation, painting or staining of any exterior surface), without first obtaining approval from the ARB. The Building Guidelines provide the method and requirements to obtain such approval. The ARB shall

establish a fee sufficient to cover the expense of reviewing plans and related data and to compensate any consulting architects, landscape architects, urban designers, inspectors, or attorneys retained in accordance with the terms hereof. Notwithstanding the foregoing, an Owner may make interior improvements and alterations within his Dwelling without the necessity of approval or review by the ARB. The ARB shall have the sole discretion to determine whether plans and specifications submitted for approval are acceptable to the Association. In connection with approval rights and to prevent excessive drainage or surface water run-off, the ARB shall have the right to establish a maximum percentage of a Lot or Dwelling which may be covered by Dwellings, buildings, structures, or other improvements, which standards shall be promulgated on the basis of topography, percolation rate of the soil types and conditions, vegetation cover, and other environmental factors. Following approval of any plans and specifications by the ARB, representatives of the ARB shall have the right during reasonable hours to enter upon and inspect any Lot or Dwelling, or other improvements with respect to which construction is underway to determine whether or not the plans and specifications therefor have been approved and are being complied with. In the event the ARB shall determine that such plans and specifications have not been approved or are not being complied with, the ARB shall be entitled to enjoin further construction and to require the removal or correction of any work in place which does not comply with approved plans and specifications. In the event the ARB fails to approve or disapprove in writing any proposed plans and specifications within sixty (60) days after such plans and specifications shall have been submitted, such plans and specifications will be deemed to have been expressly approved. Upon approval of plans and specifications, no further approval under this Article XI shall be required with respect thereto, unless such construction has not substantially commenced within sixty (60) days of the approval of such plans and specifications (e.g. clearing and grading, pouring of footings, etc.) or unless such plans and specifications are materially altered or changed. Refusal of approval of plans and specifications may be based by the ARB upon any ground which is consistent with the objects and purposes of this Declaration, including purely aesthetic considerations, so long as such grounds are not arbitrary or capricious.

11.07 Landscaping Approval. To preserve the aesthetic appearance of the Development, no landscaping, grading, excavation, or filling of any nature whatsoever shall be implemented and installed by any Owner, other than Declarant, unless and until the plans therefor have been submitted to and approved in writing by the ARB. The provisions of Section 11.04 hereof regarding time for approval of plans, right to inspect, right to enjoin and/or require removal, etc. shall also be applicable to any proposed landscaping, clearing, grading, excavation, or filling. Such plans shall include a grading plan and calculation of the ratio of the area to be covered by grass lawns versus the area to be left in a natural state, and the ARB shall be entitled to promulgate standards with respect to such ratios. Such landscape and grading plans shall be reviewed and approved with consideration to the harmony of the proposed landscape design to the environmental character in the surrounding area, integration of any structures and proposed landscaping to the character and nature of the surrounding area, the preservation of natural drainage patterns, the visual impact to surrounding areas and the establishment of adequate and sufficient shading and buffering with regard to the individual Lot or Dwelling to the surrounding area. In addition to the provisions of Section 11.06 hereof, the landscaping plan for any Lots or Dwellings adjacent to golf courses within the Property shall, for that portion of such Lot or Dwelling, which is within thirty (30) feet of the boundary of any such golf course, be in general conformity with the overall landscaping plan of such golf course. Unless located within five (5) feet of a building or a

recreational or parking facility, no trees, shrubs, bushes, or other vegetation having a trunk diameter of six (6) inches or more at a point of four (4) feet above ground level; shall be cut, removed or mutilated by any Owner or without obtaining the prior approval of the ARB, provided that dead or diseased trees which are inspected and certified as dead or diseased by the ARB or its representatives, as well as other dead or diseased shrubs, bushes, or other vegetation shall be cut and removed promptly from any Lot or Dwelling by the Owner of such Lot or Dwelling. If any Owner removes such a tree without the approval of the ARB as herein provided, the Owner shall replace the same with a tree of comparable value. In the event the Owner fails within thirty (30) days to satisfactorily replace the tree, the Owner shall pay the Association or ARB a damage fee on demand of Two Thousand Five Hundred Dollars (\$2,500) per lost tree and the Association or ARB shall have the right to enter the Property for the purpose of replacing the tree. Said liquidated damages will become a lien on the property of the Owner and all provisions relative to assessments herein shall apply to these damages.

