

**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
STANFORD COURT GARDEN HOMES**

THIS DECLARATION dated December 14, 1994, by CHARLES S. GIVENS INTERESTS, INC., an Oklahoma corporation, having a mailing address at 6303 Waterford Blvd., Suite 150, Oklahoma City, Oklahoma (the "Declarant").

RECITALS

A. Declarant owns a certain tract of land located in Oklahoma County, Oklahoma. Such tract (hereinafter called the "Property") consists of all of the lands described on Exhibit "A" attached hereto and made a part hereof and shown on the subdivision plat recorded in Plat Book 54, at Page 63 in the office of the County Clerk of Oklahoma County, Oklahoma.

B. Declarant desires to subject the Property, and the lots located therein (the "Lots"), to the covenants, conditions and restrictions set forth below which are for the purpose of protecting the value and desirability of the Property, and are for the purpose of distributing among the persons owning lots located within the Property ("Lot Owners"), the cost of (i) maintaining and operating the Common Areas located within the Property, (ii) maintenance of the Lots and limited maintenance of the improvements, (iii) certain insurance for the Lots and the improvements thereon, and (iv) any improvements contained on Common Areas.

C. Declarant hereby declares that the Property shall be held, sold and conveyed subject to the covenants, conditions and restrictions set forth below.

**ARTICLE I
DEFINITIONS**

(a) "Articles" shall mean the duly adopted Articles of Association for Stanford Court Association as filed hereinafter with the office of the County Clerk for Oklahoma County, Oklahoma, pursuant to 60 O.S. § 851-856, as the same may be amended from time to time.

(b) "Association" means the Stanford Court Association.

(c) "Bylaws" shall mean the duly adopted Bylaws of the Association, as the same may be amended, changed or modified from time to time.

(d) "Board of Directors" or "Board" shall mean the Board of Directors of the Association as selected pursuant to the provisions of the Bylaws.

(e) "Common Area" means those areas of land designated on Exhibit B hereto, and any easements conveyed or reserved now or hereafter for the benefit of the Association intended to be owned by the Association and devoted to the common use and enjoyment of the owners of the Lots.

(f) "Common Expenses" shall mean the following:

(i) Expenses of administration, maintenance, repair or replacement of the Common Areas to the extent such expenses are to be borne by the Association under the terms of this Declaration;

(ii) Expenses agreed upon as common by all Lot Owners acting through the Association;

(iii) Expenses and maintenance costs of maintaining and replacing certain limited exterior items on the Homes located on the Lots; and

(iv) The expense of maintaining certain insurance to cover liability for the Homeowners' Association and damage or destruction of Homes to the extent and only to the extent of the structure from the stud walls out (i.e. stud walls, complete exterior, plumbing, electrical and mechanical systems are covered) but interior sheetrock and paint, flooring, trim, appliances and personal contents are not included and must be insured by the Owner.

(g) "Declarant" means Charles S. Givens Interests, Inc., an Oklahoma corporation.

(h) "Declaration" means this instrument, by which the Property is submitted to the provisions of 60 O.S. § 851-856, together with such amendments to this instrument as may hereafter from time to time be lawfully made.

(i) "Home" means a private dwelling unit located in a duplex building on a single Lot.

(j) "Lot Owner" or "Owner" means the person, or legal entity, or the combination thereof, holding the record fee simple or perpetually renewable leasehold title to a Lot in the Property, as the Lot is now or may from time to time hereafter be created or established. If more than one person, or other legal entity or any combination thereof, holds the record title to any Lot, all of them shall be deemed a single record owner and shall be a single member of the Association by virtue of their ownership of the Lot. The term "Lot Owner" or "Owner", shall not mean any contract purchaser, nor shall it include any mortgagee or other person or legal entity holding an interest in a Lot as security for the performance of an obligation.

(k) "Majority of Lot Owners" means the owners of more than fifty percent (50%) of the Lots. Any specified percentage of Lot Owners means such percentage in the aggregate of such ownership of Lots.

(l) "Party Wall" means the party walls *running* between each duplex unit.

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

(n) "Property" means all of the land described on Exhibit "A" attached hereto.

ARTICLE II PROPERTY SUBJECT TO THIS DECLARATION AND ADDITIONS THERETO

SECTION 1 PROPERTY SUBJECT TO CHARGES

2.1 Declarant hereby declares that all the Property is held and shall be owned, conveyed, encumbered, leased, rented, used, occupied and improved subject to the following limitations, covenants, conditions, restrictions, reservations, liens and charges, all of which are hereby declared and established and agreed to be in furtherance of a general plan and scheme for the sale of Lots and Homes, pursuant to the provisions of 60 O.S. § 851-856, and all of which are declared and established for the purpose of enhancing and protecting the value, desirability, and attractiveness of the Property. All of said limitations, covenants, conditions, reservations, liens, charges, and restrictions are hereby established and imposed upon the Property for the benefit thereof and for the benefit of each individual Lot comprising a part thereof and of each ownership of one or more Lots, now or in the future, and the owners of any interest of any kind or character in Lots, the Property, or any portion thereof.

All of said limitations, liens, covenants, conditions, reservations, charges, and restrictions shall run with the land and shall be binding on all parties having or acquiring any right, title or interest in any Lot, the Property or any part thereof, whether as sole owner, joint owner, lessee, tenant, occupant, successor, trustee, assigns or otherwise.

