

BOOK 6654 PAGE 1946

Return to:
Cedar Ridge Development, Inc.
P. O. Box 32134
Oklahoma City, OK 73123

**DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS OF
CEDAR RIDGE FARMS Section 1**

THIS DECLARATION, made as of the date hereinafter set forth by CEDAR RIDGE DEVELOPMENT, INC., an Oklahoma corporation, as declarant, and hereinafter referred to as "Developer."

WITNESSETH

WHEREAS, Developer is the owner of certain real estate located in the City of Oklahoma City, Oklahoma County, Oklahoma, more particularly described on Exhibit "A" attached hereto and thereof, recorded in Book 56 of Plats, at page 70 at the records of Oklahoma County, State of Oklahoma. The Property on Exhibit "A" shall be referred to herein as the "Property."

WHEREAS, Developer expressly declares its intention to develop the Property as a Real Estate Development in order to insure management, maintenance, preservation and control of commonly owned areas of any portion of or interest in them and to enforce all mutual, common, or reciprocal interests in or restrictions upon all portions of such separately owned lots, parcels or areas, or both. The Project will be referred to as "CEDAR RIDGE FARMS Section 1."

NOW, THEREFORE, Developer states and hereby declares that the Property, and additional property as may by subsequent amendment be added to and subjected to these Covenants, Conditions and Restrictions, shall be held, conveyed, mortgaged, encumbered, leased, rented, used, occupied, sold and improved, subject to the following assessments, covenants, conditions, restrictions, rights and powers, all of which are for the purpose of enhancing and protecting the value and attractiveness of the Property and the Project, and benefit of the Developer and its successors in title and these Covenants, Conditions and Restrictions shall be binding upon, and insure to the benefit of, Developer and its successors in title, and any person or persons, corporation or corporations, hereafter becoming the Owner or Owners, or any right, title or interest in the described real property or any part thereof, their heirs, successors and assigns, and for the benefit of the City of Oklahoma City to the extent these Covenants, Conditions and Restrictions pertain to location of uses, height of structures, setbacks, screening, maintenance of common areas and access to the Project. It is understood that all of the area in the Real Estate Development shown on the Plat attached hereto which is not a separately owned lot, parcel or area shall be owned in common by the owners of the separately owned lots, parcels or areas.

ARTICLE I

DEFINITIONS

1.1 "Assessments" shall mean that portion of the cost of maintaining, improving, repairing, operating, and managing the Property which is to be paid by each separate Owner as determined by the Owners' Association.

1.2 "Board" or "Board of Directors" shall mean and refer to the Board of Directors specified in the "By-Laws."

1.3 "By-Laws" shall mean and refer to the By-Laws of the "Owners' Association," as such By-Laws may be amended from time to time.

DOC NUMBER 94132941
BOOK 6654
PAGES 1946 - 1976
TIME 12:24:20
FEE 68.00
09/16/94
JOHN J GARVEY
OKLAHOMA COUNTY CLERK
RECORDED AND FILED

1\WP60DOCS\TONIN\941740TB.

31/68

1.4 "Common Elements" mean and include:

1.4.1 All of the area on the Plat attached hereto as Exhibit "A" ;

1.4.2 The streets, gate, entrance and entrance island, landscaping, utilities in or associated with the Common Elements, lamps and posts, all of the foregoing being included whether or not graphically shown on Exhibit "A" hereto; and

1.4.3 Items agreed upon as common by all the separate Owners.

1.5 "Common expenses" means and includes;

1.5.1 Expenses of administration, maintenance, repair or replacement of the Common Elements.

1.5.2 Expenses agreed upon as common by all the separate Owners;

1.5.3 Expenses declared common by the provision of the By-Laws;

1.5.4 All fences within the Common Elements.

1.5.5 All expenses associated with maintenance, repair, replacement, improvement or otherwise related to the streets, gate and entrance.

1.6 "Common Interests" shall mean the proportion of undivided interest in the Common Elements which is appurtenant to each separately owned lot described on the Plat, Exhibit "A".

1.7 "Common Profit" means the balance of all income, rents, profits and revenues from the Common Elements and facilities remaining after the deduction of the common expenses.

1.8 "Institutional Lender" shall mean any bank, savings and loan association, insurance company or other financial institution holding a recorded first mortgage on any lot.

1.9 "Lot" shall mean any one of the _____ parcels of real property, numerically described and designated as Lots _____ through _____ of Block _____.

1.10 "Majority of Owners" means the Owners of more than fifty percent (50%) of the aggregate interest in the Common Elements. Any specified percentage of Owners means such percentage in the aggregate of such divided ownership.

1.11 "Member" shall mean and refer to an Owner.

1.12 "Mortgage" shall include a deed or trust as well as a mortgage.

1.13 "Mortgagee" shall include the beneficiary or a holder of a deed of trust as well as a mortgagee.

1.14 "Mortgagor" shall include the trustor of a deed of trust as well as a mortgagor.

1.15 "Owner(s)" shall mean the record owner, whether one or more persons or entities, of legal title to any Lot. The foregoing does not include persons or entities having any interest merely as a security for the performance of any obligation. Each Owner shall be a member of the Owners' Association.

1.16 "Owners' Association" shall mean the Cedar Ridge Farms Owners' Association, Inc., an Oklahoma non-profit corporation, its successors and assigns.

1.17 "Person" means a natural person, a corporation, a partnership, a trustee or other legal entity.

Section 1

1.18 "Plat" shall mean the Plat of CEDAR RIDGE FARMS recorded in Book 56 of Plats, at Page 78 in the Office of the County Clerk of Oklahoma County, a copy of which is appended hereto as Exhibit "A".

1.19 "Project" shall mean and refer to the entire Property, including all structures and improvements erected or to be erected thereon.

1.20 "Project Documents" means and includes these Covenants, Conditions and Restrictions as same may be amended from time to time, the exhibits attached hereto, the Plat, By-Laws of the Owners' Association, Articles of Incorporation of CEDAR RIDGE FARMS Owners' Association, Inc., and the rules and regulations of the Owners' Association as established and amended from time to time.

1.21 "Property" means and includes all the real property which is the subject of the Plat, including all streets, easements, rights and appurtenances belonging thereto, and such annexed property as may be brought within the jurisdiction of the Owners' Association.

1.22 "Residence" shall mean an improvement constructed for occupancy by a single family located on one Lot. Each Residence shall be constructed in conformity with the architectural and design standards set forth herein or in the By-Laws appended hereto.

1.23 "Residential Use" shall mean the occupation or use of a Residence in conformity with this Declaration and the requirements imposed by applicable zoning laws or other state, county or municipal rules and regulations.

1.24 "Single Family" shall mean one or more persons each related to the other by blood, marriage or legal adoption, or a group of not more than three persons not all so related, who maintain a common household in a Residence. Single Family shall also include domestic servants who maintain a common household in a Residence.

ARTICLE 2

DESCRIPTION OF PROJECT, DIVISION OF PROPERTY, AND
CREATION OF PROPERTY RIGHTS

2.1 Description of Project The description of the Lots and the dimensions, area and location of Common Elements affording access to each Lot and other Common Elements are graphically shown on the Plat attached hereto and marked Exhibit "A".

2.2 Division of Property. The Property is hereby divided into the following separate freehold estates.

2.2.1 Lots. The Lot designation and the statement of its location and immediate area to which it has access and any other data necessary for its proper identification including its proportionate interest in the Common Elements are graphically shown on the Plat attached hereto and marked Exhibit "A".

2.2.2 Common Elements. The remaining portion of the Property, referred to herein as "Common Elements", shall include all of the additional contiguous or non-contiguous areas graphically shown on Exhibit "A" hereto and as described, but not limited to those in Article 1. Section 1.4, above. Each Owner may use the Common Elements in accordance with the purposes for which it is intended without hindering the exercise of or encroachment upon the rights of any other Owner.

2.2.3 Conveyance of Common Elements and Dedication of Easements. Developer hereby grants, bargains, sells and conveys to Owners' Association, Inc., all of the Common Elements subject to this Declaration, less and except all oil, gas and other minerals, easements, restrictions, rights-of-way, conveyances and zoning ordinances of record. Developer, for itself, its successors and assigns, dedicates to the use and benefit of the Owners' Association all easements shown on the Plat. Developer grants to the City of Oklahoma City an easement over and across the common elements for the purpose of a fire lane and use by the City Police for police protection purposes, and for garbage services. Developer further dedicates all easements shown on the Plat to the use of the public for public utility purposes and in this connection does authorize any franchised utility company, including the City of Oklahoma City, to use so much of the Common Elements for utility purposes as is needed to install, repair and maintain water lines, sewer lines, electric lines, gas lines and telephone lines.

2.2.4 Owners' Easements of Enjoyment. Every Owner has the right and easement of enjoyment in and to the entire Common Elements which shall be appurtenant to and shall pass with the title to every Lot, subject to the right of the Owners' Association to control and limit the use of the Common Elements as provided in this Declaration, the Articles of Incorporation of the Owners' Association, the Plat, the By-Laws and the rules and regulations of the Owners' Association and its committees, including the Architectural Standards Committee.

