

CAPITOL ABSTRACT AND TITLE COMPANY
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OKLAHOMA CITY, OKLAHOMA 73118

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Documentary Tax \$0.00
State of Oklahoma
County of Oklahoma
Oklahoma County Clerk
Carolynn Caudill

NOTICE OF PLAT FILING FOR AUBURN MEADOWS, SECTION 2,

"THE VILLAS AT AUBURN MEADOWS"

✓ 2093058

**AND NOTICE THAT DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS OF AUBURN MEADOWS SHALL APPLY TO ALL PROPERTY
OWNERS WITHIN THE PLATTED BOUNDARIES OF THE VILLAS AT AUBURN MEADOWS;**

AND

**SUPPLEMENTAL DECLARATION OF COVENANTS, CONDITIONS AND
RESTRICTIONS FOR THE VILLAS AT AUBURN MEADOWS,
PLATTED AS AUBURN MEADOWS, SECTION 2,
A RESIDENTIAL SUBDIVISION TO THE CITY OF OKLAHOMA CITY, OKLAHOMA**

WHEREAS, Danforth Development, L.L.C. filed a Declaration of Covenants, Conditions and Restrictions for Auburn Meadows, a residential subdivision to the City of Oklahoma City, Oklahoma, in Book 8553, Page 1958, of the records of the County Clerk of Oklahoma County, Oklahoma (hereinafter referred to as the "Declaration");

WHEREAS, Danforth Development, L.L.C. is the Declarant as that term is used in the Declaration and under Article 2 thereof. The Declarant is given the unilateral right, privilege and option to subject to the provisions of the Declaration and the jurisdiction of the Auburn Meadows Owners Association, Inc. (the "Association"), all or any portion of the real property owned by Declarant or Declarant's successors and assigns, which is platted for single family or duplex residential use and is located in the Southwest Quarter (SW/4) of Section 29, Township 14 North, Range 3 West of the Indian Meridian, Oklahoma County, Oklahoma;

WHEREAS, said right, privilege and option to annex such property exists for a period of twenty (20) years, or until September 10, 2022;

WHEREAS, Declarant has platted an addition to Auburn Meadows as Auburn Meadows, Section 2, more specifically described in the recorded plat appended hereto as Exhibit "A" and made a part hereof;

WHEREAS, Declarant has caused the property platted as Auburn Meadows, Section 2, to be zoned as a Planned Unit Development within the City of Oklahoma City, Oklahoma under the name "The Villas At Auburn Meadows" (which property is hereinafter referred to as "The Villas");

WHEREAS, Declarant desires to subject and annex all the property within The Villas to the Declaration and to the covenants, conditions and restrictions set forth herein (the "Supplemental Covenants"), to be established upon the recording hereof, which Supplemental Covenants shall be deemed to run with the land described on Exhibit "A", all of which shall be for the use and benefit of Declarant, its successors and assigns, and to any person or entity acquiring or owning an interest in the land and improvements, or any portion thereof, its grantees, successors, heirs, personal representatives, devisees and assigns; and

WHEREAS, there was incorporated on the 17th day of September, 2002, under the laws of the State of Oklahoma, an entity known as The Villas At Auburn Meadows Owners Association, Inc., an Oklahoma non-profit corporation, for the purpose of administering and managing The Villas (hereinafter "The Villas Association").

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NOW, THEREFORE, Declarant states and hereby declares that the real property described on the Plat appended hereto as Exhibit "A" is and shall be held, sold, conveyed and occupied subject to the Declaration and subject to these Supplemental Covenants, all of which are for the purpose of enhancing and protecting the value, desirability and attractiveness of The Villas. These Supplemental Covenants are intended to supplement, amend and modify the Declaration insofar as, and only insofar as, the property which lies within the boundaries of the Plat appended hereto as Exhibit "A". These Supplemental Covenants shall run with the property described on Exhibit "A" and shall be binding upon, and inure to the benefit of, Declarant and its successors in title, and any and all parties having or acquiring any right, title or interest in one or more of the Lots within The Villas. Except as to Common Area Block D, the masonry wall and improvements located on Block D, and the public street rights-of-way running parallel to Auburn Meadows Drive, including the "Community Fence" appurtenant to said right-of-way, all of the areas in The Villas which are not separately owned Lots shall be conveyed by Declarant to The Villas Association and shall be owned in common by the owners of the separately owned lots within The Villas. In the original Plat appended hereto, the Common Areas within The Villas shall consist of Blocks B and C, the private streets, and the entry and exit gate. Common Area Block D, the masonry wall and improvements located on Block D, and the public street rights-of-way running parallel to Auburn Meadows Drive, including the Community Fence appurtenant to said right-of-way, shall be Common Areas conveyed by Declarant to the Association and shall be subject to the covenants, conditions and restrictions set forth in the Declaration.

Owners of Lots within The Villas, other than Builders and the Class C Member, shall be Class A Members of the Association and shall also be Members of The Villas Association. Such owners shall be subject to the assessments and governance of both the Association and The Villas Association, as provided in these Supplemental Covenants.

ARTICLE 1

PROPERTY SUBJECT TO DECLARATION

1.1 Property Subject To Declaration. All property within The Villas shall be subject to the Declaration. All Owners of Lots shall be Members of the Auburn Meadows Owners Association as well as Members of The Villas At Auburn Meadows Owners Association.

1.2 Incorporation of Declaration. The Declaration, as same is filed in Book 8553, Page 1958 of the records of the County Clerk of Oklahoma County, Oklahoma, including all of its terms, conditions, covenants, restrictions, dedications, easements, assessments, charges and liens, are incorporated herein by reference as if same had been fully set forth.

1.3 Defined Terms of Declaration. Unless otherwise defined herein, all the terms defined within the Declaration shall have the same meaning within these Supplemental Covenants.

1.4 Additional Defined Terms: The following terms shall have the specified meaning within these Supplemental Covenants, unless the context shall otherwise require:

1.4.1 "The Villas Association" shall mean and refer to The Villas At Auburn Meadows Owners Association, Inc., a non-profit corporation to be incorporated under the laws of the State of Oklahoma, its successors and assigns.

1.4.2 "The Villas Board" shall mean the Board of Directors of The Villas Association.

1.4.3 "Duplex Lots" shall mean and include Lots that have a numeric designation and an alphabetic "A" or "B", all as reflected on the Plat appended hereto. Only lots designated on the Plat as Duplex Lots may be used for duplex structures - defined herein to mean two (2) single family residences sharing a common wall. Each side of a Duplex Lot shall constitute a separate Lot for all purposes of these

Supplemental Covenants.

1.4.4 "Property" means and includes, unless the context is in reference to all the property subject to the Declaration, the real property described in the Plat of Auburn Meadows, Section 2, appended as Exhibit "A".

1.4.5 "The Villas Owner(s)" shall mean the record owner, whether one or more persons or entities, of legal title to any Lot within The Villas At Auburn Meadows.

1.4.6 "The Villas Common Areas" shall mean Blocks B and C, the private streets (Arbor Lane and that portion of NW 179th Street located within The Villas) and the entry and exit gate on NW 179th Street, as depicted on the Plat of Auburn Meadows, Section 2, appended hereto, including all improvements located on said areas. The Villas Common Areas shall be common only to The Villas Owners.