SECTION 2 RIGHTS OF DECLARANT - ADDITIONAL LOTS

2.2 Declarant hereby expressly reserves unto Declarant, its successors and assigns, the option and right to expand and modify the Property at any time and to reconfigure the size of Lots on which Homes are to be located and to define Lots without regard to lot lines.

The consent of Lot Owners of the Property shall not be required for any Lot split or expansion to include all or any part or parts of additional land and the Declarant may proceed with such expansion at Declarant's sole option. Further, by acceptance of a warranty deed to a Lot, the Lot Owner shall be deemed conclusively to have consented to the expansion or modification provided for herein, including the modification of the percentage interests in the Common Areas, if accomplished in accordance herewith.

ARTICLE III MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

SECTION 1 OWNERS AS MEMBERS OF ASSOCIATION

3.1 Each Owner of a Lot shall be a member of the Association. Membership shall be appurtenant to and may be separated from the ownership of the Lot.

SECTION 2 VOTING CLASSES OF MEMBERSHIP

3.2 The Association shall have two classes of voting membership:

3.2.1 Class A Except for Declarant (which shall initially be a Class B member), the Class A members shall be all of the Owners of the Lots. Each Class A member shall be entitled to one (1) vote per Lot, for each Lot owned by it, in all proceedings in which action shall be taken by members of the Association.

3.2.2 Class B. The Class B members shall be the Declarant. The Class B member shall be entitled to three (3) votes per Lot for each Lot owned by it, in all proceedings in which action shall be taken by members of the Association.

3.2.3 The vote of any Class A member comprised of two or more persons, or other legal entities, or any other combination thereof, shall be cast in the manner provided for in the Articles of Association of the Association, or as the several constituents may determine, but in no event shall all such constituents cast more than one vote per Lot for each Lot owned by them.

3.2.4 The Class B membership in the Association shall cease and be converted to Class A membership in the Association on the tenth (10th) anniversary of the date of this Declaration or at such earlier time as the total number of votes entitled to be cast by Class A members of the Association equals or exceeds the total number of votes entitled to be cast by the Class B member of the Association.

ARTICLE IV COMMON AREAS

SECTION 1. OWNERSHIP OF COMMON AREAS BY ASSOCIATION

4.1.1 Declarant shall grant and convey to the Association, and the latter shall take and accept from Declarant, the Common Areas which is subject to this Declaration, and the easements described on Exhibit B hereto not later than the date the first Lot shown on the subdivision plat which is improved by a dwelling is conveyed to an Owner. At the time of the conveyance, Common Areas shall be free of any mortgages, judgment liens or similar liens or encumbrances.

4.1.2 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 subdivision plat, as Common Area and the easements provided herein, or areas otherwise designated as an easement area, or on, over, under, or in any portion of any Common Area, pipes, drains, signage, irrigation, mowing 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, or the area in which the same is located, together with the right and privilege of entering upon any Common Area for such purposes and making openings and excavations therein.

(b) The reservation to Declarant of the right to enter upon any Common Area or Lot conveyed to the Association or Lot owner for the purpose of constructing or completing the construction of improvements and the landscaping of the Common Area.

(c) The reservation to Declarant of the right to continue to use and maintain any storm water management ponds and any sediment control ponds or facilities located on any Common Area conveyed to the Association.

SECTION 2. USE OF COMMON AREAS

4.2.1 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.

4.2.2 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.

SECTION 3. RESTRICTIONS ON USE OF COMMON AREAS

4.3.1 No noxious or offensive activity shall be carried on upon any Common Area nor shall anything be done thereon which will become an annoyance or nuisance to the neighborhood.

4.3.2 No drilling or puncturing the surface for oil, gas or other minerals or hydrocarbons on the Property (including any Lot or any Common Area) shall be permitted.

4.3.3 The storage of trash, ashes or other refuse except in normal receptacles is prohibited. Weeds, underbrush or other unsightly growths shall not be permitted to grow or remain on any Lot or any Common Area.

SECTION 4. MAINTENANCE OF COMMON AREAS

4.4.1 The Association shall improve, develop, supervise, manage, operate, examine, inspect, care for, repair, replace, restore 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.

4.4.2 The Lot Owners and each of them, together with all parties bound by this Declaration, covenant and agree that the administration of the Common Areas, and other maintenance items shall be in accordance with the provisions of this Declaration, the Articles, the Bylaws, 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 Bylaws, or rules and regulations, the provisions of this Declaration shall prevail.

4.4.3 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, for all development, maintenance, gardening service, insurance, certain exterior maintenance, refuse collection, and other necessary expenditures relating to the Common Areas and the Homes.

(b) Except as otherwise provided herein, 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, equipment, maintenance, 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) Except as to the taxes, levies or assessments levied separately against an individual Lot and/or the Owner thereof, 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.