2.3 No Separate Conveyance of Undivided Interest. The foregoing interests and exclusive easements are hereby established and are to be conveyed only with the respective Lots and cannot be changed, except as herein set forth. The Common Elements and the exclusive easements of the Common Elements, and the fee simple title to the respective Lots conveyed herewith shall not be separately conveyed and each such undivided interest and exclusive easement shall be deemed to be conveyed or encumbered with its respective Lot even though the description in the instrument of conveyance or encumbrance may refer only to the fee simple title to the Lot.

2.4 Partition Prohibited. The Common Elements shall remain undivided and no Owner shall bring any action for partition or division of any part thereof except as specifically permitted by law.

2.5 Lots Subject to Restrictions. All Lots in the Project shall be acquired, transferred, assigned or conveyed subject to the easements, conditions, restrictions and covenants of ownership set forth herein and the By-Laws appended hereto, as same may be amended from time to time.

ARTICLE 3

OWNERS' ASSOCIATION. ADMINISTRATION. MEMBERSHIP AND VOTING RIGHTS

3.1 Owners' Association to Manage Property. The administration of every property shall be governed by the By-Laws of CEDAR RIDGE FARMS/Section 1 of which shall be annexed hereto as Exhibit "B". Each Owner shall comply strictly with the By-Laws and with the administrative rules and regulations adopted pursuant thereto as either of the same may be lawfully amended from time to time and with the Covenants, Conditions and Restrictions set forth either herein or in the deed to his Lot.

3.2 Membership. The Owners' Association shall be composed of all of the Owners of separate Lots as same are hereinabove described. Membership in said Owners' Association shall be deemed conveyed with transfer of ownership of the Lot, even though such interest and membership is not expressly mentioned or conveyed in the conveyance or other instrument.

3.3 Voting. Each Member of the Owners' Association shall be entitled to one (1) vote for each Lot in which such Member holds an interest sufficient for membership in the Owners' Association.

3.4 Membership Meetings. Regular and special meetings of the Owners' Association shall be held in accordance with the provisions of the By-Laws appended hereto and incorporated herein.

3.5 Board of Directors. The affairs of the Owners' Association shall be managed by a Board of Directors, which is hereby established by the annexed By-Laws, and which shall conduct regular and special meetings according to the provisions of the By-Laws.

ARTICLE 4

MAINTENANCE AND ASSESSMENTS

4.1 Creation of the Lien and Personal Obligation of Assessments. The Developer, for each Lot owned by Developer within the Project, and each Purchaser of any Lot by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay the Owners' Association, or a duly authorized agent thereof, such assessments as may become applicable to their Lots, including; (1) regular annual assessments or charges and (2) special assessments for capital improvements and unexpected expenses, such assessments to be established and collected as provided herein and in the By-Laws. The annual and special assessments, together with interest, costs, and reasonable attorneys' fees, shall be a charge and a continuing lien upon the Lot against which each assessment is made, the lien to become effective upon recordation of a notice of assessment. Each such assessment, together with interest, costs and reasonable attorneys' fees, shall also be a personal obligation of the person who is the Owner of such separate Lot at the time when the assessment fell due. No Owner of any separate Lot may exempt himself from liability for his contribution toward the Common

Elements by waiver of the use of enjoyment of any of the Common Elements or by the abandonment of his separate Lot.

4.2 Damage or Destruction of the Common Elements by Others. In the event any part of the Common Elements is damaged or destroyed by an Owner, a member of an Owners' family, or any of an Owners' invitees, such Owner does hereby authorize the Owners' Association to repair said damaged area, and the Owners' Association shall so repair said damaged area in a good workmanlike manner in conformance with the original plans and specifications of the area involved, or as the area may have been modified or altered subsequently by the Owners' Association, in the discretion of the Owners' Association. The amount necessary for such repairs shall be promptly paid by such Owner, upon demand, to the Owners' Association, and the Owners' Association may enforce collection of same in the same manner as provided elsewhere in this Declaration for collection and enforcement of assessments. For the purpose of this provision, the term "Owners' Invitee" is intended to be interpreted broadly and shall include, but not be limited to, the guests of an Owner, the guests of an Owner's family members, lessees and the guests and invitees of any lessee.

4.3 Purpose of Assessments. The assessments levied by the Owners' Association shall be used exclusively to promote the recreation, health, safety and welfare of all the residents in the entire Project for the improvement and maintenance of the Common Elements for the common good of the Project. Annual assessments shall include an adequate reserve fund for maintenance, repairs and replacement of the said Common Elements.

4.4 Annual Assessments. Until January, 1996, the Developer will be responsible for and pay all costs of maintenance of the Common Elements. The Board shall determine the amount and levy the first annual assessment to be effective and due February, 1996. The maximum annual assessments per Lot shall be in an amount as set forth in the Project budget approved by the Board. Thereafter, the Board shall determine and fix the amount of the maximum annual assessment against each Lot at least sixty (60) days in advance of each annual assessment.

4.5 Special Assessments. In addition to the regular annual assessments authorized above, the Board may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any constructions, reconstruction, repair or replacement of a capital improvement related to the Common Elements, including fixtures and personal property related thereto, or to defray any unanticipated or underestimated expense normally covered by a regular assessment (and, where necessary, for taxes assessed against the Common Elements). Special assessments may also be levied against any individual Lot and its Owner to reimburse the Owners' Association for costs incurred in bringing that Owner and his Lot into compliance with the provisions of this document and the By-Laws.

4.6 Allocation of Assessments. Each Lot shall bear an equal share of each aggregate regular and special assessment, other than special assessments levied against an individual Owner. Additionally, special assessments may be levied against individual Lots for disciplinary reasons as provided in the preceding sub-article.

4.7 Date of Commencement of Annual Assessment: Due Dates. The regular annual assessments provided for herein shall commence as to all Lots in the Project thereof on February, 1996. Due dates of assessments shall be established by the Board and notice shall be given to each Owner at least thirty (30) days prior to any due date.

4.8 Transfer of Lot by Sale or Foreclosure. Sale or transfer of any Lot shall not affect the assessment lien; however, the sale or transfer of any Lot pursuant to mortgage foreclosure shall extinguish the lien of such assessment as to payments which become due prior to such sale or transfer (except for assessment liens recorded prior to the mortgage). No sale or transfer shall relieve such Owner from liability for any assessments thereafter becoming due or from the lien thereof. Where the mortgagee of a first mortgage of record obtains title to a Lot as a result of foreclosure of any such first mortgage, such mortgagee shall not be liable for the share of the common expenses or assessments by the Owners' Association chargeable to such Lot which became due prior to the acquisition of title to such Lot by such mortgagee. Such unpaid share of common expenses or assessments shall be deemed to be common expenses collectible from all of the Lots including such mortgagee. In a voluntary conveyance of a Lot, the grantee of the same shall be jointly and severally liable with the grantor for all unpaid assessments by the Owners' Association against the latter for his share of the common expenses up to the time of the grant or conveyance without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee therefor; however, any such grantee shall be entitled to a statement from the Owners' Association setting forth the amount of the unpaid assessments due the Owners' Association and such grantee shall not be liable for, nor shall the Lot be subject to a lien for, any unpaid assessments made by the Owners' Association against the grantor in excess of the amount set forth in the statement; provided, however, the grantee shall be liable for any such assessment becoming due after the date of any such statement.

4.9 Enforcement of Assessment Obligation; Priorities; Disciplines. Any part of any assessment not paid within thirty (30) days after the due date shall bear interest at the rate of ten percent (10%) per annum from the due date until paid. When a notice of assessment has been recorded, such assessment shall constitute a lien on each respective Lot prior and superior to all other liens except (1) all taxes, bonds, assessments and other levies which, by law, would be superior thereto and (2) the lien or charge of any first mortgage of record (meaning any recorded mortgage or deed of trust with first priority over other mortgages or deeds of trust) made in good faith and for value. Such lien, when delinquent, may be enforced by sale by the Owners' Association, its attorney or another person authorized by this document or By-Laws to make the sale, after failure of the Owner to pay such assessment. The Owners' Association, acting on behalf of the Owners, shall have the power to bid for the Lot at the foreclosure sale and to acquire and hold, lease, mortgage and convey the same. The Board may impose reasonable monetary penalties, which penalties may include attorney fees and expenses of litigation or collection, against an Owner who is in default in payment for any assessment, after notice and hearing according to the By-Laws.

4.10 Unallocated Taxes. In the event that any taxes are assessed against the Common Elements or the personal property of the Owners' Association, rather than against the Lots, said taxes shall be included in the assessments made under the provisions of the Article and, if necessary, a special assessment may be levied against the Lots in an amount equal to said taxes to be paid in two installments, thirty (30) days prior to the due date of each tax installment.

ARTICLE 5

DUTIES AND POWERS OF THE OWNERS' ASSOCIATION AND BOARD

5.1 Statutory Duties and Powers of the Owners' Association. The duties and powers of the Owners' Association shall be as required, implied or necessary by 60 Okla. Stat. §§ 851 through 855, inclusive, as same presently exist or may be hereafter amended relative to Real Estate Developments.