All of the landscaping of Dwellings must be completed within ninety (90) days of occupancy or substantial completion of the Dwelling, whichever date shall first occur.

11.08 Approval Not a Guarantee. No approval of plans and specifications and no publication of architectural standards shall be construed as representing or implying that such plans, specifications, or standards will, if followed, result in properly designed improvements. Such approvals and standards shall in no event be construed as representing or guaranteeing that any Dwelling or other improvement built in accordance therewith will be built in a good and workmanlike manner. Neither Declarant, the Association, nor the ARB shall be responsible or liable for any defects in any plans or specifications submitted, revised, or approved pursuant to the terms of this Article XI, nor any defects in construction undertaken pursuant to such plans and specifications.

ARTICLE XII

USE RESTRICTIONS

12.01 Service Yards. All service areas, exterior utility equipment, loading docks, trash and garbage disposal containers and receptacles and other service areas shall be screened so as to not be visible from any public or private right-of-way or any portion of the Common Area. All utility and mechanical equipment and roof embellishments shall be screened so as not to be visible from any public or private right-of-way or any portion of the Common Area.

12.02 Fences. Extensive installation of perimeter fences in Rose Creek is discouraged. Permitted fences and permitted locations for fences shall be as described in the Building Guidelines as defined and approved by the ARB.

12.03 Exterior Appearance. Except with regard to maintenance yards within the Common Areas, boundary lines of the Development, or as may be otherwise permitted by the Declarant or the ARB, chainlink fences are not allowed within the Development. Also, any unenclosed garages or carports must be adequately screened from street views. Further, no foil or other reflective materials shall be used on any windows for sunscreens, blinds, shades, or other purpose, and all

window treatments for all Dwellings within the Development shall conform to rules and regulations established by the ARB. No window-mounted heating or air-conditioning units shall be permitted within the Development. Except within screened service yards, outside clotheslines or other outside facilities for drying or airing clothes are specifically prohibited and shall not be erected, placed, or maintained, nor shall any clothing, rugs, or other item be hung on any railing, fence, hedge, or wall.

12.04 Signs. Except as may be required by legal proceedings, no signs or advertising posters of any kind shall be maintained or permitted within any windows or on the exterior of any improvements located within the Development, without the express written permission of the ARB. The approval of any signs and posters, including, without limitation, name and address signs, shall be upon such conditions as may be from time to time determined by the ARB and may be arbitrarily withheld. Notwithstanding the foregoing, the restrictions of this Section 12.04 shall not apply to Declarant. In addition, the Board of Directors, on behalf of the Association, shall have the right to erect reasonable and appropriate signs on any portion of the Common Areas and within those easement areas established in Section 3.09 hereof.

12.05 Unauthorized Signs. Any signs or posters displayed within the Development in violation of Section 12.04 may be reviewed by Declarant and Declarant shall have the right to enter upon the premises where such signs or posters are displayed for the purpose of removing the unauthorized sign or poster without it being deemed a trespass.

12.06 Antennas and Transmitters. No exterior radio antenna, television antenna, or other antenna of any type shall be erected or maintained on a Lot or Dwelling. Satellite dishes of 24" or less may be allowed with the approval of the ARB. No electronic or radio transmitters of any kind other than garage door openers or cordless telephones shall be operated on any Lot or Dwelling except as may be approved by the ARB.

12.07 Water Wells. Subject to the terms of Section 3.16 hereof, no private water wells may be drilled or maintained on any Lot or Dwelling so long as Declarant or an affiliate, or the Association, any governmental unit, or any public or private utility shall have installed a water distribution line within two hundred (200) feet of such Lot or Dwelling with average daily water pressure in such line adequate for the normal and reasonable activities associated with the use of those Dwellings and Lots served by such distribution line. Furthermore, no septic tanks or similar sewage facilities may be installed or maintained on any Lot or Dwelling.

