

**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
OF
FOREST RIDGE**

Broken Arrow, Wagoner County, Oklahoma

**Restated Version
September 1, 2004**

INDEX

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**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
OF
FOREST RIDGE**

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (the "Declaration"), is made and entered into as of the 26th day of October, 1990, by FOREST RIDGE DEVELOPMENT LIMITED PARTNERSHIP, an Oklahoma limited partnership (herein called the "Developer"); THE ROBSON COMPANIES, INC., an Oklahoma corporation; NICK ROBSON and ALMA ROBSON, husband and wife; EDWARD D. ROBSON and JANET ROBSON, husband and wife; BRUCE A. ROBSON and JOAN P. ROBSON, husband and wife; JOHN J. ROBSON and HANNAH D. ROBSON, husband and wife; SYBIL A. ROBSON, a single person (herein collectively called "Fee Owners"); and THE FOURTH NATIONAL BANK OF TULSA, a national banking association (herein called "Fourth National").

W I T N E S S E T H:

Notice of Intent

This Declaration provides for an extensive degree of control in the Developer, including but not limited to (i) control of the Association, supervision over the type and design of improvements which may be built within the Project and upon the Lots located therein (with substantial fines for non-compliance); (ii) the right to amend this Declaration; and (iii) substantial flexibility in developing the Project. Section 12.5 hereof contains a limitation on the liability of the Developer. Each Owner, by accepting title to a Lot, and each Association Member, by accepting such membership, acknowledges, agrees to, and accepts the Developer's control of the Project and the limited liability of the Developer as provided for in this Declaration. Such control is an integral part of this Declaration and the general scheme of development and operation of the Project. Capitalized terms used in this and the following introductory paragraphs are defined in Article I of this Declaration.

WHEREAS, Developer and the Fee Owners are, in the aggregate, the record owners of that certain real property situated in Broken Arrow, Wagoner County, Oklahoma, described on Exhibit "A" attached hereto and by reference made a part hereof which, along with improvements made thereon, shall constitute the Project; and

WHEREAS, Fourth National is the holder of a First Mortgage covering a portion of the Project; and

WHEREAS, Developer, Fee Owners and Fourth National desire to submit and subject the Project and all of their interest therein, together with all buildings, improvements and other permanent fixtures of whatever kind now or hereafter located thereon and all easements, rights, appurtenances and privileges belonging or in any way pertaining thereto, to the covenants, conditions, restrictions, liens, assessments, easements, privileges and rights contained herein; and

WHEREAS, Developer, Fee Owners and Fourth National deem it desirable to establish covenants, conditions, obligations and restrictions upon the Project and each and every portion thereof with respect to the proper use, occupancy and enjoyment thereof, all for the purpose of enhancing and protecting the value, desirability and attractiveness of the Project as a whole and enhancing the quality of life within the Project; and

WHEREAS, Developer, Fee Owners and Fourth National deem it desirable, for the efficient management of the Project, to create the Association which shall exercise the powers of (i) administering and enforcing the covenants, conditions, and restrictions set forth herein; (ii) collecting and disbursing funds pursuant to the assessments, spending procedures and charges hereinafter created; and (iii) performing such other acts as are herein provided for which generally benefit its members, the Project or the owners of any interests therein; and

WHEREAS, the Forest Ridge Homeowners Association, Inc., a non-profit corporation, has been or will be incorporated under the laws of the State of Oklahoma for the purpose of exercising such powers and functions; and

WHEREAS, the Developer may, but is not obligated to, annex additional real property to the Project and thereby subject such property to this Declaration, and to bind the owners of any interests therein to the covenants, conditions, and restrictions contained in this Declaration, which owners will become members of the Association as provided herein; and

WHEREAS, Developer, Fee Owners and Fourth National desire and intend that the owners, mortgagees, mortgagors, occupants and all other persons hereinafter acquiring any interest in the Project shall at all times enjoy the benefits of, and shall hold their interests subject to, the covenants, conditions, restrictions, liens, assessments, easements, privileges, and rights hereinafter set forth, all of which are declared to be in furtherance of a plan to promote and protect the Project.

NOW, THEREFORE, Developer, Fee Owners and Fourth National, for the purposes above set forth, declare that all of their respective interests in the Project and the property within the Project shall hereafter be held, transferred, sold, conveyed, leased, occupied, and used subject to the covenants, conditions, restrictions, liens, assessments, easements, privileges, and rights hereinafter set forth, all of which shall run with the land and be binding upon all property within the Project and all parties having or acquiring any right, title, or interest in or to any property within the Project, or any part thereof, and shall inure to the benefit of and be a burden upon each owner thereof, the Association, and each member of the Association.

ARTICLE I

DEFINITIONS

Unless the context clearly requires otherwise, the following terms used in this Declaration are defined as follows. Defined terms appear throughout this Declaration with the initial letters of such term capitalized.

1.1 "Annexation Property" means any additional real property which is annexed to the Project, thereby becoming a part thereof and subject to this Declaration. Annexation may be accomplished by the filing of a document of record by Developer or the Association which describes the property to be annexed and recites that such property is to be subject to the terms of this Declaration.

1.2 "Assessments" shall include the following:

(a) "Regular Assessment" means the amount which is to be paid by each Association Member as such Association Member's Proportionate Share of the Common Expenses incurred by the Association pursuant to the terms hereof.

(b) "Special Assessment" means (i) a charge against a particular Association Member, an Owner or a Lot directly attributable to such Association Member, Owner or Lot to reimburse the Association for costs incurred in bringing the Association Member, the Owner or the Lot into compliance with the provisions of this Declaration, the Articles, Bylaws, Rules or Design Guidelines, (ii) any other charge designated as a Special Assessment in this Declaration, the Articles, Bylaws, Rules or Design Guidelines, or (iii) attorneys' fees and other charges payable by such Association Member or Owner as a Special Assessment pursuant to the provisions of this Declaration.

(c) "Capital Improvement Assessment" means a charge against all Lots for the purpose of defraying, in whole or in part, the cost of any action or undertaking on behalf of the Association in connection with any construction or replacement of a capital improvement upon the Common Areas, including the necessary fixtures and personal property related thereto.

(d) "Neighborhood Assessment" as that term is defined in Section 1.38 hereof.

1.3 "Association" means the Forest Ridge Homeowners Association, Inc., an Oklahoma non-profit corporation, its successors and assigns, which shall be responsible for implementing the terms of this Declaration.

1.4 "Association Article or Articles" means the Certificate of Incorporation, as such may be amended from time to time, of the Association or of any successor thereto.

1.5 "Association Member" means every Person who holds a membership in the Association.

1.6 "Board" means the Board of Directors of the Association.

1.7 "Bylaws" means the bylaws of the Association, or of any successor thereto, adopted in accordance with the Articles as such Bylaws may be amended from time to time.

1.8 "City" means the City of Broken Arrow, Oklahoma, a municipal corporation of the State of Oklahoma.

1.9 This paragraph intentionally deleted and left blank.

1.10 "Common Areas" means those parcels of real property, including any improvements thereon, located within the Project and leased, owned or held by the Association or made available by the Developer for the use, benefit or enjoyment of all Owners.

1.11 "Common Expenses" means the actual and estimated costs incurred or to be incurred by the Association in administering, maintaining, operating and conducting activities in connection with the Project for which the Association is responsible pursuant to the terms hereof. The Association shall incur all Common Expenses. The respective Association Members will bear their Proportionate Share of the Common Expenses incurred by the Association. Common Expenses contemplated hereby shall include, but not be strictly limited to, the following:

(a) the cost of maintenance, management, operation, repair and replacement of the Common Areas and any other areas within the Project which are, or shall in the future be, maintained by the Association;

(b) unpaid Assessments;

(c) the cost of maintenance by the Association of areas within the right-of-way of public streets in the vicinity of the Project as provided in this Declaration or pursuant to agreements with the City;

(d) the cost of management and administration of the Association including, but not limited to, compensation paid by the Association to managers, accountants, attorneys and employees;

(e) the cost of any insurance obtained by the Association;

(f) reasonable reserves for contingencies, replacements and other proper purposes as deemed appropriate by the Association, which reserve fund shall be adequate to meet the costs and expenses of maintenance, repairs and replacement of the Common Areas which must be maintained, repaired or replaced on a periodic basis;

(g) the cost of bonding any person handling the funds of the Association;

(h) any taxes paid by the Association;

- appropriate;
- (i) costs incurred by the New Construction Committee or Modification Committee, as appropriate;
 - (j) costs incurred by committees established by the Board or the President;
 - (k) costs of security guards and any security systems or services installed, operated or contracted for by the Association; and
 - (l) other expenses incurred by the Association for the general benefit of all Owners for any reason whatsoever in connection with any item or items designated, or to be provided or performed, by the Association pursuant to this Declaration or the Articles, Bylaws, Rules or Design Guidelines, or in furtherance of the purposes of the Association or in the discharge of any duties or powers of the Association.

1.12 "Declaration" means this instrument as from time to time amended.

1.13 "Default Rate of Interest" means an annual rate of interest equal to eighteen percent (18%). Notwithstanding anything herein to the contrary, if, during any periods, the highest lawful rate of interest which may be paid by the Person required to pay the Default Rate of interest hereunder, despite the provisions hereof, is less than the rate provided above, the interest payable by such Person during said period shall be the highest lawful rate.

1.14 "Design Guidelines" means the rules, regulations, restrictions, architectural standards and design guidelines from time to time adopted by the New Construction Committee or Modification Committee, as appropriate.

1.15 "New Construction Committee or Modification Committee, as appropriate" means the committee provided for in Article VII entitled "Architectural and Landscape Control."

1.16 "Developer" means Forest Ridge Development Limited Partnership, an Oklahoma limited partnership, organized and existing under the laws of the State of Oklahoma, its successors and assigns, or any person to whom the Developer's rights hereunder are hereinafter assigned by recorded instrument, or any Mortgagee of the Developer which acquires title to or succeeds to the interest of the Developer in any Lot or other portion of the Project by reason of a foreclosure (or conveyance in lieu of foreclosure). The Developer holds a leasehold interest in the Project.

1.17 "Fee Owners" means the individuals and the entities which, in the aggregate, are the owners of fee title to all of the portions of the Project and which are the lessors under the lease to the Developer. The Fee Owners are: The Robson Companies, Inc.; Nick Robson and Alma Robson, husband and wife; Edward D. Robson and Janet Robson, husband and wife; Bruce A. Robson and Joan P. Robson, husband and wife; John J. Robson and Hannah D. Robson, husband and wife; and Sybil A. Robson, a single person.

1.18 "First Mortgage" means the Mortgage which is the first and most senior of all Mortgages upon the same property. "First Mortgagee" means the holder of a First Mortgage. At the time of the execution hereof, The Fourth National Bank of Tulsa is the First Mortgagee of a portion of the Project and is therefore joining in the execution hereof.

1.19 "Golf Course" means the Forest Ridge Golf Course and related facilities to be constructed contiguous to portions of the Project on the property described on Exhibit "C" hereto, and all appurtenances thereto as shown on the Plat, including the clubhouse, maintenance shed and all buildings, vehicles and equipment associated therewith. The Golf Course will exist as a separate portion of the Forest Ridge Subdivision and shall not be subject to the terms hereof.

1.20 "Lot" shall mean any plot of land within the Project and all improvements constructed thereon which constitutes or will constitute, after the construction of improvements, a single-family dwelling site as shown on a plat recorded in the land records of the county where the Project is located.

1.21 "Majority," unless otherwise specifically provided, means the Voting Members representing more than fifty percent (50%) of the total votes in the Association.

1.22 "Mortgage" means any recorded, filed or otherwise perfected instrument given in good faith and for valuable consideration, which is not a fraudulent conveyance under Oklahoma law as security for the performance of an obligation including, without limitation, a mortgage or deed of trust but shall not include any instrument creating or evidencing solely a security interest arising under the Uniform Commercial Code.

1.23 "Mortgagee" means the holder of a note secured by a Mortgage, including the trustee and beneficiary under any deed of trust. "Mortgagor" means the party executing a Mortgage.

1.24 "Occupant" means any Person, other than an Owner, in rightful possession of a Lot, whether as a guest, tenant or otherwise.

1.25 "Owner" means the record owner, whether one or more Persons, of fee simple title, whether or not subject to any Mortgage, to any Lot which is a part of the Project, including contract sellers but excluding those having such interest merely as security for the performance of an obligation. In the case of Lots, the fee simple title to which is vested of record in a trustee, legal title shall be deemed to be in the trustor.

1.26 "Person" means an individual, corporation, partnership, trustee or other entity capable of holding title to real property and their respective heirs, successors and assigns.

1.27 "Plat" means the plat of subdivision of the Project as first recorded in the official records of Wagoner County, Oklahoma, and as thereafter from time to time amended or supplemented, together with all subsequent plans of subdivision for real property annexed to the Project.

1.28 "President" means the duly elected or appointed president of the Association.

1.29 "Project" means that parcel of real property referred to in the recitals hereof and described in Exhibit "A" hereto and any additional real property made subject to this Declaration by annexation, together with all buildings, improvements and other permanent fixtures of whatever kind, now or hereafter located thereon, and all easements, rights, appurtenances and privileges belonging or in any way pertaining thereto.

1.30 "Proportionate Share" shall mean that equal share of the Common Expenses levied against each Lot.

1.31 "Record" or "Recording" means an instrument of record in, or the act of recording an instrument with, the office of the County Clerk of Wagoner County, Oklahoma.

1.32 "Rules" means the rules and regulations adopted by the Board of Directors of the Association pursuant hereto.

1.33 "School Site" shall mean that parcel of real property described in Exhibit "D" hereto which is owned by the Broken Arrow Public School District.

1.34 "Supplemental Declaration" shall mean an amendment or supplement to this Declaration which subjects additional property to this Declaration and/or imposes, expressly or by reference, additional restrictions and obligations on the land described therein. The term shall also refer to an instrument filed by the Developer which designates Voting Groups.

1.35 "Community-Wide Standard" shall mean the standard of conduct, maintenance, or other activity generally prevailing throughout the Project. Such standard may be more specifically determined by the Board of Directors and the New Construction Committee.

1.36 "Exclusive Common Area" shall refer to a portion of the Common Area which the Association now or hereafter owns, leases, or otherwise holds possessory or use rights in for the exclusive use or primary benefit of one or more, but less than all, Neighborhoods, as more particularly described in Article III of this Declaration.

1.37 "Neighborhood" shall refer to each separately developed residential area within the Project, whether or not governed by a Neighborhood Association (as defined below), in which the Owners of Lots may have common interests other than those common to all Owners within the Association. For example, and by way of illustration and not limitation, each townhome development, cluster home development, and single-family detached housing development may constitute a separate Neighborhood, or a Neighborhood may be comprised of more than one housing type with other features in common. In addition, each parcel of land intended for development as any of the above shall constitute a Neighborhood, subject to division into more than one Neighborhood upon development.

Where the context permits or requires, the term Neighborhood shall also refer to the Neighborhood Committee (established in accordance with the By-Laws) or Neighborhood Association (as defined below) having concurrent jurisdiction over the property within the Neighborhood.

1.38 "Neighborhood Assessments" shall mean assessments levied against the Lots in a particular Neighborhood or Neighborhoods to fund Neighborhood Expenses, as more particularly described in Article IV of this Declaration.

1.39 "Neighborhood Association" shall refer to any condominium association or other owners associations having concurrent jurisdiction over any part of the Project.

1.40 "Neighborhood Expenses" shall mean and include the actual and estimated expenses incurred or anticipated to be incurred by the Association for the benefit of Owners of Lots within a particular Neighborhood or Neighborhoods, which may include a reasonable reserve for capital repairs and replacements, all as may be specifically authorized from time to time by the Board of Directors and as more particularly authorized herein or in Supplemental Declarations applicable to the Neighborhoods.

1.41 "Voting Group" shall mean one or more Voting Members who vote on a common slate for election of directors to the Board of Directors of the Association or, if the context so indicates, the group of Association Members whose Lots are represented thereby.

1.42 "Voting Member" shall refer to the representative selected by the Association Members within each Neighborhood to be responsible for casting all votes attributable to Lots in the Neighborhood on all matters requiring a vote of the membership (except as otherwise specifically provided in this Declaration and in the By-Laws). The Voting Member from each Neighborhood shall be the senior elected officer (e.g., Neighborhood Committee chairman or Neighborhood Association president) from that Neighborhood; the alternate Voting Member shall be the next most senior officer. The term "Voting Member" shall include alternate Voting Members acting in the absence of the Voting Member.

ARTICLE II

Association

2.1 Purpose of Association. The Association has been, or will be, incorporated as a non-profit corporation to administer and delegate responsibility for the protection, improvement, alteration, maintenance, repair, replacement, administration and operation of the Project, the assessment of expenses, payment of losses, disposition of casualty insurance proceeds and other matters as provided in this Declaration, the Articles, Bylaws, Rules or Design Guidelines and serve as the supervising and coordinating body for all of the Association Members. The Association shall not be deemed to be conducting a business of any kind, and all funds received by the Association shall be held and applied by it for the benefit of the Project in accordance with the provisions of this Declaration, the Articles and the Bylaws. The Association shall promote and coordinate the harmonious development and operation of the Project. The Association shall be primarily responsible for implementing and enforcing the provisions of this Declaration but shall have the authority to delegate any and all of its responsibilities to a manager if such an action is deemed to be more efficient, economical or desirable.

2.2 Membership in Association.

(a) Every Owner shall be deemed to have a membership in the Association. No Owner, whether one or more Persons, shall have more than one membership per Lot owned. In the event a Lot is owned by more than one Person, all co-Owners shall be entitled to the privileges of membership, subject to the restrictions on voting set forth in this Declaration and in the By-Laws and all such co-Owners shall be jointly and severally obligated to perform the responsibilities of Owners hereunder. The membership rights and privileges of an Owner who is a natural person may be exercised by the Association Member or the Association Member's spouse. The membership rights of an Owner which is a corporation, or partnership or other legal entity shall be exercised by the individual designated from time to time by the Owner in a written instrument provided to the Secretary of the Association.

Association Members shall be entitled to one equal vote for each Lot in which they hold the interest required for membership; there shall be only one vote per Lot; provided however, if an Owner owns more than one (1) Lot and such Lots are contiguous, such Owner will be entitled to the rights of only one (1) membership, including the right to exercise only one (1) vote. Unless otherwise specified in this Amendment, the vote for each Lot shall be exercised by the Voting Member representing the Neighborhood of which the Lot is a part. The Voting Member may cast all such votes as it, in its discretion, deems appropriate.

In any situation where a Member is entitled personally to exercise the vote for his or her Lot and there is more than one Owner of a particular Lot, the vote for such Lot shall be exercised as such co-Owners determine among themselves and advise the Secretary of the Association in writing prior to any meeting. In the absence of such advice, the Lot's vote shall be suspended if more than one Person seeks to exercise it.

(b) Subject to subsection 2.2 of the By-Laws, the Developer, acting in its sole discretion, shall have the right to appoint a majority of the members of the Board of Directors until the first to occur of the following:

(i) when seventy-five percent (75%) of the Lots permitted by applicable zoning laws and regulations for the property described on Exhibits "A" and "F" of the Declaration have certificates of occupancy issued for a residential dwelling constructed thereon and have been conveyed to Persons other than the Developer or builders;

(ii) December 31, 2011; or

(iii) when, in its discretion, the Developer so determines.

Additional rights of the Developer, including the right to approve, or withhold approval of, actions proposed under the Declaration and the By-Laws, are specified elsewhere in this Declaration and the By-Laws.

2.3 Pledge of Voting Rights. Notwithstanding the foregoing, in the event that an Owner has granted an irrevocable proxy or otherwise pledged the voting right appurtenant to his Association membership with respect to his Lot to a Mortgagee as additional security, the vote of such Mortgagee will be recognized only if a copy of such proxy, or other instrument pledging such vote, has been filed with the Association. In the event that more than one such instrument has been filed, the Association shall recognize the rights of the first Mortgagee to so file, regardless of the priority of the Mortgages themselves.

2.4 Assignment of Developer's Voting Rights. If any lender to whom the Developer has assigned, or hereafter assigns, as security all or substantially all of its rights under this Declaration succeeds to the interests of the Developer by virtue of said assignment, the absolute voting rights of the Developer as provided in Sections 2.5(b), 2.17 or otherwise shall not be terminated thereby, and such lender shall hold the Developer's memberships and voting rights on the same terms as they were held by the Developer pursuant hereto.