5.2 Other Duties and Powers of Owners' Association. In addition to the duties and powers enumerated in the By-Laws or elsewhere provided for herein and without limiting the generality thereof and consistent with Article 3, paragraph 3.5, herein, the Owners' Association, acting through the Board, may enforce the covenants and restrictions specified herein and shall:

- 5.2.1 **Maintenance and Repairs.** Maintain, repair, replace, restore, operate and manage all of the Common Elements, and all facilities, roads, gate, improvements, furnishings, equipment and landscaping thereon and property that may be acquired by the Owners' Association. This obligation shall not extend to the maintenance of any portion or facility of the Common Elements required to be maintained by an individual Owner under this document or the By-Laws.
- 5.2.2 **Enforcement.** Enforce the provisions of this Declaration by appropriate means including, without limitation, the expenditures of funds of the Owners' Association, the employment of legal counsel and the commencement of actions.
- 5.2.3 **Insurance.** Maintain such policy or policies of insurance as are required by this document or as the Board deems necessary or desirable in furthering the purposes and protecting the interests of the Owners' Association.
- 5.2.4 **Easements.** Grant and reserve easements where necessary for utilities and sewer facilities over the Common Elements to serve the Common Elements and Lots.
- 5.2.5 **Manage.** Have the authority to employ a manager or other persons and to contract with independent contractors or managing agents to perform all or any part of the duties and responsibilities of the Owners' Association, subject to the By-Laws and restrictions imposed by any governmental or quasi-governmental body or agency having jurisdiction over the Project.
- 5.2.6 **Other.** Adopt reasonable rules not inconsistent with this Declaration or the By-Laws relating to the use of the Common Elements and all facilities thereon and the conduct of the Owners and their families, tenants and guests with respect to the Property and other Owners.
- 5.2.7 **Maintenance of Project by Board.** The Board shall provide maintenance of the Project as provided in the By-Laws. The responsibility of the Board for maintenance and repair shall not extend to repair or replacement arising out of or caused by the willful or negligent act of an Owner, a member of an Owner's immediate family, or their guests, tenants, or invitees. The repair or replacement of any portion of the Common Elements resulting from such excluded items shall be the responsibility of such Owner; provided, however, that, if an Owner shall fail to make the repairs or replacements which are the responsibility of such Owner, the Board shall have the right (but not the obligation) to make such repairs or replacements and the cost thereof shall be specially assessed against such Owner and/or added to the assessments chargeable to such Lot and shall be payable to the Owners' Association by the Owner of such Lot.

ARTICLE 6

UTILITIES AND EASEMENTS

6.1 Easements for Utilities, Maintenance and Drainage. Easements over and under the Property for the installation, repair and maintenance of sanitary sewer, water, electric, gas and telephone lines and facilities, heating and air conditioning facilities, cable or master television antenna lines, drainage facilities, walkways and landscaping as shown on the Plat of the Property and/or as may be hereafter required or needed to service the Property, are hereby dedicated by Developer to the Owners' Association, the City of Oklahoma City and franchised utility companies, for purposes of ingress and egress and the repair and maintenance of utilities and drainage facilities.

6.2 Owners' Association's Duties. The Owners' Association shall maintain all utility installations located in the Common Elements except for those installations maintained by utility companies, public, private or municipal. The Owners' Association shall pay all charges for utilities supplied to the Project except those metered or charged separately to the Lots.

6.3 Owners' Right to Ingress and Egress Support. Each Owner shall have the right to ingress and egress over, upon and across the Common Elements necessary for access to such Owner's Lot and shall have the right to lateral support for his or her Lot, and such rights shall be appurtenant to and pass with that title to each Lot.

ARTICLE 7

USE RESTRICTIONS

In addition to all of the covenants contained herein, the use of the Property and each Lot therein is subject to the following:

7.1 Nuisances. No noxious, illegal or offensive activities shall be carried on in any Lot, or in any part of the Property, nor shall anything be done thereon which may be or may become an annoyance or a nuisance to or which may in any way interfere with the quiet enjoyment by an Owner of his respective Lot, or which shall in any way increase the rate of insurance for the Project, or cause any insurance policy to be canceled or to cause a refusal to renew the same, or which will impair the structural integrity of any building.

7.2 Vehicle and Parking Restrictions. No trailer, boat, camper, mobile home, trailer home, recreational vehicle, commercial vehicle, truck (other than standard size pickup truck), inoperable automobile or similar equipment shall be permitted to park or remain upon any area within the Property, other than temporarily, unless located entirely within an attached garage. Commercial vehicles shall not include sedans or standard size pickup trucks which are used both for business and personal use, provided that any signs or marking of a commercial nature on such vehicles shall be unobtrusive and inoffensive as determined by the Board. No noisy or smoky vehicles shall be operated on the Property. No off-road unlicensed motor vehicles shall be maintained or operated upon the Property, except as reasonably necessary to the execution of the rights or duties of the Board under these Covenants, Conditions and Restrictions. "Temporarily", as used herein, means a period of less than 24 hours.

7.3 Signs. No signs shall be displayed to the public view of any Lot or on any portion of the Property except such signs as are approved by the Board or committee appointed by the Board. The Board shall designate

a location or locations within the Common Elements in which "For Sale" or "For Rent" signs approved by the Board as to size and content may be displayed.

7.4 Garbage and Refuse Disposal. All rubbish, trash and garbage shall be regularly removed from the Property and shall not be allowed to accumulate thereon. Trash, garbage and other waste shall not be kept except in sanitary containers.

7.5 Use of Lots. Except as may be provided hereinbelow, each Lot shall be used for single family residential purposes only, and no trade or business of any kind may be carried on therein. Lease or rental of a Lot for residential purposes shall not be considered to be a violation of this Covenant so long as the Lot is not owned primarily for such purpose and so long as the lease is otherwise in compliance with the rules and regulations promulgated by the Board. Any lessee or tenant shall in all respects be subject to the terms and conditions of these Covenants, Conditions and Restrictions, By-Laws and the rules and regulations adopted hereunder. Without the prior written consent of the Owners' Association's Board, nothing shall be done or kept in any Lot or in the Common Elements or any part thereof to increase the rate of insurance on the Property or any part thereof over what the Owners' Association, but for such activity, would pay. Noxious, destructive or offensive activity shall not be carried on in any Lot or on the Common Elements or any part thereof. Each Owner shall refrain from any act of use of his or her Lot which could reasonably cause embarrassment, discomfort or annoyance to other Owners, and the Board shall have the power to make and to enforce reasonable rules and regulations in furtherance of this provision.

7.6 Radio and Television Antennas. No alteration to or modification of a central radio or television antenna system or cable television system, whichever is applicable, shall be permitted and no Owner may be permitted to construct, use or operate his own external radio or television antenna, including satellite dish receivers, without the written consent and approval of the board.

7.7 Power Equipment and Car Maintenance. No power equipment, workshops or car maintenance shall be permitted on the Property except lawn maintenance equipment or as otherwise permitted with the prior written approval of the Board. Approval shall not be unreasonably withheld and, in deciding whether to grant approval, the Board shall consider the effects of noise, air pollution, dirt or grease, fire hazard, interference with radio or television reception and similar objections.

7.8 Above Ground Pools. No pools with a capacity of more than 150 gallons of water shall be installed, placed, erected or maintained above the surface of the ground of any Lot.

7.9 Pets. No livestock shall be maintained on any of said Lots. No other animals, birds, fowl or poultry shall be maintained on any of said Lots, other than three (3) generally recognized house or yard pets, and then only if they are kept, bred, or raised thereon solely as domestic pets and not for commercial purposes. The maximum number of pets kept or maintained on any Lot shall not exceed three (3). All house or yard pets in the Project, including but not limited to dogs and cats, shall be kept inside, penned or on leash at all times on any Lot, and shall not be allowed in the Common Elements unless on leash. No animal, bird, fowl or poultry shall be allowed to make an unreasonable amount of noise, or to become a nuisance. No structure for the care, housing, exercise or confinement of any animal, bird, fowl or poultry shall be maintained on any of said Lots so as to be visible from neighboring property without the prior written consent of the Architectural Standards Committee. Upon the written request of any Owner, the Owners' Association may conclusively determine, in its sole and absolute discretion, whether, for the purpose of this paragraph, a particular animal, bird, fowl or poultry is a generally

recognized house or yard pet, or a nuisance, or whether the number of animals or birds on any such property is reasonable. Any decision rendered by the Owners' Association will be enforceable as other restrictions contained herein. All ordinances of the City of Oklahoma City relating to animals shall apply to the Project.

7.10 Pool Cabanas and Detached Buildings. Detached buildings, garages, sheds or out buildings shall be permitted to be erected or maintained within the project provided the plans, specifications, design and location of same have been approved in writing by the Architectural Standards Committee.

7.11 Treehouses and Playground Equipment. No treehouses or platforms in trees, play towers or other similar structures or equipment shall be located in front of the front building limit line or within fifteen (15) feet of any Lot boundary.