12.08 Pets. No animals, livestock, birds, or poultry of any kind shall be raised, bred, or kept by any Owner upon any portion of the Development, except as provided in rules and regulations adopted by the Association, through its board of Directors. No pet shall be allowed to make an unreasonable amount of noise or to become a nuisance.

12.09 Nuisances. No rubbish or debris of any kind shall be dumped, placed, or permitted to accumulate upon any portion of the Development, nor shall any nuisance or odors be permitted to exist or operate upon or arise from the Development, so as to render any portion thereof unsanitary, unsightly, offensive, or detrimental to persons using or occupying any other portions of the Development. Noxious or offensive activities shall not be carried on in any Lot or Dwelling

or on the Common Areas which could cause disorderly, unsightly, or unkempt conditions, or which could cause embarrassment, discomfort, annoyance, or nuisance to the occupants of other portions of the Development or which could result in a cancellation of any insurance for any portion of the Development, or which would be in violation of any law or governmental code or regulation. Any waste, garbage, or refuse materials produced or occurring as a result from the permitted activities conducted within any portion of the Property shall be stored, processed and transported away from the Property in a safe, neat, clean, efficient, healthy and sanitary manner. Any and all streets, roadways, driveways, and right-of-ways, including Common Area, shall be kept and maintained in a clean, safe, neat and efficient manner. All such streets, driveways, walkways, and right-of-ways shall be kept reasonably clean and free of leaves, limbs, excess sand and soil and any and all other types of debris.

12.10 Golf Course Areas. Owners of Lots and Dwellings adjacent to all golf course, tees, fairways and greens, as well as their families, tenants, guests, invitees and pets, shall be obligated to refrain from any actions which would distract the playing qualities of the golf courses. Such prohibited activities shall include, but not be limited to, permitting dogs or other pets to interfere with golf course play due to their loud barking or other actions, running or walking on the fairways, picking up balls, or like interference with play.

12.11 Motor Vehicles, Trailers, Boats, Etc. Each Owner shall provide for parking of automobiles off streets and roads within the Development prior to occupancy of the Dwellings owned or maintained by such Owner. Parking of any vehicles on streets or parking of commercial vehicles or equipment, mobile homes, recreational vehicles, golf carts, boats and other watercraft, trailers, stored vehicles or inoperable vehicles are prohibited within the Development unless expressly authorized by, and then subject to such conditions as may be imposed by, the Board of Directors. Provided, however, construction, service and delivery vehicles shall be exempt from this provision during daylight hours for such period of time as is reasonably necessary to provide service or to make a delivery to a Lot, Dwelling or the Common Area. No Owners or other occupants of any portion of the Development shall repair or restore any vehicle of any kind upon or within any Lot or Dwelling or within any portion of the Common Areas, except (i) within enclosed garages or workshops, or (ii) for emergency repairs, and then only to the extent necessary to enable the movement thereof to a proper repair facility.

12.12 Sales and Construction Activities. Notwithstanding any provisions or restrictions contained in this Declaration to the contrary, it shall be expressly permissible for Declarant and its agents, employees, successors, and assigns to maintain and carry on such facilities and activities as may be reasonably required, convenient, or incidental to the completion, improvement, and sale of Lots and/or Dwellings or the developing of Lots, Dwellings, Common Areas, and the Additional Property, including, without limitation, the installation and operation of construction trailers and sales offices, signs and model Dwellings, provided that the location of any construction trailers of any assignees of Declarant's under this Section 12.12 shall be subject to Declarant's approval. The right to maintain and carry on such facilities and activities shall include specifically the right to use Dwellings as model residences, and to use any Dwelling as an office for the sale of Lots and/or Dwellings and for related activities.

12.13 Leasing. No unimproved Lot may be leased by its Owner. A Dwelling may be leased by its Owner provided that the term of such lease shall be at least six (6) months and all leases must contain a provision that requires the tenant to be bound by the terms and conditions of this Declaration.

12.14 Residential Use. All Lots and Dwellings shall be for single family residential use only. However, a home occupation shall be allowed provided that such occupation is permitted under the applicable zoning ordinances.