1.4.7 "The Villas Common Expenses" means and includes:

A. The expenses of administration, maintenance, repair or replacement of The Villas Common Areas and improvements thereon;

B. "Lawn Maintenance Expenses" - defined to mean and include all expenses associated with the maintenance, fertilization and reasonable weed control of all lawns and landscaped areas on the Lots, in such manner as determined by the Board. Watering and repair and replacement of any sprinkler system shall be the responsibility of the Lot Owner and shall not be considered a part of The Villas Common Expenses; and

C. Expenses agreed upon as common by a vote of two-thirds of The Villas Owners or declared common by provisions of the By-Laws of The Villas Association.

ARTICLE 2
DESCRIPTION OF PROJECT, DIVISION OF PROPERTY, AND
CREATION OF PROPERTY RIGHTS AND EASEMENTS

2.1 Division of Property. The property within The Villas is hereby divided into Lots and Common Areas, in the same manner as set forth in the Declaration. The Villas Common Areas, as defined herein, shall be conveyed by Declarant to The Villas Association. All other platted Common Areas shall be common areas of Auburn Meadows and shall be conveyed by Declarant to the Association.

2.2 Conveyance of Common Areas and Dedication of Easements. Declarant, in consideration of the benefits to be derived from this development, the receipt and sufficiency of which is acknowledged, hereby grants, bargains, sells and conveys to The Villas Association, its successors and assigns, all of its right, title and interest in and to The Villas Common Areas, being more specifically described as Blocks B and C, the private streets (Arbor Lane and that portion of NW 179th Street located within The Villas), and the entry and exit gate areas on NW 179th Street, all as more specifically described on the Plat of Auburn Meadows, Section 2, a residential subdivision to the City of Oklahoma City, Oklahoma County, Oklahoma.

Declarant, in consideration of the benefits to be derived from this development, as an addition to Auburn Meadows, the receipt and sufficiency of which is acknowledged, hereby grants, bargains, sells and conveys to the Auburn Meadows Owners Association, Inc., its successors and assigns, all of its right, title and interest in and to Common Area D, the masonry wall and other improvements thereon, the rights-of-way running parallel to Auburn Meadow Drive, and the community fence appurtenant to said rights-of-way, all as more specifically described on the Plat of Auburn Meadows, Section 2, a residential subdivision to the City of Oklahoma City, Oklahoma County, Oklahoma and within the Declaration.

2.3 Lots Subject to Restrictions. All Lots in The Villas shall be acquired, transferred, assigned or conveyed subject to the easements, conditions, restrictions and covenants of ownership set forth in the Declaration, the By-Laws appended to the Declaration, these Supplemental Covenants, and in the By-Laws appended hereto, as same may be amended or supplemented from time to time.

2.4 Owner's Nonexclusive Easement of Enjoyment; Limitations. Each of The Villas Owners and his immediate family shall have a non-exclusive right and easement of enjoyment in and to the Common Areas, which shall be appurtenant to and shall pass with the title to the Lot of such owner, subject to the rights of the Association and The Villas Association, as stated in the Declaration and these Supplemental Covenants.

2.5 Blanket Easements for Utilities. There is hereby created a blanket easement in, on, through, upon, across, over and under all of the publicly dedicated easements, The Villas Common Areas and the rights-of-way, as shown on the recorded plat, for ingress and egress, installation, replacement, repair and maintenance of all utilities including, but not limited to, water, sewers, gas, telephones and electricity. By virtue of this easement, it shall be expressly permissible for the electrical company, telephone company and/or any other company providing services to the Property to access the Property, to erect and maintain the necessary poles, and to install such other necessary equipment on said easements.

2.6 Easement for Lawn Maintenance. Declarant grants to The Villas Association, its designated agents and contractors, an easement of ingress, egress and access to the Lots within The Villas for the purpose of lawn and shrubbery maintenance on said Lots.

ARTICLE 3
ASSOCIATION, ADMINISTRATION,
CLASSES OF MEMBERS AND VOTING RIGHTS

3.1 The Villas Association to Manage The Villas. The administration of The Villas shall be governed by the By-Laws of The Villas Association, appended as Exhibit "B" hereto. Each of The Villas Owners shall comply strictly with the By-Laws and with the administrative rules and regulations adopted pursuant thereto, as either of the same may be amended from time to time, and with these Supplemental Covenants.

3.2 Membership. The Villas Association shall be composed of all of The Villas Owners, being each owner of a separate Lot within The Villas. Membership in The Villas Association shall be appurtenant to, and may not be separated from, ownership of any Lot, even though such interest and membership is not expressly mentioned in the deed or other instrument of conveyance. Ownership of a Lot within The Villas shall be the sole qualification for membership in The Villas Association.

3.3 Classes of Members. The Villas Association shall consist of Class A Members, Class B Members and the Declarant, as the Class C Member.

3.3.1 Class A Members. Class A Members shall be all those owners of single-family or Duplex family residential Lots with the exception of Class B and Class C Members. Each Class A Member shall be entitled to one vote for each Lot in which he holds the interest required for membership as set forth herein. Each side of a Duplex Lot shall constitute a single lot for all purposes. Provided, if a single family structure is built on a Duplex Lot, the owner thereof shall only be entitled to one vote under these Supplemental Covenants and The Villas Association By-Laws. When more than one person holds such interest in any Lot, all such persons shall be Members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast by Class A Members with respect to any Lot.

3.3.2 Class B Members. Class B Members shall be Builders who have purchased, or contracted with Declarant to purchase, a Lot or Lots.

3.3.3 Class C Member. The Class C Member shall be the Declarant. The Class C membership shall cease to exist when neither Declarant nor any Class B Member owns an interest in any Lot in The Villas.

3.4 Voting. The proportionate representation for voting purposes in the meetings of the Association shall be one (1) vote per Lot for Class A Members. The Class C Member shall be entitled to six (6) votes for each Lot owned by Declarant and six (6) votes for each Lot owned by a Class B Member. Class B Members shall not be entitled to vote on Association matters and business.

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

3.6 Board of Directors. The affairs of The Villas Association shall be managed by a Board of Directors ("The Villas Board"), which is hereby established by the appended By-Laws. The Board shall conduct regular and special meetings according to the provisions of the By-Laws.

ARTICLE 4 **ASSESSMENTS**

4.1 Creation of Lien and Personal Obligation of Assessment to Both the Association and The Villas Association. Each Class A Member, by acceptance of a deed for a Lot, whether or not it shall be so expressed in any such deed or other conveyance, is deemed to covenant and agree to pay to the Association such assessments as are set forth in the Declaration. Each Class A Member, by acceptance of a deed for a Lot, whether or not it shall be so expressed in any such deed or other conveyance, is deemed to covenant and agree to pay to The Villas Association such additional assessments as are set forth in these Supplemental Covenants.

Each assessment of The Villas Association shall be fixed, established, and collected from time to time as hereinafter provided, and shall be in addition to the purchase, annual and special assessments set forth in the Declaration. The assessments of The Villas Association shall be a charge on the land and shall be a continuing lien upon the Member's property superior to any homestead or other exemption provided by law, but shall not be prior or superior to any purchase money mortgage lien or any first mortgage on a home. Said lien may be enforced by The Villas Association and may be recorded and/or foreclosed in any manner provided by the laws of the State of Oklahoma for the foreclosure of mortgages or deeds of trust, with or without power of sale. Each such assessment, together with such interest, costs and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation shall not pass to successors in title unless expressly assumed, but, nevertheless, the lien shall continue to be a charge and lien upon the land as above provided.