7.12 Trash and Debris. No trash, ashes, or other refuse may be dumped or placed in any vacant Lot, the Common Elements. Each Owner of a vacant Lot is required to keep such Lot in a presentable condition or the Owners' Association may, at its discretion, mow such Lot, trim trees, remove trash or refuse and, if necessary, levy an assessment upon such Lot for the cost involved, which shall constitute a lien upon such Lot to the same extent as is provided elsewhere herein with respect to other assessments.

7.13 Basketball Goals. Basketball goals must be free-standing and positioned behind the front line of the residence, including portable goals. Basketball hoops/goals attached to the home or garage are prohibited. Generally, at least partial evergreen screening will be required behind the goal.

7.14 Clothes Drying Facilities. Outside clotheslines or other outside facilities for drying or airing clothes will not be erected, placed or maintained on any Lot unless in such a manner that they shall not be visible from the neighboring property.

7.15 Diseases and Insects. No Owner shall permit any thing or condition to exist upon any Lot which shall induce, breed or harbor infectious plant disease or noxious insects.

7.16 Temporary Residences. All residences shall be of new construction, and no residence, part of a resident, or garage, may be moved from another area into this subdivision. Mobile homes of all kinds shall not be permitted to be placed or packed, either temporarily or permanently, on any lot. No structure of a temporary character, trailer, basement, tents, shack, garage, barn or other outbuilding shall be used at any time on a Lot as a residence either temporarily or permanently.

7.17 No Warranty of Enforceability. While the Developer has no reason to believe that any of the restrictive covenants of this Article 7 or elsewhere in these Covenants, Conditions and Restrictions are or may be invalid or unenforceable for any reason or to any extent, it makes no warranty or representation as to the present or future validity or enforceability of any such restrictive covenant. Any Owner acquiring a Lot in the Project in reliance on one or more of such restrictive covenants shall assume all risks of the validity and enforceability thereof and, by acquiring the Lot, agrees to hold the maker hereof harmless therefrom.

7.18 Enforcement and Access by Directors. The Board of the Owners' Association shall have the power to make and to enforce reasonable rules and regulations in furtherance of this Article. During reasonable hours, Developer, any member of the Architectural Standards Committee, any member of the Board or any authorized representative of any of them, shall have the right to come upon and inspect any Lot within the Project and the

improvements thereon (except for the interior portions of any Residence) for the purpose of ascertaining whether or not the provisions of this Declaration have been or are being complied with, and such persons shall not be deemed guilty of trespass by reason of such entry.

ARTICLE 8

ARCHITECTURAL CONTROL

8.1 **Prohibition of Alteration and Improvement.** No buildings, storage sheds, fence, wall, obstruction, balcony, screen, patio, patio cover, tent, awning, sheds, carport, carport cover, improvement or structure of any kind shall be commenced, erected, or maintained upon the Property, nor shall any alteration or improvement of any kind be made to any previously constructed structure, until the same has been approved in writing by the Architectural Standards Committee.

8.2 **Architectural Standards.** No construction or erection of any nature whatsoever shall be commenced or maintained upon any Lot or the Common Elements (except as is installed or approved by the Developer in connection with the initial construction of structures or buildings on the Property); nor shall any exterior addition to, or change or alteration thereon, be made unless and until two (2) sets of the plans and specifications showing the nature, kind, shape, height, materials and location of the same shall have been submitted to and approved as to the harmony of external design and location in relation to surrounding structures and topography, in writing to the Architectural Standards Committee. The initial Architectural Standards Committee shall consist of not less than five (5) members initially, being Tim Layton, Michael Williams, Dennis Lyon, Jim Knight and Mac Layton. The initial Architectural Standards Committee shall serve until December 31, 1997, and thereafter the Committee shall be appointed in accordance with the By-Laws of the Owners' Association. In the event the Architectural Standards Committee fails to approve or disapprove such design and location within forty-five (45) days after said plans and specifications shall have been submitted to it, approval will not be required and the Owner submitting such plans and specifications shall be deemed to have complied with this provision. Any decision of the Architectural Standards Committee shall be final and binding. If no application has been made to the Board, its representatives or Owner(s) may institute suit to enjoin or to remove such additions, alterations or improvements made without such approval, at any time, and all costs and attorney fees shall be the responsibility of the Owner whose actions caused such suit to be instituted. No permission or approval shall be required to rebuild in accordance with the original plans and specifications or to rebuild in accordance with the plans and specifications previously approved by the Architectural Standards Committee.

8.3 **Structural Size Restriction.** The floor area of the main structure, exclusive of porches, basements, and garage(s), shall not be less than 2,600 square feet.

8.4 **Floodlights.** Outdoor floodlights must be approved by the Architectural Standards Committee and must not be offensive to adjoining property.

8.5 **Roof Construction.** In addition to the approval of the Plans and Specifications for construction of buildings and structures on any Lot, all roofs and roof materials shall be specifically submitted, by separate letter, to the Architectural Standards Committee for their review and written approval prior to construction of the structure or installation of roofing material. The initial roof of all dwellings built in Cedar Ridge Farms must be of wood cedar shingles or composition material shingles equal in quality to Prestique Plus Shingles manufactured by Elk Roofing or equal to Timberline Ultra Shingles manufactured by Owens Corning and subject to the approval

of the Architectural Standards Committee of a specific product and subject to the approval of the Architect Standards Committee of the aesthetic appearance as a weathered-wood roof. All roofs must have a minimum pitch or slope of 6 on 12. Any other roof so desired must be approved by the Architectural Standards Committee.

8.6 Brick or Stone Construction. Unless otherwise approved by the Architectural Standards Committee, the principal exterior of any residence, excluding the roof, shall be at least eighty percent (80%) brick or stone, and twenty percent (20%) may be frame wood, shingles or other materials which will blend together with the brick or stone. It is the intent of this restriction to allow panels of other materials other than brick or stone to be used, but in no event shall a continuing wall consisting of twenty percent (20%) of the exterior of the residence be built of any material other than brick or stone. This restriction is intended to restrict the principal exterior of the first floor of residence to masonry in their construction, but may be modified to allow use of other materials to blend with the masonry to eliminate repetition of design, provided such modification must be approved in writing, in advance, by the Architectural Standards Committee. All fireplace chimney stacks shall be constructed of brick or stone.

8.7 Garages and Carports. Garages must be at least two cars wide and must be attached to the residence. Porches and/or covered porticos must have a solid or semi-solid wall on the street side and must be constructed and located entirely behind the front building limit line. No garage door shall face the street from any Lot, including corner Lots, unless approved by the Architectural Standards Committee. Carports are not permitted.

8.8 Setback and Side Building Limits. No building structure or part thereof shall be erected or maintained on any of the Lots nearer to the front street or the side street than the front building limit or the side building limit line as shown on the Plat. No building structure or any part thereof shall be located, placed or maintained within twenty (20) feet of the side Lot line of any Lot.

8.9 Fences and Retaining Walls. No fence or retaining wall shall be constructed or installed until the location, design, material and quality of same shall have been approved by the Architectural Standards Committee.

8.10 Driveways. Private driveways from the private street to a Residence located on any Lot shall be concrete or other hard-surface material approved by the Architectural Standards Committee, and shall be continuously maintained so as to avoid unsightly deterioration and the growth of grass or any other plant on or through such surface. No driveway shall be constructed or altered without the prior written approval of the Architectural Standards Committee, which shall consider the location, appearance, design and materials of said driveway and the effect the driveway may have on drainage affecting the Common Elements or any other Lot.

8.11 Mail Boxes. All mail boxes must be constructed with brick or stone that is consistent with the residence and the shape consistent with the sub division. The dimension of the mail box shall be between 24" and 30" to a side.

8.12 Exclusion of Developer. This Article does not apply to Developer.

ARTICLE 2

GENERAL PROVISIONS

9.1 **Enforcement.** The Owners' Association, any Owner and any governmental or quasi-governmental agency or municipality having jurisdiction over the Project shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by this document and, in such action, shall be entitled to recover costs and reasonable attorneys' fees as are ordered by the Court; provided, however, that an individual Owner shall have no right to enforce the collection of any assessment levied against any other Owner under Article 4, above. Failure by any such person or entity to enforce any such provision shall in no event be deemed a waiver of the right to do so thereafter.

9.2 **Invalidity of Any Provision.** Should any provision of this document be declared invalid or in conflict with any law of the jurisdiction where the Project is situated, the validity of all other provisions shall remain unaffected and in full force and effect.

9.3 **Amendments.** To the extent not inconsistent with 60 Okla. Stat § 851, et seq., as same is now or may hereafter be amended, an amendment of the Covenants, Conditions and Restrictions herein may be enacted by the vote or written assent of a majority of the Owners; provided, however, that the percentage of the voting power necessary to amend a specific clause or provision shall not be less than the prescribed percentage of affirmative votes required for an action to be taken under that clause. Any amendment must be recorded and shall become effective upon being recorded in the office of the Court Clerk of Oklahoma County, Oklahoma.

9.4 **Mortgage Protection Clause.**

9.4.1 **Rights of First Mortgagees.** No breach of any of the Covenants, Conditions and Restrictions contained in this document, nor the enforcement of any lien provisions herein, shall render invalid the lien of any first mortgage (meaning a mortgage with first priority over any other mortgage) on any Lot made in good faith and for value, but all of said Covenants, Conditions and Restrictions shall be binding upon and be effective against any Owner whose title is derived through foreclosure or trustee's sale or otherwise.