ARTICLE XIII

RULE MAKING

13.01 Rules and Regulations. Subject to the provisions hereof, the Board of Directors may establish reasonable rules and regulations concerning the use of Lots, Dwellings, and the Common Areas and facilities located thereon. In particular but without limitation, the Board of Directors may promulgate from time to time rules and regulations which shall govern activities which may, in the judgment of the Board of Directors, be environmentally hazardous, such as application of fertilizers, pesticides, and other chemicals. Copies of such rules and regulations and amendments thereto shall be furnished by the Association to all Owners prior to the effective date of such rules and regulations and amendments thereto. Such rules and regulations shall be binding upon the Owners, their families, tenants, guests, invitees, servants, and agents, until and unless any such rule or regulation be specifically overruled, canceled, or modified by the Board of Directors or in a regular special meeting of the Association by the vote of the Owners, in person or by proxy, holding a majority of the total votes in the Association, provided that in the event of such vote, such action must also be approved by Declarant, for so long as Declarant owns any Lot or Dwelling primarily for the purpose of sale or has the unexpired option to add the Additional Property or any portion thereof to the Development.

13.02 Authority and Enforcement. Subject to the provisions of Section 13.03 hereof, upon the violation of this Declaration, the By-Laws, or any rules and regulations duly adopted hereunder, including, without limitation, the failure to timely pay any assessments or charges, the Board shall have the power (i) to impose reasonable monetary fines which shall constitute an equitable charge and a continuing lien upon the Lot or Dwelling, the Owners, occupants, or guests of which are guilty of such violation, (ii) to suspend an Owner's right to vote in the Association, or (iii) to suspend an Owner's right (and the right of such Owner's family, guests, and tenants and of the co-Owners of such Owner and their respective families, guests, and tenants) to use any of the Common Areas, and the Board shall have the power to impose all or any combination of these sanctions. An Owner shall be subject to the foregoing sanctions in the event of such a violation by such Owner, his family, guests, or tenants or by his co-Owners or the family, guests, or tenants of his co-Owners. Any such suspension of rights may be for the duration of the infraction and for any additional period thereafter, not to exceed thirty (30) days. The fines levied and assessed as provided for in this Section 13.02 herein shall be a lien upon the applicable Lot or Dwelling in the same manner as that provided for in Section 9.09 herein. The effect of the non-payment of such fines and the remedies of the Association to enforce collection thereof shall be the same as those provisions provided for in Section 9.10 herein.

13.03 Procedure. Except with respect to the failure to pay assessments or charges, the Board shall not impose a fine, suspend voting rights, or infringe upon or suspend any other rights of an Owner or other occupant of the Development for violations of the Declaration, the By-Laws, or any rules and regulations of the Association, unless and until the following procedure is followed:

(a) Written demand to cease and desist from an alleged violation shall be served upon the Owner responsible for such violation specifying:

(i) The alleged violation;

(ii) The action required to abate the violation; and

(iii) A time period of not less than ten (10) days during which the violation may be abated without further sanction, if such violation is a continuing one, or if the violation is not a continuing one, a statement that any further violation of the same provision of this Declaration, the By-Laws, or of the rules and regulations of the Association may result in the imposition of sanctions after notice and hearing.

(b) Within twelve (12) months of such demand, if the violation continues past the period allowed in the demand for abatement without penalty, or if the same violation subsequently occurs, the Board may serve such Owner with written notice of a hearing to be held by the Board in executive session. The notice shall contain:

(i) The nature of the alleged violation;

(ii) The time and place of the hearing, which time shall be not less than ten (10) days from the giving of the notice;

(iii) An invitation to attend the hearing and produce any statement, evidence, and witnesses on his behalf; and

(iv) The proposed sanction to be imposed.

(c) The hearing shall be held in executive session of the Board of Directors pursuant to the notice and shall afford the alleged violator a reasonable opportunity to be heard. Any sanctions and fines levied by the Board of Directors according to the terms and provisions of this Article XIII shall be established by a majority vote of the Directors present at the above-referenced hearing. No such hearing shall be undertaken with less than a duly constituted quorum of the Board of Directors. Prior to the effectiveness of any sanction hereunder, proof of notice and the invitation to be heard shall be placed in the minutes of the meeting. Such proof shall be deemed adequate if a copy of the notice together with a statement of the date and manner of delivery is entered by the officer, director, or other individual who delivered such notice. The notice requirement shall be

deemed satisfied if an alleged violator appears at the meeting. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction imposed, if any.