4.2 Annual Assessments. Commencing on January 1, 2003, and on the first day of each year thereafter, there shall be an annual assessment due from each Class A and Class B Member for each Lot owned (or subject to a contract to purchase) the amount of which shall be as set forth herein:

<u>Type of Member</u>	<u>Lot Type</u>	<u>Amount</u>
Class A	Single family	\$1,200.00
Class A	Duplex Lot	\$ 960.00
Class B	Single or Duplex	\$ 150.00

The annual assessment shall be assessed, due and payable, without formal action of The Villas Association or The Villas Board, against each Lot and the record title owner thereof as of the first day of January.

Each side of a Duplex Lot within The Villas shall be considered a separate Lot for all purposes, including all Assessments, even if the owner thereof purchases both sides of the Duplex Lot and constructs a single family residential structure thereon, as opposed to a duplex residential structure.

4.2.1 Commencement Date of Annual Assessments for Class A Members. The annual assessments provided for herein as to Class A Members shall commence on the date of transfer of title of a Lot to a Class A Member. The Board shall determine the amount of the initial annual assessment due from such Owner, calculated by the following formula: Annual Assessment Amount times the days remaining in the calendar year from date of transfer of title/365. The initial annual assessment shall be assessed, due and payable upon closing of the transaction wherein title to the Lot is transferred to a Class A Member. Thereafter, annual assessments shall be due and owing as of January 1st of each subsequent year by the Owner of the Lot occupying same as of said date.

4.2.2 Commencement Date of Annual Assessments for Class B Members and Adjustment Upon Sale to a Class A Member. The Annual Assessments provided for herein as to Class B Members shall commence on the date on which the Class B Member acquires title to a Lot [or executes a contract with Declarant to purchase a Lot], or January 1, 2003, whichever date is later. The Villas Board shall determine the amount of the initial Annual Assessment due from such Class B Member, calculated by the following formula: Annual Assessment amount times the days remaining in the calendar year from date of transfer of title/365. If the Class B Member shall sell the Lot to a Class A Member during the calendar year for which an assessment has been paid, the Class B Member shall be entitled to a prorated refund of the annual assessment. The amount refunded shall be determined by multiplying the Class B Annual Assessment amount times a fraction, the numerator being the number of days remaining in the calendar year upon the transfer of title of the Lot to a Class A Member and the denominator being 365.

4.3 Increase of Annual Assessment. From and after September 1, 2003, The Villas Board, after consideration of current maintenance costs and future needs of The Villas Association, may increase the annual assessment upon Class A Members by a maximum of 10% per year, effective as of the following January 1st, without a vote of the Members. Increases in the annual assessments of Class A Members in excess of 10% per year must be approved at the annual meeting of The Villas Association, or at any special meeting specifically called for such purpose, by the majority vote of the Members of The Villas Association.

There shall be no increase in the annual assessment paid by the Class B Members or Class C Member without the express written approval of same by the Class C Member. Provided, in the event a Builder or his tenant occupies a structure as a residence, then the Builder will be deemed to be a Class A Member of The Villas Association in regard to said Lot.

Notwithstanding any other provision within these Covenants and/or the By-Laws of The Villas Association, Class A Members shall not be entitled to amend the Covenants and/or the By-Laws in any manner which would subject the Class B Members or Class C Member to an assessment by The Villas Association, unless the Class C Member expressly consents in writing to such action.

Provided, Declarant shall pay operating deficits of The Villas Association in the event The Villas Association is unable to fund current and normal operating expenses after collection of the assessments set forth herein. All liability of Declarant for payment of operating deficits shall terminate upon the earlier event of (a) ownership by Class A Members of 15 or more Lots or (b) January 1, 2010.

4.4 Special Assessments. The Villas Association may levy a special assessment equally upon Class A Members of The Villas Association for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of an improvement on or related to The Villas Common

Areas, or to defray any unanticipated or underestimated expense normally covered by the annual assessment, including Lawn Maintenance Expenses (and, where necessary, for taxes assessed against The Villas Common Areas); provided that, any such assessment or charge as to any period shall have the assent of two-thirds (2/3rds) of the Members present at a meeting called for such purpose, written notice of which shall be sent to all Members not less than fifteen (15) and not more than thirty (30) days in advance of the meeting setting out the purpose of the meeting. Special assessments may also be levied against any individual Lot and its Owner within The Villas, other than Declarant, to reimburse The Villas Association for costs incurred in bringing that Owner and/or his Lot into compliance with these Supplemental Covenants and/or the By-Laws.

4.5 Purpose of Assessments. Assessments, including the annual assessment and any special assessments which may be levied by The Villas Association, shall be used exclusively to provide for the management and maintenance of The Villas Common Areas and to pay The Villas Common Expenses, for the common good of the Property and The Villas Owners. Annual assessments shall include an adequate reserve fund to insure, maintain and repair the Common Areas.

4.6 Transfer of Lot by Sale or Foreclosure. Sale or transfer of any Lot shall not effect 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. 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 Villas 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 Villas Association setting forth the amount of the unpaid assessments due The Villas 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 Villas 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.

4.7 Enforcement of Assessment Obligation; Priorities; Discipline. 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 and/or lien 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 Villas Association, its attorney or other person authorized by this document or by law to make the sale, after failure of the Owner to pay such assessment. The Villas Association, acting on behalf of The Villas 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. Suit to recover a money judgment for unpaid common expenses, rent and attorneys' fees shall be maintainable without foreclosing or waiving the lien securing the same. The Villas 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 of any assessment, after notice and hearing according to the By-Laws.

ARTICLE 5

DUTIES AND POWERS OF THE VILLAS ASSOCIATION AND THE VILLAS BOARD

5.1 Statutory Duties and Powers of The Villas Association. The duties and powers of the Villas 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 the Villas Association. In addition to the duties and powers enumerated in the By-Laws or elsewhere provided for herein, The Villas Association, acting through the Board, may enforce these Covenants and shall:

5.2.1 Maintenance of Common Areas. The Villas Association shall be responsible only for (i) the maintenance, operation and repair of The Villas Common Areas (as defined herein), and (ii) any other areas shown on the Plat as common right-of-way or common use area, such as entrances, islands and center medians. It is the intent of these Supplementary Covenants to require The Villas Association to maintain, insure, repair, replace, restore, operate and manage all of The Villas Common Areas

5.2.2 Maintenance of Lawns Within the Villas. The Villas Association, through The Villas Board, shall be responsible for the mowing, fertilization, and reasonable weed control of all lawns and landscaped areas of the Lots within The Villas. Watering and the repair and replacement of any sprinkler system shall be the responsibility of the Lot Owner. The Villas Association shall not be responsible for the maintenance of any Lot owned by Declarant or a Builder. Declarant and Builders shall maintain lots owned by them, at their own expense.

5.2.3 Enforcement. Enforce the provisions of this Declaration by appropriate means including, without limitation, the expenditures of funds of The Villas Association, the employment of legal counsel and the commencement of legal proceedings.

5.2.4 Insurance. Maintain such policy or policies of insurance as are required by this document or as The Villas Board deems necessary or desirable in furthering the purposes of, and protecting the common interests of, The Villas Association.

5.2.5 Rules and Regulations. The Villas Board shall adopt and enforce such rules and regulations as The Villas Board deems desirable for the use, security and safety of Owners in respect to The Villas Common Areas. Rules and regulations adopted by The Villas Board shall be prominently displayed or otherwise published to The Villas Owners.

ARTICLE 6

USE RESTRICTIONS AND ARCHITECTURAL CONTROL

All property within the boundaries of the platted property within Auburn Meadows, Section 2, shall be subject to the covenants and restrictions set forth in Article 7 in regard to Use Restrictions and Architectural Control, subject to the following amendments and supplements:

6.1 Structural Size Restriction. The floor area of the main structure of each single family dwelling, exclusive of porches, basements and garage(s), shall not be less than 1500 square feet. The floor area of each side of the main structure of a duplex dwelling, exclusive of porches, basements and garage(s), shall not be less than 1400 square feet.