(d) The Association, at any time, and from time to time, may establish, in accordance with the Bylaws, such uniform rules and regulations as the Association may deem reasonable in connection with the use, occupancy and maintenance of the Common Areas by Lot Owners, their guests, invitees and licensees, and the conduct of such persons with respect to vehicles, parking, bicycle use, use and parking of trucks and vans, facilities constructed on the Common Areas and other activities which if not so regulated, might detract from the appearance of the Common Areas or be offensive to or cause inconvenience, noise or damage to persons residing in the Property or visiting the Common Areas. The Association shall send a copy of such rules and regulations, together with amendments and additions thereto, to each Lot Owner upon receiving written notice of his status as an Owner.

(e) The Association may contract for management and security services to provide limited security for residents living in the Property. The Association shall have no responsibility with respect to providing security to any individual Home. It is the sole responsibility of each individual to contract with a security service to monitor the individual alarms located in each Home.

(f) The Association shall from time to time establish uniform rules and regulations as the Board may deem reasonable with respect to lawns, Home exteriors and any common services.

SECTION 5. BOARD TO KEEP RECORDS ON COMMON AREAS

4.5.1 The Board shall keep or cause to be kept records with detailed accounts of the receipts and expenditures affecting the Common Areas and common expenses, and its administration and specifying the maintenance and repair expenses of the Property and any other expenses incurred by or on behalf of the Association. The records so kept shall be available for inspection at convenient hours on working days by all Owners and mortgagees, and representatives of the Federal Housing Administration and Veterans Administration.

4.5.2 All records shall be kept in accordance with generally accepted accounting principles and shall be audited at least once a year by an auditor outside the Association. Owners and mortgagees shall be entitled to receive, upon request, audited financial statements of the Association.

SECTION 6. USE OF COMMON AREAS SUBJECT TO RULES

4.6.1 The right of each Owner to use the Common Areas shall be subject to the terms, conditions, and provisions as set forth in this Declaration and, to any rule or regulation now or hereafter adopted by the Association for the safety, care, maintenance, good order and cleanliness of the Common Areas. All such terms, conditions, provisions, rules and regulations shall inure to the benefit of and be enforceable by the Association and Declarant, or either of them, their respective successors and assigns, against any Owner, or any other person, violating or attempting to violate the same, either by an action at law for damages or a suit in equity to enjoin a breach or violation, or to enforce performance of any term, condition, provision, rule or regulation.

4.6.2 The Association and Declarant shall each have the right, summarily, to abate and remove any breach or violation by any Owner at the cost and expense of the Owner. Further, each Lot Owner shall be entitled to enforce the provisions of this Declaration to the extent authorized and permitted by 60 O.S. § 856.

ARTICLE V PROPERTY RIGHTS IN THE COMMON AREAS

SECTION 1. HOMEOWNERS' RIGHTS IN COMMON AREAS

5.1.1 Each Owner (which term shall include members of an Owner's family, an Owner's tenant and contract purchasers from an Owner), in common with all other Owners, shall have the right and privilege to use and enjoy the Common Areas for the purposes for which the same were designed. This right and privilege shall be appurtenant to and pass with the title to the Lot. The right to the use and equipment of all Common Areas shall

be subject to: (i) the right of the Association to charge reasonable admission and other fees for use of facilities within the Common Areas; and (ii) the right of the Association to suspend the voting rights and rights to use the Common Areas by an Owner (a) for any period in which any assessment against his Lot remains unpaid or (b) for a period not to exceed thirty (30) days for any infraction of published rules and regulations of the Association.

5.1.2 In furtherance of the foregoing, each Lot Owner shall have a nonexclusive easement of access to, use and enjoyment of, and ingress and egress through, the Common Areas, and such easements shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) Such easements shall be subject to the right conferred by this Declaration of the Board to establish uniform rules and regulations concerning the use of the Common Areas.

(b) Such easements shall extend to and include both the Property and the Additional Land, together with the respective Common Areas, upon the occurrence of expansion as provided in Article II hereof as though the Property and Additional Land were both originally subject to the provisions of this Declaration.

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

5.1.4 Subject to the provisions of Article II hereof each Unit Owner's undivided interest in the Common Areas shall have a permanent character. Such interest shall not be separated from the Lot to which it is appurtenant and shall be deemed to be conveyed or encumbered with the Lot even though such interest is not expressly mentioned or described in the deed or other instrument of conveyance. The Common Areas shall remain undivided and no Lot Owner or any other person shall bring any action for partition.

SECTION 2. COMPLIANCE WITH RULES

5.2.1 Each Owner shall fully and faithfully comply with the rules, regulations and restrictions applicable to use of the Common Areas, as these rules, regulations and restrictions are from time to time adopted by the Association for the safety, care, maintenance, good order and cleanliness of the Common Areas. Each Owner shall comply with the covenants, agreements and restrictions imposed by this Declaration on the use and enjoyment of the Common Areas.

5.2.2 Failure or refusal by an Owner after written notice to comply with any of the rules, regulations and restrictions shall be grounds for an action to recover sums due, for damages or injunctive relief or both, and for reimbursement of all attorney's fees incurred in connection therewith and interest on all of such amounts at the highest lawful rate, which action shall be maintainable by the Board of Directors in the name of the Association on behalf of the Owner or, in a proper case, by an aggrieved Owner.

SECTION 3, CERTAIN POWERS OF ASSOCIATION

5.3.1 The rights, privileges and easements of the Owners are at all times subject to the right of the Association to dedicate or transfer all or any part of the Common Areas to any public agency, authority or utility for such purposes as subject to such conditions as may be agreed upon by the Association.

