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DEED OF DEDICATION, DECLARATION AND RESTRICTIVE COVENANTS OF THE VILLAS AT SHANGRI-LA RESORT

STATE OF OKLAHOMA)) ss. COUNTY OF DELAWARE)

That the undersigned BREAKERS, L.L.C., an Oklahoma limited liability company certifies that it is the sole and only owner of the following described real property situated in Delaware County, Oklahoma, to-wit:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF BY REFERENCE

and that they have caused the same to be surveyed, staked and platted into lots and streets and do hereby dedicate and designate the same to be known as THE VILLAS AT SHANGRI-LA RESORT as shown by the Plat filed of record on Dec 16th, 2002 in Book 1529 at Pages 587 - 594 and incorporated herein by reference. Provided, the undersigned (and on behalf of Newport Village, L.L.C.) reserves the exclusive right to place and maintain boat docks along all portions of the property abutting Grand Lake.

For the purpose of providing an orderly development of the entire tract of land and the creation of a planned community where residents and visitors will be insured the full enjoyment of the natural beauty and advantages of the area through careful planning, and for the further purpose of providing adequate restrictive covenants for the mutual benefit of the undersigned and their successors in title, the undersigned do impose the following restrictions and create the following easements and provisions for associations and assessments to which it shall be incumbent upon their successors and assigns to adhere. These covenants shall run with the land and shall be binding on all parties, firms or corporations, and all Persons claiming under them for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall automatically be extended for successive periods of twenty (20) years. Provided, this Declaration may be amended as set forth below.

Now, therefore, the undersigned do impose the following restrictions, assessments and associations.

ARTICLE I

DEFINITIONS

Whenever used in this Declaration, the following terms shall have the following meanings:

- 1. Architectural Control Committee. "Architectural Control Committee" shall mean and

refer to that committee or entity as appointed by the Declarant to review and approve the plans for all improvements constructed on the Property.

2. Articles. "Articles" shall mean the duly adopted Certificate of Incorporation of the Association, as the same may be amended from time to time.

3. Association. "Association" shall mean and refer to The Villas at Shangri-la Resort Homeowners' Association, an Oklahoma non-profit corporation.

4. By Laws. "By Laws" shall mean the duly adopted By Laws of the Association, a copy of which are attached hereto and made a part hereof, as the same may be amended, changed and modified from time to time.

5. Board of Directors. "Board of Directors" or "Board" shall mean the Board of Directors of the Association.

6. Common Elements. "Common Elements" means the following elements of the Property:

- (a) All roadways shown on the plat;
- (b) All landscaping;
- (c) All fences and gates surrounding the property including all electronic equipment utilized to operate the gates; and
- (d) All common areas shown on the plat.

7. Common Expenses. "Common Expenses" means all expenses of administration, maintenance, repair or replacement of the roadways and other common areas including, but not limited to, maintenance, mowing and landscaping of all yards in the Subdivision.

8. Declarant. "Declarant" means Breakers, L.L.C., an Oklahoma limited liability company its successors and assigns.

9. Declarant Control Period. "Declarant Control Period" means the period ending upon the sale of ninety percent (90%) of Lots subject to the Declaration from time to time.

10. Declaration. "Declaration" means this instrument, subjecting the Property to the restrictive covenants, assessments and control of the Association, together with such amendments to this instrument as may hereafter from time to time be lawfully made.

11. Landscaping. "Landscaping" shall include, without limitation, irrigation equipment, grass, plants, trees, rocks and other similar features, whether animate or inanimate. It shall also

SECRET

1. The primary purpose of this document is to provide information regarding the current status of the project.

2. It is intended for the use of personnel directly involved in the project's execution.

3. All information contained herein is confidential and should be handled accordingly.

4. The project is currently on track, with minor delays noted in the procurement phase.

5. The next major milestone is the completion of the design phase, scheduled for Q3.

6. It is recommended that a meeting be held to discuss the progress and any concerns.

7. The project manager will be responsible for updating the status on a weekly basis.

8. Any changes to the project schedule or budget must be approved by the steering committee.

9. The project team should maintain regular communication to ensure all stakeholders are informed.

10. The project is expected to be completed by the end of the fiscal year.

11. The project budget is currently within 5% of the allocated funds.

12. The project is a high priority and requires immediate attention from all team members.

13. The project team should focus on completing the remaining tasks as quickly as possible.

14. The project is currently facing a risk of budget overruns, which must be mitigated.

15. The project team should ensure that all deliverables are of high quality and meet the requirements.

16. The project is currently in the final stages of development and testing.

17. The project team should prepare for the final review and presentation of the project results.

include the right to fertilize, dig, till, move and/or water any feature of the landscape.

12. Owner. "Owner" means any Person who owns a lot in this Subdivision.

13. Person. "Person" means an individual, corporation, partnership, association, trust or other legal entity, or any combination thereof.

14. Property. "Property" means and includes the Real Property described on Exhibit "A" and all easements, rights and appurtenances belonging thereto being the same property shown on the Plat of THE VILLAS AT SHANGRI-LA RESORT. Provided, the Declarant and its assigns reserves the exclusive right to place and maintain boat docks along all portions of the property abutting Grand Lake

15. Subdivision. "Subdivision" or "Development" means and refers to the "THE VILLAS AT SHANGRI-LA RESORT".

17. Yards or Lawns. "Yards" or "Lawns" refers to the portion of the lots lying in front of, behind or beside any improvements constructed on any lot in the Subdivision, including, but not limited to, the area inside any side yard or courtyard.

ARTICLE II

PURPOSE

1. Declarant's Intent. Because of the unique setting of the Property, Declarant intends these covenants to be a reasonable restriction upon the use of the Property and upon the Owners in order to accomplish various purposes including, but not limited to the following:

- (a) To preserve the Property values and the improvement placed therein; and
- (b) To preserve and enhance, now and in the future, the attractiveness and desirability of the Property; and
- (c) To maintain common architectural themes and styles and common landscaping throughout the Subdivision.

ARTICLE III

MEMBERSHIP IN ASSOCIATION

1. Qualification. Each Owner of a lot shall be a member of the Association and shall be entitled to representation in the Association. If a lot is owned by more than one Owner, all such Owners shall be members of the Association; provided, however, that for the purpose of

representation of such Lot with regard to the affairs of the Association and the voting by the members of the Association, the Lot shall be represented by and entitled only to one vote, which vote shall be exercised and cast in accordance with the provisions of the Declaration and the By Laws. Ownership of a Lot shall be the sole qualification for membership in the Association.

2. Transfer of Membership. The Association membership of each Owner shall be an appurtenant right to the Lot giving rise to such membership and shall not be assigned, transferred, pledged, conveyed or alienated in any way except upon the transfer of title to said Lot and then only to the transferee of title of said Lot. Any attempt to make a prohibited transfer shall be void. Any transfer of title to a Lot shall operate automatically to transfer the membership in the Association appurtenant thereto to the new Owner.