6.2 Setback and Side Building Limits. Within the area platted as The Villas, minimum building set back lines shall be twelve feet (12') from the front; ten feet (10') from the rear; five feet (5') from the side, and zero feet (0') on the common wall/lot line for duplex structures. There shall be a minimum separation of ten feet (10') from all separate structures. Provided, fireplaces, bay windows, entry ways, patios, patio covers and other similar appurtenances for single family and duplex family residences may encroach up to two feet (2') into the ten foot (10') separation requirement and up to five feet (5') into the rear yard set back. However, said appurtenances shall not extend into a utility easement, drainage easement or right-of-way.

6.3 Use of Private Streets. The Villas Owners, and each member of their immediate family, their guest and invitees, as well as public and private utility and service providers, are granted a non-

exclusive easement of use and enjoyment in and to the private streets within The Villas.

6.4 Liability of Owners for Damage to The Villas Common Areas. The Owner of each Lot within The Villas shall be liable to The Villas Association for all damages to The Villas Common Areas or improvements thereon caused by such Owner, or any occupant or guest of such Owner.

6.5 Community Fence. The Declarant shall install, and the Auburn Meadows Owners Association shall maintain as a Common Area, a community fence running parallel to Auburn Meadows Drive, on the east side of said street, from the building set back line north of the NW 178th Street entrance into Auburn Meadows, extending north to the entry and exit gate for Auburn Meadows, Section 2, then north to the southeast corner of Lot 1, Block 1 of Auburn Meadows. The community fence shall be installed by Declarant on the Lots which abut to Auburn Meadows Drive within the utility easement immediately appurtenant to Auburn Meadows Drive. Thereafter, the community fence shall be a Common Area, as defined in the Declaration, and shall be maintained and repaired as a Common Expense. No other fence shall be permitted or installed parallel to the community fence on the back lot lines of the Lots whereupon the community fence is located.

6.6. Basketball Goals. Basketball goals shall not be erected anywhere within The Villas.

ARTICLE 7 **GENERAL PROVISIONS**

7.1 Enforcement. The Villas Association, any of The Villas Owners, and any governmental or quasi-governmental agency or municipality having jurisdiction over the Property, 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 these Supplemental Covenants 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. Neither Declarant, or any member, officer, employee, manager or designated representative of Declarant or the original Building Committee, shall be liable to The Villas Association, any Member of The Villas Association, or any third party for claims arising from the enforcement of, or failure to enforce, the terms, conditions and provisions of these Supplemental Covenants, or any waiver thereof, whether such action be intentional, unintentional or negligent.

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

7.3 Amendments. To the extent not inconsistent with 60 Okla. Stat. §5 851, et seq., as same is now or may hereafter be amended, an amendment of these Supplemental Covenants may be enacted by the vote or written assent of at least sixty percent (60%) of the Members of The Villas Association, with each Member having the number of votes as set forth in § 3.4 above. Provided, the percentage of the voting power necessary to amend a specific clause or provision containing a prescribed percentage shall not be less than the prescribed percentage of affirmative votes required for an action to be taken under that specific clause. Any amendment must be recorded and shall become effective upon being recorded in the office of the County Clerk of Oklahoma County, Oklahoma.

7.4 Mortgage Protection Clause.

7.4.1 Rights of First Mortgages. 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.

7.4.2 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 Villas Common Areas. Institutional lenders shall have the right to examine the books and records of The Villas Association.

7.5 Insurance. The Villas Association shall obtain and continue in effect comprehensive public liability insurance insuring The Villas Association and the Declarant, its managers, agents and employees, and The Villas Owners, their families, guests and invitees, against any liability incident to the ownership or use of The Villas Common Areas and facilities in such common areas and including, if reasonably obtainable, a cross-liability endorsement insuring each insured against liability to another insured and a "severability of interest" endorsement precluding the insurer from denying coverage to one Owner because of the negligence of other Owners or The Villas Association.

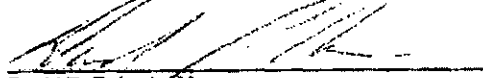
7.5.1 Insurance Premiums. Insurance premiums on policies purchased by The Villas Association shall be a common expense to be paid from the assessments provided for herein or as levied by The Villas Association. The acquisition of insurance by The Villas Association shall be without prejudice to the right of any Owners to obtain additional individual insurance. Provided, The Villas Board shall be entitled to purchase or participate in, on a pro-rated and equitable basis, a policy which insures the interest of both the Association and The Villas Association.

7.6 Owners' Compliance. Each The Villas Owners, and any tenant or occupant of a Lot, shall comply with the provisions of The Villas Association's By-Laws, these Supplemental Covenants, the rules and regulations of The Villas Association, and all decisions and resolutions of The Villas Association or its duly authorized representative, and failure to comply with any such By-Laws, Covenants, rules, regulations, provisions, decisions or resolutions shall be grounds for an action to recover sums due for damages (including costs and attorneys fees) and/or for injunctive relief. All agreements and determinations lawfully made by The Villas Association in accordance with the voting percentage established in this document or in the By-Laws shall be deemed to be binding on all The Villas Owners, their successors and assigns.

7.7 Service of Process. The name of the person to receive service of process on The Villas Association, together with the residence or place of business of such person in Oklahoma County, is David P. Roberts, P.O. Box 424, Spencer, Oklahoma 73084, or such other person as the Board may designate by an amendment hereto filed solely for that purpose.

IN WITNESS WHEREOF, the undersigned, being all the owners of record of the property within Auburn Meadows, Section 2, a residential subdivision to the City of Oklahoma City, Oklahoma County, Oklahoma, have executed this document this 19 day of September, 2002.

DANFORTH DEVELOPMENT L.L.C.



David P. Roberts, Manager

STATE OF OKLAHOMA)
) ss
COUNTY OF OKLAHOMA)

Before me, the undersigned, a Notary Public, in and for said County and State on this 19 day of September, 2002, personally appeared David P. Roberts of Danforth Development L.L.C., to me known to be the identical person who subscribed the name of the maker thereof to the foregoing instrument as its Manager 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 entity, for the uses and purposes therein set forth.

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

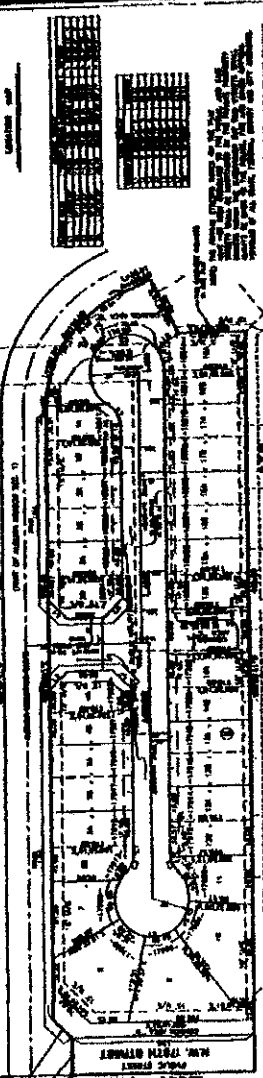
My Commission Expires:

Karen Newbridge
Notary Public



[illegible]