2.5 Association Board of Directors.

(a) The affairs of the Association shall be conducted by its Board as herein provided and in accordance with the Articles and Bylaws. Except for directors elected by the Developer, each director shall be an Association Member or the spouse of an Association Member. If a director shall cease to meet such qualifications during his term, he will thereupon cease to be a director and his place on the Board shall be deemed vacant.

(b) When any member of the Board may be removed from office by action of the Association Members, the following procedures shall be followed: Upon the presentation to the President of a petition duly executed by 10% or more of all of the Association Members in favor of the removal from office of the member or members of the Board therein named, a referendum of the Association Members shall be promptly held to determine whether such member or members of the Board should be removed from office. Upon the affirmative vote of two-thirds of all of the Association Members to remove such member or members of the Board from office, such member or members shall be deemed removed from office. Any vacancy on the Board created by the removal of a member of the Board as herein provided shall be filled by an election of all of the Association Members in the manner provided in the Articles or Bylaws for the election of directors. Directors appointed by the Developer shall not be subject to removal by the Association Members or the Voting Members.

2.6 Approval of Members. Unless elsewhere otherwise specifically provided in this Declaration, or the Articles, or Bylaws, any provision of the foregoing which requires the vote or written assent of the Association Members shall be deemed satisfied by the following:

(a) The vote of Voting Members representing the specified percentage of Association Members at a meeting duly called and noticed pursuant to the provisions of the Articles and the By-Laws.

(b) Written consents signed by the specified percentage of Association Members as provided in the Bylaws or by law.

2.7 Additional Provisions in Articles and Bylaws. The Articles and Bylaws may contain any provision relating to the conduct of the affairs of the Association and the rights and powers of its directors, officers, employees, agents and members not inconsistent with law or this Declaration.

2.8 Rules. The Board shall be empowered to adopt, amend or repeal such rules and regulations, as it deems reasonable and appropriate, binding upon all Persons subject to this Declaration and governing the use and/or occupancy of any part of the Project. The Rules may include the establishment of a system of fines and penalties enforceable as Special Assessments or otherwise. The Rules shall govern such matters in furtherance of the purposes of the Association; provided, however, that the Rules may not unreasonably or unlawfully discriminate among Owners and Association Members and shall not be inconsistent with this Declaration, the Articles, Bylaws or Design Guidelines. A copy of the Rules, as they may from time to time be adopted, amended or repealed, or a notice setting forth the adoption, amendment or repeal of specific portions of the Rules shall be delivered to each Owner and Association Member in the same manner established in this Declaration for the delivery of notices. Upon completion of the notice requirements, said Rules shall have the same force and effect as if they were set forth in and were part of this Declaration and shall be binding on the Owners, Association Members, Occupants and all other Persons having any interest in or making any use of the Project, whether or not actually received thereby. The Rules, as adopted, amended or repealed, shall be available at the principal office of the Association to each owner, Association Member, Occupant or other Person reasonably entitled thereto upon request. In the event of any conflict between any provision of the Rules and any provisions of this Declaration or the Articles, Bylaws or Design Guidelines, the provisions of the Rules shall be deemed to be superseded by the provisions of this Declaration, the Articles, Bylaws or Design Guidelines to the extent of any such conflict.

2.9 Indemnification. To the fullest extent permitted by law, every director and every officer of the Association created pursuant hereto, and the members of the New Construction Committee or Modification Committee, as appropriate and the Developer (to the extent a claim may be brought against the Developer by reason of its appointment, removal or control over members of the Board or New Construction Committee or Modification Committee, as appropriate) shall be indemnified by the Association and every other person serving as an employee, or direct agent of the Association, or on behalf of the Association as a member of a committee or otherwise may, in the discretion of the Board, be indemnified by the Association against all expenses and liabilities, including attorneys' fees, reasonably incurred by or imposed upon him in connection with any proceeding or any settlement thereof to which he may be a party or in which he may become involved by reason of his being or having served in such capacity on behalf of the Association (or, in the case of the Developer, by reason of having appointed, removed or controlled or failed to control members of the Board or New Construction Committee or Modification Committee, as appropriate) whether or not he is a director, officer or member of the New Construction Committee or Modification Committee, as appropriate, or serving in such other specified capacity at the time such expenses are incurred; provided, however, that prior to agreeing to any such indemnification, the Board shall determine, in good faith, that such officer, director, member of the New Construction Committee or Modification Committee, as appropriate or other Person, or the Developer, did not act, fail to act or refuse to act willfully, or with gross negligence, or fraudulent or criminal intent in the performance of his duties. The foregoing rights of indemnification shall be in addition to, and not exclusive of, all other rights to which such persons may be entitled at law or otherwise.

2.10 Non-Liability of Officials. To the fullest extent permitted by law, neither the Developer, the President, any Board members, any New Construction Committee or Modification Committee, as appropriate member or any other members of committees of the Association, nor any officers of the Association, shall be liable to any Association Member, Owner, Occupant, the Association or any other Person for any damage, loss or prejudice suffered or claimed on account of any decision, approval or disapproval of plans or specifications (whether or not defective), course of action, inaction, omission, error, negligence, or the like, made in good faith and which the Developer, the President, any Board member or such committees or persons reasonably believed to be within the scope of their respective duties.

2.11 Easements. In addition to the blanket easements granted in Section 3.1, the Association is authorized and empowered to grant upon, across or under real property owned or controlled by the Association, such permits, licenses, easements and rights-of-way for sewer lines, water lines, underground conduits, storm drains, television cable and other similar public or private utility purposes, roadways or other purposes as may be reasonably necessary and appropriate for the orderly maintenance, preservation and enjoyment of all or any part of the Project or the preservation of the health, safety, convenience and welfare of the Owners and Association Members, provided that any damage to any Lot resulting from such grant shall be repaired by the installing utility or entity utilizing said easement.

2.12 Accounting. The Association at all times shall keep or cause to be kept, true and correct records of account in accordance with generally accepted accounting principles and shall have available for the inspection of all Association Members and Owners, at reasonable times during regular business hours, books which shall specify in reasonable detail all expenses incurred and funds accumulated from Assessments or otherwise.

2.13 Records. The Association shall, upon reasonable written request and during reasonable business hours, make available for inspection by each Association Member, the books, records and financial statements of the Association, together with current copies as amended from time to time, of this Declaration and the Articles, Bylaws, Rules and Design Guidelines. The Developer shall be under no obligation to make its own books and records available for inspection by the Association, any Owner, Association Member or other Person.

2.14 Managing Agent. Any powers, duties and rights of the Association created pursuant hereto, or of the President or Board as provided by law and herein, may be delegated to a managing agent under a management agreement; provided, however, that no such delegation shall relieve the Association of its obligation to perform any such delegated duty. Any agreement for professional management or any other contract providing for services shall not exceed a term of three years, which term may be renewed by agreement of the parties for successive one-year periods and shall further provide for termination by either party, with or without cause and without payment of a termination fee, upon 90 days' written notice.

2.15 Developer's Control of Association. Notwithstanding anything in this Declaration to the contrary, the Developer shall maintain absolute control over the Association and the New Construction Committee or Modification Committee, as appropriate, including appointment of the President and members thereof as provided in the Bylaws. Until such time, only the Developer will be entitled to cast the controlling vote with respect to the election of directors to the Board, removal of directors from the Board or any other matter requiring the vote or approval of members of the Association. The Developer voluntarily may (but shall not be required to) permit the members of the Association to assume control of the Association at any time.

2.16 No Control Over Golf Course. The Golf Course is a major attraction and an integral part of the Project. However, it will be maintained and operated by an entity separate from the Association, and the Association, the Association Members, Lot Owners and their guests shall have no control thereof or right to the usage thereof by virtue of this Declaration. The foregoing notwithstanding, there are certain restrictions on Lot Owners contained herein for the benefit of the Golf Course and its operations and these restrictions shall be enforced by the Association.

All Persons, including all Owners, are hereby advised that no representations or warranties, either written or oral, have been or are made by the Developer or any other Person with regard to the nature or size of improvements to, or the continuing ownership or operation of the Golf Course. No purported representation or warranty, written or oral, in regard to the Golf Course shall ever be effective without an amendment hereto executed or joined into by the Developer.

The ownership or operational duties of and as to the Golf Course may change at any time and from time to time by virtue of, but without limitation, (a) the sale to or assumption of operations by an independent entity, (b) conversion of the membership structure to an "equity" club or similar arrangement whereby the members of the Golf Course or an entity owned or controlled thereby become the owner(s) and/or operator(s) of the Golf Course, or (c) the conveyance of the Golf Course to one or more affiliates, shareholders, employees, or independent contractors of the Developer. No consent of the Association, any Neighborhood Association, or any Owner shall be required to effectuate such a transfer or conversion.

Rights to use the Golf Course will be granted only to such persons, and on such terms and conditions, as may be determined by the owners of the Golf Course. Such owners shall have the right, from time to time in their sole and absolute discretion and without notice, to amend or waive the terms and conditions of use of the Golf Course and to terminate use rights altogether.

2.17 Security. The Association may, but shall not be obligated to, maintain or support certain activities within the Project designed to make the Project safer than it otherwise might be. NEITHER THE ASSOCIATION, THE DEVELOPER, NOR ANY SUCCESSOR DEVELOPER SHALL IN ANY WAY BE CONSIDERED INSURERS OR GUARANTORS OF SECURITY WITHIN THE PROJECT. NEITHER THE ASSOCIATION, THE DEVELOPER, NOR ANY SUCCESSOR DEVELOPER SHALL BE HELD LIABLE FOR ANY LOSS OR DAMAGE FOR FAILURE TO PROVIDE ADEQUATE SECURITY OR INEFFECTIVENESS OF SECURITY MEASURES UNDERTAKEN. ALL OWNERS AND OCCUPANTS OF ANY LOT, AND ALL TENANTS, GUESTS, AND INVITEES OF ANY OWNER, ACKNOWLEDGE THAT THE ASSOCIATION, AND ITS BOARD OF DIRECTORS, DEVELOPER, ANY SUCCESSOR DEVELOPER, AND THE NEW CONSTRUCTION AND MODIFICATION COMMITTEES DO NOT REPRESENT OR WARRANT THAT ANY FIRE PROTECTION SYSTEM, BURGLAR ALARM SYSTEM, OR OTHER SECURITY SYSTEM DESIGNATED BY OR INSTALLED ACCORDING TO GUIDELINES ESTABLISHED BY THE DEVELOPER OR THE NEW CONSTRUCTION OR MODIFICATION COMMITTEES MAY NOT BE COMPROMISED OR CIRCUMVENTED; NOR THAT ANY FIRE PROTECTION OR BURGLAR ALARM SYSTEMS OR OTHER SECURITY SYSTEMS WILL PREVENT LOSS BY FIRE, SMOKE, BURGLARY, THEFT, HOLD-UP, OR OTHERWISE; NOR THAT FIRE PROTECTION OR BURGLAR ALARM SYSTEMS OR OTHER SECURITY SYSTEMS WILL IN ALL CASES PROVIDE THE DETECTION OR PROTECTION FOR WHICH THE SYSTEM IS DESIGNED OR INTENDED. ALL OWNERS AND OCCUPANTS OF ANY LOT, AND ALL TENANTS, GUESTS, AND INVITEES OF ANY OWNER, ACKNOWLEDGE AND UNDERSTAND THAT THE ASSOCIATION, ITS BOARD OF DIRECTORS, COMMITTEES, DEVELOPER, OR ANY SUCCESSOR DEVELOPER ARE NOT INSURERS. ALL OWNERS AND OCCUPANTS OF ANY LOT AND ALL TENANTS, GUESTS, AND INVITEES OF ANY OWNER ASSUME ALL RISKS FOR LOSS OR DAMAGE TO PERSONS, TO LOTS, AND TO THE CONTENTS OF LOTS AND FURTHER ACKNOWLEDGES THAT THE ASSOCIATION, ITS BOARD OF DIRECTORS, COMMITTEES, DEVELOPER, OR ANY SUCCESSOR DEVELOPER HAVE MADE NO REPRESENTATIONS OR WARRANTIES, NOR HAS ANY OWNER, OCCUPANT, OR ANY TENANT, GUEST, OR INVITEE OF ANY OWNER RELIED UPON ANY REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, RELATIVE TO ANY FIRE AND/OR BURGLAR ALARM SYSTEMS OR

OTHER SECURITY SYSTEMS RECOMMENDED OR INSTALLED OR ANY SECURITY MEASURES UNDERTAKEN WITHIN THE PROJECT.

ARTICLE III

Easements

3.1 Creation of Easements. There is created hereby a blanket easement, upon, across, over and under the Project for: (a) ingress and egress (over existing roadways), (b) installing, constructing, replacing, repairing, maintaining and operating all utilities, including but not limited to, water, sewer, gas, telephone, electricity, television cable, security systems, and communications lines and systems, (c) constructing and maintaining subterranean structures, footings and supports, drainage and stormwater detention facilities, entrance-way monuments and above-ground protrusions which do not unreasonably interfere with the surface use of any Lot, and (d) for the use of emergency vehicles of all types. By virtue of the foregoing blanket easement, it shall be expressly permissible for a providing utility company or the Association to erect (including without limitation, underground installation) and maintain all necessary facilities, wires, circuits, conduits, cables, drainage and stormwater detention facilities, entrance-way monuments and related appurtenances, facilities and equipment within the Project. Notwithstanding anything to the contrary contained in this Section, no easements shall be created or utilized nor shall any sewers, electrical lines, water lines or other facilities for utilities be installed or relocated except as initially created or approved by the Developer, or thereafter created or approved by the Association or which in any material way adversely affects the Project. This provision shall in no way affect any other recorded easements on the Project. In addition, once an improvement has been constructed upon any area included in the Project and an easement contemplated hereby has been specifically located and established by an appropriate document of record, the blanket easement associated therewith shall cease to have any force and effect.

3.2 Easement for Use of Common Areas. Except for the use limitations provided for in this Declaration, which by becoming an Owner or Association Member each Owner and Association Member accepts and shall be deemed to have accepted, each Owner and Association Member shall have the non-exclusive right to use all Common Areas in common with all other Owners and Association Members. Common Areas available for purposes of ingress and egress shall, subject to the Rules, extend to each Owner, Association Member, Occupant and the agents, servants, tenants, family members and invitees of each Owner or Association Member. Such right to use the Common Areas shall be perpetual and appurtenant to each respective Lot, but shall be subject to and governed by the provisions of this Declaration, any applicable articles, bylaws, the Rules and such reasonable limitations and restrictions as may from time to time be contained therein.

3.3 Exclusive Use Rights. Certain portions of the Common Areas may be reserved by the Board for the exclusive control, possession and use of the Owner of a specific lot benefited exclusively thereby. In addition, if such an area serves as access to and from two Lots, the Owners of the two Lots may be granted joint control, possession and use of the portion of said area which serves both Lots. Notwithstanding such a reservation or grant of exclusivity, the exclusive use rights created herein are subject to the blanket utility easement, maintenance, architectural and landscape control provisions contained in this Declaration, and to such reasonable rules and regulations with respect to possession, control, use and maintenance as the Association may from time to time promulgate. Easements are hereby created in favor of, and running with, each Lot having such an area for the exclusive control and use of each such area by the Owner(s) of the Lot(s)

benefited thereby. Each Owner, by accepting title to a Lot, and each Association Member shall be deemed to have ratified the easements and rights to exclusive use created by this Section 3.3

3.3.1 Exclusive Common Area. Certain portions of the Common Area may be designated as Exclusive Common Area and reserved for the exclusive use or primary benefit of Owners and Occupants of Lots within a particular Neighborhood or Neighborhoods. By way of illustration and not limitation, Exclusive Common Areas may include entry features, recreational facilities, landscaped medians and cul-de-sacs, lakes and other portions of the Common Areas within a particular Neighborhood or Neighborhoods. All costs associated with maintenance, repair, replacement, and insurance of an Exclusive Common Area shall be assessed as a Neighborhood Assessment against the Owners of Lots in those Neighborhoods to which the Exclusive Common Areas are assigned.

Initially, any Exclusive Common Area shall be designated as such and the exclusive use thereof shall be assigned in the deed by which the Developer conveys the Common Area to the Association or on the plat of survey relating to such Common Area; provided, any such assignment shall not preclude the Developer from later assigning use of the same Exclusive Common Area to additional Lots and/or Neighborhoods, so long as the Developer has a right to subject additional property to this Declaration pursuant to Article X. Thereafter, a portion of the Common Area may be assigned as Exclusive Common Area of a particular Neighborhood or Neighborhoods and Exclusive Common Area may be reassigned upon the vote of Voting Members representing a majority of the total votes in the Association, including a majority of the votes within the Neighborhood(s) to which the Exclusive Common Areas are assigned, if applicable, and within the Neighborhood(s) to which the Exclusive Common Areas are to be assigned. As long as the Developer owns any property subject to this Declaration for development and/or sale, any such assignment or reassignment shall also require the consent of the Developer.

The Association may, upon approval of a majority of the Members of the Neighborhood Committee or board of directors of the Neighborhood Association for the Neighborhood(s) to which certain Exclusive Common Areas are assigned, permit Owners of Lots in other Neighborhoods to use all or a portion of such Exclusive Common Areas upon payment of reasonable user fees, which fees shall be used to offset the Neighborhood Expenses attributable to such Exclusive Common Areas.

3.4 Golf Course Easement. Except as may be limited herein with respect to golf carts or otherwise, there are hereby created non-exclusive easements over and upon portions of the Project, which easements are appurtenant to the area of the Golf Course as described on Exhibit "C" hereto and which shall inure to the benefit of the owner of the Golf Course property, its employees, agents and contractors and any individuals permitted to use the Golf Course. Such non-exclusive easements shall allow the aforementioned Persons to go upon or over any area of the Project contiguous to the Golf Course during and in the course of play on, or other permitted use of, the Golf Course. The foregoing shall include the flight path of golf balls and the retrieval thereof. The aforementioned Persons are not permitted to drive golf carts onto individual Lots but shall be permitted to traverse designated areas of the Project with golf carts. The aforementioned Persons shall also be allowed to use such easements for the purpose of construction, maintenance and repair of the Golf Course and related improvements; provided, however, that no permanent improvements to or alterations of the Project or portions thereof, subject to said easements shall be made or allowed other than: (a) the establishment and maintenance of "out-of-bounds" markers or signs consistent with those utilized elsewhere in connection with the Golf Course; and (b) underground water or utility lines for use in connection with the Golf Course. During professional golf tournament play, special events, or other items designated by the owner of the Golf Course or its representatives, temporary cables, including television and radio transmission cables and electrical service lines, and other temporary facilities or structures may be permitted on the Project in designated areas to facilitate the conduct of such events, or to accommodate galleries; provided, however, that any damage to any portion of the Project or any Lot therein resulting from the use of the easement granted hereby shall be repaired promptly by the owner of the Golf Course at its expense, but the general maintenance of any Lot affected by the easements hereinabove granted for Golf Course purposes shall be the responsibility and expense of the Owner thereof; provided further, however, each Owner of a Lot adjacent to the Golf Course shall be required to maintain specific insurance covering property damage or personal injury to themselves or others occasioned by individuals using the Golf Course, and such Owners shall look exclusively to such insurance to compensate them or others for any such property damage or personal injury. No vegetation, fence, screen or other improvement shall be placed, maintained or constructed in the aforementioned easements by any Owner which shall interfere with the use of the easements granted hereby. In addition, due to the unique interrelationship between the Golf Course and Lots contiguous thereto, there are strict limitations contained herein upon the use of such Lots. Any Owner, by accepting title to such a Lot contiguous to the Golf Course, shall be subject to all such limitations. Nothing contained herein shall be construed in any manner to give any resident of or Owner of property within the Project any rights to go upon or use any portion of the Golf Course, except as may be permitted by the Owner of the Golf Course or its agents.

3.5 Developer Easement. There is hereby created an affirmative, non-exclusive easement in favor of Developer, and appurtenant to the property described on Exhibit "A" hereto, for ingress and egress over all of the Project and for the right to go over, under and across, and to enter and remain upon all of the Project for all purposes consistent with development and maintenance of the Project.