5.3.2 No such dedication or transfer shall be effective unless approved by a two-thirds (2/3rds) vote of each class of members of the Association voting in person or by proxy at a meeting called for such purpose, and the same shall have been consented to by the agency, authority or utility accepting the dedication or transfer.

ARTICLE VI COVENANT FOR ASSESSMENT

SECTION 1. ANNUAL ASSESSMENTS

6.1.1 Declarant, for each completed Home owned by Declarant within the Property, hereby covenants, and each Owner, by acceptance of a deed hereafter conveying any such Lot to him, whether or not so expressed in the deed or other conveyance, shall be deemed to have covenanted and agreed to pay the Association a pro

rata share (paid 1/12th per month) of (i) annual assessments or charges; and (ii) special assessments or charges for extraordinary and capital improvements, such annual and special assessments and charges to be established and collected as hereinafter provided. The annual assessment shall be based upon a budget prepared by the Board. Such budget shall include all anticipated expenses of the Association and shall specifically include a reasonable reserve for repair and replacement of the roofs (limited to shingles, flashing and felt) and painted surfaces of exteriors of Homes, including fences located on Lots in the Property.

6.1.2 The annual and special assessments or charges, together with interest at the rate of twelve percent (12%) per annum accruing from their due date until payment is made, and the costs of collection thereof and reasonable attorney's fees, shall be a charge on, and continuing lien upon each Lot against which an assessment is made. Each assessment or charge, together with interest, costs and reasonable attorney's fees, however, shall not pass to the Owner's successors in title, unless expressly assumed by them.

6.1.3 The assessments and charges levied by the Association shall be used exclusively for promoting the recreation, health, safety, and welfare of the residents of the Property, and in particular for (i) the improvement, operation and maintenance of the Common Areas, including, but not limited to, the payment of taxes thereon, (ii) the payment of insurance premiums, (iii) the maintenance, repair and replacement of the exterior of each Home on a Lot limited to repair and replacement of roofing shingles, flashing and felt; exterior painted surfaces; all fences, and all irrigation systems and parts. Each homeowner will be individually responsible for any other cost associated with the interior or exterior maintenance of the individual home, (iv) the maintenance of yards and landscaping thereon, and (v) such other matters as may be approved by the members of the Association voting as provided in the Bylaws.

6.1.4 The formula for determining annual Homeowner's dues applicable for each Home is calculated as follows: the total of all costs required to operate the Homeowner's Association is divided by total living area square footage of all completed Homes within the Property. This figure provides an annual dollar rate per square foot which is then multiplied times the living area square footage of each Home. The result is the total annual dues assessed to that particular Home. The same formula shall apply to special assessments.

SECTION 2. SPECIAL ASSESSMENTS

6.2.1 In addition to the annual assessments authorized above, the Board of Directors of the Association may levy in any year, a special assessment, applicable for that year only, for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of any capital improvement located on any Common Area, including fixtures and personal property related thereto, provided that such assessment shall first be approved by a Majority of wt Owners of each class of the members of the Association, voting in person or by proxy at a meeting called for such purpose.

SECTION 3. UNIFORMITY OF ASSESSMENTS

6.3.1 Except as provided in Section 5 of this Article, annual assessments must be filed at a uniform rate for all Lots. Provided, no dues shall be charged on undeveloped Lots or on Lots on which construction of a Home is not complete.

SECTION 4. MEETINGS TO ESTABLISH ASSESSMENTS

6.4.1 Written notice of any meetings of members of tile Association called for the purpose of taking any action authorized under Sections 2 or 3 of this Article shall be sent to all members not less than fifteen (15) days, nor more than thirty (30) days, in advance of the meeting.

6.4.2 At the first meeting, the presence of members, or of proxies, entitled to cast sixty percent (60%) of all of the votes of each class of members entitled to be cast at the meeting shall be necessary and sufficient to constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirements, and the required quorum at any subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting, provided that no subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

SECTION 5. PAYMENT OF ASSESSMENTS

6.5.1 The annual assessments shall commence on the first day of the month following the first conveyance of a Common Area to the Association. The first annual assessment shall be made for the balance of the calendar year and shall become due and payable on the date fixed for the commencement. The amount of the assessment for the first year shall be an amount which bears the same relationship to the annual assessment provided for in the first sentence of Section 2 of this Article as the remaining number of months in that year bear to twelve. The same reduction in the amount of the annual assessment shall apply to the first assessment levied against any property which is hereafter added to the Property at a time other than the beginning of any calendar year.

6.5.2 The annual assessments for any year after the first year shall be on a calendar year basis and become due and payable on the first day of the month designated by the Board.

6.5.3 The due date under any special assessment under Section 3 shall be fixed in the resolution authorizing the special assessment; however, such due date shall be at least fifteen (15) days after the date of such resolution.