9.4.2 **Mortgage Priority; Right to Inspect Records.** Notwithstanding any language contained in this document to the contrary, no Owner and no other party shall have priority over any rights of institutional lenders pursuant to their mortgages in the case of a distribution to Owners of insurance proceeds or condemnation awards for losses to or taking of Lots and/or any portion or element of the Common Elements. Institutional Lenders shall have the right to examine the books and records of the Owners' Association.

9.5 **Insurance.** The Owners' Association shall obtain and continue in effect, comprehensive public liability insurance insuring the Owners' Association, the Developer and the agents and employees of each and the Owners and employees, guests and invitees of the facilities of the Common Elements and including, if obtainable, a cross-liability endorsement insuring each insured against liability to each other insured and a "severability of interest" endorsement precluding the insurer from denying coverage to one Owner because of the negligence of other Owner or to the Owners' Association.

9.5.1 **Insurance Premiums.** Insurance premiums on policies purchased by the Owners' Association shall be a common expense to be included in the assessments levied by the Owners' Association. The acquisition of

insurance by the Owners' Association shall be without prejudice to the right of any Owners to obtain additional individual insurance.

9.6 Owners' Compliance. Each Owner, tenant or occupant of a Lot shall comply with the provisions of the Project Documents and all decisions and resolutions of the Owners' Association or its duly authorized representative, and failure to comply with any such damages (including costs and attorneys fees) and/or for injunctive relief. All agreements and determinations lawfully made by the Owners' Association in accordance with the voting percentage established in this document or in the By-Laws shall be deemed to be binding on all Owners of Lots, their successors and assigns.

9.7 Special Amendments. The Developer hereby reserves and is granted the right and power to record a Special Amendment to these covenants, conditions and restrictions at any time and from time to time, which amends to the same (i) to comply with the requirements of The Federal National Mortgage Association, The Government National Mortgage Association, The Federal Home Loan Mortgage Corporation, The Department of Housing and Urban Development, The Federal Housing Association, The Veterans Administration, or any other governmental agency or of any other public, quasi public or private entity which performs (or may in the future performs) functions similar to those currently performed by such entities and/or (ii) to induce any such agencies or entities to make, purchase, insure, or guaranty any first mortgage on such owners Lot. In furtherance of the foregoing, a power coupled with an interest is hereby reserved and granted to the Developer to make or consent to a special amendment on behalf of the Lot Owners. Each deed, mortgage, trust deed, or other evidence of obligation or other instrument effecting a Lot and the acceptance thereof, shall be deemed to be a grant and acknowledgement of, and a consent to the reservation of the power of the Developer to make, execute and record such special amendments. No special amendment made by the Developer shall affect or impair the lien of any first mortgage upon a Lot or any warranties made by an owner of a Lot to a first mortgagee in order to induce any of the above agencies or entities to make, purchase, or insure or guaranty any first mortgage on such Owner's Lot.

9.8 Covenants to Run with the Land. These covenants, conditions and restrictions are to run with the land and shall be binding on all parties all persons claiming under them for a term of twenty (20) years from the date of recordation of this instrument, at which time said covenants shall be automatically extended for successive periods of ten (10) years each, unless an instrument signed by the owners of a majority of the Lots has been recorded, agreeing to terminate or amend these covenants, in whole or in part.

9.9 Conflict of Project Documents. If there is any conflict among or between the Project Documents, the provisions of these Covenants, Conditions and Restrictions shall prevail; thereafter, priority shall be given to Project Documents in the following order: Plat, By-Laws and rules and regulations of the Owners' Association.

9.10 Service of Process. The name of the person to receive service of process together with the residence or place of business of such person in Oklahoma County is Cedar Ridge Development Co. or such other person as the Board may designate by an amendment hereto filed solely for that purpose.

IN WITNESS WHEREOF, the undersigned have executed this document this 12 day of September, 1994.

ATTEST:



CEDAR RIDGE DEVELOPMENT, INC., an Oklahoma corporation

By:

Tim Layton, President

STATE OF OKLAHOMA)
) ss.
COUNTY OF Cleveland)

Before me, the undersigned, a Notary Public, in and for said County and State on this 12 day of September, 1994, personally appeared Tim Layton, President of Cedar Ridge Development, Inc., to me known to be the identical person who subscribed the name of the maker thereof to the foregoing instrument as its President 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 said corporation, for the uses and purposes therein set forth.

Given under my hand and seal of office the day and year last above written.

Connie L. Cain
Notary Public

My Commission Expires:

4-28-97

[Seal]

BY-LAWS OF
CEDAR RIDGE FARMS OWNERS' ASSOCIATION, INC.

EXHIBIT "B"

TABLE OF CONTENTS

ARTICLE		PAGE
1	NAME AND LOCATION	1
2	PURPOSE AND PARTIES	1
3	LOT OWNERS	1
3.1	Membership	2
3.2	Annual Meetings	2
3.3	Special Meetings	2
3.4	Notice of Meetings	2
3.5	Quorum	2
3.6	Proxies	2
3.7	Adjournment	2
3.8	Voting	3
3.9	Order of Business	3
4.	BOARD OF DIRECTORS; SELECTIONS; TERM OF OFFICE	3
4.1	Number and Term of Directors	3
4.2	Election of Board of Directors	3
4.3	Removal	4
4.4	Vacancies	4
5.	MEETINGS OF DIRECTORS	4
5.1	Regular Meetings	4
5.2	Special Meetings	4
5.3	Waiver of Notice	4
5.4	Quorum	4
5.5	Adjournment; Executive Session	4
5.6	Board Meetings Open to Members	4
5.7	Managing Agent and/or Manager	5
5.8	Fidelity Bonds	5
5.9	Compensation	5
5.10	Liability of the Board of Directors	5
6.	POWERS AND DUTIES OF THE BOARD OF DIRECTORS	5

6.1	Powers and Duties	5
6.2	Limitation of the Board's Power	7
7	OFFICERS AND DUTIES	8
7.1	Enumeration and Term	8
7.2	Election of Officers	8
7.3	Resignation and Removal	8
7.4	Vacancies	8
7.5	Multiple Offices	8
7.6	Duties	8
7.7	Compensation of Officers	9
8	MAINTENANCE AND ASSESSMENTS	9
9	DISCIPLINE OF MEMBERS; SUSPENSION OF RIGHTS	9
10	BUDGETS, FINANCIAL STATEMENTS, BOOKS AND RECORDS	10
10.1	Budgets and Financial Statements	10
10.2	Fiscal Year	10
10.3	Inspection of Owners' Association's Books and Records	10
11	AMENDMENT OF BY-LAWS	11
12	MISCELLANEOUS PROVISIONS	11
12.1	Regulations	11
12.2	Indemnity of Officers and Directors	11
12.3	Committees	11
12.4	Notices	11
13	OBLIGATIONS OF THE OWNERS	12
13.1	Assessments	12
	ESTABLISHMENT OF BY-LAWS	13

BY-LAWS OF
CEDAR RIDGE FARMS OWNERS' ASSOCIATION, INC.

ARTICLE 1

NAME AND LOCATION

The name of this corporation is "CEDAR RIDGE FARMS Owners' Association, Inc." (hereinafter the "Owners' Association"), a non-profit corporation

ARTICLE 2

PURPOSE AND PARTIES

2.1 The administration of every Property described in the Plat appended as Exhibit "A" to the Declaration of Covenants, Conditions and Restrictions of Cedar Ridge Farms, of which these By-Laws are a part and which have been submitted to the provisions of 60 Okla Stat. §§ 851, et seq., by the recording of said Declaration of Covenants, Conditions and Restrictions and the Exhibits thereto, including a true and correct copy of the By-Laws, shall be governed by these By-Laws. All definitions and terms contained in said Declaration of Covenants, Conditions and Restrictions shall apply hereto and are incorporated herein by reference.

2.2 All present and future owners, future tenants of any lot, mortgagees and other persons who may use the facilities of the Property in any manner are subject to these By-Laws, the Articles of Incorporation of CEDAR RIDGE FARMS Owners' Association, Inc., the Declaration of Covenants, Conditions and Restrictions, the rules and regulations of the Owners' Association, and all agreements and easements relating thereto. The acceptance of a deed or conveyance or the entering into of a lease or the act of occupancy of a lot shall constitute an agreement by such owner or occupant that these By-Laws, the Articles of Incorporation of CEDAR RIDGE FARMS Owners' Association, Inc., the Declaration of Covenants, Conditions and Restrictions, and the rules and regulations promulgated by the Owners' Association or its Board of Directors, as they may be amended from time to time, are accepted as conditions and covenants running with the land and will be complied with.

2.3 The purpose of the corporation is to provide management, maintenance, preservation, control, and rules and regulations and to enforce all mutual, common, or reciprocal interests and all restrictions upon all property which may be within CEDAR RIDGE FARMS Section 1.