3.6 School Site Easement. Provided there is a school constructed on the School Site, there is hereby created an affirmative non-exclusive pedestrian easement over all walkways located on the Project and the School Site in favor of all Persons employed, enrolled, seeking enrollment or invited by officials of the school.

ARTICLE IV

Creation of Lien and Personal Obligation

Each Owner and Association Member, by acceptance of a deed or other conveyance of an interest in a Lot or by acceptance of his membership, is deemed to covenant and agree to pay any or all of the Regular Assessments and Special Assessments to the Association in accordance with the terms hereof. Such Assessments shall be collected from time to time as provided in this Declaration. The Assessments, together with interest thereon, late charges, attorneys' fees, court costs, and other costs of collection thereof as hereinafter provided, shall be a continuing lien upon such Owner's or Association Member's Lot against which the Assessments are made. Each Assessment, together with such interest and other costs, shall also be the personal obligation of the Association Member and/or Owner to whom such Assessment relates. In the event of a transfer of title to a Lot, the grantee shall be jointly and severally liable for such portion thereof as may be due and payable at the time of conveyance. However, no first Mortgagee who obtains title to a Lot pursuant to the remedies provided in the Mortgage shall be liable for unpaid assessments which accrued prior to such acquisition of title. The obligation of an Association Member and the Owner of the Lot to which such membership appertains for the payment of Assessments shall be joint and several.

4.1 Purpose of Assessment. The Assessments levied by the Association shall be used: (a) to promote the recreation, health, safety and welfare of Owners and Association Members, (b) to enhance the value of the Project, (c) to pay the costs of administration of the Association, (d) to pay all other Common Expenses, or (e) to otherwise further the interests of the Project. Maintenance of each Lot shall be the sole responsibility of its Owner.

4.2 Regular Assessments.

(a) Except as otherwise specifically provided herein, each Lot is hereby allocated liability for a Proportionate Share of the Common Expenses of the Association as its Regular Assessment. Except as otherwise specifically provided herein, payment of Regular Assessments shall be in such amounts and at such times as may be provided in the Articles and Bylaws, or as determined by the Association.

(b) Not later than 60 days prior to the beginning of each fiscal year of the Association, the Association shall make available for review by each Owner and Association Member at the Association's office during reasonable times, a pro forma operating statement or budget for the upcoming fiscal year which shall, among other things, estimate the total Common Expenses to be incurred by the Association for such fiscal year. The Association shall at that time determine the amount of the Regular Assessment to be levied against each Lot and to be paid by each Association Member and notify the member thereof. Each Association Member shall thereafter pay to the Association its entire Regular Assessment on or before the beginning of the Association's fiscal year, which date shall be set forth in the written notice sent to members.

The budget and assessment shall become effective unless disapproved at a meeting by Voting Members representing at least seventy-five percent (75%) of the total votes in the Association and seventy-five percent (75%) of the total number of Voting Members, and by the Developer, until 100% of the Lots in the Project have been sold to third parties. There shall be no obligation to call a meeting for the purpose of considering the budget except on petition of the Voting Members as provided for special meetings in Article II, Section 3, of the By-Laws, which petition must be presented to the Board within ten (10) days after delivery of the notice of assessments.

(c) If the Association created pursuant hereto subsequently determines that the total Regular Assessments for the current year are, or will become, inadequate to meet all Common Expenses for whatever reason, including Common Expenses in excess of the estimated Common Expenses used in preparation of the Association's budget for that year, the President shall then immediately determine the approximate amount of such inadequacy and, with the consent of the Board, issue a supplemental estimate of the Common Expenses and determine the revised amount of Regular Assessments to be paid by each Association Member for the balance of the year, and the date or dates when due. Each Association Member shall be notified of the additional amount required to be paid and the due date of such payment, which date shall not be less than ten (10) days from the date of the notice provided for herein. Such additional assessment may be levied against the entire membership, if such assessment is for Common Expenses, or against the Lots within any Neighborhood if such additional assessment is for Neighborhood Expenses. If the estimated total Regular Assessments for a current year prove to be excessive in light of the actual Common Expenses experienced by the Association, the Association may, at the discretion of the Board, retain such excess as additional working capital or reserves, or reduce the amount of the Regular Assessments for the next fiscal year. No reduction or abatement of Regular Assessments because of any such anticipated surplus may diminish the quantity, or quality, of services upon which the Common Expenses for the year in question are based and, if supplemental assessments are required, they shall be made as set forth above.

4.3 Special Assessments. Special Assessments shall be levied by the Association against an Association Member and/or an Owner and his Lot to reimburse the Association for:

(a) Costs incurred in bringing an Association Member or an Owner and his Lot into compliance with the provisions of this Declaration or the Articles, Bylaws, Rules or Design Guidelines;

(b) Any other charge designated as a Special Assessment in this Declaration or the Articles, Bylaws or Rules;

(c) Fines levied or fixed by the Board as provided herein; and

(d) Attorneys' fees, interest, and other costs or charges provided to be paid as, or which are incurred in connection with, a Special Assessment in accordance with this Declaration or the Articles, Bylaws, Rules or Design Guidelines.

In the event the Association undertakes to provide materials or services which benefit individual members or Lots and which can be accepted or not by individual members, such members, in accepting such materials or services, agree that the costs thereof shall be a Special Assessment.

4.3.1 Computation of Neighborhood Assessments. It shall be the duty of the Board, at least sixty (60) days before the beginning of each fiscal year, to prepare a separate budget covering the estimated Neighborhood Expenses to be incurred by the Association for each Neighborhood on whose behalf Neighborhood Expenses are expected to be incurred during the coming year. The Board shall be entitled to set such budget only to the extent that this Declaration, any Supplemental Declaration, or the By-Laws specifically authorizes the Board to assess certain costs as a Neighborhood Assessment. Any Neighborhood may request that additional services or a higher level of services be provided by the Association, and in such case, any additional costs shall be added to such budget. Such budget shall include a capital contribution establishing a reserve fund for repair and replacement of capital items maintained as a Neighborhood Expense, if any, within the Neighborhood. Neighborhood Expenses shall be allocated equally among all Lots within the Neighborhood benefitted thereby and levied as a Neighborhood Assessment; provided, if so specified in the Supplemental Declaration applicable to such Neighborhood or if so directed by the Neighborhood in writing to the Board of Directors, any portion of the assessment intended for exterior maintenance of structures, insurance on structures, or replacement reserves which pertain to particular structures shall be levied on each of the benefitted Lots in proportion to the benefit received.

The Board shall cause a copy of such budget and notice of the amount of the Neighborhood Assessment to be levied on each Lot in the Neighborhood for the coming year to be delivered to each Owner of a Lot in the Neighborhood in the same manner as provided for Regular Assessments. Such budget and assessment shall become effective unless disapproved by a majority of the Owners of Lots in the Neighborhood to which the Neighborhood Assessment applies. However, there shall be no obligation to call a meeting for the purpose of considering the budget except on petition of Owners of at least ten percent (10%) of the Lots in such Neighborhood. This right to disapprove shall only apply to those line items in the Neighborhood budget which are attributable to services requested by the Neighborhood.

In the event the proposed budget for any Neighborhood is disapproved or the Board fails for any reason to determine the budget for any year, then and until such time as a budget shall have been determined, the budget in effect for the immediately preceding year shall continue for the current year.

4.4 Uniform Assessment. All Regular Assessments shall be uniformly based on Proportionate Shares for each Lot.

4.5 Capital Improvement Assessments. In addition to the Regular Assessments, the Association may levy in any calendar year a Capital Improvement Assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any action or undertaking on behalf of the Association in connection with any construction or replacement of a described capital improvement upon the Common Areas, including the necessary fixtures and personal property related thereto; provided, however, in the case of replacements, such expenses shall only be subject to a Capital Improvement Assessment in an amount which in any one year exceeds five percent (5%) of the estimated annual Common Expenses payable by the Association. Any reserves collected and held by the Association for the future shall not be included in determining the foregoing limitation on any annual Capital Improvement Assessment. All amounts collected as Capital Improvement Assessments may only be used for capital improvements and shall be deposited by the Association in a separate bank account to be held in trust for such purposes. Such funds shall not be

commingled with any other funds of the Association and shall be deemed a contribution to the capital account of the Association by its members. Capital Improvement Assessments shall be payable in such manner and at such times as determined by the Board and may be payable in installments extending beyond the fiscal year in which the Capital Improvement Assessment is approved, if the Board so determines.

4.6 Exempt Property. All properties owned by the Developer, as set forth in paragraph 4.16, or the Association or dedicated to and accepted by or otherwise owned or acquired by a public authority, shall be exempt from the Assessments created herein.

4.7 Date of Commencement of Regular Assessments. The Regular Assessments shall commence as to each Lot on the date of conveyance to the Owner of the Lot to which the Association membership appertains.

4.8 Time and Manner of Payment; Late Charges and Interest. Assessments shall be due and payable by the respective members in such manner and at such times as the Association shall designate in accordance with the terms hereof. If not paid within ten (10) days after its due date, each such Assessment shall have added to it a late charge equal to 10% of the amount of Assessment and thereafter bear interest at the Default Rate of Interest until paid. The Association may, in its discretion and without waiving the imposition of a late charge or interest in any other instance, waive the late charge and/or interest in any particular instance. A delinquent member shall, to the extent allowed by then applicable law, be liable for attorneys' fees and other related costs incurred by the Association as a result of such delinquency, and if any suit, action or proceeding is brought to collect any such Assessment or charge, then there shall be added to the amount thereof costs of suit and reasonable attorneys' fees to be fixed by the court and included in any judgment or award rendered thereon. The delinquency of an Association Member shall be deemed to also constitute the delinquency of the Owner of the Lot to which such membership appertains.

4.9 No Offsets. All Assessments shall be payable in the amount specified in the Assessment or notice of Assessment and no offsets against such amount shall be permitted for any reason, including without limitation, a claim that the Association, Board, President or the Developer is not properly exercising its duties and powers as provided in this Declaration or any documentation associated herewith or that Assessments for any period exceed Common Expenses.

4.10 Homestead Waiver. Each Owner and Association Member, to the extent permitted by law, hereby waives, to the extent of any liens created pursuant to this Declaration or any documentation associated herewith (whether such liens are now in existence or are created at any time in the future), the benefit of any redemption, homestead or exemption laws of the State of Oklahoma now in effect, or in effect from time to time hereafter.

4.11 Reserves. Reserves included in any budget for Common Expenses which are collected as part of Regular Assessments shall be deposited by the Association in a separate bank account to be held in trust for the purposes for which they are budgeted and are to be segregated from and not commingled with any other funds of the Association, except to the extent that the Association's regularly employed accountant deems it desirable to do otherwise on the basis of standard accounting principles in similar contexts or the laws (tax or otherwise) of the State of Oklahoma or the United States relating to non-profit corporations, or homeowners associations. Such reserves shall be deemed a contribution to the capital account of the Association by its members. The responsibility of the Board (whether while controlled by the Developer or the Association Members) shall be only to provide for such reserves as the Board in good faith deems reasonable, and neither the Developer, the Board or any member thereof shall have any liability to any Owner, member or Association, if such reserves prove to be inadequate.

4.12 Subordination of Lien. Any lien which arises against a Lot by reason of the failure or refusal of an Owner or Association Member to make timely payment of any assessment shall be subordinate to the lien of a prior recorded First Mortgage (together with any interest, cost, reasonable attorneys' fees and any late charges related thereto) on the Lot, acquired in good faith and for value, except for the amount of the unpaid Assessment which accrues from and after the date on which a First Mortgagee comes into possession of, or acquires title to the Lot, whichever occurs first. If any lien for unpaid Assessments which accrued prior to the date the First Mortgagee comes into possession of or acquires title to the Lot has not been extinguished by the process by which such First Mortgagee came into possession of or acquired title to the Lot, such First Mortgagee shall not be liable for unpaid Assessments arising prior to the aforesaid date and, upon written request by such First Mortgagee to the Association, such lien shall be released in writing by the Association. Any unpaid Assessments which are extinguished pursuant to the foregoing sentence shall continue to be the personal obligation of the delinquent Owner and Association Member and may also be re-allocated by the Association among all Association Members as part of the Common Expenses.

4.13 Certificate of Non-Payment. Upon request, any Person acquiring an interest in any Lot shall be entitled to a certificate from the Association setting forth the amount of due but unpaid Assessments relating to such Lot, if any, and such Person shall not be liable for or shall any lien attach to the Lot in excess of the amount set forth in the certificate, except for Assessments which occur or become due after the date thereof and any interest, costs, attorneys' fees and any late charges related to such Assessments.

4.14 Enforcement of Lien. Any lien provided for in this Article IV may be foreclosed by the Association in any manner provided or permitted for the foreclosure of realty mortgages in the State of Oklahoma. All of the provisions of this Article IV relating to the enforcement of any lien provided for herein (including, without limitation, the subordination provisions in Article 4.12 or the provisions of this Section 4.14), shall apply with equal force in each other instance provided for in this Declaration or other associated documentation wherein it is stated that payment of a particular Assessment, charge or other sum shall be secured by a lien. Nothing herein shall be construed as requiring that the Association take any action allowed hereunder in any particular instance, and the failure of the Association to take such action at anytime shall not constitute a waiver of the right to take such action at a later time or in a different instance.

4.15 Pledge of Assessment Rights as Security. The Association shall have the power to pledge the right to exercise its assessment powers and rights as security for any obligation of the Association; provided, however, any such action shall require the prior affirmative vote or written assent of the Developer, if it controls the Association, or otherwise, a Majority of the Association Members. The Association's power to pledge its assessment powers shall include, but not be limited to, the ability to make an assignment of Assessments which are then payable to or which will become payable to the Association; which assignment may then be presently effective but shall allow said Assessments to continue to be paid to the Association and used by the Association as required, unless and until the Association shall default on its obligations secured by said assignment.

4.16 Exemption of Unsold Lots. Notwithstanding anything in this Article IV to the contrary, no Assessment shall be levied upon, or be payable with respect to, any Lot owned by the Developer or an affiliate of the Developer to whom the Lot has been distributed by the Developer or any trustee for any of the aforesaid Persons until such Lot has been conveyed by the Developer (of said affiliate or trustee) to a non-affiliated purchaser thereof or, at Developer's election, if the Lot is on property zoned for multi-family housing, until the Lot, regardless by whom owned, has an occupied residence upon it.

4.17 Dues Due Date.

(a) Annual Assessments. Notices for the payment of the Annual Assessment will be mailed to all Members no later than May 31st of each year. Such Annual Assessment is due on or before June 30th of such same year. By paying one-half or more of such payment by June 30th of such same year, such Member may elect the payment of the Annual Assessment into two equal payments. The first one-half (½) payment is due on or before June 30th of such same year. The second one-half (½) payment is due on or before November 30th of such same year. If the full payment or the first one-half (½) payment is not received by June 30th, the Member shall be deemed to be delinquent. If the first one-half (½) payment was received by June 30th of such same year, but the second one-half (½) payment was not received by November 30th of such same year, the Member shall be deemed to be delinquent. The treasurer of the Association is directed to turn all delinquent Members to an attorney for collection, filing liens or any legal action deemed necessary by the Association.

(b) Monthly Assessment of Neighborhood Associations. Notices for the payment of the Monthly Assessment of Neighborhood Associations will be mailed to all Members (to receive monthly assessment from Neighbor Associations) no later than May 31st, August 31st, November 30th and February 28th of each quarter.

The May 31st statement is due on or before June 30th of such same year. The August 31st statement is due on or before September 30th of such same year. The November 30th statement is due on or before December 31st of such same year. The February 28th statement is due on or before March 31st of such same year.

By paying one-third (1/3) or more of such payment by initial due date for such same quarter, such Member may elect to split the payment of the Monthly Assessment of Neighborhood Associations into three equal payments. The first being the initial due date for such same calendar quarter (being on or before the beginning of such same calendar quarter, the second being on or before the end of the first month of such same calendar quarter, and the third being on or before the end of the second month of such calendar quarter.)

If any quarterly payment (or portion thereof) is not received by the due date for such quarterly payment, such Member shall be deemed to be delinquent. The treasurer of the Association is directed to turn all delinquent Members to an attorney for collection, filing liens or any legal action deemed necessary by the Association.

(c) Late Fees; Delinquent Interest Rate. All Delinquent payments shall be assessed a late fee of 10% of the amount due plus interest at the rate of eighteen percent (18%) per annum.

ARTICLE V

Insurance

5.1 Association Insurance. The Association, acting through its Board of Directors or its duly authorized agent, shall have the authority to and shall obtain blanket "all-risk" property insurance, if reasonably available, for all insurable improvements on the Common Area. If blanket "all-risk" coverage is not generally available at reasonable cost, then at a minimum an insurance policy providing fire and extended coverage, including coverage for vandalism and malicious mischief, shall be obtained. The face amount of such insurance shall be sufficient to cover the full replacement cost of any repair or reconstruction in the event of damage or destruction from any insured peril.

In addition, the Association may, upon request of a Neighborhood, and shall, if so specified in a Supplemental Declaration applicable to the Neighborhood, obtain and continue in effect adequate blanket "all-risk" property insurance on properties within such Neighborhood, if reasonably available. If "all-risk" property insurance is not generally available at reasonable cost, then fire and extended coverage may be substituted. Such coverage may be in such form as the Board of Directors deems appropriate. The face amount of the policy shall be sufficient to cover the full replacement cost of all structures to be insured. The costs thereof shall be charged to the Owners of Lots within the benefitted Neighborhood as a Neighborhood Assessment. All policies shall provide for a certificate of insurance to be furnished to each Association Member insured, to the Association, and to the Neighborhood Association, if any.

The Board also shall obtain a public liability policy covering the Common Areas, insuring the Association and the Association Members for all damage or injury caused by the negligence of the Association, any of the Association Members, its employees, agents, or contractors while acting on behalf of the Association. If generally available at reasonable cost, the public liability policy shall have at least a One Million Dollar (\$1,000,000.00) combined single limit as respects bodily injury and property damage and at least a Three Million Dollar (\$3,000,000.00) limit per occurrence and in the aggregate.

Except as otherwise provided above with respect to property within a Neighborhood, premiums for all insurance on the Common Area shall be Common Expenses and shall be included in the Regular Assessment. However, premiums for insurance on Exclusive Common Areas may be included in the Neighborhood Assessment of the Neighborhood(s) benefitted unless the Board of Directors reasonably determines that other treatment of the premiums is more appropriate.

The policies may contain a reasonable deductible and the amount thereof shall not be subtracted from the face amount of the policy in determining whether the insurance at least equals the coverage required hereunder. In the event of an insured loss, the deductible shall be treated as a Common Expense or a Neighborhood Expense in the same manner as the premiums for the applicable insurance coverage. However, if the Board reasonably determines, after notice and an opportunity to be heard in accordance with Article III, Section 18 of the By-Laws, that the loss is the result of the negligence or willful conduct of one or more Lot Owners, then the Board may specifically assess the full amount of such deductible against such Owner(s) and their Lots pursuant to Article IV, Section 4.3.

In addition to other insurance required by this Section, the Association shall obtain, as a Common Expense, worker's compensation insurance if and to the extent required by law, directors' and officers' liability coverage, if reasonably available, and flood insurance, if advisable.

The Association also shall obtain, as a Common Expense, a fidelity bond or bonds, if generally available at reasonable cost, covering all persons responsible for handling Association funds. The amount of fidelity coverage shall be determined in the Board of Directors' best business judgment but, if reasonably available, may not be less than one-sixth (1/6) of the annual Regular Assessments on all Lots plus reserves on hand. Bonds shall contain a waiver of all defenses based upon the exclusion of persons serving without compensation and shall require at least thirty (30) days' prior written notice to the Association of any cancellation, substantial modification or nonrenewal.

5.2 Owners Insurance. By virtue of taking title to a Lot subject to the terms of this Declaration, each Owner covenants and agrees with all other Owners and with the Association that each Owner shall carry blanket "all-risk" property insurance on its Lot(s) and structures constructed thereon providing full replacement cost coverage (less a reasonable deductible), unless either the Neighborhood in which the Lot is located or the Association carries such insurance (which they are not obligated to do hereunder).