3. Classes of Membership. The Association shall have two classes of voting membership.

Class A. Class A Members shall be all Owners, with the exception of the Declarant, and shall be entitled to one vote for each Lot owned. When more than one Person holds an interest in any Lot, all such Persons shall be Members, and the vote for such Lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any such Lot.

Class B. Class B Members shall be the Declarant and shall be entitled to ten votes for each Lot owned. The Class B Membership shall cease and be converted to Class A Membership upon the expiration of the Declarant Control Period.

4. Joint Owner Disputes. A vote for each Lot may be cast only as a Unit and votes of fractions of a Lot shall not be allowed. In the event that joint Owners are unable to agree among themselves as to how their vote or votes shall be cast, they shall lose their right to vote on the matter in question. If any Owner or Owners cast a vote representing a certain Lot, it will thereafter be conclusively presumed for all purposes that he or they were acting with the authority and consent of all other Owners of the same Lot. In the event more than one vote is cast for a particular Lot, none of said votes shall be counted and all of said votes shall be deemed void.

5. Suspension of Membership Rights. The membership rights of any Owner whose Lot is subject to assessments whether or not he is personally obligated to pay such assessments, may be suspended by the Board during the period when the assessments remain unpaid, but, upon payment of such assessments, all rights and privileges shall be automatically restored. If the Board has adopted and published rules and regulations governing the use of any common areas and the personal conduct of any Person thereon, it may, in its discretion, suspend the membership rights of any such Person for violation of such rules and regulations for a period not to exceed thirty (30) days for each violation.

ARTICLE IV

DUTIES AND POWERS OF ASSOCIATION

1. Administration of Property. The Owners and each of them, together with all parties bound by this Declaration, covenant and agree that the administration of the Property shall be in accordance with the provisions of this Declaration, the Articles, By Laws and such rules and regulations as may be adopted by the Board, and the amendments, changes and modifications thereto as may come into effect from time to time. In the event of any inconsistency between the provisions of this Declaration and the provisions of the Articles, the By Laws or rules and regulations, the provisions of this Declaration shall prevail.

2. Purpose of Association. The Association is being formed in accordance with the provisions of Okla. Stat. tit. 60 § 851 et seq. The Association is being formed to provide management, maintenance, preservation and control of all Common Areas and to enforce all of the covenants and restrictions set forth in this Declaration. The Association shall have the power to enforce any obligation by means of a levy or assessment as more fully set forth in this Declaration.

3. Duties and Authority of Association. The Association shall have the following powers and duties.

(a) The Association shall acquire and pay out of the assessments levied and collected in accordance herewith, all charges incurred by operation of the Common Areas for water, gas, gardening services, refuse collection, electrical, telephone, other necessary utility services, security service and all other expenses incurred in connection with safety and welfare of the Property and the operation of the Common Areas.

(b) The Association shall maintain or cause the Common Areas and the landscaping, improvements, facilities and structures thereof to be maintained and kept in a good state of repair, and acquire for the Association and pay from assessments for such services, furnishings, equipment, maintenance, painting and repair as it may determine are necessary in order to keep and at all times maintain the Common Areas and the landscaping, improvements and facilities thereon in a good and sanitary state of condition and repair.

(c) The Association shall have the exclusive right and obligation to maintain, mow and landscape the yards on any lot in the Subdivision. The Owners of the lots shall have no right to modify or remove any part of the landscaping installed by the Association. By accepting a deed to a lot in the Subdivision, the Owners consent to allow the Association and its representatives to come upon the lot as needed for the purpose of carrying out its rights and obligations under this paragraph and this Declaration.

- (d) The Association shall pay all taxes, real and personal, and assessments, bonds and levies which are or would become a lien on the Common Areas.
- (e) The Association may, at its option, employ a manager, independent contractors and such other employees as it deems necessary and prescribe their duties, and enter into contracts and agreements, all for the purpose of providing for the performance of the business, powers, duties and/or obligations of the Association, or any portion thereof. Such manager, if any, and all employees shall have the right of ingress and egress over and access to such portions of the Property as may be necessary in order for them to perform their obligations.
- (f) The Association, at any time, and from time to time, may establish, in accordance with the By Laws, such uniform rules and regulations as the Association may deem reasonable in connection with the use, occupancy and maintenance of the Common Areas and their family members, servants, tenants, guests and invitees, and the conduct of such Persons with respect to vehicles, parking, bicycle use, use of recreational facilities, control of pets and other activities which, if not so regulated, might detract from the appearance of the Property or be offensive to or cause inconvenience, noise or damage to Persons residing in or visiting the Property. The Association shall send a copy of such rules and regulations, together with amendments and additions thereto, to each Owner upon receiving written notice of his status as an Owner.
- (g) The Association shall levy assessments against the Owners and enforce payment thereof, all in the manner and subject to limitations set forth in this Declaration and the By Laws.
- (h) The Association shall maintain books and records relating to the management and operation of the Property. Such books and records shall be subject to inspection and copying during normal business hours by any Owner and by the holders, insurers and guarantors of a mortgage on any Lot.
- (i) Upon request received from the holder of any mortgage on a Lot, the Association shall notify the holder of such mortgage of any default thereafter occurring in the performance by the Owner of the Lot burdened by such mortgage of any obligation hereunder or under the Articles, By Laws or rules and regulations of the Association, which default is not cured within sixty (60) days of the date of default. Such notice shall be in writing and shall be addressed to the mortgagee at the address specified in the request submitted by the mortgagee.

- (j) The Association shall cause an annual financial statement to be compiled and available 120 days after the end of each calendar year. Any holder of a mortgage on a Lot shall have the right to have an audited financial statement prepared at such holder's expense.
- (k) The Association shall have the power to perform such other acts, whether expressly authorized by the Declaration or the By Laws, as may be reasonably necessary to enforce any of the provisions of the Declaration, the By Laws or the rules and regulations duly adopted by the Association, or to carry out and perform its powers and responsibilities.

ARTICLE V

ASSESSMENTS

1. Creation of Lien and Personal Obligation of Assessments. Each Owner, by acceptance of a deed to a Lot, whether or not it shall be so expressed in any such deed or other conveyance, is deemed to covenant and agree to pay to the Association (i) regular assessments or charges, (ii) emergency assessments, such assessments to be fixed, established and collected from time to time as hereinafter provided and (iii) assessments for repairs or maintenance performed by the Association of Architectural Committee. The assessments, together with such interest thereon and costs of collection thereof, as hereinafter provided, shall be a charge and a lien on the Lot against which each such assessment is made, and all appurtenances thereto, which lien is created and shall be enforced in accordance with the provisions of this Article. Each such assessment (and all other assessments levied in accordance with this Declaration), together with late charges, interest, costs, penalties and reasonable attorneys fees, as provided for by this Declaration, shall also be the joint and several personal obligation of each Person who was an Owner of such Lot at the time when such assessment fell due.