FINAL PLAT OF
AUBURN MEADOWS SEC. 2
BEING A PART OF THE S.W./4 OF SEC. 29, T-14-N, R-3-W, I.M.
OKLAHOMA CITY, OKLAHOMA COUNTY, OKLAHOMA
UNPLATTED
1910-1911-1912-1913-1914-1915-1916-1917-1918-1919-1920-1921-1922-1923-1924-1925-1926-1927-1928-1929-1930-1931-1932-1933-1934-1935-1936-1937-1938-1939-1940-1941-1942-1943-1944-1945-1946-1947-1948-1949-1950-1951-1952-1953-1954-1955-1956-1957-1958-1959-1960-1961-1962-1963-1964-1965-1966-1967-1968-1969-1970-1971-1972-1973-1974-1975-1976-1977-1978-1979-1980-1981-1982-1983-1984-1985-1986-1987-1988-1989-1990-1991-1992-1993-1994-1995-1996-1997-1998-1999-2000-2001-2002-2003-2004-2005-2006-2007-2008-2009-2010-2011-2012-2013-2014-2015-2016-2017-2018-2019-2020-2021-2022-2023-2024-2025-2026-2027-2028-2029-2030-2031-2032-2033-2034-2035-2036-2037-2038-2039-2040-2041-2042-2043-2044-2045-2046-2047-2048-2049-2050-2051-2052-2053-2054-2055-2056-2057-2058-2059-2060-2061-2062-2063-2064-2065-2066-2067-2068-2069-2070-2071-2072-2073-2074-2075-2076-2077-2078-2079-2080-2081-2082-2083-2084-2085-2086-2087-2088-2089-2090-2091-2092-2093-2094-2095-2096-2097-2098-2099-2100-2101-2102-2103-2104-2105-2106-2107-2108-2109-2110-2111-2112-2113-2114-2115-2116-2117-2118-2119-2120-2121-2122-2123-2124-2125-2126-2127-2128-2129-2130-2131-2132-2133-2134-2135-2136-2137-2138-2139-2140-2141-2142-2143-2144-2145-2146-2147-2148-2149-2150-2151-2152-2153-2154-2155-2156-2157-2158-2159-2160-2161-2162-2163-2164-2165-2166-2167-2168-2169-2170-2171-2172-2173-2174-2175-2176-2177-2178-2179-2180-2181-2182-2183-2184-2185-2186-2187-2188-2189-2190-2191-2192-2193-2194-2195-2196-2197-2198-2199-2200-2201-2202-2203-2204-2205-2206-2207-2208-2209-2210-2211-2212-2213-2214-2215-2216-2217-2218-2219-2220-2221-2222-2223-2224-2225-2226-2227-2228-2229-2230-2231-2232-2233-2234-2235-2236-2237-2238-2239-2240-2241-2242-2243-2244-2245-2246-2247-2248-2249-2250-2251-2252-2253-2254-2255-2256-2257-2258-2259-2260-2261-2262-2263-2264-2265-2266-2267-2268-2269-2270-2271-2272-2273-2274-2275-2276-2277-2278-2279-2280-2281-2282-2283-2284-2285-2286-2287-2288-2289-2290-2291-2292-2293-2294-2295-2296-2297-2298-2299-2300-2301-2302-2303-2304-2305-2306-2307-2308-2309-2310-2311-2312-2313-2314-2315-2316-2317-2318-2319-2320-2321-2322-2323-2324-2325-2326-2327-2328-2329-2330-2331-2332-2333-2334-2335-2336-2337-2338-2339-2340-2341-2342-2343-2344-2345-2346-2347-2348-2349-2350-2351-2352-2353-2354-2355-2356-2357-2358-2359-2360-2361-2362-2363-2364-2365-2366-2367-2368-2369-2370-2371-2372-2373-2374-2375-2376-2377-2378-2379-2380-2381-2382-2383-2384-2385-2386-2387-2388-2389-2390-2391-2392-2393-2394-2395-2396-2397-2398-2399-2400-2401-2402-2403-2404-2405-2406-2407-2408-2409-2410-2411-2412-2413-2414-2415-2416-2417-2418-2419-2420-2421-2422-2423-2424-2425-2426-2427-2428-2429-2430-2431-2432-2433-2434-2435-2436-2437-2438-2439-2440-2441-2442-2443-2444-2445-2446-2447-2448-2449-2450-2451-2452-2453-2454-2455-2456-2457-2458-2459-2460-2461-2462-2463-2464-2465-2466-2467-2468-2469-2470-2471-2472-2473-2474-2475-2476-2477-2478-2479-2480-2481-2482-2483-2484-2485-2486-2487-2488-2489-2490-2491-2492-2493-2494-2495-2496-2497-2498-2499-2500-2501-2502-2503-2504-2505-2506-2507-2508-2509-2510-2511-2512-2513-2514-2515-2516-2517-2518-2519-2520-2521-2522-2523-2524-2525-2526-2527-2528-2529-2530-2531-2532-2533-2534-2535-2536-2537-2538-2539-2540-2541-2542-2543-2544-2545-2546-2547-2548-2549-2550-2551-2552-2553-2554-2555-2556-2557-2558-2559-2560-2561-2562-2563-2564-2565-2566-2567-2568-2569-2570-2571-2572-2573-2574-2575-2576-2577-2578-2579-2580-2581-2582-2583-2584-2585-2586-2587-2588-2589-2590-2591-2592-2593-2594-2595-2596-2597-2598-2599-2600-2601-2602-2603-2604-2605-2606-2607-2608-2609-2610-2611-2612-2613-2614-2615-2616-2617-2618-2619-2620-2621-2622-2623-2624-2625-2626-2627-2628-2629-2630-2631-2632-2633-2634-2635-2636-2637-2638-2639-2640-2641-2642-2643-2644-2645-2646-2647-2648-2649-2650-2651-2652-2653-2654-2655-2656-2657-2658-2659-2660-2661-2662-2663-2664-2665-2666-2667-2668-2669-2670-2671-2672-2673-2674-2675-2676-2677-2678-2679-2680-2681-2682-2683-2684-2685-2686-2687-2688-2689-2690-2691-2692-2693-2694-2695-2696-2697-2698-2699-2700-2701-2702-2703-2704-2705-2706-2707-2708-2709-2710-2711-2712-2713



LAKE

PARKING LOT

SOUTH BAY

NORTH BAY

MAIN ENTRANCE

SIDE ENTRANCE


BACK ENTRANCE

CITY PLANNING COMMISSION APPROVAL

CITY ENGINEER'S CERTIFICATE

[illegible][illegible]

**AMENDED SUPPLEMENTAL DECLARATION
OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR THE VILLAS AT AUBURN MEADOWS, PLATTED
AS AUBURN MEADOWS SECTION 2, A RESIDENTIAL
SUBDIVISION TO THE CITY OF OKLAHOMA CITY, OKLAHOMA**


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State of Oklahoma
County of Oklahoma
Oklahoma County Clerk
Carolynn Caudill

WHEREAS, the members of The Villas at Auburn Meadows Owners Association, Inc. (hereinafter, the Association), desire to amend the previous Supplemental Declaration of Covenants, Conditions and Restrictions for the residential subdivision of the Villas at Auburn Meadows, platted as the Auburn Meadows, Section 2, Subdivision to the City of Oklahoma City, Oklahoma County, Oklahoma, as recorded at Book 8565, pages 983 to 1002 in the office of the County Clerk of Oklahoma County, Oklahoma; and

WHEREAS, the members having voted in favor of such amendments in accordance with Article XI of the Bylaws of the Association.