Each Owner further covenants and agrees that in the event of damage to or destruction of structures comprising his or her Lot, the Owner shall proceed promptly to repair or to reconstruct the damaged structure in a manner consistent with the original construction or such other plans and specifications as are approved in accordance with Article VII of this Declaration. Alternatively, the Owner shall clear the Lot of all debris and ruins and thereafter shall maintain the Lot in a neat and attractive, landscaped condition consistent with the Community-Wide Standard. The Owner shall pay any costs of repair or reconstruction which are not covered by insurance proceeds.

Additional recorded covenants applicable to any Neighborhood may establish more stringent requirements regarding the standards for rebuilding or reconstructing structures on the Lots within such

Neighborhood and the standards for clearing and maintaining the Lots in the event the structures are not rebuilt or reconstructed.

5.3 Damage and Destruction.

(a) Immediately after damage or destruction by fire or other peril to all or any part of the Project covered by insurance written in the name of the Association, the Board of Directors or its duly authorized agent shall proceed with the filing and adjustment of all claims arising under such insurance and shall obtain reliable and detailed estimates of the cost of repair or reconstruction of the damaged or destroyed property. Repair or reconstruction, as used in this paragraph, means repairing or restoring the property to substantially the same condition in which it existed prior to the fire or other peril, allowing for any changes or improvements necessitated by changes in applicable building codes.

(b) Any damage to or destruction of the Common Areas shall be repaired or reconstructed unless the Voting Members representing at least seventy-five percent (75%) of the total votes in the Association, and the Developer, until one hundred percent (100%) of all Lots in the Project have been sold to third parties, decide within sixty (60) days after the loss not to repair or reconstruct.

Any damage to or destruction of the common property of any Neighborhood Association shall be repaired or reconstructed unless the Owners representing at least seventy-five percent (75%) of the total vote of the Neighborhood Association decide within sixty (60) days after the damage or destruction not to repair or reconstruct.

If for any reason either the amount of the insurance proceeds to be paid as a result of such damage or destruction or reliable and detailed estimates of the cost of repair or reconstruction, or both, are not made available to the Association within said period, then the period shall be extended until such funds or information shall be made available. However, such extension shall not exceed sixty (60) additional days. No Mortgagee shall have the right to participate in the determination of whether the damage or destruction to the Common Areas or common property of a Neighborhood Association shall be repaired or reconstructed.

(c) If it is determined in the manner described above that the damage or destruction to the Common Areas or to the common property of any Neighborhood Association shall not be repaired or reconstructed and no alternative improvements are authorized, the affected portion of the Project shall be cleared of all debris and ruins. Thereafter the Project shall be maintained by the Association or the Neighborhood Association, as applicable, in a neat and attractive, landscaped condition consistent with the Community-Wide Standard.

(d) Any insurance proceeds remaining after defraying such costs of repair or reconstruction, or if no repair or reconstruction is made, any proceeds remaining after making such settlement as is necessary and appropriate with the affected Owner or Owners and their Mortgagee(s) as their interests may appear, shall be retained by and for the benefit of the Association or the Neighborhood Association and placed in a capital improvements account. This is a covenant for the benefit of any Mortgagee of a Lot and may be enforced by such Mortgagee.

(e) If the insurance proceeds are insufficient to defray the costs of repairing or reconstructing the damage to the Common Areas or to the common property of a Neighborhood Association, the Board of Directors shall, without the necessity of a vote of the Voting Members, levy a special assessment against those Lot Owners responsible for the premiums for the applicable insurance coverage under Section 5.1 of this Article. Additional assessments may be made in like manner at any time during or following the completion of any repair or reconstruction.

5.4 Required Provisions. The insurance policies purchased by the Association, if any, shall, to the extent reasonable and available, contain the following provisions:

(a) The coverage afforded by such policies shall not be brought into contribution or proration with any insurance which may be purchased by any Owner, Association Member or First Mortgagee.

(b) The conduct of any one or more Owners or Association Members shall not constitute grounds for avoiding liability on any such policies.

(c) There shall be no subrogation with respect to the Association, their agents or employees, Owners, members or members of their households or families and employees, or any Mortgagee of all or any part of the Project or of any Lot. The policy(ies) should name said persons as additional insureds and each policy must contain a waiver of any defenses based on co-insurance or on invalidity arising from the acts of any insured.

(d) A "severability of interest" endorsement shall be obtained which shall preclude the insurer from denying the claim of an Association Member or Owner because of the conduct or negligent acts of the Association and their agents or other Association Members or Owners.

(e) Any "no other insurance" claims shall exclude insurance purchased by Owners, Association Members or First Mortgagees.

(f) Coverage must not be prejudiced by (A) any act or neglect of Association Members or Owners when such act or neglect is not within the control of the Association, or (B) any failure of the Association to comply with any warranty of condition regarding any portion of the Project over which the Association has no control.

(g) Coverage may not be cancelled or substantially modified without at least 30 days' (or such longer period as the Association may reasonably deem appropriate) prior written notice to the Association.

(h) Any policy of property insurance which gives the carrier the right to elect to restore damage in lieu of a cash settlement must provide that such election is not exercisable without the prior written approval of the Association, or when in conflict with the insurance trust provisions contained herein, or any requirement of law.

(i) A recognition of any insurance trust agreement entered into by the Association.

(j) Each hazard insurance policy shall be written or satisfactorily reinsured by a hazard insurance carrier which has a financial rating as designated in Best's Key Rating Guide of Class VI or better or, if such rating service be discontinued, an equivalent rating by a successor thereto or a similar such rating service. Each insurance carrier must be specifically licensed or authorized by law to transact business within the State of Oklahoma.

(k) Policies shall not be utilized where, under the terms of the carrier's charter, bylaws or policy, contributions or assessments may be made against the Association Members, Owners or the Association, or where loss payments are contingent upon action by the carrier's board of directors, policyholders or members.

(l) All insurance shall be written in the name of the Association as trustee for the benefitted parties. Policies on the Common Area shall be for the benefit of the Association and the Association Members. Policies secured on behalf of a Neighborhood shall be for the benefit of the Neighborhood Association, if any, the Owners of Lots within the Neighborhood, and their Mortgagees, as their interests may appear.

(m) Exclusive authority to adjust losses under policies obtained by the Association shall be vested in the Association's Board of Directors; provided, however, no Mortgagee having an interest in such losses may be prohibited from participating in the settlement negotiations, if any, related thereto.

(n) All property insurance policies shall have an inflation guard endorsement, if reasonably available. If the policy contains a co-insurance clause, it shall also have an agreed amount endorsement. The Association shall arrange for an annual review of the sufficiency of insurance coverage by one or more qualified persons, at least one of whom must be in the real estate industry and familiar with construction in the Wagoner County, Oklahoma area.

5.5 Non-Liability of Association/Board/President/Developer. Neither the Association, any Board member, the President nor the Developer shall be liable to any Owner, Association Member, Mortgagee or other Person if any risks or hazards are not covered by insurance or if the amount of insurance is not adequate, and it shall be the responsibility of each Owner and Association Member to ascertain the coverage and protection afforded by the Association's insurance and to procure and pay for such additional insurance coverage and protection as the Owner or Association Member may desire.

5.6 Premiums. Premiums upon insurance policies purchased by the Association shall be paid by the Association as a Common Expense, except that the amount of increase over any annual or other premium occasioned by the use, misuse, occupancy or abandonment of a Lot or its appurtenances, by an Owner or Association Member, shall be assessed against that particular Owner or Association member in a Special Assessment.

5.7 Insurance Claims. The Association is hereby irrevocably appointed and authorized, subject to the provisions contained herein, to adjust all claims arising under insurance policies purchased by the Association and to execute and deliver releases upon the payment of claims, and to do all other acts reasonably necessary to accomplish any of the foregoing. The President has full and complete power to act for the Association in this regard and may, at his discretion, appoint an authorized representative or enter into an insurance trust agreement, wherein the trustee shall have authority to negotiate losses under any policy purchased by the Association.

5.8 Benefit. Except as otherwise provided herein, all insurance policies purchased by the Association shall be for the benefit of and, any proceeds of insurance received by the Association or any insurance trustee, shall be held or disposed of in trust for the Association, the Owners and the Association Members, as their interests may appear.

ARTICLE VI

Maintenance, Repairs and Replacements

6.1 Owner's Responsibility. Except as may otherwise be provided for herein, each Owner, at his own expense, shall furnish and be responsible for all of the maintenance, repairs and replacements of any improvements upon his own Lot.

6.2 Maintenance of Common Areas. Except as otherwise provided herein to the contrary, maintenance, repairs and replacements of the Common Areas shall be furnished by the Association as part of the Common Expenses and shall be subject to the Bylaws and Rules. If, due to the act or neglect of an Owner, Association Member or the invitee, guest or other authorized visitor of either, or an Occupant of such Owner or Association Member's Lot, damage shall be caused to the Common Areas, or maintenance, repairs or replacement shall be required, which would otherwise be a Common Expense then, to the extent not covered by the Association's Insurance, such Owner or Association Member shall pay for the damage and for such maintenance, repairs and replacements as may be determined necessary or appropriate by the Board. Such obligation shall be collected by way of a Special Assessment, the payment of which shall be secured by the lien provided for in Article IV.

6.3 Right of Access. An authorized representative of the Association and all contractors, repairmen or other agents employed or engaged by the Association shall be entitled to reasonable access to each of the Lots as may be required in connection with maintenance, repairs or replacements of or to the Common Areas any equipment, facilities or fixtures affecting or serving same, or to perform any of the Association's duties or responsibilities hereunder.

6.4 Party Walls, Fences, and Driveways.

(a) General Rules of Law to Apply. Each wall, fence or driveway built as a part of the original construction on the Lots which shall serve and/or separate any two adjoining Lots shall constitute a party wall, party fence, or party driveway, as applicable. To the extent not inconsistent with the provisions of this Section, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

(b) Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall, fence or driveway shall be shared equally by the Owners who make use of the wall, fence or driveway.

(c) Damage and Destruction. If a party wall, fence or driveway is destroyed or damaged by fire or other casualty, then to the extent that such damage is not covered by insurance and repaired out of the proceeds of insurance, any Owner who has used the wall, fence or driveway may restore it. If other Owners thereafter use the wall, fence or driveway, they shall contribute to the restoration cost in equal proportions. However, such contribution will not prejudice the right to call for a larger contribution from the other users under any rule of law regarding liability for negligent or willful acts or omissions.

(d) Right to Contribution Runs With Land. The right of any Owner to contribution from any other Owner under this Section shall be appurtenant to the land and shall pass to such Owner's successors-in-title.

(e) Arbitration. In the event of any dispute arising concerning a party wall, fence, or driveway each party shall appoint one arbitrator. Should any party refuse to appoint an arbitrator within ten (10) days after written request by the Board of Directors, the Board shall appoint an arbitrator for the refusing party. The arbitrators appointed shall appoint one additional arbitrator. The decision by a majority of all three (3) arbitrators shall be binding upon the parties and shall be a condition precedent to any right of legal action that either party may have against the other.

6.5 Neighborhood's Responsibility. The Owners of Lots within each Neighborhood shall be responsible for paying, through Neighborhood Assessments, the costs of operating, maintaining and insuring certain portions of the Common Areas within or adjacent to such Neighborhood. This may include, without limitation, the costs of maintaining any signage, entry features, right-of-way and greenspace between the Neighborhood and adjacent public roads, private streets within the Neighborhood, and lakes or ponds within the Neighborhood, regardless of ownership and regardless of the fact that such maintenance may be performed by the Association; provided, however, all Neighborhoods which are similarly situated shall be treated the same.

Any Neighborhood Association having responsibility for maintenance of all or a portion of the property within such Neighborhood pursuant to additional covenants applicable to such Neighborhood shall perform such maintenance responsibility in a manner consistent with the Community-Wide Standard. If any Neighborhood Association fails to perform its maintenance responsibility as required herein and in any

additional covenants, the Association may perform it and assess the costs against all Lots within such Neighborhood as provided in this Declaration.

The Association may assume maintenance responsibility for property within any Neighborhood, in addition to that designated by any Supplemental Declaration, either by agreement with the Neighborhood or because, in the opinion of the Board, the level and quality of service then being provided is not consistent with the Community-Wide Standard. All costs of maintenance pursuant to this paragraph shall be assessed as a Neighborhood Assessment only against the Lots within the Neighborhood to which the services are provided. The provision of services in accordance with this Section shall not constitute discrimination within a class.

Each Neighborhood may require that the Association provide a higher level of service or special services for the benefit of Lots in such Neighborhood upon the affirmative vote, written consent, or a combination thereof, of a majority of Owners within the Neighborhood. In such event, the Association shall provide the requested services. The cost of such services shall be assessed against the Lots within such Neighborhood as a Neighborhood Assessment pursuant to Article IV hereof.

All costs associated with maintenance, repair and replacement of Exclusive Common Areas shall be a Neighborhood Expense assessed as a Neighborhood Assessment solely against the Lots within the Neighborhood(s) to which the Exclusive Common Areas are assigned, notwithstanding that the Association may be responsible for performing such maintenance hereunder.

ARTICLE VII

Architectural and Landscape Control

7.1 Architectural Review. Responsibility for administration of the Design Guidelines and review of all applications for construction and modifications under this Article shall be handled by two committees, as described in subsections (a) and (b) of this Section 7.1. The members of the committees need not be Association Members or representatives of Members, and may, but need not, include architects, engineers or similar professionals, whose compensation, if any, shall be established from time to time by the Board of Directors. The Board of Directors may establish reasonable fees to be charged by the committees on behalf of the Association for review of applications hereunder and may require such fees to be paid in full prior to review of any application.

(a) New Construction Committee. The New Construction Committee shall consist of at least three (3), but not more than five (5), persons and shall have exclusive jurisdiction over all original construction on any portion of the Project. Until one hundred percent (100%) of the Project has been developed and conveyed to Owners other than builders, the Developer retains the right to appoint all members of the New Construction Committee who shall serve at the discretion of the Developer. There shall be no surrender of this right prior to that time except in a written instrument in recordable form executed by Developer. Upon the expiration of such right, the Board of Directors shall appoint the members of the New Construction Committee, who shall serve and may be removed at the discretion of the Board of Directors.

(b) Modifications Committee. The Board of Directors may establish a Modifications Committee to consist of at least three (3) and no more than five (5) persons, all of whom shall be appointed by, and shall serve at the discretion of, the Board of Directors. Members of the Modifications Committee may include architects or similar professionals who are not Members of the Association. The Modifications Committee, if established, shall have exclusive jurisdiction over modifications, additions, or alterations made on or to existing structures on Units or containing Units and the open space, if any, appurtenant thereto. Provided, however, the Modifications Committee may delegate its authority as to a particular Neighborhood to the appropriate board or committee of the Neighborhood Association, if any, subsequently created or subsequently subjected to this Declaration so long as the Modifications Committee has determined that such board or committee has in force review and enforcement practices, procedures, and appropriate standards at least equal to those of the Modifications Committee. Such delegation may be revoked and jurisdiction reassumed at any time by written notice. Notwithstanding the above, the New Construction Committee shall have the right to veto any action taken by the Modifications Committee which the New Construction Committee determines, in its sole discretion, to be inconsistent with the guidelines promulgated by the New Construction Committee.

7.2 Guidelines and Procedures.

(a) The New Construction Committee, acting on behalf of the Board of Directors, shall adopt such Design Guidelines at its initial organizational meeting and, thereafter shall have sole and full authority to amend them from time to time, without the consent of the Owners. The Design Guidelines may contain general provisions applicable to all of the Project, as well as specific provisions which vary from one portion of the Project to another depending upon the location, unique characteristics, and intended use thereof.

The New Construction Committee shall make the Design Guidelines available to Owners and builders who seek to engage in development of or construction upon all of any portion of the Project and all such Persons shall conduct their activities in strict accordance with such Design Guidelines. In the discretion of the Developer, such Design Guidelines may be recorded in the public records of Wagoner County, Oklahoma, in which event the recorded version, as it may unilaterally be amended from time to time by the New Construction Committee by recordation of amendments thereto, shall control in the event of any dispute as to which version of the Design Guidelines was in effect at any particular time.

Any amendments to the Design Guidelines adopted from time to time by the New Construction Committee in accordance with this Section shall apply to construction and modifications commenced after the date of such amendment only, and shall not apply to require modifications to or removal of structures previously approved by the New Construction Committee or Modifications Committee once the approved construction or modification has commenced.

The Modifications Committee may promulgate detailed application and review procedures and design standards governing its area of responsibility and practice. Any such standards shall be consistent with those set forth in the Design Guidelines and shall be subject to review and approval or disapproval by the New Construction Committee.

7.3 General Provisions.

(a) Time limitations shall be established for the completion, within specified periods after approval, of the Improvements for which approval is required pursuant to the Design Guidelines.

(b) There shall be set forth a designation of a "building envelope" within each Lot, thereby establishing the maximum developable area of each Lot.

(c) The Design Guidelines shall require conformity of completed Improvements to plans and specifications approved by the New Construction Committee or Modification Committee, as appropriate; provided, however, as to purchasers and encumbrances in good faith and for value, unless notice of noncompletion or nonconformance identifying the violating Lot and specifying the reason for the notice, executed by the New Construction Committee or Modification Committee, as appropriate shall be recorded with the County Clerk for Wagoner County, Oklahoma, and given to the Owner of such Lot within one year of the expiration of the time limitation described in subparagraph 7.3(a) above, or, if later, within one year following completion of the improvement, or unless legal proceedings shall have been instituted to enforce compliance or completion within said one-year period, the completed improvements shall be deemed to be in compliance with plans and specifications approved by the New Construction Committee or Modification Committee, as appropriate and in compliance with the architectural standards of the Association and this Declaration, but only with respect to purchasers and encumbrances in good faith and for value.

(d) The Design Guidelines shall contain such other limitations, restrictions and material designations as are contemplated hereby or as the Board or the New Construction Committee, in their reasonable discretion, shall adopt, including, without limitations, the regulation of all landscaping (including, without limitation, absolute prohibition of certain types of landscaping, trees and plants), construction, reconstruction, exterior addition, change or alteration to or maintenance of, any building, structure, wall or fence, including, without limitation, the nature, kind, shape, height, materials, exterior color, surface texture and location of any such improvement.

(e) The New Construction Committee or Modification Committee, as appropriate may assess reasonable fees in connection with its review of plans and specifications.

(f) The New Construction Committee or Modification Committee, as appropriate may delegate its plan review responsibilities, except final review and approval as may be required by such Design Guidelines, to one or more of its members or architectural consultants retained by the New Construction Committee or Modification Committee, as appropriate. Upon such delegation, the approval or disapproval of plans and specifications by such member or consultants, shall be equivalent to approval or disapproval by the entire New Construction Committee or Modification Committee, as appropriate.

(g) The address of the New Construction Committee or Modification Committee, as appropriate shall be the address established from time to time by resolution of the Association. Such address shall be the place for the submittal of plans and specifications.

(h) The establishment of the New Construction Committees or Modification Committees, as appropriate and Design Guidelines shall not be construed as changing any obligations upon Owners to maintain or repair the interior or improvements on their Lots as may otherwise be specified in this Declaration, Articles, the Bylaws or Rules.

(i) The New Construction Committee or Modification Committee, as appropriate shall approve or disapprove any plans and specifications submitted to it in accordance with the Design Guidelines within such period as may be specified herein.

(j) No building, fence, wall, patio cover, trellis or other structure or improvement of whatever type shall be commenced, erected or maintained within the Project, nor shall there be any addition to or change to the exterior of any residence or other structure or improvement upon a Lot, or the landscaping, grading, or drainage thereof, including, without limitation, the painting of exterior walls, patio covers, trellises and fences, except in compliance with plans and specifications therefor which have been submitted to and approved by the New Construction Committee or Modification Committee, as appropriate in accordance with the Design Guidelines as to harmony of external design and location in relation to surrounding structures and topography.