SECTION 6. INTEREST ON PAST DUE ASSESSMENTS; LIEN

6.6.1 If an annual or special assessment is not paid on the due date, the assessment shall be delinquent and shall bear interest from the date of delinquency at the rate of twelve percent (12%) per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same, or may foreclose the lien against the Lot for such assessment. In any such proceeding, there shall be added to the amount of such assessment the reasonable costs of preparing and filing the action, and in the event that judgment is obtained, such judgment shall include interest on the assessment as above provided and reasonable attorneys' fees to be fixed by the Court together with the costs of the action. Each Owner of a Lot shall by accepting title thereto be deemed to have assented to proceedings for the foreclosure of any lien upon his Lot (including a foreclosure by power of sale pursuant to the Oklahoma Power of Sale Mortgage Foreclosure Act) which results from his failure to pay an assessment on the due date hereof.

SECTION 7. ENFORCEMENT OF PAST DUE ASSESSMENTS

6.7.1 The lien of the assessments provided for herein shall be subordinate to any mortgage or deed of trust hereafter placed upon the Lot subject to assessment; provided, however, that the sale or transfer of any Lot pursuant to mortgage foreclosure, or any proceeding in lieu thereof, shall only extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. Such sale or transfer shall not relieve the Lot from liability for any assessments thereafter becoming due, nor from the lien of any such subsequent assessment.

6.7.2 In the event a mortgage on a Lot should provide that a default in the payment of an assessment shall be an event of default in such mortgage and, if required by the mortgage by written notice to the Association, the Board of Directors shall give notice of any default in payment of an assessment to the mortgagee.

6.7.3 To evidence the lien for unpaid assessments, the Board of Directors shall prepare a written notice of assessment lien setting forth the amount of such unpaid indebtedness, the name of the Owner of the Lot and a description of Lot. Such notice shall be signed by the President or a Vice-President of the Association, and shall be duly attested and acknowledged, and shall be recorded in the office of the County Clerk of Oklahoma County, Oklahoma. Such lien for the Common Areas shall attach from the due date thereof and impart notice to third parties from the date of the recording thereof. Such lien may be enforced by the foreclosing of the defaulting Owner's Lot subsequent to the recording of a notice or claim thereof by the Association in like manner as a mortgage on real property. The Owner of the Lot being foreclosed shall be required to pay to the Association the monthly assessment for the Lot during the period of foreclosure, and the Association shall be entitled to the appointment of a receiver to collect the same. The Association shall have the power to purchase a Lot at foreclosure or other legal sale and to acquire and hold, lease, mortgage, vote the votes appurtenant to, convey or otherwise deal with the same. Any mortgagee holding a lien on a Lot may pay, but shall not be required to pay, any unpaid assessment payable with respect to such Lot, and such payment shall not be deemed a waiver by the Association of default by the Lot Owner.

6.7.4 Upon the sale or conveyance of a Lot, all unpaid assessments against the seller-owner for his pro rata share of the Common Expenses, including interest and costs and reasonable attorney's fees incurred in collection, shall be first paid out of the sales price or by the purchaser in preference to any other assessments or charges of whatever nature, except the following:

- (a) Assessments, liens and charges for ad valorem taxes past due and unpaid on the Lot;
- (b) Judgments entered in a court of record prior to the date of Common Expense assessment;
- (c) Mortgage instruments of encumbrance duly recorded prior to the date of such assessment;

(d) Mechanic's and materialmen's liens arising from labor performed or materials furnished upon a Lot prior to the date of such assessment; and

(e) Mechanic's and materialmen's liens for labor performed or material furnished upon the Common Areas to the extent of the proportionate part chargeable to the Lot Owners which constitute a part of an assessment charge for Common Expenses, satisfaction of which shall discharge the assessment to the extent of the payment made.

ARTICLE VII INSURANCE

SECTION 1. PUBLIC LIABILITY INSURANCE

7.1 Comprehensive public liability insurance shall be purchased by the Association and shall be maintained in full force and effect at all times. Such insurance shall be obtained from reputable insurance companies authorized to do business in the State of Oklahoma having a financial rating by Best's Insurance Reports of class VI or better. The amount of coverage shall be determined by the Board from time to time so as to provide such coverage as the Board may deem prudent, provided, however, that the minimum amounts of coverage shall be \$1,000,000 for anyone accident or occurrence, and \$1,000,000 for property damage. The premiums shall be paid from Assessments. Such policy shall name all Lot Owners as insureds, and shall also name, as additional insureds, such persons or entities, including the Association, the Board, and any agents or employees of the Board, as the Board may deem necessary or required in order to insure the Association, the Board, the Lot Owners and their respective agents, guests and invitees, against liability to the public, the Lot Owners, their guests, tenants, family members and invitees, or any other persons, whomsoever in connection with any damage or injury occurring on the Common Areas or resulting or arising as a result of the ownership or use of the Common Areas or any part thereof. Provided, however, such insurance shall not insure against loss caused by injuries to Lot Owners or invitees of Lot Owners in such Owner's Home or members of their households occurring in their own Home. Such policy shall otherwise be in such form and content and contain such endorsements as the Board may deem appropriate. Such policy shall contain a severability of interest endorsement which shall preclude the insurer from denying the claim of a Lot Owner because of negligent acts of the Association of Owners or other Lot Owners and such other endorsements as the Board may deem appropriate.