2. Regular Assessment.

- (a) Regular Assessment Period. Until December 31st of the year in which the first Common Area is conveyed to the Association, the annual assessment shall be \$1,300.00 per lot, which shall be the maximum annual assessment for that year. Thereafter, the maximum permissible annual assessment shall increase each year by ten percent (10%) of the maximum permissible annual assessment for the previous year without the necessity of a vote of the membership of the association. The maximum permissible annual assessment may be increased above the ten percent (10%) limitation specified in this paragraph only with approval of a majority of the Owners, voting in person or by proxy, at a meeting called for such purpose. The Board of Directors may fix the annual assessment against each Lot at any amount not in excess of the maximum permissible annual assessment applicable to that year without the necessity of a vote of the membership of Association.

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In addition to the assessment referred to above, the purchaser of any lot shall pay the sum of \$ 500.00 at the time of closing as an assessment to be placed in the Reserve Fund.

- (b) Fiscal Year. The fiscal year shall be the calendar year.
- (c) Payment of Assessments. Assessments for each Lot shall be due and payable by the Lot owner on the 1st day of the month designated by the Board; provided, such assessments may be paid annually or in any manner as authorized by the Board. The total of such assessments for all Lots for each fiscal year shall total (i) the estimated expenses of the Association in carrying out the obligations described herein for such fiscal year and for the maintenance and repair of the Common Areas and landscaping of the yards or lawns of all Lots (the "Maintenance Fund Requirement"), plus (ii) an amount, to be determined by the Board, to be set aside during the fiscal year to provide for a reserve fund for the repair or replacement of the Common Areas (the "Reserve Fund Requirement").
- (d) Certificate of Payment. The Association shall, upon demand, furnish to any Owner, mortgagee of an Owner or Prospective purchaser of any Lot a certificate in writing, signed by an officer of the Association, setting forth whether the assessments on the specified Lot have been paid and the amount of delinquency, if any. A reasonable charge may be made by the Board for the issuance of such certificates. Such certificates shall be conclusive evidence of payment of any assessment therein stated to have been paid.

3. Special Emergency Assessments. In the event that the Board shall determine that its budget for any current month is or will become inadequate to meet all expenses for any reason, including non-payment of any Owner's assessment on a current basis, it shall immediately determine the appropriate amount of such inadequacy for such month and may levy an emergency assessment for the amount required to meet all such expenses on a current basis against the Owner of each Lot; provided, however, that any such emergency assessment in an amount exceeding 150% of the amount of the then prevailing monthly assessment for each Lot, with respect to such Lot, must first be approved by a majority of the Owners present, either in person or by proxy, and entitled to vote, at a meeting called for such purpose at which a quorum is present, written notice of which meeting shall be sent to all members not less than ten (10) days nor more than thirty (30) days in advance of the meeting. Emergency assessments levied in accordance with this election shall be due and payable within thirty (30) days of written notice thereof by the Board.

4. Payment of Assessments. Each payment of regular and emergency assessments made by an Owner shall first be applied to that portion of such Lot's assessments allocable to the Maintenance Fund Requirement, and the remainder of such payment shall be applied to that portion of such Lot's assessments allocable to the Reserve Fund Requirement.

5. Maintenance Fund. All collected assessment charges shall be properly deposited in a separate commercial bank account in a bank or trust company to be selected by the Board. The Board shall have control of said account and shall be responsible to the Owners for the maintenance of accurate records thereof at all times.

6. Reserve Fund. All collected assessment charges allocable to the Reserve Fund Requirement shall be properly deposited in a separate commercial banking account in a bank or trust company to be selected by the Board. The Board shall have control over such account and shall be responsible to the Owners for the maintenance of accurate records thereof at all times. The funds in such account may be expended only for expenses incurred by the Association for the maintenance, repair or replacement of the Common Elements.

7. Individual Assessments. An individual assessment may be levied by the Board against an individual Lot and its Owner to reimburse the Association for costs incurred in bringing that Owner and his Lot into compliance with the provisions of this Declaration and By Laws.

8. Nonpayment of Assessments, Lien Rights, Remedies. Every Owner is deemed to covenant and agree to pay the assessments provided for in this Declaration and is further deemed to agree to the enforcement of such assessments in the manner provided for in this Declaration.

(a) Delinquency. Any assessment provided for in this Declaration which is not paid when due shall become delinquent on the date on which such assessment is due (the "date of delinquency") A late charge of \$100.00 for each delinquent assessment shall be payable with respect to such assessment not paid within 15 days after the date of delinquency. Assessments not paid within 15 days after the date of delinquency shall thereafter bear interest at the rate of fifteen percent (15%) per annum from the date of delinquency, and the Board, its attorney or other authorized representative may, at its option, at any time after such period and in addition to the other remedies herein or by law or inequity provided, enforce the obligation to pay assessments in any manner provided by law or in equity and, without limiting the generality of the foregoing, by any or all of the following procedures:

(b) Enforcement by Suit. The Board may cause a suit to be commenced and maintained in the name of the Association against any Owner or Owners, or any of them, personally obligated to pay assessments or such delinquent assessments for which they are personally obligated. The Board shall also be entitled to recover a reasonable attorney's fee incurred in the action. Any judgment rendered in any such action shall include the amount of the delinquency, together with interest thereon at the rate of fifteen percent (15%) per annum from and after the date of delinquency, late charges as provided for by this Declaration, court costs and reasonable attorneys' fees in such amounts as the court may award. Suit to recover a money judgment for unpaid assessments shall be maintainable by the Board or its authorized agent

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without foreclosing or waiving the lien hereinafter provided for.