(k) Plans and specifications shall be approved by the New Construction Committee or Modification Committee, as appropriate as to conformity with the provisions of this Declaration and shall not be approved for engineering design or for compliance with zoning and building ordinances and by approving such plans and specifications, neither the New Construction Committee or Modification Committee, as appropriate, the members thereof, the Association, any Association Members, the President, the Board nor the Developer assumes any liability or responsibility therefor, or for any defect in any structure constructed from such plans and specifications. Neither the New Construction Committee or Modification Committee, as appropriate, any member thereof, the Association, the President, the Board, nor the Developer shall be liable to any Owner or other Person for any damage, loss or prejudice suffered or claimed on account of (i) the approval or disapproval of any plans, drawings and specifications, whether or not defective, (ii) the construction or performance of any work, whether or not pursuant to approved plans, drawings and specifications, (iii) the development, or manner of development of any property within the Project, or (iv) the execution and filing of an estoppel certificate pursuant to the applicable Design Guidelines, whether or not the facts therein are correct; provided, however, that such action, with the actual knowledge possessed by the individual or entity in question was taken in good faith. Approval of plans and specifications by the New Construction Committee or Modification Committee, as appropriate is not, and shall not be deemed to be, a representation or warranty that said plans or specifications comply with applicable governmental ordinances and regulations including, but not limited to, zoning ordinances and building codes.

(l) Any member or authorized consultant of the New Construction Committee or Modification Committee, as appropriate, or any authorized officer, director, employee or agent of the Association may, at any reasonable time, enter, without being deemed guilty of trespass, upon any Lot after reasonable notice to the Owner in order to inspect improvements constructed or being constructed on such Lot to ascertain that such improvements have been, or are being, built in compliance with the Design Guidelines and this Declaration. The New Construction Committee or Modification Committee, as appropriate shall cause such an inspection to be undertaken within thirty (30) days of a request therefor from any Owner as to his Lot, and if such inspection reveals that the improvements located on such Lot have been completed in compliance with the Design Guidelines, the New Construction Committee or Modification Committee, as appropriate shall provide to such Owner a notice of such approval which shall be conclusive evidence of compliance with the provisions of the Design Guidelines as to the improvements described in such notice, but as to such improvements only.

(m) The reconstruction by the Association after destruction by casualty, or otherwise, of the Common Areas which is accomplished in substantial compliance with "as built" plans for such Common Areas shall not require compliance with the provisions of this Article VII or the Design Guidelines.

(n) The Association may promulgate such rules and regulations as it deems to be appropriate and as are not in conflict with this Declaration in order to enforce compliance with the Design Guidelines set forth herein. WITHOUT LIMITING THE GENERALITY OF THE PRECEDING SENTENCE, THE BOARD MAY FIX A FINE OF UP TO \$10,000 FOR FAILURE TO OBTAIN REQUIRED APPROVAL FROM THE NEW CONSTRUCTION COMMITTEE OR MODIFICATION COMMITTEE, AS APPROPRIATE.

7.4 Review Process.

(a) Signed plan approval by the New Construction Committee or Modification Committee, as appropriate is required prior to the undertaking of any site Improvements, construction or installation, including clearing, grading, paving, signs, structures, fences, landscaping, building additions or alterations and subdivisions. Review should be coordinated with the required governmental approvals. Submission to the City for building permits or site plan approval should not be made until final plans have been approved by the New Construction Committee or Modification Committee, as appropriate. Thereafter, site clearing and grading can begin after preliminary approval and proper governmental clearances have been granted. Actual construction starts, such as excavating or concrete foundations, should not commence until final plans have been approved by the New Construction Committee or Modification Committee, as appropriate. All submissions to the New Construction Committee or Modification Committee, as appropriate are to be made in triplicate on forms or in a format approved by the New Construction Committee or Modification Committee, as appropriate. One copy shall be retained for the New Construction Committee or Modification Committee, as appropriate files. The review of each submission by the New Construction Committee or Modification Committee, as appropriate will be carried out within twenty (20) working days from the date of each submission and notification of recommendations or approval will be provided in writing to the owner at that time. Prior to Stage I (as set forth below in subsection 7.4(b)), it is required that each Owner, Owners or their architect attend a pre-design conference with a member of the New Construction Committee or Modification Committee, as appropriate to review the intent of the Owner's proposed design.

(b) The review process shall be accomplished in three stages. Plans and other required documentation must be submitted to the New Construction Committee or Modification Committee, as appropriate, in accordance with the following:

Stage I.	Schematic/Preliminary Design
Stage II.	Construction Documents
Stage III.	Certificate of Compliance

(c) The Stage I Schematic/Preliminary Design review will focus on compliance with the Design Guidelines, site and building materials, colors and finishes, architectural treatment and roof lines. Schematic/Preliminary Building Design documentation will include: Site plans, floor plans, elevations, in color or with color samples, perspective rendering (optional), definition of building materials, type and color and window type and color. The Schematic/Preliminary Site Plan documents will include at least the following: Site location plan; grades, existing and proposed; site survey, including existing trees four inch (4") caliper and above; building location, overall dimensions and height; setbacks, buffers, screens, etc.; landscape areas existing and proposed, noting trees to be removed; method of tree protection and preservation; method of erosion protection; site lighting plan; trash collection area(s); connections to existing utility lines (i.e., water, sewer, power, gas, telephone cable services); site drainage and stormwater management.

(d) The Stage II Construction Documents review will focus on final working drawings and specifications which should reflect the approved schematic/preliminary design. Revisions to design elements occurring after Construction Document approval will be subject to review and approval by the New Construction Committee or Modification Committee, as appropriate. Review of each design change submission will be carried out within five (5) working days.

(e) In the State III Certificate of Compliance segment, a Certificate of Compliance shall be issued to an Owner by the New Construction Committee or Modification Committee, as appropriate upon completion of construction in accordance with the terms hereof. The Certificate of Compliance shall state to the Developer or the Association that the requirements of the design and development standards have been met.

At the time an Owner desires to apply for a Certificate of Compliance, he will complete a checklist of compliance items and forward it to the New Construction Committee or Modification Committee, as appropriate. This should be at the same point that application is made for a use and occupancy permit from the City. The completed checklist, signed by the Owner, will state compliance with the major items listed below, pursuant to the plans approved by the New Construction Committee or Modification Committee, as appropriate.

The following items, and the following items only, will be covered by the Certificate of Compliance: (i) Building(s) is located according to approved site plan; (ii) Site improvements, including paving, walls, fences, walks, tree preservation and planting, have been provided in accordance with the approved plans; (iii) Building(s) is of approved architectural design and approved color; (iv) Approved lighting has been installed; (v) Roof pipes, vents, louvers, flashing and utility equipment have been painted to match the surface from which they project or as part of an approved color scheme; and (vi) Air conditioning, utility equipment and trash collection areas have been screened according to approved plans.

7.5 Interpretation and Waiver. The New Construction Committee's or Modification Committee's, as appropriate, interest in reviewing site and building designs is to assure that a high quality of compatible development is consistently achieved. When questions of judgment or interpretation arise, an Owner may appeal a decision of the New Construction Committee or Modification Committee, as appropriate to the entity responsible for the appointment of the members of the New Construction Committee or Modification Committee, as appropriate. In order to meet special situations which may not be foreseen, the New Construction Committee or Modification Committee, as appropriate may, from time to time, allow variances of certain requirements set forth in Sections 7.3 and 7.4, as well as of building set-back lines and sidelines for each Lot, provided such variances are not in violation of the City's requirements. Any variance granted is considered not to be precedent setting because the decision is being made in the context of the specific project in question with the welfare of the overall Project in mind.

7.6 Public Approvals. All pertinent requirements of public agencies must be followed in the development of the Project, and all plans must be approved by the appropriate departments of the City. Each Owner must verify code requirements at the time of purchase and development. Although based in part on local zoning and subdivision regulations, the Design Guidelines may be more restrictive in land use, site development standards, landscape requirements, or in other matters. In every case in which this criteria is at variance with public agency requirements, the more restrictive regulations shall govern. Final legal approvals permitting development and occupancy of the property will be made by the City.

7.7 Streets. All streets within the Project will be provided by the Developer and will be either privately owned or dedicated to the public in the sole discretion of the Developer. No fence, wall, hedge, or shrub planting which obstructs sight lines at elevations above 6 feet will be placed or permitted on any Lot within 10 feet of the intersection of a street property line with the edge of a driveway or alley pavement. No tree will be permitted to remain within such distances of such intersections unless the foliage line is maintained at a sufficient height to prevent obstruction of such sight line.

7.8 Landscape and Construction. The general approach to landscape design in the Project is based on: (i) landscape and conservation and (ii) uniformity in design appliance.

(a) Written permission is required from the New Construction Committee or Modification Committee, as appropriate before removing any trees four inches (4") or over in caliper. Appropriate construction procedures will be followed to protect and preserve trees, shrubs and other landscaping which may exist on the construction site or on adjacent or nearby sites. Good examples of mature vegetation should, whenever practical, be saved to give the Project an established feeling. Stockpiling of any building materials, cutting, filling or any ground disturbances shall not be allowed within the drip line of existing trees which are to remain. Runoff and erosion shall be controlled on site during construction while the site is disturbed. All disturbed ground areas of a building site shall be sodded, covered with plants or mulched with approved landscape materials. Landscape improvements as approved by the New Construction Committee or Modification Committee, as appropriate shall be installed within ninety (90) days of occupancy or completion of the building, whichever occurs first.

(b) Property lines shall not be obviously delineated at the street on the boundary of the Golf Course or on the Lot edges.

(c) Planting for building development sites shall reinforce the natural character of the Project. Cleared areas should be landscaped with trees, shrubs and lawns designed to compliment the architectural character of proposed building in form, location and scale. Use of plant material shall be limited to that set forth in the Design Guidelines or as otherwise approved by the New Construction Committee or Modification Committee, as appropriate. Any plants used shall be of advanced maturity and of the highest quality. Damaged plant materials within setback areas shall be replaced by the Owner or Association Member.

(d) No vegetable gardens shall be planted or extended nearer than ten (10) feet from any adjoining property or the Golf Course. No vegetation or other landscaping or improvements may be planted, erected, deposited, removed, pruned or otherwise altered within the rear setback lines of any Lot contiguous to the Golf Course without the prior written approval of the New Construction Committee or Modification Committee, as appropriate and the Golf Course owner.

7.9 Hard Surfaces. All parking lots, driveways, and walks will be surfaced with an approved permanent material.

7.10 Construction Period Requirements. During the period that a site and/or building is under construction, the following minimum measures will be required to minimize disturbance to adjacent sites:

- (a) All trucks hauling dirt or trash must be covered.
- (b) Construction vehicle staging shall occur within the property line of the site.
- (c) Temporary lighting shall follow standards of permanent lighting as described in this document.
- (d) The construction site shall be cleaned on a daily basis. Construction debris shall not be allowed to accumulate or be stored on any construction site. No dumping of construction materials, waste or trash shall occur in the Project. There shall not be any requirement to provide any such dumping area within the Project.
- (e) A satisfactory erosion control plan must be submitted to the Developer and/or Association for approval and must be implemented by each Lot Owner.
- (f) Construction shall take place during such hours as may be permitted by the Developer and/or Association in the Rules.
- (g) Subcontractors and others shall not play radios or other devices at unreasonably high decibel levels in the sole opinion of the Developer and/or Association.

7.11 Building Design.

- (a) Colors, materials, finishes and building forms shall be in conformity with the requirements hereof and integrated with the particular landscape and topographical character of each site.
- (b) The site dimensions must be adequate to accommodate the proposed improvements, including the house, parking, drives and screening.
- (c) Finished grades and elevations must be compatible with neighboring sites, particularly with regard to drainage and views.
- (d) Within the scope of the Design Guidelines, each residence will be well designed with respect to the following criteria: (i) Appropriateness of form, color and materials to design style; (ii) Relationship of window to wall and wall to total form (well designed massing); and (iii) Appropriateness of detailing to form, style and massing.

(e) The proportions of roofs will be consistent with their proposed architectural style. Portions of flat roofs will be permitted on a limited basis as approved by the New Construction Committee or Modification Committee, as appropriate. The main roof of the dwelling will have a pitch approved by the New Construction Committee or Modification Committee, as appropriate. Heating, air conditioning and plumbing vents and other roof protrusions will not penetrate the roof on the road-side of the building unless determined to be absolutely necessary by the New Construction Committee or Modification Committee, as appropriate. In all cases, vents will be painted the same color as the roof or as part of an approved color scheme.

7.12 Construction Standards. Each dwelling and any attached or on site building will be designed by a professional who is on the approved list as drawn up by the New Construction Committee or Modification Committee, as appropriate or who is later approved by the New Construction Committee or Modification Committee, as appropriate. Each dwelling will meet all applicable code requirements.

7.13 Exterior Materials and Colors. Buildings will be faced on all sides with quality face materials approved by the New Construction Committee or Modification Committee, as appropriate. Exposed standard concrete block, prefabricated metal buildings, or simulated brick, stone, or wood will not be allowed. The color of exterior materials will be approved by the New Construction Committee or Modification Committee, as appropriate.

The exposed exterior wall areas, exclusive of door, window and covered porch area will be of a material or materials approved by the New Construction Committee or Modification Committee, as appropriate. Window frames other than wood will be either anodized or electrostatically painted. Metal window frames will be in color harmony with the exterior color and texture of the residence. No unpainted aluminum will be permitted for window framing. Wood frames will be painted, sealed or stained.

7.14 Gutters. Complete guttering will be installed on all houses with downspouts.

7.15 Garages. Each residence must have a private, attached fully enclosed garage with a minimum capacity for two standard sized cars. The interior walls of all garages must be finished (drywalled and painted as a minimum) like other rooms in the building. No garage may be left open to the public street for an extended period of time. No garage will be permitted to be enclosed for living or used for purposes other than storage of automobiles and related normal uses.

7.16 Construction Limitations.

(a) No exterior alterations of any existing building may be permitted without the prior approval of the New Construction Committee or Modification Committee, as appropriate. No second-story additions are permitted without the prior written approval of the New Construction Committee or Modification Committee, as appropriate and the Association. No additional windows, platforms, etc. which may invade the privacy of adjacent dwellings are permitted.

(b) No excavation will be made except in conjunction with construction of an improvement. When such improvement is completed, all exposed openings will be back filled and graded.

(c) Once commenced, construction will be diligently pursued to the end and it may not be left in a partly finished condition for more than 45 days without written approval from the New Construction Committee or Modification Committee, as appropriate.

(d) Houses destroyed by fire or natural disaster must be demolished and/or removed from the premises and new construction begun within three months.

7.17 Mechanical, Electrical, Plumbing, Security and Electronic Equipment. All mechanical, electrical and electronic equipment, including transformers, air conditioning condensers and compressors, and all plumbing and security devices will be properly housed or landscaped in a manner that will blend with the site and residences. All such equipment will be located behind the front building lines of the primary structure. Roof-mounted equipment will be housed in a manner that will prevent visibility from the ground or from upper floors of other structures. No window or wall air conditioning or heating units will be permitted. No exterior security alarms which emit loud noises or bright lights will be permitted. All antennas of any type (including satellite dishes) must be of the concealed type installed inside attic space or other enclosed space within the primary residence.

7.18 Patios. No screening of a patio or recreation area will be installed without the written approval of the New Construction Committee or Modification Committee, as appropriate and if allowed, will be designed so as to buffer surrounding residences from all lighting.

7.19 Swimming Pools and Tennis Courts. Screening of all pool areas and tennis courts and equipment associated therewith must be approved by the New Construction Committee or Modification Committee, as appropriate. No lighting of a pool, tennis court or other recreation area will be installed without the approval of the New Construction Committee or Modification Committee, as appropriate, and if allowed will be designed for recreational character so as to buffer the surrounding residences from all lighting.

7.20 Mailboxes. All mailboxes will be the standard project mailbox design located adjacent to the street as approved by the New Construction Committee or Modification Committee, as appropriate or required by governmental authority.

ARTICLE VIII

Use and Occupancy Restrictions

8.1 Business Use. No business, trade, garage sale, moving sale, rummage sale, or similar activity may be conducted in or from any Lot, except that an Owner or Occupant residing in a Lot may conduct business activities within the Lot so long as: (a) the existence or operation of the business activity is not apparent or detectable by sight, sound, or smell from outside the Lot; (b) the business activity conforms to all zoning requirements for the Project; (c) the business activity does not involve regular visitation of the Lot by clients, customers, suppliers, or other business invitees or door-to-door solicitation of residents of the Project; and (d) the business activity is consistent with the residential character of the Project and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of other residents of the Project, as may be determined in the sole discretion of the Board.

The terms "business" and "trade," as used in this provision, shall be construed to have their ordinary, generally accepted meanings and shall include, without limitation, any occupation, work, or activity undertaken on an ongoing basis which involves the provision of goods or services to persons other than the provider's family and for which the provider receives a fee, compensation, or other form of consideration, regardless of whether: (a) such activity is engaged in full or part-time, (b) such activity is intended to or does generate a profit, or (c) a license is required.

Notwithstanding the above, the leasing of a Lot shall not be considered a business or trade within the meaning of this Section. This Section shall not apply to any activity conducted by the Developer or a builder approved by the Developer with respect to its development and sale of the Project or its use of any Lots which it owns within the Project, including the operation of a timeshare or similar program.

8.2 Violation of Law, Rule or Ordinance. No Owner or Association Member shall permit anything to be done or kept on his Lot which would be in violation of any law, rule or ordinance.

8.3 Signs. No sign of any kind shall be displayed to the public view from any Lot, common area or elsewhere in the Project without the approval of the Association, or the New Construction Committee or Modification Committee, as appropriate, except: (a) such signs as may be used by Developer in connection with the development and sale of Lots in the Project; (b) such signs as may be required by legal proceedings, or the prohibition of which is precluded by law; (c) such signs as may be required for traffic control and regulation of streets of the Project or (d) one standard sized real estate/realtor "for sale" or "for lease" sign per Lot.

8.4 Animals. No animals, including horses or other domestic farm animals, fowl or reptiles of any kind, may be kept, bred or maintained on any Lot, except a reasonable number of commonly accepted household pets in accordance with the Rules. No animals shall be kept, bred or raised within the Project for commercial purposes. In no event shall any domestic pet be allowed to run free, away from its owner's Lot, without a leash, or so as to create a nuisance. The owners of all such domestic pets shall register such pets annually with the Association and shall provide proof to the Association of proper immunization at the time of said registration. No pets, regardless whether restrained by a leash, shall be allowed on the Golf Course. No Owner or Association Member shall permit domestic animals to be visible from the Golf Course or to create noises which may disturb Persons on the Golf Course.

8.5 Nuisances. No Owner or Member shall permit or suffer anything to be done or kept about or within his Lot, or on, or about, any portion of the Project, which will obstruct or interfere with the rights of other Owners, Association Members, Occupants, or Persons, or annoy them by unreasonable noises, or otherwise, nor will commit, or permit any nuisance, or commit, or suffer any illegal act to be committed therein. Each Owner or Association Member shall comply with the Rules, the requirements of all health authorities and other governmental authorities having jurisdiction over the Project.

8.6 Interference with Play on Golf Course. Owners of Lots bordering on the Golf Course shall refrain from any actions which would detract from the playing qualities of the Golf Course. During any golf tournament held at the Golf Course sanctioned by any professional golfers' association or international, national or state amateur golf association, Owners of Lots bordering the Golf Course shall suspend all construction activity, lawn maintenance and all other activities which may be abnormally noisy or which may in any other fashion cause disturbance to players on the Golf Course. In the event of a tournament described in the previous sentence, the Golf Course management shall have the right to cause residents and Owners of Lots in the Project to park their vehicles on their own Lots only, to divert the flow of traffic throughout the Project during such tournaments by designating one-way streets, allowing parking in one lane and along curbs and median strips, and to assure access and parking for participants, spectators, Association Members and Owners in whatever other reasonably acceptable means deemed necessary by the Golf Course management. Furthermore, during such tournaments, Lot Owners, Association Members or their guests shall be prohibited from selling any merchandise or charging for parking on their Lots unless they have received the prior written permission by the Golf Course management and the President of the Association.

8.7 Lake Usage and Control of Golf Course. All ponds, lakes and creeks which lie within the boundary of the Golf Course are the responsibility of the Owner and the management of the Golf Course. No boating or fishing shall be permitted on such waterways. Rules and regulations of the Golf Course must be adhered to by all Association Members, Lot Owners and their guests. Use of the Golf Course and any of its amenities without the consent or license of the Golf Course owner or management shall be considered a trespass as well as a violation of this Declaration which may result in criminal as well as civil penalties.