SECTION 2. FIRE AND EXTENDED COVERAGE INSURANCE

7.2 A blanket fire and hazard insurance policy shall be purchased by the Association and shall be maintained in force at all times, the premium thereon to be paid from the assessments levied against each of the Lot Owners in accordance with this Declaration. Such insurance shall be obtained from reputable insurance companies authorized to do business in the State of Oklahoma having a financial rating by Best's Insurance Reports of class VI or better and shall insure against loss from fire and such other hazards as the Board may deem appropriate, and shall insure structures and improvements (only to the extent provided in Article I(f)(iv) and this Article) upon the Property and all the Lot Owners as owned by the Association or jointly by all the Lot Owners as tenants in common for not less than one hundred percent (100%) of the full insurable replacement cost value thereof (as determined annually by the Board in conjunction with the insurance company issuing such policy). Such policy shall contain vandalism and malicious mischief coverage, together with such other coverage, endorsements, and adjustment clauses as the Board deems appropriate. Such policy shall name the Association as insured, as trustee for the benefit of all Lot Owners. Such policy shall name the respective mortgagees of Lot

Owners, as their respective interests may appear, and shall provide for the issuance of certificates or such endorsements evidencing the insurance as may be required by any insured or an insured's mortgagee. The Board may select such deductible, franchise, or franchise deductible provisions which, in its opinion, are consistent with good business practices in connection with the purchase of such policy. The hazard insurance provided herein shall extend only to damage or destruction of the structural parts of a Home including the Party Wall, the complete building exterior, the roof, windows, exterior doors, stud walls, plumbing, electrical and mechanical systems. Such insurance shall not cover internal betterments such as sheetrock, wall coverings, paint, appliances, wood trim, floor coverings, window treatments or furnishings typically covered by homeowner's insurance.

SECTION 3. USE OF PROCEEDS

7.3 All insurance proceeds available under Section 2 of this Article VII shall be paid to the Association and held for the benefit of Lot Owners and mortgagees, as their respective interests shall appear, and shall be paid out in accordance with Article VIII of this Declaration.

SECTION 4. ADDITIONAL INSURANCE

7.4 The Association, may, at its option, purchase and maintain in force at all times, demolition insurance in adequate amounts to cover demolition in the event of destruction of the buildings, or any of them, and the decision by a Lot Owner not to rebuild.

SECTION 5. OWNER INSURANCE

7.5 All Lot Owners, shall at their sole costs and expense, purchase personal liability and personal property insurance. Such insurance shall cover all improvements and betterments to the Home from the sheetrock into the Home. Such policy or policies shall include a waiver of subrogation clause. Under no circumstance shall the Association be liable for the damage to or destruction of finished improvements, personal property located in the Property and owned individually by any Lot Owner.

SECTION 6. AUTHORITY OF BOARD

7.6 Each of the Lot Owners, and every other person named as an insured in connection with any of the policies, as purchased by the Association, hereby irrevocably delegates to the Board all authority as may be necessary to negotiate loss settlements with the appropriate insurance carriers on behalf of the persons named as insureds. The Board shall have the sole and exclusive authority and right to negotiate any such loss settlements; provided, however, that any execution of a loss claim form and release form in connection with the settlement of a loss claim shall be binding on all Lot Owners and upon any other person named as an insured on any such policy or policies only upon the execution thereof by a majority of the members of the Board.

SECTION 7. ANNUAL REVIEW OF INSURANCE

7.7 The Board shall review annually the limits of coverage of the policies of insurance purchased by the Association.

SECTION 8. NOTICE OF CANCELLATION

7.8 After the written request made by a holder of a first mortgage on a Home to do so, the Board shall give notice to such holder 10 days prior to the cancellation of any policy of insurance purchased by the Association.

SECTION 9. FIDELITY INSURANCE

7.9 The Association shall purchase and maintain in full force and effect at all times, if available, fidelity insurance, insuring against dishonest acts of members of the Board, employees of the Association, and volunteers responsible for handling funds belonging to or administered by the Association. Such policy shall name the Association as insured and shall be in an amount, as determined annually by the Board, to provide adequate protection to the Association, but in no event shall such policy be in an amount less than one and one-half (1-1/2) times the Association's estimated annual operating expenses and reserves for the current year.

**ARTICLE VIII
DAMAGE TO OR DESTRUCTION OF IMPROVEMENTS**

SECTION 1. REPAIR AND RESTORATION

8.1 Subject to the limitations on insurance coverage provided in Article hereof, damage to or destruction of any or all of the Buildings shall be promptly repaired and restored by the Association, using the proceeds of insurance, on the Home damaged or destroyed, and all Lot Owners shall be liable for assessments for any deficiency.

SECTION 2. OBLIGATION OF THE BOARD

8.2 Upon the partial destruction of one or more of the Buildings, the Board shall obtain bids from at least two reputable contractors. The Board shall award the contract for the reconstruction to the lowest bidder; provided, however, that the Board shall not be required or authorized to award such contract until it has sufficient monies, whether from insurance or the collection of special assessments levied in accordance herewith, with which to pay the cost of reconstruction as reflected by the bid to be accepted by the Board. The Board, upon awarding said contract, shall thereafter be authorized to disburse monies to the contractor in accordance with said contract out of the insurance proceeds held by the Board and the special assessments levied and collected by the Board. It shall be the obligation of the Board to take all steps necessary to assure the commencement and completion of such reconstruction at the earliest possible date.