NOW, THEREFORE, the Association states and hereby declares that the Supplemental Declaration of Covenants, Conditions and Restrictions for the Villas at Auburn Meadows is amended as follows:

AMENDMENT 1

Addition to Article 6. New paragraph **6.3.1. Abandoned or Inoperable Vehicles.** Except as herein above provided, no abandoned or inoperable automobiles or vehicles of any kind shall be stored or parked within the Villas. An "abandoned or inoperable vehicle" shall be defined as any automobile, truck, motorcycle, self-contained motorized recreational vehicle, or other similar vehicle, which has not been driven under its own propulsion system installed therein; provided, however, that otherwise permitted vehicles parked by owners while on vacation or during a period of illness shall not constitute abandoned or inoperable vehicles. In the event the Association shall determine that a vehicle is an abandoned or inoperable vehicle, then a written notice describing said vehicle shall be personally delivered to the owner thereof (if such owner can be reasonably ascertained), and if the abandoned or inoperable vehicle is not removed within 72 hours thereafter, the Association shall have the right to remove the vehicle at the sole expense of the owner thereof.

AMENDMENT 2

Addition to Article 6. New paragraph, **6.7. Yard/Garage Sales.** Each calendar year, the Villas permits only 2 days for yard/garage sales. The Villas Association Board of Directors will schedule the days/times, inform all Villas residents and open the gate for the designated period.

AMENDMENT 3

Addition to Article 6. New paragraph, **6.8. Building Upkeep.** The exterior of the building on every lot must be maintained, repaired and clean. The color scheme cannot be changed without express written approval from the Architecture Committee.

AMENDMENT 4

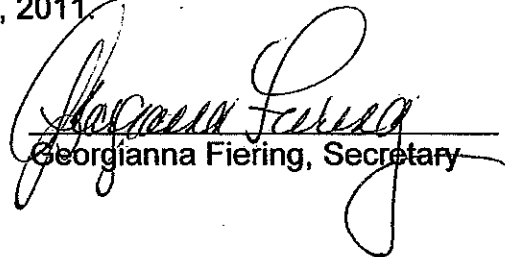
Addition to Article 7. New paragraph 7.6.1. **Leases.** The term "lease," as used herein, shall include any agreement for the leasing or rental of a lot or any portion thereof. Any owner shall have the right to lease his/her lot under the following conditions:

(a) All leases shall be in writing; and,

(b) All leases shall specify that the terms of the lease and the lessee's occupancy of the lot shall be subject in all respects to the provisions of this Declaration, and the Articles of Incorporation, Bylaws and Rules and Regulations of the Association, and that any failure by the lessee to comply with any of the aforementioned documents, in any respect, shall be a default under the lease; and,

(c) No lease shall be for an initial term of less than one (1) year.

IN WITNESS WHEREOF, the undersigned, Secretary of the Association, and as representative of all the owners of record of the property within Auburn Meadows, Section 2, a residential subdivision to the City of Oklahoma City, Oklahoma County, Oklahoma, has executed this document this 8th day of July, 2011.

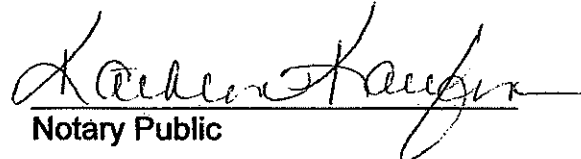

Georgianna Fiering, Secretary

STATE OF OKLAHOMA)
) ss
COUNTY OF OKLAHOMA)

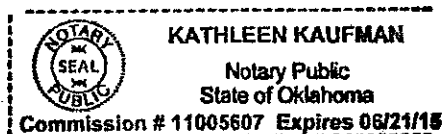
Before me, the undersigned, a Notary Public, in and for said County and State on this 8th day of July, 2011, personally appeared Georgianna Fiering, as representative of The Villas at Auburn Meadows Owners Association, Inc., to me known to be the identical person who signed the foregoing instrument as representative of its Members and acknowledged to me that she executed the same as her free and voluntary act and deed and as the free and voluntary act and deed of said Members of said entity for the uses and purposes therein set forth.

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

My Commission Expires: 6/21/15


Notary Public

Return to:
Association Secretary
17926 Arbor Lane
Edmond OK 73012



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**BYLAWS OF
THE VILLAS AT AUBURN MEADOWS OWNERS ASSOCIATION, INC.
(A NON-PROFIT ORGANIZATION)**

**ARTICLE I
NAME**

The name of this organization shall be The Villas At Auburn Meadows Owners Association, Inc. ("The Villas Association").

**ARTICLE II
PURPOSE AND PARTIES**

2.1 Purpose. The purpose of the organization shall be the administration of the Property described in the Supplemental Declaration of Covenants, Conditions and Restrictions for The Villas At Auburn Meadows (hereinafter the "Supplemental Covenants"), a residential subdivision to the City of Oklahoma City, Oklahoma, as shown by the recorded Plat thereof, which administration shall be in accordance with these Bylaws and the provisions of 60 Okla. Stat. §§ 861, *et seq.* All definitions and terms contained in the Supplemental Covenants shall apply hereto and are incorporated herein by reference.

2.2 Members. All present and future owners and tenants of any lot, mortgagees and other persons who may use the facilities of the Property in any manner are subject to these Bylaws, the Supplemental Covenants, the rules and regulations of The Villas Association, and all agreements and easements relating thereto. Members of The Villas Association shall also be Members of the Auburn Meadows Owners Association, Inc. and shall be subject to the Bylaws of said Association and the Covenants, Conditions and Restrictions of Auburn Meadows, a residential subdivision to the City of Oklahoma City, Oklahoma County, Oklahoma.

**ARTICLE III
MEMBERSHIP AND MEMBER MEETINGS**

3.1 Membership. Any person or entity on becoming an owner of a lot within The Villas shall automatically become a member of The Villas Association and be subject to these Bylaws. Such membership shall terminate without any formal action by The Villas Association whenever such person ceases to own a lot, but such termination shall not relieve or release any such former owner from any liability, obligation, right or remedy incurred under or in any way connected with The Villas Association or during the period of such ownership and membership in The Villas Association. 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.

3.1.1 Classes of Membership. There shall be three (3) classes of membership in The Villas Association. Class A Members shall be all purchasers, and their successors and assigns, of a lot from the Developer, other than Class B Members and the Developer. Class B Members shall be Builders who have purchased, or contracted with Developer to purchase, a Lot or Lots within The Villas for the purposes of construction of a residence or duplex for sale to a third party. The Class C Member shall be the Developer, Danforth Development, L.L.C.

Class A Members shall be subject to levy for annual and/or special assessments by The Villas Association for each Lot owned within The Villas. Class B Members shall not be subject to special assessments but shall be obligated to pay annual assessments for each Lot owned in accordance with the terms of the Supplemental Covenants. If a Builder or his tenant occupies a structure as a residence, the Builder will automatically become a Class A Member as to said Lot. Notwithstanding any other provision in the Supplemental Covenants or these Bylaws, the Class C Member shall not be subject to levy for annual or special assessments by The Villas Association. This provision of the Bylaws may not be altered, amended or modified by The Villas Association except by the written approval of the Class C Member.

3.2 Annual Member Meetings. Regular annual meetings of Members of The Villas Association shall be held at a residence on the Property or at such other suitable place convenient to the Members as may be designated by the Board. The first meeting of The Villas Association shall be held on or about September 15, 2003.

3.3 Special Member Meetings. A special meeting of Members of The Villas 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 (25%) of the total voting power of The Villas Association or by Members representing fifteen percent (15%) of the voting power residing in Members other than Developer.