ARTICLE XIV

GENERAL PROVISIONS

14.01 Control by Declarant. Notwithstanding any other language or provision to the contrary in this Declaration, in the Articles of Incorporation, or in the By-laws of the Association, Declarant hereby retains the right to appoint and remove any member or members of the Board of Directors of the Association and any officer or officers of the Association until such time as the first of the following events shall occur: (i) the expiration of twenty (20) years after the date of the recording of this Declaration; or (ii) the surrender by Declarant of the authority to appoint and remove directors and officers of the Association by an express amendment to this Declaration executed and recorded by Declarant. Each Owner, by acceptance of a deed to or other conveyance of a Lot or Dwelling vests in Declarant such authority to appoint and remove directors and officers of the Association as provided by this Section 14.01 hereof. Every grantee of any interest in the Development, by acceptance of a deed or other conveyance of such interest, agrees that Declarant shall have the authority to appoint and remove directors and officers of the Association in accordance with the foregoing provisions of this Section 14.01. Upon the expiration of the period of Declarant's right to appoint and remove directors and officers of the Association pursuant to the provisions of this Section 14.01, such right shall pass to the Owners, including Declarant if Declarant then owns one or more Lots or Dwellings and a special meeting of the Association shall be called within a reasonable time thereafter. At such special meeting the Owners shall elect a new Board of Directors which shall undertake the responsibilities of the Board of Directors, and Declarant shall deliver all books, accounts, and records, if any, which Declarant has kept on behalf of the Association and any agreements or contracts executed by or on behalf of the Association during such period and which Declarant has in its possession.

14.02 Amendments by Declarant. During any period in which Declarant retains the right to appoint and remove any directors and officers of the Association, Declarant may amend this Declaration by an instrument in writing filed and recorded in the Official Records, without the approval of any Owner or Mortgagee; provided, however, that, with the exception of the addition of any portion of the Additional Property to the terms of this Declaration, (i) in the event that such amendment materially and adversely alters or changes any Owner's right to the use and enjoyment of his Lot, Dwelling, or the Common Areas as set forth in this Declaration or adversely affects the title to any Lot or Dwelling, such amendment shall be valid only upon the written consent thereto by a majority in number of the then existing Owners affected thereby, or (ii) in the event that such amendment would materially and adversely affect the security title and interest of any Mortgagee, such amendment shall be valid only upon the written consent thereto of all such Mortgagees so affected. Notwithstanding the foregoing to the contrary, the expiration or termination of the right of Declarant to appoint and remove any directors and officers of the Association shall not terminate Declarant's right to amend the Declaration for the purpose of submitting the Additional Property or any portion thereof to the provisions of this Declaration as provided in Section 2.02 hereof. Any amendment made pursuant to this Section 14.02 shall be certified by Declarant as having been

duly approved by Declarant, and by such Owners and Mortgages if required, and shall be effective only upon recordation or at such later date as shall be specified in the amendment itself. Each Owner, by acceptance of a deed or other conveyance to a Lot or Dwelling agrees to be bound by such amendments as are permitted by this Section 14.02 and further agrees that, if requested to do so by Declarant, such Owner will consent to the amendment of this Declaration or any other instruments relating to the Development (a) if such amendment is necessary to bring any provision hereof or thereof into compliance or conformity with the provisions of any applicable governmental statute, rule, or regulation or any judicial determination which shall be in conflict therewith, (b) if such amendment is necessary to enable any title insurance company to issue title insurance coverage with respect to any Lots or Dwellings subject to this Declaration, (c) if such amendment is required by an institutional or governmental lender or purchaser of mortgage loans, including, for example, the Federal National Mortgage Association or Federal Home Mortgage Corporation, to enable such lender or purchaser to make or purchase mortgage loans on a Lot, Dwelling, or other improvements subject to this Declaration, or (d) if reputable private insurance company to insure Mortgages on the Lots, Dwellings, or other improvements subject to this Declaration.