SECTION 3. NOTICE TO MORTGAGEE

8.3 After written request made by a holder, insurer, or guarantor of a first mortgage on a Home to do so, the Board shall give notice to such holder of any substantial damage or loss to a Home.

**ARTICLE IX
COVENANTS, CONDITIONS AND RESTRICTIONS
WITH RESPECT TO THE LOTS AND HOMES**

SECTION 1

9.1.1 No building, fence, hedge, privacy enclosure wall, retaining wall, driveway, sign, swimming pool, tank, hot tub, greenhouse, free standing mailbox, gazebo, or structure of any kind (collectively called "Structures") shall be commenced, erected or maintained on the Property, nor shall any addition to (including awnings) or change or alteration therein (including alterations in exterior color or design) be made, until the plans and specifications, in duplicate, showing the nature, kind, shape, height, materials, color, locations and approximate cost of the Structure, addition or alteration shall have been submitted to and approved in writing by Declarant. Fences shall be approved only if in the judgment of Declarant, such fences do not impair views from Lots, do not interfere with access to Common Areas and do not interfere with maintenance of lawns. Declarant shall consider applications for approval of plans, specifications, upon the basis of conformity with this Declaration and shall be guided by the extent to which the proposed Structure, addition or alteration will insure conformity and harmony in exterior design and appearance, based upon, among other things, the following factors: the quality of workmanship; nature and durability of materials; harmony of external design with existing Structures; choices of colors; changes in topography, grade elevations and/or drainage; factors of public health and safety; the effect of the proposed Structure, addition or alteration on the use, enjoyment and value of other neighboring properties, and/or on the outlook or view from adjacent or neighboring properties; and the suitability of the proposed Structure, addition or alteration taking into account the general aesthetic values of the surrounding area. Upon the sale by Declarant of 80% of all Lots, the foregoing review and approval shall be made by an architectural committee appointed by the Board.

9.1.2 No animals may be kept or maintained on any Lot or in any dwelling houses or Structure erected thereon, except for a dog or cat, or similar domestic household pet may be kept in a dwelling on a Lot provided they are not kept or maintained for any commercial purpose and provided further that they are kept in such a manner as to avoid becoming a nuisance to neighbors or adjoining property owners. It is the responsibility of each pet owner to immediately dispose of all pet waste located at any place on the Property.

9.1.3 No nuisance shall be maintained, allowed or permitted on any part of the Property, and no use thereof shall be made or permitted which may be noxious or detrimental to health.

9.1.4 Each Lot and the Structures thereon shall be kept in good order and repair and free of debris.

9.1.5 No Structure other than a dwelling house shall be used at any time as a residence, either temporarily or permanently. No boats, trailers or recreational vehicles shall be regularly parked or stored on any street, or on any Lot except in a garage. No commercial vehicles shall be parked on any street or Lot longer than is reasonably necessary for the driver thereof to perform the business functions to which the commercial vehicle relates.

9.1.6 No advertising or display signs of any character shall be placed or maintained on any part of the Property or on any Structure except with the written consent of Declarant or the Homeowners' Association. A community billboard located at the caretaker's cottage will list any Homes for sale or lease along with the name of the seller or lessor.

9.1.7 No outside television or radio antenna shall be erected, installed or maintained on any Lot, or on any Structures thereon. A "dish receiver" not exceeding 20" in diameter is permitted at the appropriate located at the rear of the Home.

9.1.8 No exterior clothes dryer or clothes drying line shall be erected, installed or maintained on any Lot, or on any Structure thereon. Only collapsible or retractable clothes dryers or lines shall be used and they shall be collapsed or retracted when not in use and shall be located in the rear yard behind the dwelling house.

9.1.9 The front yard of each Lot shall be kept only as a lawn, including trees, flowers and shrubs. No trees or shrubs shall be located on any Lot which block the view of operators of motor vehicles so as to create a traffic hazard.

ARTICLE X GENERAL PROVISIONS

SECTION 1. INVALIDITY OF PROVISIONS

10.1 Invalidation of anyone of these covenants or restrictions by judgment or court order shall not affect any other provisions which shall remain in full force and effect.

SECTION 2. PARTY WALL

Each Home constitutes one-half of a duplex residential dwelling unit with one half located on the legal description of a Home. A common wall runs between each duplex (the "Party Wall").

10.2.1 Party Wall Declaration. The Party Walls are hereby declared to be party walls under the laws of the State of Oklahoma.

10.2.2 Creation of Easements. Each Owner shall have an easement in the land covered or to be covered by the Party Wall appurtenant to his Home.

10.2.3 Maintenance of Party Wall. The cost of maintaining the Party Wall shall be borne equally by the Owners on either side of the Party Wall.

10.2.4 Damage to Party Wall. In the event of damage or destruction of the Party Wall from any cause other than the negligence of an Owner, the Owners of adjacent Homes, at their joint expense, shall repair or rebuild the Party Wall, and each of such Owners shall have the right to the full use of the Party Wall so repaired or rebuilt. If the negligence of an Owner shall cause damage to or destruction of the Party Wall appurtenant to such Owner's Home, the negligent party shall bear the entire cost of repair or restoration. If an Owner shall neglect or refuse to pay its share of repair or reconstruction, or all of such cost for repair or reconstruction in the case of negligence, the adjacent Owner may have the Party Wall repaired or restored and shall be entitled to have a

mechanic's and materialman's lien on the premises and tract of land owned by the party so failing to pay for the amount of the defaulting party's share of the repair or replacement cost.