- (c) Enforcement of Lien. Any assessment which remains unpaid on the date on which such assessment is due shall be a lien on the Lot for which such assessment is due and on all appurtenances thereto. Such lien may be foreclosed by a suit instituted by the Association, its attorney or duly authorized agent. In any such foreclosure action the Owner shall be required to pay reasonable rental for the use of his Lot during the pendency thereof. The Association, or its duly authorized agent, shall have the power to bid in at the foreclosure sale and to acquire, hold, lease, mortgage and convey the Lot acquired at such sale.
- (d) Additional Costs Secured by Lien. In the event the lien described above is foreclosed, reasonable attorneys' fees as the court may award and court costs, abstracting fees, interest at the rate of fifteen percent (15%) per annum from the date of delinquency, late charges as provided for by this Declaration and all other costs and expenses shall be allowed to the Association.
- (e) Rights of Association. Each Owner hereby vests in and delegates to the Association or its duly authorized representative the right and power to bring all actions at law or lien foreclosures against any Owner or Owners for the collection of delinquent assessments in accordance herewith.
- (f) Purchaser at Foreclosure Sale. Any purchaser of a Lot at a foreclosure sale pursuant to an action to foreclose the lien herein provided shall take title to such Lot subject to all the terms, provisions and restrictions of this Declaration. There shall be a lien on the Lot of the purchaser which may be foreclosed in accordance with this Declaration and which shall secure all assessments which become due after the date of such sale. For the purposes of this section, a sale of a Lot shall occur on the date any judicial or non judicial sale is held.
- (g) Purchase by Mortgagee. In the event the holder of a first mortgage on a Lot obtains title to such Lot as a result of a foreclosure of the mortgage or deed in-lieu of foreclosure, such mortgagee shall not be liable for the foreclosed Lot's unpaid assessments which accrue prior to the earlier of (i) the acquisition of title to such Lot by the mortgagee or (ii) occupancy of the Lot by mortgagor or its lessee.
- (h) Power of Sale Procedure. In accordance with Okla. Stat. tit. 46 § 41, by accepting a deed to a Lot, the owner expressly agrees with Declarant and the Association that the Association may foreclose any lien as set forth herein under the Power of Sale Mortgage Foreclosure Act. As required by law, the parties agree and acknowledge:

1. The first part of the document discusses the importance of maintaining accurate records of all transactions and activities. It emphasizes the need for transparency and accountability in financial reporting.

2. The second part of the document outlines the various methods and techniques used to collect and analyze data. It covers both qualitative and quantitative research approaches, highlighting their strengths and limitations.

3. The third part of the document focuses on the ethical considerations surrounding data collection and analysis. It discusses the importance of informed consent, confidentiality, and the responsible use of research findings.

4. The fourth part of the document provides a detailed overview of the data analysis process. It includes a discussion of statistical methods, data visualization techniques, and the interpretation of results.

5. The fifth part of the document concludes with a summary of the key findings and a discussion of the implications for future research. It also includes a list of references and a glossary of terms.

A power of sale has been granted in this Declaration. A power of sale may allow the Association to take the Lot and sell it without going to court in a foreclosure action upon default by the Owner under this Declaration and the By-Laws.

- (i) Receivership-Payment of Rent. Once the Association begins proceedings to foreclose its lien on a Lot, either through a judicial proceeding or under the Power of Sale Act, the Association shall be entitled to the appointment of a receiver to take possession of the Lot. During the pendency of the proceeding, the Lot Owner shall be required to pay a reasonable rental for his use of the Lot and the receiver is authorized to collect the same. If the Lot Owner fails to pay the rent when due, the receiver shall be entitled to evict the Lot Owner pursuant to the provisions of the Forcible Entry and Detainer Statutes of the State of Oklahoma.

9. Purpose of Assessments. The Assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the residents of the Property, for the improvement and maintenance of the Common Areas and maintenance, mowing and landscaping of the lawns situated within the Subdivision, for the maintenance, upkeep and replacement of all recreational facilities including any swimming pools and related facilities constructed upon or within the Subdivision. The Assessments may also be utilized to assist the Association in carrying out of the duties imposed upon the Association by this Declaration including reimbursement for all legal and accounting fees and other similar charges.

10. Exemption for Declarant. The Declarant shall not be responsible for the payment of any assessments to the Association with respect to any Lots on which a home or residence has not been constructed. This exemption is to allow the Declarant ample time to fully develop the subdivision without the added burden of additional assessments. During the development of the subdivision, the Declarant will fulfill many of the obligations imposed upon the Association (i.e. mowing and maintenance) with respect to the undeveloped Lots.

With respect to any Lots owned by Declarant on which a home or residence has been constructed and is ready for sale, the Declarant shall be responsible for an assessment equal to five percent (5%) of the annual assessment or charge made or levied against any other Lot on the property. The assessment shall increase to an amount equal to the regular assessment following the sale of such Lot to a third party.

11. Uniform Rate. Except for individual assessments and the reduced assessment allowed to the Declarant, all assessments must be fixed at a uniform rate applicable to all Lots.

ARTICLE VI

AMENDMENT OF DECLARATION

1. Amendment. The Declaration may be amended by a majority of the Owners voting in person or by written proxy at a meeting of the members of the Association duly called and held for that purpose, and any such amendment shall become effective upon the filing, with the office of the County Clerk of Delaware County, Oklahoma, of an instrument in writing setting forth such amendment and duly executed and acknowledged by the President of the Association, as the act and deed of the Association, and attested by the Secretary thereof. Provided, however, during the "Declarant Control Period" the Declarant will possess a majority of the votes of the Association and thus reserves the right to amend the Declaration by execution of a written amendment duly signed by the Declarant and recorded in the Delaware County Clerk's office.

ARTICLE VII

RESTRICTIONS AS TO USE

1. Single Family Use. All Lots, except Lots which may be designated by and for the Declarant for the utilization for a bar, restaurant, management, administrative, maintenance, laundry, storage or similar shop purposes, shall be used exclusively for private residential homes and shall not be used for business, professional or other similar activity. Provided, this Declaration shall have no effect on the right of Newport Village, L.L.C. and its successors and assigns to continue operation of a Marina adjacent to and in front of the property.

2. Prohibition on Division. No Lot shall be subdivided, nor shall any part less than the whole thereof be sold or otherwise transferred. Provided, Declarant reserves the right to subdivide any Lot for the purpose of adding a portion of a Lot to an adjacent Lot.

3. Temporary Structures. No boat trailer, travel trailer, recreational vehicle, tent, tree house, barn, camping quarters or other temporary structures may be placed or erected upon any Lot at any time except with the written permission of the Architectural Control Committee.

4. New Construction: Uniform Architectural Themes and Styles. All construction shall be new and shall be approved by the Architectural Control Committee prior to the initiation of construction. The Declarant has pre-approved several plans and designs which are available from the Declarant or the Committee. Any variations of those plans must be approved in writing by the Architectural Control Committee. To allow preservation of a common architectural theme and style, the Architectural Control Committee has sole discretion to approve or disapprove any proposed construction.

5. Completion Time. The exterior of all buildings or other structures must be completed within one (1) year after the commencement of construction except where such completion is impossible or would result in great hardship due to strikes, fires, national emergency

or natural calamities. If not so completed, or if construction shall cease for a period of sixty (60) days, without written permission of the Architectural Control Committee, the unfinished structure or unfinished portion thereof shall be deemed a nuisance and removed by the Declarant at the cost of the Owner.

6. Destruction. Any dwelling or building which may be destroyed in whole or in part by fire, windstorm, flood or for any other cause or act of God, must be rebuilt or all debris removed and the Lot restored to a sightly condition, such rebuilding or restoration to be completed with reasonable promptness and in any event within six (6) months.

7. Unightly Conditions. Each Owner shall prevent the development of any unclean, unsightly or unkept condition of buildings or grounds on such Lot which shall tend to substantially decrease the beauty of the neighborhood as a whole or the specific area.