ARTICLE 3

LOT OWNERS

3.1 Membership. Any person on becoming an owner of a lot shall automatically become a member of the Owners' Association and be subject to these By-Laws. Such membership shall terminate without any formal action by the Owners' Association whenever such person ceases to own a lot, but such termination shall not relieve or release any such former owner from any liability or obligation incurred under or in any way connected with the Owners' Association during the period of such ownership and membership in the Owners' Association, or impair any rights or remedies which the owners have either through the Board of Directors or the Owners' Association or directly against such former owner or member arising out of or in any way connected with the ownership and membership and the covenants and obligations incident thereto. The membership shall be deemed conveyed or encumbered with the lot even when such interest is not expressly mentioned or described in the conveyance or other instrument.

3.2 Annual Meeting. Regular annual meetings of members of the Owners' Association shall be held on the Project or such other suitable place convenient to the members as may be designated by the Board. The first meeting of the Owners' Association shall be held on December 1, 1994.

3.3 Special Meetings. A special meeting of members of the Owners' Association shall be promptly called by the Board upon the vote for such a meeting by a majority of a quorum of the Board or upon receipt of a written request therefor signed by members representing twenty-five percent (25%) of the total voting power of the Owners' Association or by members representing fifteen percent (15%) of the voting power residing in members other than Developer.

3.4 Notice of Meetings. The Board shall give written notice of regular and special meetings to members by mailing a notice to each member which shall specify the place, day and hour of the meeting and, in the case of a special meeting, the nature of the business to be undertaken. Except in the case of an emergency, notice shall be mailed to each member at least ten (10) days prior to the meeting and shall be posted in a conspicuous place on the Common Elements.

3.5 Quorum. Except as otherwise provided in these By-Laws, the presence in person or by proxy of a majority of lot owners shall constitute a quorum at all meetings of the lot owners. The members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum. An affirmative vote of a majority of the owners present, either in person or by proxy, shall be required to transact the business of the meeting except wherein the Declaration of Covenants, Conditions and Restrictions, these By-Laws or by law a higher percentage vote is required.

3.6 Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary before the appointed time of each meeting. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his lot or upon receipt of notice by the secretary of the Board of the death or judicially declared incompetence of such member.

3.7 Adjournment. In the absence of a quorum at the commencement of a members' meeting, a majority of those present in person or by proxy may adjourn the meeting to another time, but may not transact any other

business. Any meeting adjourned for lack of a quorum shall be continued to a date not less than five (5) days and not more than thirty (30) days from the original meeting date. The quorum for such a reconvened meeting shall be twenty-five percent (25%) of the total voting power of the Owners' Association.

3.8 Voting. The owner or owners of each lot shall be entitled to one vote for each lot owned by said owner or owners. Whenever more than one person holds such interest in any lot, the vote for such lot shall be exercised as those Owners themselves determine and advise the secretary prior to any meeting. In the absence of such advice, the Lot's vote shall be suspended in the event more than one person seeks to exercise it. Each vote shall have equal value.

3.9 Order of Business. The order of business of all meetings of the Owners' Association shall be as follows:

- (a) Roll call and certifying proxies;
- (b) Proof of notice of meeting or waiver of notice;
- (c) Reading and disposal of unapproved minutes;
- (d) Reports of officers;
- (e) Reports of Board of Directors;
- (f) Reports of committees;
- (g) Election of members of the Board of Directors;
- (h) Unfinished business;
- (i) Adjournment.

ARTICLE 4

BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE

4.1 Number and Term of Directors. The Board shall consist of five (5) directors, each of whom shall be a lot owner or an agent of Developer (while Developer remains a lot owner). The directors shall serve concurrent terms of one (1) year. The initial directors, who shall be appointed by the Developer, shall serve until the first meeting of the Owners' Association; thereafter, all directors shall be elected and removed according to these By-Laws. So long as the Developer owns one or more lots, the Developer shall be entitled to appoint at least one (1) member of the Board who need not be a lot owner. After the Developer has conveyed all lots and is no longer entitled to elect one member of the Board, all directors shall be lot owners.

4.2 Election of Board of Directors

- 4.2.1 Nominations. Nominations for election to the Board shall be made by open nominations at the annual meeting or at such other meeting specially called for the purpose of electing members of the Board.
- 4.2.2 Cumulative Voting. Elections of Board members shall be by secret written ballot. All elections in which two (2) or more positions on the Board are to be filled shall be conducted by cumulative voting.

4.3 Removal. Unless the entire Board is removed from office by a majority vote of the Owners' Association's members, an individual director shall not be removed prior to the expiration of his term of office if the number of votes cast against his removal is greater than the quotient arrived at by dividing the total number of votes that may be cast by the authorized number of directors. No director, other than the Developer or Developer's agent, shall continue to serve on the Board if, during his term of office, he shall cease to be a lot owner.

4.4 Vacancies. Vacancies in the Board caused by any reason other than the removal of a director by a vote of the members shall be filled by a vote of the majority of the remaining directors, even though they may constitute less than a quorum, and each person so elected shall be a director until a successor is elected at the next annual meeting of the Owners' Association or at a special meeting of the members called for that purpose.

ARTICLE 5

MEETINGS OF DIRECTORS

5.1 Regular Meetings. Regular meetings of the Board shall be conducted at least quarterly at a time and place within or near the Project as may be fixed by the Board. Notice of the time and place of regular meetings shall be given to each director personally or by mail or telephone at least three (3) days prior to the day named for the meeting and shall also be posted at a prominent place or places within the Common Elements.

5.2 Special Meetings. A special meeting of the Board may be called by written notice signed by the President of the Owners' Association or by any two (2) directors other than the President. Notice shall be provided to all directors and posted in the Common Elements in the manner prescribed for notice of regular meetings and shall include a description of the nature of any special business to be considered by the Board.

5.3 Waiver of Notice. Before or at any meeting of the Board, any director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice to that director. Attendance by a director at any meeting of the Board shall be a waiver of notice by him of the time and place of the meeting.

5.4 Quorum. The presence in person of a majority of the directors at any meeting of the Board shall constitute a quorum for the transaction of business and the acts of a majority of the directors present at a meeting at which a quorum is present shall be the acts of the Board. If at any meeting of the Board there shall be less than a quorum present, a majority of those present may adjourn from time to time. At any such subsequent meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

5.5 Adjournment; Executive Session. The Board may, with the approval of a majority of a quorum of the directors, adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters, litigation in which the Owners' Association is or may become involved and orders of business of a similar nature. The nature of any and all business to be considered in executive session shall first be announced in open session.

5.6 Board Meetings Open to Members. Regular and special meetings of the Board shall be open to all members of the Owners' Association; provided, however, members who are not on the Board may not participate in any deliberation or discussion unless expressly so authorized by the vote of a majority of a quorum of the board.

5.7 Managing Agent and/or Manager. The Board may employ for the Project a managing agent and/or a manager at a compensation established by the Board to perform such duties and services as the Board shall authorize.

5.8 Fidelity Bonds. The Board shall attempt to obtain adequate fidelity bonds for all officers and employees of the Project handling or responsible for Project funds. The premium for such bonds shall constitute a common expense.

5.9 Compensation. No member of the Board shall receive any compensation from the Owners' Association or lot owners for acting as such.

5.10 Liability of the Board of Directors. The members of the Board shall not be liable to the lot owners for any mistake of judgment, negligence or otherwise except for their own individual willful misconduct or bad faith. The lot owners shall indemnify and hold harmless each of the members of the Board against all contractual liability to others arising out of contracts made by the Board on behalf of the Owners' Association unless any such contract shall have been made in bad faith or contrary to the provisions of the Declaration of Covenants, Conditions and Restrictions or of these By-Laws. It is intended that the members of the Board shall have no personal liability with respect to any contract made by them on behalf of the Owners' Association or the Project. It is understood and permissible for the original Board, who are members of or employed by Developer, to contract with the Developer and affiliated corporations without fear of being charged with self-dealing. It is also intended that the liability of any lot owner arising out of any contract made by the Board or out of the aforesaid indemnity in favor of the members of the Board shall be limited to such proportion of the total liability thereunder as his interest in the Common Elements bears to the interests of all the lot owners in the Common Elements. Every agreement made by the Board or by the managing agent or by the director on behalf of the Owners' Association shall provide that the members of the Board, or the managing agent or the manager, as the case may be, are acting only as agents for the lot owners and shall have no personal liability thereunder (except as lot owners) and that each lot owner's liability thereunder shall be limited to such proportion of the total liability thereunder as his interest in the Common Elements bears to the interest of all the lot owners in the Common Elements.