10.2.5 Breaking Through Party Wall. An Owner shall have the right to break through the Party Wall appurtenant to such Owner's Home for the purpose of repairing or restoring sewerage, water, and other utilities, subject to the obligation to restore the Party Wall to its previous structural condition and appearance at the repairing party's expense, and the obligation to pay any damages negligently caused thereby.

10.2.6 Use of Party Wall. All Owners shall each have the right to the full use of the Party Wall to support joists, crossbeams, studs and other structural members as required for their respective premises, so long as such use shall not injure the premises of the other owner, specifically including without limitation adequate structural support for the other premises, and providing that such use shall not impair the value or limit the use of the easement to which the other premises is entitled.

10.2.7 Mutual Right of Entry. In any and all construction work carried out and performed under the provisions of this Section 10.2, specifically including without limitation construction, repair and maintenance, the Owner doing or performing such construction shall have the right to enter on the adjoining premises insofar as may be reasonably necessary in connection with such construction work. The Owner performing such construction shall take and observe due precaution and care not to damage the adjoining premises or the property of another Owner.

10.2.8 Covenant Running With the Land. The benefits and obligations of the covenants set forth herein, specifically including the obligations to pay for costs of repair, maintenance and restoration as herein provided, shall together constitute a covenant running with the land for the benefit severally of each Owner, and along with the easements herein provided shall be deemed and are hereby declared to be appurtenances for the benefit of each Home.

10.2.9 Term. The benefits and burdens of the covenants herein contained shall continue in full force and effect so long as the Party Wall or any part thereof required for the support of either of the Homes utilizing the Party Wall shall exist.

SECTION 3. COVENANTS TO RUN WITH THE LAND

10.3.1 Except as provided in Section 2 of this Article, the covenants and restrictions of this Declaration shall run with and bind the Property, for a term of thirty (30) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years unless, prior to the expiration of the then current term, a written instrument shall be executed by the then owners of sixty percent (60%) of the Lots stating that this Declaration shall expire at the end of the then current term.

10.3.2 This Declaration may be amended during the first ten (10) year period by an instrument signed by the Owners of not less than seventy-five percent (75%) of the Lots, and thereafter by an instrument signed by the Owners of not less than sixty percent (60%) of the Lots. Any amendment must be recorded in the office of the County Clerk of Oklahoma County, Oklahoma.

SECTION 4. AMENDMENT TO DECLARATION BY DECLARANT

10.4.1 Anything set forth in Section 10.3 of this Article to the contrary notwithstanding, Declarant shall have the absolute unilateral right, power and authority to modify, revise, amend or change any of the terms or provisions of this Declaration, all as from time to time amended or supplemented. However, this unilateral right, power and authority of Declarant, may be exercised only if either the Veterans Administration or the Federal Housing Administration or any successor agencies thereto shall require such action as a condition precedent to the approval by such agency of the United States of the Property or any part thereof or any Lots thereon, for federally approved mortgage financing purposes under applicable Veterans Administration, Federal Housing Administration or similar programs. If the Veterans Administration or the Federal Housing Administration or any successor agencies approve the Property or any parts thereof or any Lots thereon for federally approved mortgage financing purposes, any further amendments to the Declaration made during any period of time when there are Class B members of the Association shall also require the prior consent of the agency giving such approval.

10.4.2 BancFirst, an Oklahoma banking corporation ("Mortgagee") joins herein for the purpose of assenting to and subordinating, except as referenced in the next sentence, the lien of the mortgages set forth on Schedule 1 hereto (the "BancFirst Mortgages") to the legal operation and effect of this Declaration. Mortgagee, by its execution hereof, shall not be deemed to have subordinated the lien of any of the BancFirst Mortgages to any lien for past due Assessments in favor of the Association.

10.4.3 Each Owner shall register in writing his mailing address with the Association, and notice or demands intended to be served upon an Owner shall be sent by certified mail, postage prepaid, addressed in the name of the Owner at such registered mailing address. All notices, demands or other notices intended to be served upon the Board of Directors of Association shall be sent certified mail, with postage prepaid, to or at such other address of which the Board may be furnished from time to time or served in person upon the service agent of the Association,

EXECUTED the day hereinabove first written.

Signed by Charles S. Givens – President "Declarant"

EXHIBIT A "
Legal Description of Stanford Court Garden Homes

All of Westlake Tract-C, Section 2, an addition to the City of Oklahoma City, Oklahoma County, Oklahoma, as shown by the recorded plat thereof, which subdivision is composed of the following lots and common area:

(metes and bounds description omitted)

SCHEDULE 1
TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTONS
STANFORD COURT GARDEN HOMES

The following mortgages executed by Charles S. Givens Interests, Inc., an Oklahoma corporation, in favor of BancFirst, an Oklahoma banking corporation prior to the December 14, 1994 execution of the Declaration of Covenants, Conditions and Restrictions - Stanford Court Garden Homes to which this schedule is attached are subordinated pursuant to the terms of Section 10.3.2 of that Declaration:

(list of mortgages purposely omitted)