8. Trash. No ashes, trash, rubbish, garbage, grass or shrub clippings, scrap material, or other refuse, or receptacles or containers thereof, shall be stored, accumulated or deposited outside or so to be visible from any neighboring Property or street, except during normal refuse collections.

9. Noxious Activities. No noxious or offensive activity shall be carried on upon any Lot nor anything done thereon tending to cause embarrassment, discomfort, annoyance or nuisance to the neighborhood. No offensive or hazardous activities may be carried on upon any Lot. No annoying lights, sound or odors shall be permitted to emanate from any Lot.

10. Lawn Maintenance and Landscaping. The Association shall be solely responsible for landscaping, maintaining, and mowing all yards and open spaces which are visible from any neighboring Lot or street. The Owner or Owners of any Lot shall be prohibited from modifying the landscaping without the prior written consent of the Architectural Control Committee. The purpose of this restriction is to maintain a common theme and style throughout the Subdivision. By accepting a Deed to a Lot in the Subdivision, the Owner or Owners acknowledge and agree that this restriction is reasonable and necessary to fulfillment of the Declarant's goals and purposes set forth herein.

11. Antennas. No aerial antenna, satellite dish or other device for reception or transmission of radio or television or other electronic signals shall be maintained on the roof of any building so as to be visible from neighboring Property or adjacent streets except with the written approval of the Architectural Committee.

12. Animals. No kennel or other facility for raising or boarding dogs or other animals for commercial purposes shall be kept on any Lot. No animals of any kind shall be raised, bred or kept on any Lot except dogs, cats, or other ordinary household pets; that in any event, there shall be no more than two (2) household pets on any Lot. No poultry may be kept on any Lot, and all animals must be on a leash when at large. No animal of any kind shall be permitted which in the opinion of the Architectural Control Committee makes an unreasonable amount of noise or odor or otherwise is a nuisance.

Animals shall not be permitted to run loose. If an animal should run loose, the Owner shall be responsible for all costs associated with the animal being picked up or brought under control. In the event of repeated and willful violations by the Owner, the Association may permanently restrain and enjoin the Owner from keeping said animal on the Owner's premises.

13. Vehicles. Recreational vehicles, trailers, trucks (other than pickups), tractors, garden and maintenance equipment, etc. shall not be stored or parked on any Lot. No repairs nor maintenance work shall be done on any of the above, including automobiles, except minor emergency repairs, unless the same is done in an enclosed or screened area. No vehicles, or other objects shall be placed or kept in the streets or other Common Areas overnight. Provided, that Declarant reserves the right to designate portions of the Common Areas as parking areas.

14. Junk Vehicles. No stripped down, partially wrecked, or junk motor vehicle or sizeable part thereof, shall be permitted to be parked on any street or any Lot in such manner as to be visible at ground level from any neighboring Lot or street.

15. Signs. The only signs permitted on any Lot shall be:

- (a) One sign of customary size for identification of the occupant and address of any dwelling.
- (b) Such signs for sale, administration and directional purposes during development as are approved by the Architectural Committee;
- (c) Such signs as may be necessary to advise of rules and regulations or to caution or warn of dangers;
- (d) Such signs as may be required by law; and
- (e) One sign advertising the Property "For Sale"; such sign shall not be larger than 300 square inches. "For Sale" signs shall not be placed on the common areas.

All permitted signs must be professionally painted, lettered and constructed and approved by the Architectural Control Committee.

16. Fences. No fences shall be allowed except those fences installed by the Declarant or additional fences approved by the Architectural Control Committee. All fences must be approved by the Architectural Control Committee prior to beginning construction. No fencing shall extend beyond the front building line or the side building line on a corner Lot of any residence. If a residence is built behind a front building line of a Lot, a fence may not extend beyond that point nearest the street at each end corner of the home. The materials utilized as well as the color of the fence must be approved by the Architectural Control Committee and shall be consistent with the

architecture and theme prevalent in the subdivision.

17. Swimming Pools. Outdoor swimming pools shall be in ground and permanent. Provided, a portion of the pool wall may be above ground if all portions above ground are hidden from view with a deck. A temporary children's wading or play pool is permitted. Lots with swimming pools shall have sufficient security fencing. Swimming pool and ancillary equipment shall be shielded from view of adjacent property owners and any nearby streets.

18. Garage Doors. Each owner shall keep all garage doors closed at all times except when in use.

ARTICLE VIII

ARCHITECTURAL CONTROL COMMITTEE

1. Architectural Control Committee. Until all Lots in the Subdivision have been sold, the Declarant shall constitute the Architectural Committee. Upon the sale of all Lots by Declarant, the Board of Directors of the Association shall appoint three (3) members to the Architectural Control Committee and such persons shall be Owners of Lots in the Subdivision. The Architectural Control Committee shall be formed for the purpose of assuring that the Property shall always be maintained in a manner (i) providing for visual harmony and soundness of repair; (ii) avoiding activities deleterious to the aesthetic or Property values of the Property; (iii) maintaining common architectural themes and styles and (iv) promoting the general welfare of the Owners and their tenants, guests and invitees.

The Architectural Control Committee shall have the power, by the exercise of its best judgment, to regulate the construction of all structures and improvements on any Lot and the decoration and landscaping of such Lot to insure conformity with the existing surroundings and structures.

2. Approval of Plans Prior to Construction. No structure, whether residence, accessory building, tennis court, swimming pool, antenna, flag poles, fences, wall, house numbers, mail boxes, exterior lighting or other improvements shall be constructed or maintained upon said Lot and no alterations or repainting to the exterior of any such improvement shall be made prior to written approval by the Architectural Control Committee. Prior to the initiation of construction, the Owner shall submit a complete set of plans and specifications to the Architectural Control Committee for review. The plans shall include a description of the exterior design, height, building materials and color scheme along with the proposed location of the structure. The plans may also include a description of the type of landscaping desired by the Owner. Provided, however, the Owner acknowledges and agrees that the Architectural Control Committee acting on behalf of the Association, shall have the sole discretion in establishing and maintaining all landscaping upon any Lot.

The Architectural Control Committee shall approve or disapprove all proposed plans or

requests within thirty (30) days after receipt of the written request has been submitted. The Architectural Control Committee shall maintain written records of all applications submitted and of all action taken. In approving or disapproving any plans submitted, the Architectural Control Committee shall take into consideration the design, style and construction of the proposed improvement, its location on the Lot, the harmony of its design, architecture and location with the terrain and surrounding neighborhood and shall determine whether such improvement is consistent with the general terrain, architecture of other buildings located upon the Property and whether or not the construction or alteration of said improvement will adversely affect or decrease the value of any other Lots because of its design, location, height or type of material used in construction. The Architectural Control Committee may make reasonable requirements of the Owner, including the submission of additional plans, to insure conformance of such building or alteration when erected with these restrictions and covenants and with the plans submitted and approved. The committee may require such changes as may be necessary to conform to the general purposes as herein expressed.