8.8 Boats and Motor Vehicles. No inoperative vehicle shall be stored on any lot except within an enclosed garage. No boats, trailers, buses, motor homes, campers, or other similar type vehicles shall be parked or stored in or upon any part of the Project (including common areas) except within an enclosed garage on a Lot. No vehicle shall be repaired or rebuilt anywhere in the Project including on any Lot or upon the streets of the Project. No vehicle shall be parked on the streets in the Project on a regular basis, or for more than a twenty-four (24) hour period except in such parking areas as may be designated by the Association. The Association may remove, or cause to be removed, any unauthorized vehicle or other item prohibited hereby at the expense of the owner thereof in any manner consistent with law.

8.9 Lights or Alarms. No spotlights, flood lights, other high intensity lighting or alarms, shall be placed or utilized upon any Lot in a manner which unreasonably interferes with the enjoyment of adjoining Lots. Seasonal and Holiday decorations, including lighting displays, may be displayed upon the home and in the yard, provided such decorations and displays are removed from the home and yard within 30 days of the Holiday weather permitting. Should the weather prevent this removal, time will be extended only equal to or less than the amount of time of the preventative weather.

8.10 Antennas and Satellite Dishes. Antennas and satellite dishes shall be prohibited within any Lot, except that (a) antennas or satellite dishes designed to receive direct broadcast satellite service which are one meter or less in diameter; (b) antennas or satellite dishes designed to receive video programming services via multi-point distribution services which are one meter or less in diameter or diagonal measurement; or (c) antennas or satellite dishes designed to receive television broadcast signals ("Permitted Devices") shall be permitted, *provided that* any such Permitted Device is:

- (a) located in the attic, crawl space, garage, or other interior spaces of the dwelling or another approved structure on the lot so as not to be visible from outside the dwelling or other structure; *or*
- (b) located in the rear yard of the dwelling (i.e., the area between the plane formed by the front facade of the dwelling and the rear lot line) and setback from all lot lines at least eight (8) feet; *or*
- (c) attached to or mounted on the rear wall of the dwelling so as to extend no higher than the eaves of the dwelling at a point directly above the position where attached or mounted to the wall.

Notwithstanding the foregoing, should an Owner determine that a Permitted Device cannot be located in compliance with the above guidelines without precluding reception of an acceptable quality signal, then the Owner may install the device in the least conspicuous alternative location on the Unit where an acceptable quality signal can be obtained. The Board of Directors may adopt rules establishing a preferred hierarchy of alternative locations and requiring screening of all Permitted Devices, so long as such rules do not unreasonably increase the cost of installation, maintenance, or use of the Permitted Device.

[NOTE: The following rules and guidelines have been adopted to assist the Association in administering Paragraph 8.10 of the Declaration of Covenants, Conditions and Restriction of Forest Ridge:

1. Prior to the installation of any Permitted Devices, a notice and application shall be submitted to the Modification Committee, specifying the information requested in the Notice and Application.
2. Such notice and Application shall be reviewed in accordance with Paragraph 8.10 of the Declaration of Covenants, Conditions and Restriction of Forest Ridge, and the resolutions (s) of the Directors of Forest Ridge Homeowners Association, Inc.

If the device is a Permitted Device and is in a permitted location, the notice and application shall be approved and the Owner notified of such approval.

If the device is not a Permitted Device the application shall not be approved and the Owner notified of such non-approval.

If the device is a Permitted Device and is not in a permitted location, the notice and application shall be not be approved and the Owner notified of such non-approval; Provided, however such notice and application shall be approved if Owner has correctly determined, and has so stated in detail the reasons and circumstances on the application, that a Permitted Device cannot be located in compliance with Paragraph 8.10 of the Declaration of Covenants, Conditions and Restriction of Forest Ridge without precluding reception of an acceptable quality signal, and the Modification Committee concurs and agrees with the determination of the Owner.

In proposing or selecting alternative locations and requiring screening of all Permitted Devices, first, visibility from the street(s) (i.e. the inability to see the Permitted Device at from any street); second, visibility from any neighboring lot(s) (i.e. the inability to see the Permitted Device from any neighboring lot(s)); third, visibility from the Common Area(s) (i.e. the inability to see the Permitted Device at from any Common Area(s)); fourth, visibility from the golf course (i.e. the inability to see the Permitted Device at from the golf course); and fifth, visibility in general, (i.e. the inability to see the Permitted Device at all) shall be the criteria in that order. In the event that the Permitted Device is in view, then such Permitted Device shall be located so as to minimize the visibility of such Permitted Device from the street(s), neighboring lot (s), Common Area (s), and the golf course.]

8.11 Garbage. No garbage or trash shall be kept, maintained or contained in any Lot so as to be visible from another Lot. No incinerators shall be kept or maintained on any Lot. No refuse pile, garbage or unsightly objects shall be allowed to be placed, accumulated or suffered to remain anywhere on a Lot. Trash shall be placed in such designated locations and containers as may be established from time to time in the Rules. Trash containers shall be put back in their designated locations within twelve (12) hours after trash collection.

8.12 No Mining, Drilling or Wells. No portion of the Project shall be used in any manner to explore for, drill or remove any water, oil or other hydrocarbons, or minerals of any kind, or earth substance of any kind.

8.13 Safe Condition. Without limiting any other provision in this Article, each Owner shall maintain and keep his Lot at all times in a safe, sound and sanitary condition and repair, and shall correct any condition or refrain from any activity which might interfere with the reasonable enjoyment by other Owners or Association Members of their respective Lots. All areas subject to the Owners exclusive control including lawn areas and landscape shrubs, will be maintained on a regular basis; routine repairs, maintenance and repainting will be made to the home, fencing and ancillary structures, including wooden play structures in a manner consistent with the Community Standards. Upon the failure of said Owner to maintain and repair areas subject to his exclusive control, the Modifications Committee shall have the right, but not the duty, to make such repairs or to perform such maintenance, and the cost thereof shall be charged to the Owner.

8.14 Fires. Other than barbecues, in properly constructed barbecue pits or grills, and firepits in compliance with the Rules and the applicable Design Guidelines, or as otherwise expressly permitted in the Rules, no open fires shall be permitted on any Lot, nor shall any other similar activity or condition be permitted.

8.15 Clothes Drying Area. No portion of any Lot shall be used as a drying or hanging area for laundry of any kind, it being the intention hereof that all such facilities shall be provided within the building to be constructed on each Lot.

8.16 No Further Subdivision Compounds. No Lot shall be divided or subdivided. An Owner may own more than one Lot. The Owner of more than one Lot will be entitled to the rights of only one membership. If an Owner owns more than one (1) Lot and such Lots are contiguous and only one (1) single family residential dwelling is constructed thereon, such Owner will be entitled to the rights of only one (1) membership, including the right to exercise only one (1) vote.

8.17 No Obstructions to Drainage. No Owner shall erect, construct, maintain, permit or allow any fence or other improvement or other obstruction which would interrupt the normal drainage of any part of the Project, including but not limited to any area designated on the Plat as a stormwater management area or any area which has been intentionally contoured to facilitate drainage, except that, with the prior consent of the City and the New Construction Committee or Modification Committee, as appropriate, non-permanent structures, including fences, may be erected in those areas which contain only underground closed conduit storm drainage facilities.

8.18 Outbuildings Prohibited. No building or other detached structure may be erected on any Lot without the consent of the New Construction Committee or Modification Committee, as appropriate.

8.19 Above-Ground Swimming Pools. No above-ground swimming pools shall be allowed on any Lot.

8.20 Storage Tanks. No exterior storage tank for fuel or anything else shall be allowed on any Lot.

8.21 Garage Doors. Garage doors shall be kept closed except when opened for the removal or the parking or replacing of a vehicle or other item from the garage.

8.22 Utilities. All utilities shall be placed underground.

8.23 Rental of Lots. An Owner who leases his Lot to any Person shall be responsible for assuring compliance by his lessee with all of the provisions of this Declaration, and the Articles, Bylaws, Rules and Design Guidelines, all as amended and supplemented from time to time, and shall be jointly and severally responsible for any violations by his lessee thereof.

8.24 ATV's or Carts. The use of ATV's (all terrain vehicles), "go carts" and similar vehicles on the sidewalks and streets of the Project is prohibited; provided, however, this shall not prohibit the use of golf carts in areas designated for their usage as set out in Section 3.4 hereof.

8.25 Solar Panels. Solar panels shall not be erected without the prior written consent of the New Construction Committee or Modification Committee, as appropriate.

8.26 Enforcement. The Association or its authorized agents may enter any Lot on which a violation of this Declaration, the Bylaws, Rules, or the Design Guidelines of the Association exists and may correct such violation at the expense of the Owner of such Lot. Such expenses, and such fines as may be imposed pursuant to the Articles, Bylaws, Rules and Design Guidelines, shall be a Special Assessment secured by a lien upon such Lot enforceable in accordance with the provisions of Article IV hereof. All remedies described in Article XII hereof and all other rights and remedies available at law or equity shall be available in the event of any breach by any Owner, Association Member, Occupant or other Person of any provision of this Article VIII.

8.27 Modification. The Association may modify the foregoing restrictions or otherwise restrict and regulate the use and occupancy of the Project and the Lots by reasonable rules and regulations of general application within the Project adopted by the Board from time to time which shall be incorporated into the Rules.

8.28 Single Family Occupancy. No Lot shall be occupied by more than a single family. For purposes of this restriction, a single family shall be defined as any number of persons related by blood, adoption, or marriage living with not more than one person who is not so related as a single household unit, or no more than two persons who are not so related living together as a single household unit, and the household employees of either such household unit.

8.29 Tents, Mobile Homes, and Temporary Structures. Except as may be permitted by the Developer or the New Construction Committee during initial construction within the Project, no tent, shack, trailer, mobile home, or other structure of a temporary nature shall be placed upon a Lot or any part of the Project except as approved in accordance with Article VII hereof; however, party tents or similar temporary structures may be erected for a limited period of time for special events with prior written approval of the Board.

8.30 Trampolines. Trampolines with (or without) Safety Netting, Batting Cages, Back-stops and all similar apparatus and equipment are not permitted in any yard that abuts the golf course, common areas including lakes, streams and jogging trails. Trampolines with (or without), Safety Netting, Batting Cages, Back-stops and all similar apparatus and equipment will not be approved in any rear yard where they are visible from the street, can be seen from adjoining properties from the first floor or are determined to be a nuisance to neighboring property owners.

8.31 Fence Setbacks. No front yard fence shall be erected closer than the Building Line Setback as designated on the plat. Side yard fencing on Houses in Corner Lots shall be located a minimum of 25' behind the curb except where the "Site Triangle" as defined by the City of Broken Arrow, requires additional setback. All fence layouts to be submitted to New Home Construction or Modifications Committee for approval.

All wood fencing submitted for approval and installation from this date forward must be installed in such a manner that the wood pickets of the fence face outward and the posts are placed to the inside, whether using wood posts or metal posts. No posts are to be visible to the outside.

No fence will be approved that exceeds six (6) feet in height as measured from the bottom of the post where it meets the ground to the top of the post or fence pickets, whichever is higher.

Article IX

Rights of First Mortgagees

9.1 General Provisions. Notwithstanding and prevailing over any other provisions of this Declaration, the Articles, Bylaws, Rules or Design Guidelines, the following provisions shall apply to and benefit each holder of a First Mortgage upon a Lot.

9.2 Liability for Assessments. A First Mortgagee who comes into possession or becomes record Owner of a mortgaged Lot by virtue of foreclosure of the Mortgage, or through any equivalent proceedings, such as, but not limited to, the taking of a deed or assignment in lieu of foreclosure or any third-party purchaser at a foreclosure sale or trustee's sale, will not be liable for such Lot's unpaid dues, charges or Assessments which may accrue prior to the time such First Mortgagee or third-party purchaser comes into possession of such Lot, or becomes record Owner of the Lot, whichever occurs first, and shall acquire title free and clear of any lien authorized by or arising out of the provisions of any declaration which secures the payment of any dues, charges or Assessments accrued prior to the time such First Mortgagee or third-party purchaser either comes into possession of such Lot or becomes record Owner of the Lot. Any such unpaid dues, charges or Assessments against the Lot foreclosed may be deemed to be a Common Expense. Nevertheless, in the event the Owner or Association Member against whom the original Assessment was made is the purchaser or redemptioner, the lien shall continue in effect and may be enforced for the respective Lot's Assessment that was due prior to the final conclusion of any such foreclosure or equivalent proceedings. Further, any such unpaid Assessment shall continue to exist as the personal obligation of the defaulting Association Member and the defaulting Owner of the respective Lot to the Association and the Board may use reasonable efforts to collect

the same from said Member and/or Owner even after he is no longer a Member of the Association or the Owner of the Lot.

9.3 No Personal Liability. A First Mortgagee shall not in any case or manner be personally liable for the payment of any Assessment or charge, nor the observance or performance of any covenant, restriction, or rule and regulation of the Association, or any provision of the Articles or Bylaws, or any management agreement, except for those matters which are enforceable by injunctive or other equitable actions, not requiring the payment of money, except as specifically provided in this Article IX.

9.4 Enforcement After Foreclosure Sale. An action to abate the breach of any of these covenants, conditions, restrictions, and reservations may be brought against the purchasers who have acquired title through foreclosure of a Mortgage and the subsequent trustee's sale (or through any equivalent proceedings), and the successors in interest to said purchasers, even though the breach existed prior to the time said purchaser acquired an interest in such Lot.

9.5 Exercise of Owner's Rights. During the pendency of any proceedings to foreclose a First Mortgage (including any period of redemption), the First Mortgagee, or a receiver appointed in any such action, may but need not exercise any or all of the rights and privileges of the Owner in default including, but not limited to, the right to vote as a member of the Association in the place and stead of the defaulting Owner.

9.6 Subject to Declaration. At such time as the First Mortgagee shall come into possession of or become record Owner of a Lot, the First Mortgagee shall be subject to all of the terms and conditions of this Declaration including, but not limited to, the obligation to pay all assessments and charges accruing thereafter, in the same manner as any other Owner.

ARTICLE X

Annexation of Additional Property

10.1 Development of the Project. Additional real property may be annexed to and become subject to this Declaration as hereinafter set forth in this Article X at such time as the Developer or Association may elect.

10.2 Annexation Without Approval of Association Membership. The Developer shall have the unilateral right, privilege, and option, from time to time at any time until all property described on Exhibit "F," attached hereto, has been subjected to this Declaration or December 31, 2016, whichever is earlier, to subject to the provisions of this Declaration and the jurisdiction of the Association all or any portion of the real property described in Exhibit "F." The Developer shall have the unilateral right to transfer to any other Person the right, privilege, and option to annex additional property which is herein reserved to Developer, provided that such transferee or assignee shall be the developer of at least a portion of the real property described in Exhibits "A" or "F" and that such transfer is memorialized in a written, recorded instrument executed by the Developer.

Such annexation shall be accomplished by filing a Supplemental Declaration annexing such property in the public records of Wagoner County, Oklahoma. Such Supplemental Declaration shall not require the consent of Association Members, but shall require the consent of the owner of such property, if other than Developer. Any such annexation shall be effective upon the filing for record of such Supplemental Declaration unless otherwise provided therein.

10.3 Annexation With Approval of Association Membership. Subject to the consent of the owner thereof, the Association may annex real property other than that described on Exhibit "F" and, following the expiration of the right in Section 10.2 above, any property described on Exhibit "F" to the provisions of this Declaration and the jurisdiction of the Association. Such annexation shall require the affirmative vote of Association Members holding a majority of the votes of the Association represented at a meeting duly called for such purpose and the consent of the Developer, so long as Developer owns property subject to this Declaration or which may become subject to this Declaration in accordance with Section 10.2 of this Article.

Annexation shall be accomplished by filing a Supplemental Declaration describing the property being annexed in the public records of Wagoner County, Oklahoma. Any such Supplemental Declaration shall be signed by the President and the Secretary of the Association, and by the owner of the property being annexed. Any such annexation shall be effective upon filing unless otherwise provided therein.

ARTICLE XI

Exemption of the Developer from Restrictions

Notwithstanding anything contained in this Declaration to the contrary, none of the restrictions contained in this Declaration shall be construed or deemed to limit or prohibit any act of the Developer, its employees, agents and subcontractors, or parties designated by it in connection with the construction, completion, sale or leasing of the Lots, or any part of the Project.

ARTICLE XII

Remedies

12.1 General Remedies. In the event of any default by any Owner, Association Member, Occupant or other Person under the provisions of this Declaration, or any other declaration or documentation contemplated hereby, the Association or the successors, assigns, or agents of either, shall have each and all of the rights and remedies which may be provided for in this Declaration, or any other declaration or documentation contemplated hereby, or which may be available at law or equity, and may prosecute any action or other proceedings against such defaulting Owner, Association Member, Occupant, or other Persons for an injunction, whether affirmative or negative, or for enforcement or foreclosure of the lien herein provided and the appointment of a receiver for the Lot, or for damages, or specific performance, or for judgment for payment of money and collection thereof, or the right to take possession of the Lot and to rent the Lot and apply the rents received to payment of unpaid Assessments and interest accrued thereon, and to sell the same as hereinafter in this Article XII provided, or for any combination of remedies, or for any other relief, all without notice and without regard to the value of the Lot or the solvency of such Owner or Association Member. The proceeds

of any such rental or sale shall first be paid to discharge court costs, other litigation costs, including without limitation reasonable attorneys' fees, and all other expenses of the proceeding and sale, and all such items shall be taxed against the defaulting Owner or Association Member in a final judgment. Any balance of proceeds after satisfaction of such charges and any unpaid Assessments hereunder or any liens shall be paid to the Owner or Association Member. Upon the confirmation of the sale, the purchasers thereupon shall be entitled to a deed to the Lot and to immediate possession of the Lot and may apply to the court for a writ of assistance for the purpose of acquiring such possession, and it shall be a condition of any such sale, and the judgment shall so provide, that the purchaser shall take the interest in the property sold subject to this Declaration.

12.2 Expenses of Enforcement. All expenses of the Association or the Developer or other Person granted rights of enforcement hereunder, in connection with any action or proceeding described or permitted by this Article XII, including court costs and reasonable attorneys' fees and other fees and expenses, and all damages, liquidated or otherwise, together with interest thereon, until paid at the Default Rate of Interest, shall be charged to and assessed against such defaulting Owner or Association Member, or other Person and shall be a Special Assessment against such Owner, Association Member, or other Person and the Association, or Developer shall have a lien as provided in Article IV therefor. In the event of any such default by any Owner, Association Member, or other Person, the Association, and the Developer, and any permitted manager or managing agent, if so authorized, shall have the authority to correct such default and to do whatever may be necessary for such purpose, and all expenses in connection therewith shall be charged to and assessed against such defaulting Owner, Association Member, or other Person as a Special Assessment, which shall constitute a lien against the defaulting Owner or Association Member's Lot as provided in Article IV. Any and all such rights and remedies may be exercised at any time and from time to time, cumulatively or otherwise, by the Association, or the Developer.

12.3 Legal Action. In addition to any other remedies available under this Article XII, if any Owner or Association Member (either by his conduct or by the conduct of any Occupant of his Lot or family member, guest, invitee or agent) shall violate any of the provisions of this Declaration or any other document contemplated hereby, as then in effect, then the Association, the Developer, or any affected or aggrieved Owner or Association Member, shall have the power to file an action against the defaulting Owner or Association Member for a judgment, or injunction against the Owner or Association Member, or such other Person requiring the defaulting Owner, Association Member, or other Person to comply with the provisions of this Declaration, or any other declaration document contemplated hereby, and granting other appropriate relief, including money damages.

12.4 Effect on Mortgage. Anything to the contrary herein notwithstanding, any breach of any of the covenants, restrictions, reservations, conditions and servitudes provided for in this Declaration, or any other declaration document contemplated hereby, or any right of re-entry by reason thereof, shall not defeat or adversely affect the lien of any Mortgage upon any Lot but, except as herein or therein specifically provided, each and all of said covenants, restrictions, reservations, conditions and servitudes shall be binding upon and effective against any lessee or owner of a Lot whose title thereto is acquired by foreclosure, sale, deed in lieu of foreclosure or otherwise.

12.5 Limitation on the Developer's Liability. Notwithstanding anything to the contrary herein, it is expressly agreed that Developer (including, without limitation, any assignee of the interest of the Developer hereunder) shall have no personal liability to the Association, any Owner, Association Member or other Person arising under, in connection with, or resulting from (including, without limitation, resulting from action or failure to act with respect to) this Declaration, except in the case of the Developer (or its assignee) to the extent of its interest in the Project, or any other declaration document contemplated hereby and, in the event of a judgment against the Developer (or any assignee thereof), no execution or other action shall be sought or brought thereon against any other assets, nor be a lien upon such other assets, of the judgment debtor.