14.03 Amendments by Association. Amendments to this Declaration, other than those authorized by Section 14.02 hereof, shall be proposed and adopted in the following manner:

(a) Notice of the subject matter of the proposed amendment shall be included in the notice of the meeting of the Association at which such proposed amendment is to be considered and shall be delivered to each member of the Association.

(b) At such meeting, a resolution adopting a proposed amendment may be proposed by either the Board of Directors or by members of the Association. Such amendment must be approved by Owners or their proxies, holding at least two-thirds (2/3rds) of the total votes entitled to be cast at such meeting at which a quorum is present in person or by proxy ; provided, however, (i) that any amendment which materially and adversely affects the security title and interest of any Mortgagee must be approved by such Mortgagee, and (ii) during any period in which Declarant owns a Lot or Dwelling primarily for the purpose of sale or has the unexpired option under this Declaration to add the Additional Property or any portion thereof to the Development, such amendment must be approved by Declarant but only if such amendment would amend Section 2.01, 2.02, 3.06, 3.10, 3.12, 3.16 or 9.02 of this Declaration. (as amended 3-30-09)

(c) The agreement of the required percentage of the Owners and, where required, Declarant and any Mortgagee, to any amendment of this Declaration shall be evidenced by their execution of such amendment, or, in the alternative, the sworn statement of the President of the Association attached to or incorporated in the amendment executed by the Association, which sworn statement shall state unequivocally that the agreement of the required parties was lawfully obtained. Any such amendment of this Declaration shall become effective only when recorded or at such later date as may be specified in the amendment itself.

14.04 Enforcement. Each Owner shall comply strictly with the By-Laws and the published rules and regulations of the Association adopted pursuant to this Declaration, as either of the same may be lawfully amended from time to time, and with the covenants, conditions, and restrictions set forth in this Declaration and in the deed or other instrument of conveyance to his Lot or Dwelling, if any. Failure to comply with any of the same shall be grounds for imposing fines, for suspending voting rights or rights of use in and to the Common Areas, or for instituting an action to recover sums due, for damages, and/or for injunctive relief, such actions to be maintainable by Declarant, the Board of Directors on behalf of the Association, or, in a proper case, by an aggrieved Owner. Should Declarant or the Association employ legal counsel to enforce any of the foregoing, all costs incurred in such enforcement, including court costs and reasonable attorneys' fees, shall be paid by the violating Owner. Inasmuch as the rules and regulations of the Association are essential for the effectuation of the general plan of development contemplated hereby and for the protection of present and future Owners, it is hereby declared that any breach thereof may not adequately be compensated by recovery of damages, and that Declarant, the Association, or any aggrieved Owner, in addition to all other remedies, may require and shall be entitled to the remedy of injunction to restrain any such violation or breach or any threatened violation or breach. No delay, failure, or omission on the part of Declarant, the Association, or any aggrieved Owner in exercising any right, power, or remedy herein provided shall be construed as an acquiescence thereto or shall be deemed a waiver of the right to enforce such right, power, or remedy thereafter as to the same violation or breach, or as to a violation or breach occurring prior or subsequent thereto, and shall not bar or affect its enforcement. No right of action shall accrue nor shall any action be brought or maintained by anyone whatsoever against Declarant or the Association for or on account of any failure to bring any action on account of any violation or breach, or threatened violation or breach, by any person of the provisions of this Declaration, the By-Laws, or any rules and regulations of the Association, however long continued.

14.05 Duration. The provisions of this Declaration shall run with and bind title to the Property, shall be binding upon and inure to the benefit of all Owners and Mortgagees and their respective heirs, executors, legal representatives, successors, and assigns, and shall be and remain in effect for a period of thirty (30) years from and after the date of the recording of the Declaration, provided that rights and easements which are stated herein to have a longer duration shall have such longer duration. Upon the expiration of said thirty (30) year period, this Declaration shall be automatically renewed for successive ten (10) year periods. The number of ten (10) year renewal periods shall be unlimited, with this Declaration being automatically renewed and extended upon the expiration of each ten (10) year renewal period for an additional ten (10) year period; provided, however, that there shall be no renewal or extension of this Declaration, if, during the last year of an initial thirty (30) year period or the last year of any ten (10) year renewal period, seventy-five percent (75%) of the total votes of the Association are cast in favor of terminating this Declaration at the end of the then current term. In the event that the Association votes to terminate this Declaration, an instrument evidencing such termination shall be filed of record in the Official Records, such instrument to contain a certificate wherein the President of the Association swears that such termination was duly adopted by the requisite number of votes. Every purchaser or grantee of any interest in any Property, by acceptance of a deed or other conveyance therefor, thereby agrees that the provisions of this Declaration shall run with and bind title to the Property as provided hereby.