3.4 Notice of Member Meetings. The Board shall give notice of regular and special meetings to Members by posting notice of the date, time and location thereof at conspicuous places on or near the entrance to The Villas. The Board shall give the Developer written notice of the annual meeting at least fifteen (15) days prior to the scheduled meeting date. The Board shall give Developer written notice of all special meetings at least five (5) days before any special meeting. Upon termination of all Class B and Class C membership in the Association, notice to the Developer will not be required.

3.5 Quorum. The Board shall be entitled to conduct any and all business, with or without a quorum being present, at any annual or special meeting of which notice has been given as set forth herein, except as may otherwise be provided herein.

3.6 Proxies. At all meetings of Members, each Member may vote in person or by proxy.

3.7 Voting. Class A Members 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. The Class C Members shall be entitled to six (6) votes for each lot owned by the Class B and Class C Members. Each vote shall have equal value. Class B Members shall not be entitled to vote on association matters.

ARTICLE IV **BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE**

4.1 Number and Term of Directors. The Board shall consist of three (3) directors, each of whom shall be a lot owner within The Villas 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, or its successor, shall serve until the first meeting of The Villas Association; thereafter, all directors shall be elected and removed according to these Bylaws. Notwithstanding any other provision herein, so long as the Developer owns more than 5% of the lots in The Villas, Developer shall be entitled to elect two (2) of the three directors who need not be a lot owner.

4.2 Election of Board of Directors.

4.2.1 Nominations. Nominations for election to the Board (for election of directors which are not appointed or elected by Developer as provided in § 4.1) shall be made by a nominating committee. Nominations may also be made from the floor at the annual meeting of The Villas Association. The nominating committee shall consist of a chairman, who shall be a member of the Board, and two or more members of The Villas Association.

4.2.2 Cumulative Voting. Elections of Board members shall be by cumulative voting if more than one position is to be filled in an election.

4.3 Vacancies in the Board. Vacancies in the Board caused by any reason 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 Villas Association or at a special meeting of the Members called for that purpose.

ARTICLE V **MEETINGS OF DIRECTORS**

5.1 Regular Board Meetings. Regular meetings of the Board shall be conducted at the same time as the annual meeting of the Members, and at such other times as the Board deems desirable. Notice of all regular Board Meetings shall be given to each Board Member and to the Developer at least fifteen (15) days prior to the scheduled meeting date.

5.2 Special Board Meetings. A special meeting of the Board may be called by written notice signed by the President of The Villas Association or by any two (2) directors other than the President. Notice of a special meeting, with a description of the nature of any special business to be considered by the Board, shall be given to each Director and the Developer at least five (5)

days before the date of the special Board meeting.

5.3 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.

5.4 Board Meetings Open to Members, Exceptions. Regular and special meetings of the Board shall be open to all Members of The Villas Association. 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 or threatened litigation and orders of business of a similar nature.

5.5 Fidelity Bonds. The Board may obtain adequate fidelity bonds for all officers and employees of Association handling or responsible for funds of the organization. The premium for any such bonds shall be a common expense.

5.6 Compensation. No Member of the Board shall receive any compensation from The Villas Association or lot owners for acting as such.

5.7 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 or tort liability to others arising out of contracts made by the Board on behalf of The Villas Association unless any such contract shall have been made in bad faith or contrary to the provisions of the Supplemental Covenants or these Bylaws. 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 Villas 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.

ARTICLE VI **POWERS AND DUTIES OF THE BOARD OF DIRECTORS**

6.1 Powers and Duties. The Board shall have the powers and duties necessary for the management and administration of the Property. 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 Villas Association; to prescribe such powers and duties for them as may be consistent with the law and with the Supplemental Covenants and these Bylaws.

6.1.2 To enforce the applicable provisions of the Supplemental Covenants, these Bylaws, and other instruments relating to the ownership, management and control of the Property.

6.1.3 To adopt, publish and enforce rules and regulations governing the use of the Property and the personal conduct of the Members and their guests upon The Villas Common Areas, and to establish procedures and penalties for the infraction thereof, subject to approval of the membership.

6.1.4 To cause The Villas Common Areas to be maintained, adequately insured, repaired and improved, for the benefit of the membership, and to contract for goods and/or services for The Villas Common Areas and the maintenance of lawns and shrubbery on the privately owned Lots, or such other expenses incurred for the common good of The Villas Association, and to pay all taxes and assessments which are or could become a lien on The Villas Common Areas or a portion thereof. The Board is authorized to acquire a joint insurance policy for the insurable interests of both The Villas Association and the Auburn Meadows Owners Association, Inc., if, in the opinion of the Board, the purchase of such joint policy is beneficial to The Villas Association.

6.1.5 To delegate its powers to committees or officers.

6.1.6 To prepare budgets and financial statements for The Villas Association as prescribed in these Bylaws.

6.1.7 To initiate and execute disciplinary proceedings against Members of The Villas Association for violations of the provisions of the Supplemental Covenants, these Bylaws and such rules as may be promulgated by the Board in accordance with the procedures set forth in these Bylaws.

6.1.8 To fix and collect annual and special assessments according to the Supplemental Covenants and these Bylaws 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 funds shall be transferred to a depository account with an institutional lender upon terms and conditions which are approved by the Board. All funds of The Villas Association shall be restricted in use to the sole and exclusive benefit of The Villas Association's administration of the Property and shall not otherwise be expended.

6.1.9 To prepare and file 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 Villas Association. Without limiting the generality of the foregoing, the Board may, on behalf of The Villas 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 Villas Association for any taxable year shall meet the following limitations and restrictions (which limitations and restrictions may change from time to time to conform with changes in the tax code):

a. At least 80% of the gross income of The Villas Association for any taxable year shall consist solely of amounts received as fees or assessments from lot owners.

b. At least 90% or more of the expenditures of The Villas Association for any taxable year shall be for the acquisition, construction, management, maintenance and care of The Villas Association's Property;

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

Provided, the Board may establish a reserve account to defray extraordinary expenses, such as the repair or maintenance of private streets and/or the entry and exit gates.

6.2 **Limitation of the Board's Power.** Except with the vote or written assent of a majority of the voting power of The Villas Association, the Board shall be prohibited from taking any of the following actions:

6.2.1 Paying compensation to directors or to officers of The Villas Association for services performed in the conduct of The Villas 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 Villas Association.

6.2.2 Entering into a contract with a third person wherein the third person will furnish goods or services for the Common Areas or The Villas Association for a term longer than one (1) year with the following exceptions:

a. A management contract;

b. A contract with a public utility company if the rate 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;

c. 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;

d. 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.

- e. Agreements for maintenance of the entrance and security gate(s).

6.2.3 The funds of The Villas Association shall be maintained in trust account(s) for the benefit of the organization or shall be deposited with an institutional bank in an interest bearing account(s), and may not be accessed or withdrawn by the Board, or any Member of The Villas Association or other person, except by check or draft drawn on The Villas Association's account and signed by at least two of the officers of the organization.

ARTICLE VII

OFFICERS AND DUTIES

7.1 Enumeration and Term. The officers of The Villas Association shall be a president, who shall at all times be a member 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 sooner resign or shall be removed or otherwise disqualified to serve.

7.2 Election of Officers. The initial officers shall be elected by the Board appointed by Developer and shall serve until the first annual meeting. Officers shall thereafter be elected by the Board at each annual meeting.

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. Officers may resign at any time upon written notice to each member of the Board.

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

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

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

7.5.2 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.