ARTICLE 6

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

6.1 Powers and Duties. The Board shall have the powers and duties necessary for the administration of the Property and may do all such acts and things except as by law or by the Declaration of Covenants, Conditions and Restrictions or by these By-Laws may not be delegated to the Board by the lot owners. Without limitation on the generality of the foregoing powers and duties, the Board shall be vested with, and responsible for, the following powers and duties:

- 6.1.1 To select, appoint, supervise and remove all officers, agents and employees of the Owners' Association; to prescribe such powers and duties for them as may be consistent with law and with the Articles of Incorporation of Owners' Association, Inc., the Declaration of Covenants, Conditions and Restrictions and these By-Laws; and to require from them security for faithful service when deemed advisable by the Board;

- 6.1.2 To enforce the applicable provisions of the Declaration of Covenants, Conditions and Restrictions, these By-Laws and other instruments relating to the ownership, management and control of the Project;
- 6.1.3 To adopt and publish rules and regulations governing the use of the Common Elements and facilities and the personal conduct of the members and their guests thereon and to establish procedures and penalties for the infraction thereof, subject to approval of the membership;
- 6.1.4 To pay all taxes and assessments which are or could become a lien on the Common Elements or a portion thereof;
- 6.1.5 To contract for casualty, liability and other insurance on behalf of the Owners' Association as provided in the Declaration of Covenants, Conditions and Restrictions;
- 6.1.6 To cause the Common Elements to be maintained and to contract for goods and/or services for the Common Elements or for the Owners' Association, subject to the limitations set forth in this Article;
- 6.1.7 To delegate its powers to committees, officers or employees of the Owners' Association or to a management company pursuant to a written contract as expressly authorized by the Declaration of Covenants, Conditions and Restrictions and these By-Laws;
- 6.1.8 To prepare budgets and financial statements for the Owners' Association as prescribed in these By-Laws;
- 6.1.9 To initiate and execute disciplinary proceedings against members of the Owners' Association for violations of the provisions of the Declaration of Covenants, Conditions and Restrictions, these By-Laws and such rules as may be promulgated by the Board in accordance with procedures set forth in these By-Laws;
- 6.1.10 To enter upon any privately owned lot as necessary in connection with inspection, construction, maintenance, enforcement or emergency repair for the benefit of the Common Elements of the owners;
- 6.1.11 To borrow money and incur indebtedness for purposes of the Owners' Association and to cause to be executed and delivered therefor in the Owners' Association's name promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecation or other evidence of debt and authorities therefor;
- 6.1.12 To fix and collect regular and special assessments according to the Declaration of Covenants, Conditions and Restrictions and these By-Laws and, if necessary, to record a notice of assessment and foreclose the lien against any lot for which an assessment is not paid within thirty (30) days after the due date or bring an action at law against the owner personally obligated to pay such assessment. All reserves for capital expansion, repair and maintenance shall be transferred to and held in a trust fund or funds for such purpose

established by a vote of a majority of members and shall be expended only in the manner prescribed;

- 6.1.13 To prepare and fill annual tax returns with the Federal Government and the State of Oklahoma and to make such elections as may be necessary to reduce or eliminate the tax liability of the Owners' Association. Without limiting the generality of the foregoing, the Board may, on behalf of the Owners' Association, elect to be taxed, if possible, under Section 528 of the Internal Revenue Code or any successor statute conferring income tax benefits on owners' associations. In connection therewith, the Board shall take such steps as are necessary to assure that the income and expenses of the Owners' Association for any taxable year shall meet the following limitations and restrictions;

6.1.13.1 At least eighty percent (80%) of the gross income of the Owners' Association for any taxable year shall consist solely of amounts received as membership dues, fees or assessments from lot owners.

6.1.13.2 At least ninety percent (90%) or more of the expenditures of the Owners' Association for any taxable year shall be for the acquisition, construction, management, maintenance and care of the Owners' Association's Property;

6.1.13.3 No part of the net earnings of the Owners' Association shall inure (other than by acquiring, constructing or providing management, maintenance and care of the Owners' Association's Property and other than by a rebate of excess membership dues, fees or assessments) to the benefit of any private individual.

6.2 Limitation of the Board's Power. Except with the vote or written assent of a majority of the voting power of the Owners' Association residing in members other than Developer, the Board shall be prohibited from asking any of the following actions:

6.2.1 Incurring aggregate expenditures for capital improvements to the Common Elements in any fiscal year in excess of five percent (5%) of the budgeted gross expenses of the Owners' Association for that fiscal year.

6.2.2 Selling during any fiscal year Property of the Owners' Association having an aggregate fair market value greater than five percent (5%) of the budgeted gross expenses of the Owners' Association for that fiscal year.

6.2.3 Paying compensation to directors or to officers of the Owners' Association for services performed in the conduct of the Owners' Association's business, provided, however, that the Board may cause a director or officer to be reimbursed for expenses incurred in carrying on the business of the Owners' Association.

6.2.4 Entering into a contract with a third person wherein the third person will furnish goods or services for the Common Elements or the Owners' Association for a term longer than one (1) year with the following exceptions:

- 6.2.4.1 A management contract;
- 6.2.4.2 A contract with a public utility company if the rates charged for the materials or services are regulated by the Corporation Commission; provided, however, that the term of the contract shall not exceed the shortest term for which the supplier will contract at the regulated rate;
- 6.2.4.3 Prepaid casualty and/or liability insurance policies of not to exceed three (3) years duration provided that the policy permits for short-rate cancellation by the insured;
- 6.2.4.4 Any agreement for professional management of the Project or any other contract providing for services by Developer shall provide for termination by either party without cause or payment of a termination fee on ninety (90) days or less written notice and shall provide for a maximum contract term of three (3) years.

ARTICLE 7

OFFICERS AND DUTIES

7.1 Enumeration and Term. The officers of this Owners' Association shall be a president and vice-president, who shall at all times be members of the Board, a secretary-treasurer and such other officers as the Board may from time to time by resolution create. The officers shall be elected annually by the Board and each shall hold office for one (1) year unless he shall resign or shall be removed or otherwise disqualified to serve.

7.2 Election of Officers. Except as to the initial officers who shall be elected by the Board appointed by the Developer as herein provided, the election of officers shall take place at the first meeting of the Board following each annual meeting of the members.

7.3 Resignation and Removal. Any officer may be removed from office by a majority of the Board at any time with or without cause. Any officer may resign at any time by giving written notice to the Board, the president or the secretary. Such resignations shall take effect on the date of receipt of such notice or at any later time specified therein and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

7.4 Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

7.5 Multiple Offices. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to this Article.

7.6 Duties. The duties of the officers are as follows:

- 7.6.1 President. The president shall preside at all meetings of the Board and the Owners' Association (members), shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all

checks (unless the authority to sign checks in the ordinary course of the Owners' Association's business has been delegated to a management company as provided in these By-Laws) and promissory notes.

7.6.2 Vice-President. The vice-president shall act in the place and stead of the president in the event of his absence, inability or refusal to act and shall exercise and discharge such other duties as may be required of him by the Board.

7.6.3 Secretary-Treasurer. The secretary-treasurer shall record the votes and keep the minutes of all meetings and proceedings of the board and of the members; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Owners' Association, together with their addresses; receive and deposit in appropriate bank accounts all monies of the Owners' Association and shall disburse such funds as directed by resolution of the board; shall co-sign all checks and promissory notes of the Owners' Association; keep proper books of accounts and prepare or have prepared financial statements as required in these By-Laws; and shall perform such other duties as provided by the board. The duty of the secretary-treasurer to receive and deposit funds and to sign checks in the ordinary course of the Owners' Association's business may be delegated to a management company as provided in these By-Laws.

7.7 Compensation of Officers. No officer shall receive any compensation from the Owners' Association or lot owners for acting as such.

ARTICLE 8

MAINTENANCE AND ASSESSMENTS

Pursuant to the procedures and guidelines set forth in the Declaration of Covenants, Conditions and Restrictions, the Board shall levy, collect and enforce regular and special assessments for the operation of the Owners' Association and for management, maintenance and operation of the Common Elements. The assessments shall be used exclusively to promote the recreation, health, safety and welfare of all residents in the entire Project for improvement and maintenance of the Common Elements for the common good of the Project. Regular assessments shall include an adequate reserve fund for maintenance, repairs, and replacements of the Common Elements.

ARTICLE 9

DISCIPLINE OF MEMBERS; SUSPENSION OF RIGHTS

The Owners' Association shall have no power to cause a forfeiture or abridgment of an owner's right to the full use and enjoyment of his individually owned lot on account of a failure by the owner to comply with provisions of the Declaration of Covenants, Conditions and Restrictions, these By-Laws or of duly enacted rules of operation for the Common Elements and facilities, except where the loss or forfeiture is the result of the judgment of a court or a decision arising out of arbitration or on account of a foreclosure or sale under a power of sale for failure of the owner to pay assessments levied by the Owners' Association. Notwithstanding the foregoing, the Board shall have the power to impose reasonable monetary or other appropriate discipline for failure to comply with the

Declaration of Covenants, Conditions and Restrictions, these By-Laws or duly enacted rules, provided that an owner be heard by the Board with respect to the alleged violations before a decision to impose discipline is reached. In the case in which monetary penalties are to be imposed, such penalties shall be according to a schedule of penalties related to specific offenses, which schedule shall be proposed by the Board and approved by the vote or written assent of a majority of the voting power of each class of membership. Such penalties shall bear a reasonable relationship to the conduct for which the penalty is imposed and may only be imposed prospectively.