14.06 Perpetuities. If any of the covenants, conditions, restrictions, or other provisions of this Declaration shall be unlawful, void, or voidable for violation of the rule against perpetuities, then such provisions shall continue only until twenty-one (21) years after the death of the last survivor of the now living descendants of Mrs. Rose Kennedy, mother of former U.S. President John Fitzgerald Kennedy.

14.07 Interpretation. In all cases, the provisions set forth or provided for in this Declaration shall be construed together and given that interpretation or construction which, in the opinion of Declarant or the Board of Directors will best effect the intent of the general plan of development. The provisions hereof shall be liberally interpreted and, if necessary, they shall be so extended or enlarged by implication as to make them fully effective. The provisions of this Declaration shall be given full force and effect notwithstanding the existence of any zoning ordinance or building codes which are less restrictive. The effective date of this Declaration shall be the date of its filing for record in the Official Records. The captions of each Article and Section hereof as to the contents of each article and Section are inserted only for convenience and are in no way to be construed as defining, limiting, extending, or otherwise modifying or adding to the particular Article or Section to which they refer. This Declaration shall be construed under and in accordance with the laws of the State of Oklahoma.

14.08 Gender and Grammar. The singular wherever used herein shall be construed to mean the plural when applicable, and the necessary grammatical changes required to make the provisions hereof apply either to corporations or other entities or to individuals, men or women, shall in all cases be assumed as though in each case fully expressed.

14.09 Severability. Whenever possible, each provision of this Declaration shall be interpreted in such manner as to be effective and valid, but if the application of any provision of this Declaration to any person or to any property shall be prohibited or held invalid, such prohibition or invalidity shall not affect any other provision or the application of any provision which can be given effect without the invalid provision or application, and to this end the provisions of this Declaration are declared to be severable.

14.10 Rights of Third Parties. This Declaration shall be recorded for the benefit of Declarant, the Owners, and their Mortgagees as herein provided, and by such recording, no adjoining property owner or third party shall have any right, title or interest whatsoever in the Development, except as provided herein, or in the operation or continuation thereof or in the enforcement of any of the provisions hereof, and, subject to the rights of Declarant and Mortgagees as herein provided, the Owners shall have the right to extend, modify, amend, or otherwise change the provisions of this Declaration without the consent, permission, or approval of any adjoining owner or third party.

14.11 Notice of Sale, Lease, or Mortgage. In the event an Owner sells, leases, mortgages, or otherwise disposes of any Lot or Dwelling, the Owner must promptly furnish to the Association in writing the name and address of such purchaser, lessee, mortgagee, or transferee.

14.12 No Trespass. Whenever the Association, the Declarant, the ARB, and their respective successors, assigns, agents, or employees are permitted by this Declaration to enter upon

or correct, repair, clean, maintain, preserve, or do any other action within any portion of the Development, the entering thereon and the taking of such action shall not be deemed to be trespass.