7.5.3 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 Villas Association, together with their addresses; receive and deposit funds in appropriate bank accounts of all monies of The Villas Association and shall disburse such funds as directed by resolution of the Board; shall co-sign all checks and promissory notes of The Villas Association; keep proper books of accounts and prepare or have prepared financial statements as required in these Bylaws; 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 Villas Association's business may be delegated to a management company as provided in these Bylaws.

7.6 Compensation of Officers. No officer shall receive any compensation from The Villas Association or lot owners for acting as such.

ARTICLE VIII

MAINTENANCE AND ASSESSMENTS

Pursuant to the procedures and guidelines set forth in the Supplemental Covenants, the Board shall collect and deposit into the account of The Villas Association, the assessments as set forth in the Supplemental Covenants. The monies collected from the assessments shall be invested by the Board in an interest bearing account and shall be utilized to pay The Villas Common Expenses as defined in the Supplemental Covenants. All assessments shall be used exclusively to promote the health, safety and welfare of all residents in The Villas, to maintain the Common Areas, and to maintain the lawns and shrubbery on the privately owned Lots. The Board and/or The Villas Association may only increase assessments, and/or levy special assessments, in accordance with the terms and conditions of the Supplemental Covenants. In the event The Villas Association accrues surplus

funds, in excess of reasonably anticipated expenditures and in excess of a reasonable reserve fund for maintenance or repair of the private streets and the entry and exit gates, the Board may decrease the amount of the annual assessment. Provided, so long as there is a Class B or Class C membership, the Board must have the consent and written approval of the Class C Member to decrease the amount of the annual assessment.

ARTICLE IX

DISCIPLINE OF MEMBERS; SUSPENSION OF RIGHTS

The Villas 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 Supplemental Covenants, these Bylaws or of duly enacted rules of operation for the Common Areas and Property, 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 Villas Association. Notwithstanding the foregoing, the Board shall have the power to impose reasonable monetary penalties, temporary suspensions of an owner's rights as a Member of The Villas Association or other appropriate discipline for failure to comply with the Supplemental Covenants, these Bylaws or duly enacted rules; provided that an owner subject to such possible penalties shall be given reasonable notice and the opportunity to 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 votes cast by the Members. Such penalties shall bear a reasonable relationship to the conduct for which the penalty is imposed and may only be imposed prospectively.

ARTICLE X

BUDGETS, FINANCIAL STATEMENTS, BOOKS AND RECORDS

10.1 Budgets and Financial Statements. Financial statements for The Villas Association shall be regularly prepared and distributed at the annual meeting to those members requesting a copy of same. The Board shall prepare reasonable operating statements and budgets for each fiscal year.

10.2 Inspection of 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 Association shall be made available for inspection and copying by any Member or by his duly authorized representative at any reasonable time and for a purpose reasonably related to his interest as a Member at the office of The Villas Association or at such other place as the Board shall prescribe, upon reasonable notice and at a reasonable time. Any Member desiring copies of any document shall pay the reasonable cost of reproduction. Every director shall have the absolute right at any reasonable time to inspect all books, records and documents of The Villas Association and the physical properties owned or controlled by The Villas Association. The right of inspection by a director includes the right to make extracts and copies of documents.

ARTICLE XI

AMENDMENT OF BYLAWS

These Bylaws and the Supplemental Covenants may be amended by the combined vote or written assent of the Class C Members and at least 60% of the Class A Members, 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 Bylaws. Such modification or amendment shall not become operative unless set forth in Supplemental Covenants, Conditions and Restrictions of The Villas at Auburn Meadows and duly recorded in the office of the County Clerk of Oklahoma County, Oklahoma. Provided, however, provisions within the Supplemental Covenants and these Bylaws applicable to annual or special assessments against Class B and C Members can only be amended or modified by the unanimous consent and written authorization of the Class C Members.

ARTICLE XII

MISCELLANEOUS PROVISIONS

12.1 Owner's Personal Obligation for Payment of Assessment. The amount of total assessments against a lot, including any annual and/or special assessment, shall be the personal and individual debt of the owner(s) thereof. The Board shall have the responsibility to take prompt action to collect any unpaid assessment in accordance with the terms of the Supplemental Covenants and these Bylaws.

12.2 Indemnity of Developer, Association Officers and Directors. The Developer, its managers and agents, and each director and officer of The Villas Association, shall be indemnified by The Villas 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, officer or controlling person of The Villas Association, except in cases of fraud, gross negligence or bad faith of the Developer, director or officer in the performance of his duties in relation to The Villas Association.

12.3 Building Committee. The Board shall appoint a building committee. The initial building committee shall consist of the Developer's agents, David P. Roberts and Russell L. Roberts, or the designated representatives appointed by Developer to serve in such capacity, who shall serve in such a capacity until January 1, 2010. Thereafter, the Board shall appoint a building committee consisting of two (2) Members. In the event of earlier resignation or death of a Member of the initial building committee, the Board shall appoint a successor. The building committee shall perform the duties set forth in the Supplemental Covenants.

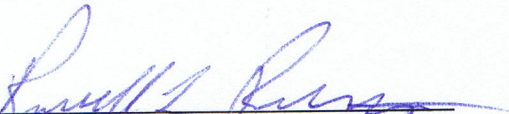
12.4 Notices. Any notice permitted or required to be given by these Bylaws or the Supplemental Covenants may be delivered either personally or by mail or as otherwise specifically provided in said documents. If delivery is by mail, it shall be deemed to have been given three (3) business days following the date same was 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 Villas Association or addressed to the lot of such person if no address has been given to the secretary. Provided, that notice of regular or special meetings of Members and the Board may be mailed without a return receipt requested and shall also be provided as set forth in ¶¶ 3.4, 5.1 and 5.2, above. Provided further, notice to Members of the building committee or to the Developer must be given in writing, addressed to such individuals c/o David P. Roberts, P.O. Box 424, Spencer, Oklahoma 73084.


ESTABLISHMENT OF BYLAWS

We, the undersigned, being all of the directors appointed within the Articles of Incorporation of The Villas At Auburn Meadows Owners Association, Inc. and these Bylaws, do hereby certify the foregoing to be the Bylaws of The Villas At Auburn Meadows Owners Association, Inc. and, by our signatures hereto, do hereby adopt the foregoing Bylaws as of the 19th day of September, 2002.

ATTEST:

THE VILLAS AT AUBURN MEADOWS OWNERS
ASSOCIATION, INC.


Secretary [SEAL]

By: 
David P. Roberts, President and Director

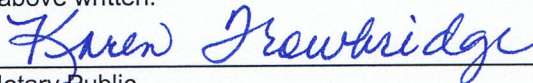
By: 
Russell L. Roberts, Director

STATE OF OKLAHOMA)
) ss.
COUNTY OF OKLAHOMA)

Before me, the undersigned, a Notary Public, in and for said County and State on this 19th day of September, 2002, personally appeared David P. Roberts of The Villas At Auburn Meadows Owners Association, 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 The Villas At Auburn Meadows Owners Association, Inc., for the uses and purposes therein set forth.

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




Notary Public

STATE OF OKLAHOMA)
) ss.
COUNTY OF OKLAHOMA)

Before me, the undersigned, a Notary Public, in and for said County and State on this 21st day of September, 2002, personally appeared Russell L. Roberts of The Villas At Auburn Meadows Owners Association, Inc., to me known to be the identical person who subscribed the name of the maker thereof to the foregoing instrument as its Director 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 The Villas At Auburn Meadows Owners Association, Inc., for the uses and purposes therein set forth.

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

Karen Trowbridge
Notary Public