The Architectural Control Committee shall have authority to grant variances from the provisions of this Declaration in cases of irregularly shaped Lots, unusual terrain, or other conditions wherein the strict enforcement of these restrictions would result in unusual hardship. The Architectural Control Committee shall be the sole and exclusive judge of whether or not such hardship exists.

3. Disapproval of Plans. If the Architectural Control Committee disapproves of any proposed plans or specifications, it shall state in writing its reason for such disapproval in general terms so that the objections can be met by alterations acceptable to the Architectural Control Committee.

4. Repairs and Maintenance. In an effort to fulfill the purposes outlined above, the Architectural Control Committee shall have the right to require any owner to perform such repairs or maintenance to the improvements located upon any Lot as the Committee deems necessary. If the Committee determines that such repairs or maintenance are necessary, the Architectural Committee shall forward a written notice to the owner of the Lot detailing the deficiencies and the repairs required by the Committee. The written notice shall allow for a reasonable time within which the repairs are to be completed. If the owner fails to initiate the repairs within fifteen (15) days from the date of the letter and/or fails to complete the repairs within the time period set forth in the written notice, the Architectural Committee shall have the right to make arrangements for the necessary repairs and maintenance.

The Architectural Control Committee shall have the further right to require the modification or removal of any trees, shrubbery, or other landscaping which, in the sole discretion of the Architectural Control Committee, unreasonably interferes with the view to the lake of the owners of other lots in the development. Nothing in this provision shall be construed as granting an easement or right to an unrestricted view of the lake from any lot in the development.

Any cost incurred by the Architectural Control Committee or the Association shall be paid

by the owner of the Lot. If not paid within thirty (30) days after such owner has been sent notice of the amount due, such amount, plus interest at the rate of 15% per annum and costs of collection, including a reasonable attorney's fee, shall be a lien on the Lot and shall in all respects be the personal obligation of the owners. The Architectural Control Committee or the Association may bring an action at law for recovery of the costs so incurred, plus interest and costs of collection including attorney's fees and may enforce the lien as set forth above.

5. Discretionary Powers. To insure fulfillment of the Declarant's goals and objectives in this development, the Architectural Control Committee shall have and shall exercise broad discretionary powers and its decision shall be final and conclusive except for arbitrary abuse of its discretion. In the absence of a violation of governing law, any court reviewing any dispute should give great deference to the decision of the Architectural Control Committee.

6. Interpretation of Declaration. In the event questions of interpretation of this Declaration arise, the Architectural Control Committee is given authority to review and resolve all such questions. All questions shall be interpreted in accordance with the purpose and intent expressed in this Declaration. Any decision rendered by the Architectural Control Committee shall be in writing and shall be maintained in the records of the Architectural Control Committee. Any written opinion issued by the Architectural Control Committee shall be binding upon all Owners in the Subdivision and may be enforced in the same manner as other covenants and restrictions set forth in this Declaration.

The Architectural Control Committee may publish and record any interpretations in order to establish guidelines relative to architectural styles, signs, details, fences, colors, set backs, materials or other matters relevant to architectural control and protection of the aesthetic or Property values of the Property. If the Architectural Committee establishes such guidelines, such guidelines shall be enforceable as if set forth in the Declaration.

7. Liability of Architectural Control Committee. No member of the Architectural Control Committee shall be liable at law or in equity to any person submitting a request for approval by reason of any action including approval, disapproval and failure to act with regard to such request.

8. Cease and Desist Order. The Architectural Control Committee shall have the power to impose reasonable charges upon and issue a cease and desist request to an Owner, such Owners contractors, employees, agents and invitees whose actions are inconsistent with the provisions of the Declaration. If the Owner fails to cure any breaches or deficiencies outlined in a cease and desist order within five (5) calendar days, the Architectural Control Committee may cause the breach to be cured and terminated at the expense of the Owner so notified and entry on Owner's Property as necessary for such purpose shall not be deemed a trespass. Any cost incurred by the Architectural Control Committee shall be paid by the person responsible for the breach. If not paid within thirty (30) days after such Owner has been sent notice of the amount due, such amount, plus interest at the rate of 15% per annum and costs of collection, including a reasonable attorney's fee, shall be a lien on the Lot owned by each person so notified and so shall in all respects be the personal obligation of the Owner. The Architectural Control Committee or the Association may bring an action at law

for recovery of the costs so incurred by it, plus interest and costs of collection against the Owner personally obligated to pay and may bring an action to foreclose the lien against the Lot and judgment foreclosing the lien shall include interest and a reasonable attorney's fee, together with the costs of the action. The foregoing specified rights and remedies shall not limit the right of any other Owner or the Association to enforce these covenants and any provision set forth in the Declaration.

9. Appeal. After the Declarant relinquishes its right to serve as the Architectural Control Committee, any action, ruling or decision of the Architectural Control Committee may be appealed to the Board by any party deemed by the Board to have standing as an aggrieved party, and the Board may modify or reverse any such action, ruling or decision. The Board shall maintain a record of a such decisions.

VIV

EASEMENTS

1. Utility Easements. Declarant does hereby dedicate for the use and benefit of all Owners in the development the utility easements as depicted on the plat for the purposes of constructing, maintaining, repairing, removing and replacing any and all public utilities, including storm and sanitary sewers, telephone and communication lines, cable television, electric power lines and transformers, gas lines, water lines and other services capable of being provided to the development, together with all fittings and equipment for each of the facilities, including the poles, wires, conduits, pipes, valves, meters and any other appurtenances thereto, with a right of ingress and egress to the easements for the uses and purposes set forth herein. No building, structure or other above or below ground obstruction that interferes with the above uses and purposes of any easement shall be placed, erected, installed or maintained. Provided, however, nothing herein shall be deemed to prohibit utility easements, drives and parking areas which do not constitute an obstruction.

2. Roadways. The interior streets within the Subdivision and shown on the plat as private streets are herein dedicated by Declarant as private streets for the common use and benefit of all Owners within the Subdivision, and their guests and invitees, for the purpose of providing vehicular and pedestrian access to and from the various Lots, to and from the public streets, and for providing entrance security facilities and decorative fencing and landscaping and are reserved to Declarant for subsequent conveyance to the Association to be created as set forth in this Declaration.

Declarant hereby grants to the city, the United States Postal Service, any public utility providing utility service to the Subdivision and to any refuse collection service which provides service within the Subdivision the right to enter and traverse the private streets and to operate thereon all service, emergency and government vehicles, including but not limited to police and fire vehicles and equipment.

Upon conveyance of the roadways to the Association, the Association shall have sole responsibility for maintenance, repair and replacement of all roadways.