14.13 Notices. Any notice, demand, request or report (herein “notice”) required or permitted to be given or made under this Declaration shall be in writing and either (a) delivered personally or by messenger or a nationally recognized overnight courier service, (b) sent postage prepaid by United States first class mail, or (c) sent by telex, telegram, facsimile, e-mail, or other similar means of rapid transmission and confirmed by mailing written confirmation thereof (as provided in clause (b) above) at substantially the same time as such rapid transmission. The effective date of any notice shall be (i) the date of delivery of the notice, if by personal delivery, messenger or courier service, or (ii) if mailed, on the third (3rd) business day after the same is deposited in an authorized United States mail receptacle, or (iii) if sent by rapid transmission as described above, on the date actually received by the recipient, or if such date cannot be determined with reasonable certainty, then on the third (3rd) business day after the mailed written confirmation is deposited in the United States mail. All notices to an Owner shall be sufficient if sent to the last known address for the Owner as reflected on the records of the Association. It shall be the responsibility of the Owners to inform the Association of any change in their addresses. All notices to the Association shall be sent to the Association at 13919-B North May Ave., PMB 195, Oklahoma City, OK 73139, or at such other address as the Association may designate by written notice to the Owners and Declarant. All notices to the Declarant shall be sent to the Declarant at c/o Brad Ferguson, Union Bank, 4921 N. May Ave., Oklahoma City, OK 73112, or at such other address as the Declarant may designate by written notice to the Association or register on the records of the Association. Any notice to a Mortgagee shall be sent to the Mortgagee’s address shown on the records of the Association or if not so listed, then to the address of the Mortgagee shown on the Mortgage, or if the Mortgage has been assigned, then to Mortgagee’s address shown on the most recent assignment of the Mortgage filed in the office of the County Clerk of Oklahoma County. Use in this Declaration of one or more of the terms “delivered”, “sent” “given” and “mailed” or similar terms describing the method of giving notices by the Association or Declarant shall mean and permit any one or more of the methods described above in this Section. (as amended 3-30-09)

14.14 Assignment of Declarant Rights. Declarant hereby assigns to the Board any and all rights of the Declarant to the proxies of Owners for purposes of determining a quorum and voting, which proxies are deemed granted to Declarant pursuant to Article II of the By-Laws of Association. By its recording of this Amendment, the Board shall be deemed to have accepted such assignment. (as amended 3-30-09)

14.15 Assignment by Declarant. Pursuant to the authority granted in **Section 14.14** of the Declaration, Declarant hereby assigns to the Board any and all rights of the Declarant to the proxies of Owners for purposes of determining a quorum and voting, which proxies are deemed granted to Declarant pursuant to Article II of the By-Laws of the Association. By its recording of this Amendment, the Board shall be deemed to have accepted such assignment. (as amended 3-30-09)

14.16 Guard House. There is hereby assigned to Deer Creek Property Owners Association, Inc., an Oklahoma non-profit corporation (the “**Association**”), Deer Creek’s right and privilege: (i) to maintain guarded or electronically-monitored gates controlling vehicular access to and from the Development (as defined in the Declaration), and (ii) to require payment of toll charges for use of roads within the Development by permitted commercial traffic of by members of the general public, which tolls shall be set at a reasonable amount to maintain the roads and provide security, all as provided in **Section 3.05** of the Original Declaration. (as amended 3-30-09)

14.17 Surrender of Authority. Pursuant to **Section 14.01** of the Declarations, Declarant hereby surrenders its authority to appoint and remove directors and officers of the Association and her by amends the Declaration accordingly. This Amendment shall be recorded in the real estate records of the County Clerk of Oklahoma County, Oklahoma, and made a part of the official records of the Association. (as amended 3-31-09)

IN WITNESS WHEREOF, duly authorized officers of the undersigned Declarant have executed this Declaration under seal, this ____ day of _____, 2002.

DECLARANT:
DEER CREEK LAND DEVELOPMENT
COMPANY, LLC, an Oklahoma limited
liability company

By: Deer Creek Management Company,
Inc., Manager

By: _____
Its: _____

STATE OF OKLAHOMA)
)
) s.s.
COUNTY OF OKLAHOMA)

Before me, a notary public in and for said county and state, on this ____ day of _____, 2002, personally appeared _____ as _____ President of Deer Creek Management Company, Inc., an Oklahoma corporation, Manager of Deer Creek Land Development Company, LLC, an Oklahoma limited liability company, to me known to be the identical person who subscribed the name of the maker thereof to this instrument and acknowledged to me that he executed the same as his free and voluntary act and deed, and as the free and voluntary act and deed of such corporation for the uses and purposes therein set forth.

By: _____
Name: _____
Title: Notary Public

My commission expires: _____

[NOTARIAL SEAL]

EXHIBIT "A"

EXHIBIT "B"