ARTICLE 10

BUDGETS, FINANCIAL STATEMENTS, BOOKS AND RECORDS

10.1 Budgets and Financial Statements. Financial statements for the Owners' Association shall be regularly prepared and copies shall be distributed to each member of the Owners' Association as follows:

- 10.1.1 A pro forma operating statement (budget) for each fiscal year shall be distributed not less than sixty (60) days before the beginning of the fiscal year.
- 10.1.2 A balance sheet (as of an accounting day which is the last day of the month closest in time to twelve (12) months from the date of closing of the first sale of a lot in the Project to an individual buyer) and an operating statement for the period from the date of the first closing to the said accounting date shall be distributed within sixty (60) days after the accounting date. This operating statement shall include a schedule of assessments received and receivable identified by the number of the lot and the name of the lot owner assessed.
- 10.1.3 A balance sheet as of the last day of the Owners' Association's fiscal year and an operating statement for said fiscal year shall be distributed within ninety (90) days after the close of the fiscal year.
- 10.1.4 In the event of a holder, insurer or guarantor of any first mortgage that is secured by a lot in the Project submits a written request therefor, the Owners' Association will provide an audit statement for the preceding fiscal year.

10.2 Fiscal Year. The fiscal year of the Owners' Association shall be designated by resolution of the Board. In the absence of such resolution, the fiscal year shall be the calendar year.

10.3 Inspection of Owners' Association's Books and Records. The membership register, books of account and minutes of meetings of the members, of the Board and of committees of the Board or Owners' Association shall be made available for inspection and copying by any member of the Owners' Association or by his duly appointed representative at any reasonable time and for a purpose reasonably related to his interest as a member at the office of the Owners' Association or at such other place within the Project as the Board shall prescribe. Such inspection may take place on weekdays during normal hours following at least forty-eight (48) hours written notice to the Board by the member desiring to make the inspection. Any director shall have the absolute right at any reasonable time to inspect all books, records and documents of the Owners' Association and the physical properties owned or controlled by the Owners' Association. The right of inspection by a director includes the right to make extracts and copies of the documents.

ARTICLE 11AMENDMENT OF BY-LAWS

Except as may be provided otherwise in these By-Laws, the By-Laws may be amended by a vote or written assent of owners of at least seventy-five percent (75%) of the aggregate interest in the Common Elements as established by the Declaration of Covenants, Conditions and Restrictions; provided, however, that each of the particular requirements set forth in 60 Okla. Stat. §§ 851 through 855, inclusive, as it now reads or may be hereafter amended shall always be embodied in the By-Laws. Such modification or amendment shall not become operative unless set forth in an amended Declaration of Covenants, Conditions and Restrictions and duly recorded in the office of the County Clerk of Oklahoma County, Oklahoma.

ARTICLE 12MISCELLANEOUS PROVISIONS

12.1 Regulations. All owners, tenants or their employees or any other person that might use the facilities of the Project in any manner are subject to the regulations set forth in these By-Laws and in the Project documents and to all reasonable rules enacted pursuant to the Declaration of Covenants, Conditions and Restrictions. Acquisition, rental or occupancy of any lot shall constitute acceptance and ratification of the provisions each of the foregoing.

12.2 Indemnity of Officers and Directors. Each director and officer shall be indemnified by the Owners' Association against all expenses and liabilities, including attorneys' fees, reasonably incurred by or imposed upon him by judgment or settlement in connection with any proceeding to which he may be a party or in which he may become involved by reason of his being or having been a director or an officer of the Owners' Association, except in cases of fraud, gross negligence or bad faith of the director or officer in the performance of his duties.

12.3 Architectural Standards Committee. The Board shall appoint an Architectural Standards Committee. The Committee shall consist of five (5) members. The initial Architectural Standards Committee shall consist of Tim Layton, Dennis Lyon, Jim Knight, Michael Williams and Mac Layton, or their designated representatives appointed by Developer to serve in such capacity and shall serve until December 31, 1997. After such time or in the event of an earlier resignation or death of a member of the initial Architectural Standards Committee, the Board shall appoint one member of the Owners' Association to the Architectural Standards Committee and Developer and/or his appointees shall constitute two (2) members of said Committee until such time as Developer owns less than twenty-five percent (25%) of the lots in the Project. At such time as Developer owns less than twenty-five percent (25%) of the lots in the Project but at least one lot, one member shall be the Developer or Developer's authorized agent. Thereafter, the Architectural Standards Committee shall consist only of members appointed by the Board. This provision of the By-Laws shall not be amended, altered, modified or deleted, except upon the unanimous vote of all of the Owners of all of the lots in the Project.

12.4 Notices. Any notice permitted or required to be given by the Project documents may be delivered either personally or by mail or as otherwise specifically provided in the Project documents. If delivery is by mail, it shall be deemed to have been given seventy-two (72) hours after a copy of the same has been deposited in the United States Mail, postage prepaid, return receipt requested, addressed to each person at the current address given by such person to the secretary of the Owners' Association or addressed to the lot of such person if no address has been given to the secretary; provided, however, that notice of regular or special meetings of members

may be mailed without a return receipt. Provided further that notice to members of the Architectural Standards Committee may be addressed to such individuals c/o Tim Layton, Oklahoma City, Oklahoma 73123.

P.O. Box 36134
OKC, OK 73123

ARTICLE 13

OBLIGATIONS OF THE OWNERS

13.1 Assessments.

13.1.1 Assessments. Assessments shall be due yearly in advance on the first day of each year. After yearly assessments have been set by the Board, the Board shall prepare and deliver or mail to each owner an individual statement of the owner's yearly assessment; thereafter, yearly statements shall be prepared and delivered or mailed annually, or more often in the event of a change in the assessment or the levying of a special assessment and/or if deemed desirable or necessary by the Board. The assessments made for common expenses shall be based upon the estimated cash requirements as the Board determines and is to be paid by all of the owners, including the Developer, to provide for the payment of all estimated expenses growing out of or connected with the maintenance, repair, operation, additions, alterations and improvements of and to the Common Elements, which sum may include, but shall not be limited to, expenses of management; taxes and special assessments until separately assessed; premiums for fire insurance with extended coverage and vandalism and malicious mischief (with endorsements issued in the amount of the maximum replacement value of all the Common Elements); casualty and public liability and other insurance premiums; landscaping and care of grounds; repair and replacement of the entrance gate; common lighting; repairs and renovations; removals of pollutants and trash collections; wages, utility charges for Common Elements; beautification and decoration; professional fees, including legal and accounting fees, management fees, expenses and liabilities incurred by the managing agent or Board on behalf of the owners under or by reason of the Declaration of Covenants, Conditions and Restrictions and the By-Laws of the Owners' Association; for any deficit arising or any deficit remaining from sinking funds as well as other costs and expenses relating to the Common Elements. In the event the cash requirements for Common Elements exceed the aggregate assessments made pursuant to this Article, the Board may from time to time and at any time make pro rata increases or decreases in the yearly assessments and/or shall be authorized to change the frequency of assessments. The omission or failure to fix the assessment for any period shall not be deemed a waiver, modification or a release of the owners from their obligation to pay the same.

13.1.2 Special Assessments. In addition to those assessments described in paragraph 13.1.1, above, special assessments may be made from time to time by the Board to meet other needs or to construct or establish facilities deemed of benefit to the Owners' Association and the owners by the Board or to overcome deficits in the operating budgets; however, there shall be no special assessments for additions, alterations or improvement of or to the Common Elements requiring an expenditure by the Owners' Association in excess of \$20,000.00 in any one calendar year without the prior approval of the majority of the

owners. Such limitations shall not be applicable, however, to special assessments for the replacement, repair, maintenance or restoration of any Common Elements which are to be paid for by the Owners' Association according to the Declaration of Covenants, Conditions and Restrictions and these By-Laws.

- 13.1.3 Owner's Personal Obligation for Payment of Assessments. The amount of total assessments against such lot shall be the personal and individual debt of the owner thereof. The Board shall have the responsibility to take prompt action to collect any unpaid assessment in accordance with the terms of the Declaration of Covenants, Conditions and Restrictions.

ESTABLISHMENT OF BY-LAWS

We, the undersigned, being the Developer and all of the directors appointed by Developer and the incorporators of the corporation, pursuant to the Declaration of Covenants, Conditions and Restrictions of Owners' Association, Inc., and the Articles of Incorporation, do hereby certify the foregoing to be the By-Laws of Owners' Association, Inc. and, by our signatures herein, do hereby adopt the foregoing By-Laws as of the 12 day of September, 1994.

CEDAR RIDGE DEVELOPMENT, INC.

By: Tim Layton

Tim Layton, President

ATTEST:

[Signature]
Secretary
[SEAL]

STATE OF OKLAHOMA)
) ss.
COUNTY OF Cleveland)

Before me, the undersigned, a Notary Public, in and for said County and State on this 12th day of September, 1994, personally appeared Tim Layton, President of Cedar Ridge Development, Inc., to me known to be the identical person who subscribed the name of the maker thereof to the foregoing instrument in his stated capacity 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 said corporation, for the uses and purposes therein set forth.

Given under my hand and seal of office the day and year last above written.

My Commission Expires: 4-28-97

[Seal]

Ronnie S. Cain
Notary Public