3. Mandatory Building Lines. To provide additional privacy and to achieve a more useful aggregate of side yard space, the following siting and construction requirements are established with respect to the following described lots:

- (a) Rear building line. There is herein established a building line (hereinafter referred to as "rear building line") which shall be that point of any residence located at the furthest point to the rear of any lot.
- (b) Front building line. There is herein established a building line (hereinafter referred to as "front building line") which shall be that point of any residence located at the furthest point to the front of any lot.
- (c) Side building line. There is herein established for Lots 2,3,4,5,6,7,8,9 and 10 a side building line (hereinafter referred to as the "mandatory building line") which will be located five feet (5') inside and parallel to the Northerly property line of each of said lots and extending from the front building line to the rear building line of each Lot.
- (d) Building wall. The dwelling on those lots shall be constructed and maintained with the exterior building walls (hereinafter referred to as the "building wall") located parallel with and extending directly upon and along the "mandatory building line".
- (e) Openings prohibited. The "building wall" shall not be penetrated by windows, doors, or gates unless written permission is granted by the Architectural Control Committee.
- (f) Building materials/building wall. The exterior surface of the building wall located along the mandatory building line shall be of stucco and veneer.
- (g) Side yard easement. The Declarant herein establishes and grants for the benefit of and appurtenant to the lot located adjacent and nearest to the "mandatory building line" (hereinafter referred to as the "benefitted" lot), a perpetual and exclusive easement of use and enjoyment (hereinafter referred to as "side yard easement") of that area within the burdened lot (hereinafter the "burdened lot") and extending from the mandatory building line to the common boundary line between said lots.
- (h) Rights and limitations. The use of the side yard easement by the Owner of the benefitted lot shall be limited to the uses customarily made of residential yards and may include, but shall not be limited to, lighting, patio floors, and the placement and use of customary lawn and yard furniture and shall include the incidental rights necessary to permit the construction and maintenance of a fence along the front building line. The Owner of the burdened lot shall

have the right to enter the side yard easement area for the purpose of maintenance of his dwelling or the building wall located within the burdened lot.

- (i) Indemnity. The Owner of the benefitted lot shall indemnify and hold the Owner of the burdened lot harmless from all claims, and all costs, expenses, and liabilities (including attorneys fees) related thereto, arising from or in connection with use and enjoyment of the side yard easement by the Owner of the benefitted lot, his tenants and invitees, including but without limitation, accident, injury, or loss upon or about the side yard easement suffered by the Owner of the benefitted lot, his tenants, and invitees.
- (j) Maintenance of building walls. The building wall shall be maintained by and at the cost of the Owner of the burdened lot. In the event a wall is damaged or destroyed through the act of the Owner of the benefitted lot or any of the Owners' guests, tenants, or invitees or members of his family (whether or not such act is negligent), then the Owner of the benefitted lot shall proceed to rebuild and repair the wall to as good as condition as it formerly existed, without costs to the Owner of the burdened lot.

In the event a building wall is damaged or destroyed by some other cause (including ordinary wear and tear) the Owner of the burdened lot shall, at such Owners' cost, proceed to rebuild or repair the wall to as good a condition as it formerly existed.

- (k) Alteration of building wall. The Owner of the burdened lot, prior to the commencement of the alteration of the building wall, other than cleaning or painting of a surface facing the interior of the burdened lot, shall first obtain the written consent of the Owner of the benefitted lot, which shall not be unreasonably withheld.

The Owner of the benefitted lot shall have no right to permanently attach any item to the building wall (other than the fence referenced above) without the prior written consent of both the Owner of the burdened lot and the Architectural Control Committee.

- (l) Arbitration. In the event of a dispute between the Owner of a burdened lot and the Owner of a benefitted lot relating to the repair or rebuilding of a building wall, the matter shall be submitted to three (3) arbitrators, one (1) chosen by each of the Owners, and the third by the two (2) so chosen. A determination of the matter agreed to by any two (2) of the three (3) arbitrators shall be binding upon the Owners, who shall share the costs of arbitration equally. In the event one party fails to choose an arbitrator within ten (10) days after receipt of request in writing for arbitration from the other

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party, then the requesting party shall have the right and power to chose one (1) arbitrator who shall have authority to determine the matter.

4. Landscaping or Maintenance Easement. The Association shall have the right and easement to enter upon any Lot to the extent reasonably necessary to install or maintain and repair all landscaping located or to be located upon any Lot in the development. The Association or the Architectural Control Committee shall further have the right and easement to enter upon any Lot the extent reasonably necessary to repair or maintain any improvements in the manner set forth above.

5. Access to boat docks. Declarant reserves the right to use any portion of the common elements to gain access to the boat docks owned and maintained by Newport Village, L.L.C. or its successors and assigns for regular use and enjoyment of the docks or maintenance, repairs or expansion thereof.

X

COMMON AREAS

1. Common Areas. Declarant shall grant and convey to the Association and the Association shall take and accept from the Declarant, all Common Areas as defined above. Declarant shall have sole discretion to determine when the Common Areas will be conveyed to the Association but that said Common Areas shall be conveyed prior to expiration of the Declarant Control Period. Declarant further reserves the right to convey the Common Areas to the Association in various phases as improvements are completed.

2. Reservations. The Association shall hold the Common Areas conveyed to it subject to the following:

- (a) The reservation to Declarant of the right to lay, install, construct and maintain, on, over, under or in those strips across land designated on the plat as an easement area, or on, over, under or in any portion of any Common Area, pipes, drains, mains, conduits, lines and other facilities for water, storm sewer, sanitary sewer, gas, electric, telephone and other public utilities or quasi public utilities deemed necessary or advisable to provide adequate service to any Lot now or hereafter laid out or established on the property together with the right and privilege of entering upon any Common Area for the purpose of making openings and excavations therein.
- (b) The reservation to Declarant of the right to enter upon any Common Area conveyed to the Association for the purpose of construction or completing the construction of improvements and the landscaping of any area in the property.

- (c) The reservation to Declarant (and Newport Village, L.L.C.) of the exclusive right to place and maintain boat docks along all portions of the property abutting Grand Lake.

3. Use and Benefit of Common Areas. The Common Areas conveyed to the Association shall be deemed property and facilities for the use, benefit and enjoyment, in common, of each Owner. Except as otherwise permitted by the provisions of this Declaration, no structure or improvement of any kind shall be erected, placed or maintained on any Common Area except: (i) structures or improvements designed exclusively for community use, including, without limiting the generality of the foregoing, shelters, benches, chairs or other seating facilities, fences and walls, walkways, roadways, playground equipment, swimming pools and tennis courts and (ii) drainage, storm water and utility systems and structures. The Common Areas may be graded, and trees, shrubs or other plants may be placed and maintained thereon for the use, comfort and enjoyment of the Owners or the establishment, retention or preservation of the natural growth or topography of the Common Areas or for aesthetic reasons. No portion of any Common Area may be used exclusively by any Owner for personal gardens, storage facilities or other private uses without the prior written approval of the Association. The Owners and the Association are prohibited from utilizing any portion of the property for any type of docks along the property abutting Grand Lake.