ARTICLE XIII

Amendment

13.1 Amendments to Declaration. Amendments to this Declaration shall be made by an instrument in writing entitled "Amendment to Declaration" which sets forth the entire amendment. Except as otherwise specifically provided for in this Declaration, any proposed amendment must be approved by a majority of the Board prior to its adoption by the Association Members. Amendments may be adopted at a meeting of the Association Members upon the approval thereof of two-thirds of all of the Association Members, or without any meeting if all Association Members have been duly notified and if two-thirds of all of the Association Members consent in writing to such amendment. In all events, the amendment when adopted shall bear the signature of the President and shall be attested by the Secretary of the Association, who shall state whether the amendment was properly adopted, and shall be acknowledged by them as officers of the Association. Amendments once properly adopted shall be effective upon recording of the Amendment to Declaration in the appropriate governmental offices.

13.2 Effect of Amendment. It is specifically covenanted and agreed that any amendment to this Declaration properly adopted will be completely effective to amend any and all of the covenants, conditions and restrictions contained herein which may be affected.

13.3 Amendment of Plat. Except as otherwise provided herein, the Plat may be amended by revised versions, or revised portions thereof, referred to and described as to effect in an amendment to this Declaration adopted as provided for herein. Copies of any such proposed amendment to the Plat shall be made available for the examination of every Association Member at the offices of the Association during reasonable times. Such amendment to the Plat shall be effective, once properly adopted, upon recordation in the appropriate governmental office in conjunction with the Declaration amendment.

13.4 Required Approvals. Notwithstanding the provisions of the foregoing sections of this Article XIII:

(a) If this Declaration or any applicable provision of law requires the consent or agreement of additional parties, or a specified percentage thereof, for any action specified in this Declaration, then any instrument changing, modifying or rescinding any provision of this Declaration with respect to such action shall be signed by all such parties, as required by this Declaration or by said law.

(b) Until 100% of all the Lots in the Project, as it exists from time to time, have been sold to third parties, this Declaration may not be amended by the Association Members pursuant to this Article XIII without the written consent of the Developer, which may be withheld for any reason.

13.5 Developer's Right to Amend. Notwithstanding any other provision of this Article XIII, until 100% of all the Lots in the Project, as it exists from time to time, have been sold to third parties, the Developer reserves the right to amend this Declaration without the approval of the Board or the Association Members; provided, however, that no such amendment shall have the effect of changing the plat of an Owner's Lot without the consent of the Owner; and provided, further, that after the conveyance of the first Lot to an Owner, the Developer may not amend the provisions of Sections 2.2(a), 2.2(b), 2.3, 4.5 and 13.5 of this Declaration without the approval of the Association Members as provided in Section 13.1.

ARTICLE XIV

General Provisions

14.1 Notices. Notices provided for in this Declaration, or the Articles, Bylaws or Rules shall be in writing and shall be addressed to the Association at the address specified in the Bylaws. The Association may designate a different address or addresses for notice by giving written notice of such change of address to all Association Members at such time. All notices to Association Members shall be to the last address shown on the records of the Association. Any Association Member may designate a different address or addresses for notices to it by giving written notice of its change of address to the Association. Notices addressed as above shall be deemed delivered when mailed by United States registered or certified mail, or when delivered in person with written acknowledgment of the receipt thereof.

14.2 Captions and Exhibits; Construction. Captions given to various Sections herein, and the Table of Contents for this Declaration, are for convenience only and are not intended to modify or affect the meaning of any of the substantive provisions hereof. The various appendices referred to herein are incorporated as though fully set forth where such reference is made. The provisions of this Declaration shall be literally construed to effectuate its purpose of creating a uniform plan for the development and operation of the Project as hereinabove set forth.

14.3 Severability. If any provision of this Declaration, the Articles, Bylaws, Rules or Design Guidelines, or any section, clause, sentence, phrase or word, or the application thereof in any circumstance, is held invalid, the validity of the remainder of this Declaration, the Articles, Bylaws, Rules or Design Guidelines, and of the application of any such provision, section, sentence, clause, phrase or word in any other circumstances, shall not be affected thereby, and the remainder of this Declaration, the Articles, Bylaws, Rules or Design Guidelines shall be construed as if such invalid part were never included therein.

14.4 Rule Against Perpetuities. If any of the options, privileges, covenants or rights created by this Declaration shall be unlawful, void or voidable for violation of the rule against perpetuities, then such provision shall continue until 21 years after the death of the survivor of the now living descendants of Bruce A. Robson.

14.5 Mortgage of Lots. Each Owner shall have the right, subject to the provisions hereof, to make separate Mortgages of his respective Lot. No Owner or Association Member shall have the right or authority to make or create, or cause to be made or created, any Mortgage or other lien or security interest on or affecting the Project or any part thereof, except only to the extent of his Lot.

14.6 Power of Attorney. Whenever the Association is granted rights, privileges or duties in this Declaration, the President shall have the authority to act for the Association, unless such right and power is hereby expressly reserved to the Board. Further, unless otherwise specifically restricted by the provisions of this Declaration, wherever the Association is empowered to take any action or do any act which may at any time be deemed to require the act of an Owner or Association Member, the Owners and Association Members and each of them hereby constitute and appoint the Association as their attorney-in-fact, as may be appropriate, for the purposes of taking such action or doing such acts, including, but not limited to, executing, acknowledging and delivering any instruments or documents necessary, appropriate or helpful for such purposes. It is acknowledged that this power of attorney is irrevocable and coupled with an interest and by becoming an Association Member, or by the acceptance of a deed for a Lot, or by signing a contract for purchase of a Lot, or by succeeding in any other manner to the ownership of a Lot, or any interest therein, each Owner and Association Member shall be deemed and construed to have ratified and expressly granted the above power of attorney.

14.7 No Partition. Except as is permitted in this Declaration or amendments hereto, there shall be no judicial partition of the Common Areas or any part thereof. No Person acquiring any interest in the Project or any part thereof shall seek any judicial partition unless the Project or such portion thereof have been removed from the provisions of this Declaration. This Section shall not be construed to prohibit the Board of Directors from acquiring and disposing of tangible personal property nor from acquiring title to real property which may or may not be subject to this Declaration.

14.8 Condemnation. Whenever all or any part of the Common Areas shall be taken (or conveyed in lieu of and under threat of condemnation by the Board acting on the written direction of Voting Members representing at least sixty-seven percent (67%) of the total votes in the Association, and of the Developer until 100% of the Lots in the Project have been sold to third parties) by any authority having the power of condemnation or eminent domain, each Owner shall be entitled to notice thereof. The award made for such taking shall be payable to the Association as trustee for all Owners to be disbursed as follows:

If the taking involves a portion of the Common Areas on which improvements have been constructed, then the Association shall restore or replace such improvements so taken on the remaining land included in the Common Areas to the extent lands are available, unless within sixty (60) days after such taking the Developer, until 100% of the Lots in the Project have been sold to third parties, and Voting Members representing at least seventy-five percent (75%) of the total vote of the Association shall otherwise agree. Any such construction shall be in accordance with plans approved by the Board of Directors of the Association. If such improvements are to be repaired or restored, the provisions in Article V hereof regarding the disbursement of funds for the repair of casualty damage or destruction shall apply.

If the taking does not involve any improvements on the Common Areas, or if there is a decision made not to repair or restore, or if there are net funds remaining after any such restoration or replacement is completed, then such award or net funds shall be disbursed to the Association and used for such purposes as the Board of Directors shall determine.

ARTICLE XV

Rights and Obligations

Each grantee of the Developer, by the acceptance of a deed of conveyance, and each purchaser under any contract for such deed of conveyance, and each purchaser under any agreement of sale, and each Person acquiring a membership in the Association and the heirs, successors and assigns of the foregoing Persons, accepts the same subject to all restrictions, conditions, covenants, reservations, liens and charges, and the jurisdiction, rights and powers created or reserved by this Declaration, and all rights, benefits and privileges of every character hereby granted, created, reserved or declared, and all impositions and obligations hereby imposed shall be deemed and taken to be covenants running with the land and equitable servitudes, and shall bind any Person having at any time any interest or estate in said land, and shall inure to the benefit of any such Person in like manner as though the provisions of this Declaration were recited and stipulated at length in each and every deed of conveyance, purchase contract or instrument evidencing or creating such interest.

Article XVI

Voting Rights

16.1 General. Unless otherwise specified in this Amendment, the vote for each Lot shall be exercised by the Voting Member representing the Neighborhood of which the Lot is a part; provided, however, the following Association Members from Oaklane and Deer Creek at Forest Ridge may choose to exercise their votes personally, to-wit:

OAKLANE AMENDED

Lot Block

2 1
3 1
4 1
5 1
1 2
2 2
3 2
4 2
9 2
14 2
16 2
8 3
15 3
4 4
7 4
13 4
14 4
15 4
16 4
17 4
20 4
21 4
3 6

DEER CREEK AT FOREST RIDGE

Lot Block

3 1
5 2
10 2
16 2
1 3
2 3
3 3
4 3
5 3
5 4
7 4
9 4
10 4

and, if any Association Member chooses to exercise personally such voting right, the number of votes cast by the Voting Member representing those Neighborhoods shall be decreased by the number of Association Members choosing to exercise personally their right to vote. All actions requiring the approval of the Association Members pursuant to this Declaration or the By-Laws shall be deemed approved if Voting Members representing the requisite number of votes of the Association approve such action; provided, however, any action requiring the written consent of Association Members may not be approved solely by the Voting Members. The Voting Member may cast all the votes it represents as it, in its discretion, deems appropriate.

16.2 Neighborhoods and Voting Groups.

(a) Neighborhoods. Every Lot shall be located within a Neighborhood. The Lots within a particular Neighborhood may be subject to additional covenants and/or the Owners may all be members of a Neighborhood Association in addition to the Association. However, a Neighborhood Association shall not be required except in the case of a condominium or otherwise as required by law. Any Neighborhood which does not have a Neighborhood Association shall elect a Neighborhood Committee, as described in the By-Laws, to represent the interests of Owners of Lots in such Neighborhood.

The senior elected officer of each Neighborhood Association or Neighborhood Committee shall serve as the Voting Member for such Neighborhood and shall cast all votes attributable to Lots in the Neighborhood on all Association matters requiring a membership vote unless otherwise specified in this Amendment. The next most senior officer shall be the alternate Voting Member and may cast such votes in the absence of the Voting Member.

The Voting Member of a Neighborhood may be removed, with or without cause, by a vote or written consent, or combination thereof, of a majority of the Owners of Lots in the Neighborhood.

Each Supplemental Declaration filed to subject additional property to this Declaration shall initially assign the property described therein to a specific Neighborhood by name, which Neighborhood may be then existing or newly created. The Developer may unilaterally amend this Declaration or any Supplemental Declaration from time to time to redesignate Neighborhood boundaries; provided, two or more Neighborhoods shall not be combined without the consent of Owners of a majority of the Lots in the affected Neighborhoods.

The Owner(s) of a majority of the total number of Lots within any Neighborhood may at any time petition the Board of Directors to divide the property comprising the Neighborhood into two or more Neighborhoods. Such petition shall be in writing and shall include a plat of survey of the entire parcel which indicates the boundaries of the proposed Neighborhood(s) or otherwise identifies the Lots to be included within the proposed Neighborhood(s). Such petition shall be granted upon the filing of all required documents with the Board. Unless the Board of Directors denies such application in writing within thirty days of its receipt thereof. The Board may deny an application only upon determination that there is no reasonable basis for distinguishing between the areas proposed to be divided into separate Neighborhoods. All applications and copies of any denials shall be filed with the books and records of the Association and shall be maintained as long as this Declaration is in effect.

(b) Voting Groups. The Developer shall establish Voting Groups for election of directors to the Board in order to promote representation on the Board of Directors for various groups having dissimilar interests and to avoid a situation in which the Voting Members representing similar Neighborhoods are able, due to the number of Lots in such Neighborhoods, to elect the entire Board of Directors, excluding representation of others. Each Voting Group shall be entitled to elect directors as specified in the By-Laws.

The Developer shall establish Voting Groups not later than the date of expiration of the right of the Developer to appoint a majority of the members of the Board of Directors, as provided in Article II, Section 2.5 of the Declaration, by filing with the Association and in the public records of Wagoner County, Oklahoma, a Supplemental Declaration identifying each Voting Group and designating the Lots within each group. Such designation may be amended from time to time by the Developer, acting alone, at any time prior to the expiration of the right of the Developer to appoint a majority of the members of the Board of Directors. Until such time as Voting Groups are established by the Developer, or in the event that the Developer fails to establish Voting Groups, all Lots shall be assigned to the same Voting Group.

IN WITNESS WHEREOF, the Developer, the Fee Owners and Fourth National have caused this Declaration to be duly executed.

FOREST RIDGE DEVELOPMENT LIMITED PARTNERSHIP,
an Oklahoma limited partnership

By: The Robson Companies, Inc., General Partner

By: /s/ _____
John J. Robson, President

/s/ _____
Secretary
(Corporate Seal)

DEVELOPER

THE ROBSON COMPANIES, INC.

By: /s/ _____
John J. Robson, President

/s/ _____
Secretary
(Corporate Seal)

EXHIBIT A

OAKLANE AMENDED, a resubdivision of Oaklane, an Addition to the City of Broken Arrow, Oklahoma, a subdivision of part of the East Half of the Southeast Quarter (E/2 of the SE/4) of Section Nine (9), Township Eighteen (18) North, Range Fifteen (15) East of the Indian Meridian, Wagoner County, Oklahoma, according to the recorded plat thereof;

including the following Oaklane Amended Lots:

Lots 1 thru 10, Block 1, Lots 1 thru 16, Block 2, Lots 1 thru 15, Block 3, Lots 1 thru 21, Block 4 and Lots 1 thru 3, Block 6, Oaklane Amended, City of Broken Arrow, Wagoner County, Oklahoma;

and,

including the following Somerset Lots:

Lots 22 thru 38, Block 4, Lots 1 thru 16, Block 5, Lots 4 and 5, Block 6, and Lots 1 thru 13, Block 7, Oaklane Amended, City of Broken Arrow, Wagoner County, Oklahoma;

and,

DEERFIELD AT FOREST RIDGE, a replat of Lots 6 thru 13, Block 6, Lots 14 thru 41, Block 7 and All of Blocks 8, 9 and 10, Oaklane Amended, a resubdivision of Oaklane, an Addition to the City of Broken Arrow, Oklahoma, a subdivision of a part of the E ½ of SE ¼ of Section 9, Township 18 North, Range 15 East of the Indian Base and Meridian, Wagoner County, State of Oklahoma, according to the recorded plat thereof.

AND

All the following-described property located in Wagoner County, Oklahoma

The Southwest Quarter (SW/4) of Section Ten (10), Township Eighteen (18) North, Range Fifteen (15) East of the Indian Meridian, Wagoner County, Oklahoma;

AND

The North Half of the Northeast Quarter (N/2 of the NE/4); and

The Southwest Quarter of the Northeast Quarter (SW/4 of the NE/4); and

The Southeast Quarter of the Southeast Quarter (SE/4 of the SE/4);

all in Section Ten (10), Township Eighteen (18) North, Range Fifteen (15) East of the Indian Meridian, Wagoner County, Oklahoma;

AND

The North Half of the Southeast Quarter of the Northeast Quarter (N/2 of SE/4 of NE/4) of Section Ten (10), Township Eighteen (18) North, Range Fifteen (15) East of the Indian Meridian, Wagoner County, Oklahoma;

SAVE AND EXCEPT the South 140 feet of the East 1070 feet of the North Half of the Southeast Quarter of the Northeast Quarter (N/2 of SE/4 of NE/4) of Section Ten (10), Township Eighteen (18) North, Range Fifteen (15) East, Wagoner County, Oklahoma;

and

The South Half of the Southeast Quarter of the Northeast Quarter (S/2 of SE/4 of NE/4) of Section Ten (10), Township Eighteen (18) North, Range Fifteen (15) East of the Indian Base and Meridian, Wagoner County, Oklahoma;

SAVE AND EXCEPT the East 1070 feet of the South Half of the Southeast Quarter of the Northeast Quarter (S/2 of SE/4 of NE/4) of Section Ten (10), Township Eighteen (18) North, Range Fifteen (15) East, Wagoner County, Oklahoma;

and

The North Half of the Northeast Quarter of the Southeast Quarter (N/2 of SE/4 of SE/4) of Section Ten (10), Township Eighteen (18) North, Range Fifteen (15) East of the Indian Base and Meridian, Wagoner County, Oklahoma;

SAVE AND EXCEPT the North 50 feet of the East 1070 feet of the North Half of the Northeast Quarter of the Southeast Quarter (N/2 of NE/4 of SE/4) of Section Ten (10), Township Eighteen (18) North, Range Fifteen (15) East, Wagoner County, Oklahoma;

AND

The South Half of the Northeast Quarter of the Southeast Quarter (S/2 of NE/4 of SE/4) of Section Ten (10), Township Eighteen (18) North, Range Fifteen (15) East of the Indian Base and Meridian, Wagoner County, Oklahoma; and

The Northwest Quarter of the Southeast Quarter (NW/4 of SE/4) of Section Ten (10), Township Eighteen (18) North, Range Fifteen (15) East of the Indian Base and Meridian, Wagoner County, Oklahoma; and

The Northwest Quarter of the Southwest Quarter of the Southeast Quarter (NW/4 of SW/4 of SE/4) of Section Ten (10), Township Eighteen (18) North, Range Fifteen (15) East of the Indian Base and Meridian, Wagoner County, Oklahoma; and

The Southwest Quarter of the Southwest Quarter of the Southeast Quarter (SW/4 of SW/4 of SE/4) of Section Ten (10), Township Eighteen (18) North, Range Fifteen (15) East of the Indian Base and Meridian, Wagoner County, Oklahoma;

The East Half of the Southwest Quarter of the Southeast Quarter (E/2 of SW/4 of SE/4) of Section Ten (10), Township Eighteen (18) North, Range Fifteen (15) East of the Indian Base and Meridian, Wagoner County, Oklahoma;

AND

The West Half of the Northwest Quarter (W/2 of the NW/4) of Section Eleven (11), Township Eighteen (18) North, Range Fifteen (15) East of the Indian Meridian, Wagoner County, Oklahoma;

AND

The East Half of the Northwest Quarter (E/2 of the NW/4); and

The West Half of the Northeast Quarter (W/2 of the NE/4);

All in Section Eleven (11), Township Eighteen (18) North, Range Fifteen (15) East of the Indian Meridian, Wagoner County, Oklahoma.

SAVE AND EXCEPT: the land described in Exhibit "C"; being the legal description of the Golf Course as set forth in the Declaration of Covenants, Conditions and Restrictions of Forest Ridge dated October 26, 1990 and recorded on October 26, 1990 in Book 763, Page 625; such Exhibit "C" - Golf Course Legend appears in Book 763 at Pages 678 through 682, inclusive; as amended from time to time;

AND

[Highlands]

The West Half of the Northeast Quarter (W/2 of NE/4) of Section 15, Township 18 North, Range 15 East, Indian Base and Meridian, Wagoner County, State of Oklahoma, according to the United States Government Survey thereof;

AND

The East Half of the Northwest Quarter (E ½ of NW ¼) of Section 15, Township 18 North, Range 15 East of the Indian Base and Meridian, Wagoner County, State of Oklahoma, according to the United States Government Survey thereof.

A portion of which has now been platted as follows:

ASHTON AT FOREST RIDGE, an Addition to the City of Broken Arrow, being a subdivision of part of the SW ¼ of the NE ¼ of Section 10, Township 18 North, Range 15 East of the Indian Base and Meridian, Wagoner County, State of Oklahoma, according to the recorded plat thereof.

CORPORATE GREENS AT FOREST RIDGE, an addition to the City of Broken Arrow, being a subdivision of part of the NE/4 of Section 10, Township 18 North, Range 15 East of the Indian Meridian, Wagoner County, State of Oklahoma according to the recorded plat thereof.