4. Maintenance. The Association shall improve, develop, supervise, manage, operate, repair, replace and maintain the Common Areas as from time to time improved, together with any items of personal property placed or installed thereon, all at its own cost and expense.

5. Damage to Common Areas. Any damage to any Common Areas which is caused by the negligent act or the willful misconduct of any Owner may be repaired by the Association but, in such event, the Association shall be entitled to reimbursement from the Owner responsible for such damage.

XI

GENERAL PROVISIONS

1. Enforcement. The Association, or any Owner, shall have the right to enforce, by any proceeding, at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Such right shall exist on behalf of any Owner against the Association. Failure by the Board or any group of Owners to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. A waiver of any such right shall be only pursuant to an instrument in writing signed by the party to be charged with such waiver and shall be limited to the particular covenant, condition or restriction which is expressly set forth in such writing as being waived.

2. Use by Declarant. Notwithstanding any provision herein contained to the contrary, it shall be expressly permissible for Declarant to maintain, during the period of sale of Lots, such facilities as, in the sole opinion of the Declarant, may be reasonably required,

convenient or incidental to the sale of said Lots, including, but not limited to, a temporary business office, storage areas, signs, model Lots and sales offices. The Architectural Control Committee shall have no authority to regulate any activities, construction or otherwise, by the Declarant.

3. Reservation for Construction and Sales Activities. In order that Declarant may establish the Property as a fully occupied Subdivision, no Owner nor the Association shall do anything to interfere with, and Declarant does hereby reserve, the right:

- (a) of Declarant and its contractors or subcontractors, in any Lot owned by them, to take any necessary or desirable action in connection with the completion of any work on any Lot;
- (b) of Declarant and its representatives to construct and maintain on the Common Areas, or any Lot owned or controlled by Declarant or its or their contractors or subcontractors, such structures as may be reasonably necessary for the conduct of its or their business of completion of any work, establishing the Property as a Subdivision and disposing of the same by sale, lease or otherwise;
- (c) of Declarant and its representatives to maintain a sales office (which might include a temporary or mobile office) and maintain and show model Lots to aid in the marketing of the Lots;
- (d) of Declarant and its contractors or subcontractors to maintain such sign or signs for marketing of Lots as may be necessary or desirable.

4. Grants of Easements. The Association shall have the right to grant permits, licenses and easements over the roadways and other Common Areas for utilities, roads and other purposes necessary for the proper operation of the Property.

5. Severability. The provisions hereof shall be deemed independent and severable and the invalidity or partial invalidity or unenforceability of any one or more of the provisions hereof shall not affect the validity of the remaining provisions.

6. Successors and Assigns. This Declaration shall inure to the benefit of and be binding upon the successors and assigns of Declarant and to the heirs, personal representatives, grantees, lessees, successors and assigns of the Owners.

7. Remedies Cumulative. Each remedy provided by this Declaration for breach of any of the covenants, conditions, restrictions, reservations, liens or charges contained herein shall be in addition to any other available remedy, whether provided for by law or in equity, and all of such remedies, whether provided for by this Declaration or otherwise, shall be cumulative and not exclusive.

DATED this ____ day of _____, 2002.

"DECLARANT"

Breakers, L.L.C., an Oklahoma Limited Liability Company

By: [Signature]
Hal Tompkins, Managing Member

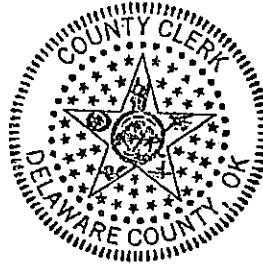
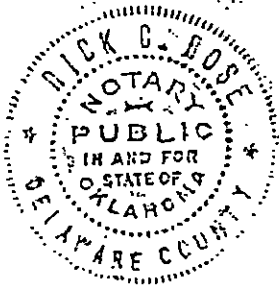
STATE OF OKLAHOMA)
) ss.
COUNTY OF DELAWARE)

On this 10TH day of DECEMBER, 2002, before me, a Notary Public in and for the County and State aforesaid, personally appeared Hal Tompkins, Managing Member of Breakers, L.L.C. to me known to be the identical person who executed the within and foregoing instrument and acknowledged to me that he executed the same as the free and voluntary act and deed of the company for the uses and purposes therein set forth.

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

[Signature]
Notary Public

My Commission Expires:
4/14/2004
Commission No.: 00004900



Doc # 2002012749
Bk 1529
Pg 581-586
DATE 12/16/02 10:16:26
Filing Fee \$63.00
Documentary Tax \$0.00
State of Oklahoma
County of Delaware
Delaware County Clerk
CAROL FORTNER

BOOK 1529 PAGE 585

EXHIBIT "A"

Legal Description

EXHIBIT "A"

Legal Description

A TRACT OF LAND LOCATED IN SECTION 15, TOWNSHIP 24 NORTH, RANGE 23 EAST OF THE INDIAN BASE AND MERIDIAN IN DELAWARE COUNTY, OKLAHOMA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF THE SOUTHWEST QUARTER OF SAID SECTION 15;

THENCE, EAST ALONG THE NORTH LINE OF THE SAID SOUTHWEST QUARTER ON AN ASSUMED BEARING OF N 89°58'04" E A DISTANCE OF 1214.08 FEET; THENCE S 00°19'12" W A DISTANCE OF 33.00 FEET TO A POINT ON THE SOUTHERLY RIGHT-OF-WAY LINE FOR STATE HIGHWAY 125, SAID POINT ALSO BEING THE POINT OF BEGINNING; THENCE S 89°58'04" W, ALONG SAID RIGHT-OF-WAY A DISTANCE OF 281.36 FEET; THENCE SOUTH 00°01'56" E A DISTANCE OF 125.00 FEET; THENCE SOUTH 09°47'41" E A DISTANCE OF 8.57 FEET; THENCE S 00°00'00" W A DISTANCE OF 610.00 FEET; THENCE S 29°58'47" W A DISTANCE OF 103.24 FEET; THENCE S 40°28'57" E A DISTANCE OF 116.94 FEET; THENCE N 71°37'57" E A DISTANCE OF 270.54 FEET; THENCE N 28°58'21" E A DISTANCE OF 126.56 FEET; THENCE N 10°37'35" W A DISTANCE OF 339.26 FEET; THENCE N 00°00'00" E A DISTANCE OF 392.57 FEET TO THE POINT OF BEGINNING.
SAID TRACT OF LAND CONTAINING 264,814 SQUARE FEET OR 6.0792 ACRES MORE OR LESS.