THE COURTYARDS AT FOREST RIDGE, an Addition to the City of Broken Arrow, being a subdivision of part of the Northeast Quarter (NE ¼) and part of the Southeast Quarter (SE ¼) of Section 10, Township 18 North, Range 15 East of the Indian Base and Meridian, Wagoner County, State of Oklahoma, according to the recorded plat thereof.

THE COURTYARDS II AT FOREST RIDGE, an Addition to the City of Broken Arrow, being a subdivision of part of the North Half of the Southeast Quarter (N ½ of the SE ¼) of Section 10, Township 18 North, Range 15 East of the Indian Base and Meridian, Wagoner County, State of Oklahoma, according to the recorded plat thereof.

THE COTTAGES AT FOREST RIDGE, an Addition to the City of Broken Arrow, being a subdivision of part of the SE/4 of Section 10, Township 18 North, Range 15 East of the Indian Base and Meridian, Wagoner County, State of Oklahoma, according to the recorded plat thereof.

DEER CREEK an Addition to the City of Broken Arrow, being a subdivision of a part of the W ½ of the SW ¼ of Section 10, Township 18 North, Range 15 East of the Indian Base and Meridian, Wagoner County, State of Oklahoma, according to the recorded plat thereof.

DEER CREEK II AT FOREST RIDGE, an Addition to the City of Broken Arrow, being a subdivision of a part of the W ½ of the SW ¼ of Section 10, Township 18 North, Range 15 East of the Indian Base and Meridian, Wagoner County, State of Oklahoma, according to the recorded plat thereof.

DEER CREEK III AT FOREST RIDGE, an Addition to the City of Broken Arrow, being a subdivision of a part of the SW ¼ of the SW ¼ of Section 10, Township 18 North, Range 15 East of the Indian Base and Meridian, Wagoner County, State of Oklahoma, according to the recorded plat thereof.

LOCHMERE AT FOREST RIDGE, an Addition to the City of Broken Arrow, being a subdivision of part of the SE ¼ of Section 10, Township 18 North, Range 15 East of the Indian Base and Meridian, Wagoner County, State of Oklahoma, according to the recorded plat thereof.

LOCHMERE II AT FOREST RIDGE, an Addition to the City of Broken Arrow, being a subdivision of part of the E ½ of SE ¼ of Section 10, Township 18 North, Range 15 East of the Indian Base and Meridian, Wagoner County, State of Oklahoma, according to the recorded plat thereof.

THE POINTE AT FOREST RIDGE, a subdivision of part of the SE ¼ of Section 10, Township 18 North, Range 15 East of the Indian Base and Meridian, Wagoner County, State of Oklahoma, according to the recorded plat thereof.

STANFORD'S LANDING I AT FOREST RIDGE, an Addition to the City of Broken Arrow, being a subdivision of part of the SW ¼ of Section 10, Township 18 North, Range 15 East of the Indian Base and Meridian, Wagoner County, State of Oklahoma, according to the recorded plat thereof.

STANFORD'S LANDING II AT FOREST RIDGE, an Addition to the City of Broken Arrow, being a subdivision of part of the E ½ of SW ¼ and part of the W ½ of SE ¼ of Section 10, Township 18 North, Range 15 East of the Indian Base and Meridian, Wagoner County, State of Oklahoma, according to the recorded plat thereof.

STANFORD'S LANDING III AT FOREST RIDGE, an Addition to the City of Broken Arrow, being a subdivision of part of the S ½ of Section 10, Township 18 North, Range 15 East of the Indian Base and Meridian, Wagoner County, State of Oklahoma, according to the recorded plat thereof.

THE VILLAS I AT FOREST RIDGE, "Blocks 1, 2, 3 & 9", an Addition to the City of Broken Arrow, being a subdivision of a part of the NE¼ of Section 10, Township 18 North, Range 15 East of the Indian Base and Meridian, Wagoner County, State of Oklahoma, according to the recorded plat thereof.

THE VILLAS ON THE GREEN AT FOREST RIDGE, a subdivision of part of NE ¼ of Section 10, Township 18 North, Range 15 East of the Indian Base and Meridian, Wagoner County, State of Oklahoma, according to the recorded plat thereof.

HIGHLANDS I AT FOREST RIDGE, a subdivision in the City of Broken Arrow, being a subdivision of part of the North Half (N/2) of Section 15, Township 18 North, Range 15 East, of the Indian Base and Meridian, Wagoner County, State of Oklahoma, according to the recorded plat thereof.

HIGHLANDS II AT FOREST RIDGE, a subdivision in the City of Broken Arrow, being a subdivision of part of the North Half (N/2) of Section 15, Township 18 North, Range 15 East, of the Indian Base and Meridian, Wagoner County, State of Oklahoma, according to the recorded plat thereof.

EXHIBIT B

Intentionally deleted and left blank

EXHIBIT C

GOLF COURSE LEGAL

I.

SURFACE ONLY TO:

A part of Section 11, T-18-N, R-15-E of the Indian Base and Meridian, Wagoner County, State of Oklahoma, according to the official government survey thereof, being more particularly described as follows:

Commencing at the Northwest Corner of Section 11, T18N-R-15E, of the Indian Base and Meridian, Wagoner County, State of Oklahoma, according to the official U. S. Government survey thereof;

Thence S 00°00'33"W a distance of 858.05 feet;

Thence S 89°59'27"E a distance of 60.00 feet to the "Point of beginning";

Thence N 89°48'02"E a distance of 127.75 feet;

Thence N 64°34'39"E a distance of 840.19 feet;

Thence S 75°30'50"E a distance of 299.54 feet;

Thence N 81°40'32"E a distance of 582.46 feet;

Thence N 77°37'04"E a distance of 560.87 feet;

Thence S 54°45'39"E a distance of 69.82 feet;

Thence S 09°35'06"E a distance of 836.85 feet;

Thence S 06°12'59"W a distance of 487.70 feet;

Thence N 89°33'51"E a distance of 42.52 feet;

Thence N 31°38'56"E a distance of 268.28 feet;

Thence N 50°22'37"E a distance of 628.84 feet;

Thence N 87°21'14"E a distance of 151.17 feet;

Thence S 67°09'40"E a distance of 103.42 feet;

Thence N 71°26'00"E a distance of 99.29 feet;

Thence N 41°05'01"E a distance of 122.32 feet;

Thence N 80°50'24"E a distance of 49.48 feet;

Thence S 59°37'08"E a distance of 63.29 feet;

Thence S 08°03'52"E a distance of 64.15 feet;

Thence S 30°24'13"W a distance of 856.07 feet;

Thence S 63°00'04"W a distance of 404.23 feet;

Thence S 85°10'35"W a distance of 96.14 feet;

Thence N 56°58'12"W a distance of 100.47 feet;

Thence N 16°07'23"W a distance of 97.55 feet;

Thence N 16°45'44"E a distance of 78.85 feet;

Thence S 88°34'15"W a distance of 170.25 feet;

Thence S 29°39'44"W a distance of 593.43 feet;

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Thence S 49°17'55"W a distance of 257.81 feet;
Thence S 85°03'32"W a distance of 39.33 feet;
Thence N 65°30'16"W a distance of 835.76 feet;
Thence N 58°20'35"W a distance of 320.97 feet;
Thence S 12°42'05"W a distance of 192.86 feet;
Thence S 36°10'23"E a distance of 67.55 feet;
Thence S 04°22'28"E a distance of 60.43 feet;
Thence S 47°05'45"W a distance of 75.33 feet;
Thence N 75°07'40"W a distance of 58.26 feet;
Thence N 49°35'33"W a distance of 854.90 feet;
Thence N 20°36'00"W a distance of 525.40 feet;
Thence N 00°00'33"E a distance of 190.48 feet;
Thence S 89°59'27"E a distance of 10.00 feet;
Thence N 00°00'33"E a distance of 211.95 feet to the "Point of Beginning";
LESS AND EXCEPT the following-described parcel: (1a)

(1a)

Commencing at the Northwest Corner of Section 11, T-18-N, R-15-E of the Indian Base and Meridian, Wagoner County, State of Oklahoma according to the official U. S. Government survey thereof;

Thence S 00°00'33"W a distance of 1001.58 feet;
Thence S 89°59'27"E a distance of 251.19 feet to the "Point of beginning"

Thence N 74°38'47"E a distance of 759.52 feet;
Thence S 75°28'12"E a distance of 288.71 feet;
Thence N 81°47'35"E a distance of 225.47 feet;
Thence S 86°42'31"E a distance of 162.04 feet;
Thence N 80°43'06"E a distance of 59.58 feet;
Thence N 52°07'03"E a distance of 73.68 feet;
Thence N 81°40'23"E a distance of 505.52 feet;
Thence S 00°34'52"W a distance of 494.10 feet;
Thence S 06°43'57"W a distance of 513.44 feet;
Thence S 00°42'20"W a distance of 235.83 feet;
Thence S 47°57'57"W a distance of 218.51 feet;
Thence S 59°31'27"W a distance of 174.45 feet;
Thence N 54°56'29"W a distance of 559.37 feet;
Thence N 59°03'32"W a distance of 429.19 feet;
Thence N 88°56'15"W a distance of 88.28 feet;
Thence S 58°13'29"W a distance of 99.52 feet;
Thence S 14°30'30"W a distance of 62.13 feet;
Thence S 38°08'01"W a distance of 185.29 feet;
Thence N 39°01'08"W a distance of 435.52 feet;
Thence N 20°06'18"W a distance of 481.61 feet;

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Thence N 72°37'28"W a distance of 71.03 feet;
Thence 01°51'07"E a distance of 97.85 feet to the "Point of Beginning."

The net area of the above-described tract is 2,512,985.79 square feet or 57.69 acres.

The basis of bearings for the above-described tract is the assumed bearing of N 00°00'33"E on the West line of the NW/4 of Section 11, T-18-N, R-15-E of the Indian Base and Meridian, Wagoner County, State of Oklahoma, according to the official U. S. Government survey thereof.

II.

SURFACE ONLY to:

A part of Section 10, T-18-N, R-15-E of the Indian Base and Meridian, Wagoner County, State of Oklahoma, according the official government survey thereof, being more particularly described as follows:

Commencing at the Northwest corner of the NE/4 of Section 10, T-18-N, R-15-E of the Indian Base and Meridian, Wagoner County, State of Oklahoma, according to the official U. S. Government survey thereof;

Thence S. 00°00'48"W a distance of 60.00 feet to the "Point of Beginning."

Thence S 89°38'10"E a distance of 635.00 feet to a point of tangent curve;
Thence along said curve to the right having a central angle of 87°36'43", a radius of 30.00 feet, a distance of 45.87 feet to a point of reverse curve; Thence along said curve to the left having a central angle of 35°06'43", a radius of 390.00 feet, a distance of 239.00 feet;

Thence S 37°08'10"E a distance of 143.31 feet;
Thence N 71°51'40"E a distance of 158.12 feet;
Thence N 29°45'55"E a distance of 96.42 feet;
Thence N 55°05'31"E a distance of 302.65 feet;
Thence S 59°59'13"E a distance of 723.60 feet;
Thence S 65°11'58"E a distance of 739.89 feet;
Thence S 00°00'33"W a distance of 291.66 feet;
Thence S 89°59'27"E a distance of 10.00 feet;
Thence S 00°00'33"W a distance of 61.24 feet;
Thence N 89°37'13"W a distance of 808.03 feet;
Thence N 50°40'28"W a distance of 721.22 feet to a point of non-tangent curve;
Thence along said curve to the left having an initial tangent bearing of N 40°17'03"W, a central angle of 15°47'48", a radius of 783.94 feet;, a distance of 216.13 feet to a point of reverse curve;
Thence along said curve to the right having a central angel of 12°29'01", a radius of 619.29.a distance of 134.93 feet;

Thence S 71°43'30"W a distance of 87.40 feet;
Thence N 49°28'00"E a distance of 699.29 feet to a point of tangent curve;

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Thence along said curve to the left having a central angel of 15°32'52", a radius of 699.29 feet, a distance of 189.76 feet to a point of reverse curve;

Thence along said curve to the right having a central angle of 05°07'26", a radius of 703.94 feet, a distance of 62.95 feet;

Thence S 46°03'07"W a distance of 185.66 feet;

Thence S 16°20'24"E a distance of 469.25 feet;

Thence S 07°58'59"W a distance of 871.40 feet;

Thence S 12°08'06"E a distance of 123.11 feet;

Thence S 00°03'38"W a distance of 260.34 feet;

Thence S 18°20'04"E a distance of 186.62 feet;

Thence S 27°41'52"E a distance of 30.45 feet;

Thence S 04°16'35"W a distance of 49.62 feet;

Thence S 24°12'50"W a distance of 830.42 feet;

Thence S 02°41'16"E a distance of 100.34 feet;

Thence S 18°28'39"W a distance of 77.77 feet;

Thence S 49°21'13"W a distance of 84.18 feet;

Thence S 83°35'26"W a distance of 696.59 feet;

Thence N 39°40'31"W a distance of 106.83 feet;

Thence S 73°17'32"W a distance of 414.77 feet;

Thence S 33°02'02"W a distance of 766.21 feet;

Thence S 54°41'51"W a distance of 301.61 feet;

Thence S 84°56'42"W a distance of 83.11 feet;

Thence N 60°37'00"W a distance of 97.00 feet;

Thence N 26°26'22"W a distance of 85.24 feet;

Thence N 03°27'24"E a distance of 66.72 feet;

Thence N 23°16'37"E a distance of 138.57 feet;

Thence N 18°46'36"W a distance of 505.74 feet;

Thence N 03°00'19"W a distance of 840.62 feet;

Thence N 08°07'50"E a distance of 245.20 feet;

Thence N 00°19'27"E a distance of 137.01 feet;

Thence S 89°40'33"E a distance of 1527.04 feet;

Thence N 00°00'48"E a distance of 2579.84 feet to "Point of Beginning"

LESS AND EXCEPT the following-described parcel (2a):

(2a)

Commencing at the southwest Corner of the NE/4 of Section 10, T-18-N, R-15-E, of the Indian Base and Meridian, Wagoner County State of Oklahoma, according to the official U. S. Government survey thereof.

Thence S 10°40'17"W a distance of 128.88 feet to the "Point of Beginning"

Thence S 26°32'17"E a distance of 675.07 feet;

Thence S 36°06'53"W a distance of 227.98 feet;

Thence S 68°39'24"W a distance of 294.09 feet;

Thence N 00°06'19"W a distance of 217.37 feet;

Thence N 88°22'23"W a distance of 177.42 feet;

Thence S 71°43'16"W a distance of 467.09 feet;

Thence S 23°02'16"W a distance of 700.50 feet;

Thence N 24°43'31"W a distance of 478.79 feet;

Thence N 10°39'45"W a distance of 874.22 feet;

Thence N 82°54'10"E a distance of 1374.62 feet to the "Point of Beginning"

ALSO LESS AND EXCEPT the following-described parcel (2b):

(2b)

Commencing at the Southwest Corner of the NE/4 of Section 10, T-18-N, R-15-E of the Indian Base and Meridian, Wagoner County, State of Oklahoma, according to the official U. S. Government survey thereof;

Thence N 00°00'48"E a distance of 43.00 feet along the West line of the NE/4 of Section 10;

Thence S 89°40'33"E a distance of 35.00 feet to the "Point of Beginning";

Thence N 00°00'48"E a distance of 916.81 feet;

Thence N 89°27'18"E a distance of 365.00 feet;

Thence S 14°03'59"E a distance of 219.87 feet;

Thence N 83°33'52"E a distance of 46.05 feet to a Point of Tangent Curve;

Thence along said curve to the right having a central angle of 61°35'03" a radius of 154.64 feet, a distance of 166.21 feet to a point of reverse curve;

Thence along said curve to the left having a central angle of 37°12'30", a radius of 290.00 feet, a distance of 188.33 feet;

Thence S 72°03'35"E a distance of 162.50 feet;
Thence S 12°08'06"E a distance of 23.11 feet;

Thence N 72°03'35"W a distance of 174.08 feet to a Point of Tangent Curve to the right having a central angle of 37°12'30", a radius of 310.00 feet, a distance of 201.32 feet to a point of reverse curve;
Thence along said curve to the left having a central angle of 61°35'03", a radius of 134.64 feet, a distance of 144.72 feet;

Thence S 83°33'52"W a distance of 43.37 feet;
Thence S 14°03'59"E a distance of 27.22 feet;
Thence S 08°20'17"W a distance of 670.00 feet;
Thence N 89°40'33"W a distance of 333.00 feet to the "Point of Beginning";

The net area of the above-described tract is 4,937,040.37 square feet or 113.34 acres

III

(POND)

SURFACE ONLY TO:

A part of Section 10, T-18-N, R-15-E of the Indian Base and Meridian, Wagoner County, State of Oklahoma, according to the official Government survey thereof, being more particularly described as follows:

Commencing at the Southeast Corner of Section 10, T-18-N, R-15-E of the Indian Base and Meridian, Wagoner County, State of Oklahoma, according to the official U. S. Government Survey thereof:

Thence N 00°04'46"E a distance of 1930.41 feet;
Thence N 89°55'14"W a distance of 50.00 feet to the "Point of Beginning"

Thence N 53°48'35"W a distance of 120.73 feet;
Thence S 76°27'13"W a distance of 136.91 feet;
Thence N 41°40'51"W a distance of 286.05 feet;
Thence S 58°28'12"W a distance of 111.44 feet;
Thence N 55°18'00"W a distance of 130.12 feet;
Thence S 51°51'15"W a distance of 195.26 feet;
Thence S 71°49'58"W a distance of 264.59 feet;
Thence S 47°29'44"E a distance of 180.42 feet;
Thence S 21°09'07"W a distance of 49.24 feet;
Thence S 88°15'59"W a distance of 159.18 feet;
Thence S 36°29'52"W a distance of 200.13 feet;

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Thence N 58°39'33"W a distance of 280.25 feet;
Thence N 01°08'49"E a distance of 309.27 feet;
Thence N 76°13'33"E a distance of 300.47 feet;
Thence S 61°22'27"E a distance of 155.63 feet;
Thence N 72°55'28"E a distance of 143.70 feet;
Thence N 25°15'56"E a distance of 64.79 feet;
Thence S 85°50'16"E a distance of 58.13 feet;
Thence N 52°18'58"E a distance of 181.56 feet;
Thence S 56°38'33"E a distance of 137.26 feet;
Thence N 57°28'26"E a distance of 128.81 feet;
Thence S 41°45'36"E a distance of 313.01 feet;
Thence N 75°14'30"E a distance of 101.59 feet;
Thence S 54°10'25"E a distance of 121.88 feet;
Thence S 00°04'46"W a distance of 106.37 feet to the "Point of Beginning"

The above-described parcel contains 304,415.92 square feet or 6.99 acres.

The basis of bearings is the assumed bearing of N 00°00'00"E on the West Line of the NW/4 of Section 10, T-18-N, R-15-E of the Indian Base and Meridian, Wagoner County, State of Oklahoma, according to the official U. S. Government survey thereof.

EXHIBIT D
(School Site)

The School Site is described as follows:

The South 140 feet of the East 1070 feet of the North Half of the Southeast Quarter of the Northeast Quarter (N/2 of SE/4 of NE/4) of Section Ten (10), Township Eighteen (18) North, Range Fifteen (15) East, Wagoner County, Oklahoma;

and

The East 1070 feet of the South Half of the Southeast Quarter of the Northeast Quarter (S/2 of SE/4 of NE/4) of Section Ten (10), Township Eighteen (18) North, Range Fifteen (15) East, Wagoner County, Oklahoma;

and

The North 50 feet of the East 1070 feet of the North Half of the Northeast Quarter of the Southeast Quarter (N/2 of NE/4 of SE/4) of Section Ten (10), Township Eighteen (18) North, Range Fifteen (15) East, Wagoner County, Oklahoma.

EXHIBIT E

Intentionally deleted and left blank

EXHIBIT F

Additional Property Which Can Be Unilaterally
Submitted by Developer

ALL THAT TRACT OR PARCEL OF LAND lying and being in Sections 1, 2, 3, 4, 9, 10, 11, 12, 13, 14, 15, 16, 21, 22, 23, and 24, Township Eighteen (18) North, Range Fifteen (15) East of the Indian Meridian, Wagoner County, Oklahoma and Sections 33, 34, 35, and 36, Township Nineteen (19) North, Range Fifteen (15) East of the Indian Meridian, Wagoner County, Oklahoma.

