

**DECLARATION OF CONDITIONS, COVENANTS AND RESTRICTIONS**

**FOR**

***EAST VILLAGE TOWNHOMES,  
a planned unit development***

***Covering Lots Four (4) Through Forty-Six (46),  
of the Final Plat of East Village, a Planned Unit Development,  
A Replat of Lots 29, 30 & 31 of Block 1, Boyd View Addition No. 2,  
A part of the NE Quarter of Section 5, T 8 N, R 2 WIM***

**TO THE CITY OF NORMAN, CLEVELAND COUNTY, OKLAHOMA**

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Reviewed and Approved by the City of Norman: \_\_\_\_\_  
City Attorney

DECLARATION OF UNIT OWNERSHIP ESTATE  
**EAST VILLAGE TOWNHOMES, A PLANNED UNIT DEVELOPMENT,**  
 TO THE CITY OF NORMAN, CLEVELAND COUNTY, OKLAHOMA

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KNOW ALL MEN BY THESE PRESENTS:

**RECITALS**

WHEREAS, East Village at 12th Avenue, LLC , an Oklahoma Limited Liability Company, hereafter referred to as the "Declarant", is the owner of certain land and improvements ("Subject Property") in Cleveland County, Oklahoma, which property is more fully described on the attached "Exhibit A", incorporated herein and made a part hereof; and

WHEREAS, the Subject Property has been platted into a planned unit development known as East Village, A Planned Unit Development, which plat was filed on March 31, 2006 and recorded at Plat Book 21, page 29, at the office of the County Clerk of Cleveland County, Oklahoma; and

WHEREAS, Declarant desires to submit the land and the improvements to be constructed thereon to Oklahoma's Real Estate Development Act (Title 60 O.S. 1971, §§851-85, as amended)

NOW, THEREFORE, Declarant does hereby publish and declare that the land and its improvements are hereby subjected to the conditions, covenants, and restrictions herein set forth to be established upon the recording hereof; and that the covenants, conditions, restrictions, use limitations, obligations, and provisions hereof shall be deemed to run with the land described on "**Exhibit A**" and shall be for the use and benefit to the Declarant, its successors and assigns, and to any person or entity acquiring or owning an interest in the land and improvements, or any portion thereof, its grantees, successors, heirs, personal representatives, devisees and assigns.

## ARTICLE I DEDICATION

1.1 Definitions. Unless the context shall expressly provide otherwise:

"Association" or "Owners Association" means EAST VILLAGE TOWNHOMES ASSOCIATION, INC., an Oklahoma non-profit corporation, its successors and assigns, the Certificate of Incorporation and Bylaws of which shall govern the administration of this real estate development, the members of which shall be all of the owners of the Units.

"Building" means one or more of the building improvements lying within the real estate described on **Exhibit "A"** which contains four (4) Units except for the Building which contains three (3) Units (Units 44, 45 and 46).

"Common Areas" is that part of the real estate development other than the Lots and publicly dedicated right-of-ways which are shown on Plat as a Common Areas or designated by the Declarant or Association as a Common Area, and specifically includes those strips of land lying along public streets and roads, also sometimes referred to herein as Common Elements.

"Common Elements" or "General Common Elements" means generally all portions of the real estate development other than the Limited Common Elements and the Units as further described in detail in **Article II**.

"Common Expenses" Common Expenses shall include:

- a. Expenses of administration, maintenance, repair or replacement of Common Elements and Limited Common Elements to the extent such expenses are to be borne by the Association as stated in **Article II**.
- b. Amounts deposited in the Reserve Fund for maintenance, repair, and replacement of the Common Elements;
- c. Expenses agreed upon as common by all Unit owners.
- d. Expenses declared common by the provisions of this Declaration, the Articles of Incorporation or the Bylaws, and as described in Article IV hereinbelow.

"Condos" is the adjacent development owned by Declarant, the owners association being named EAST VILLAGE OWNERS ASSOCIATION, INC., which is shown on the plat for East Village.

"Declarant" shall mean and refer to East Village at 12th Avenue, LLC, an Oklahoma Limited Liability Company, its respective successors and assigns.

"Limited Common Elements" means all portions of the Common Elements described in **Article II**.

"Lot" or "Unit" shall mean that portion of the real estate shown on the Plat and designated for separate ownership and include the single family structure erected on the Unit when the context so indicates.

"Obligation(s)" shall mean all dues and special assessments attributable to an Owner or a Unit.

"Owner" means a person or persons, firm, corporation, partnership, trust, association or other legal entity, or any combination thereof, who owns one or more Units for the purpose of occupying the same as a residence.

"Person" means a natural person, corporation, partnership, association, trust, other entity, or any combination thereof.

"Plat" is the planned unit development known as East Village, A Planned Unit Development, filed on March 31, 2006 and recorded at Plat Book 21, page 29, at the office of the County Clerk of Cleveland County, Oklahoma.

"Townhomes" are the residential structures built on the forty-three (43) Lots.

## 1.2 Easements.

(A) Easements Deemed Appurtenant. The easements and rights herein created for an Owner shall be appurtenant to the Unit of that Owner, and all conveyances and instruments affecting title to a Unit shall be deemed to grant and reserve the easements and rights as provided herein, as though set forth in said document in full, even though no specific reference to such easements or restrictions appears.

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

(C) Owner's Nonexclusive Easement of Enjoyment; Limitations. Every Owner and his immediate family shall have a nonexclusive right and easement of enjoyment in and to the Common Elements, which shall be appurtenant to and shall pass with the title to the Unit of such Owner, subject to the rights of the Association stated herein.

## 1.3 Use and Occupancy; Rights to Rent; Mortgagee Right to Rent; Leases Subject to Declaration.

(A) Residential Units; Copy of Leases. All Units shall be used and occupied only for single family residence purposes by the Owner, by the Owner's family, the Owner's guests, or the Owner's tenants; however, Units shall not be rented by the Owners for any period less than thirty (30) days; and further, any lease shall be in writing and shall be subject to the covenants and restrictions contained in this Declaration. The Owner is responsible for delivering a copy of any lease on a Unit to the Association or its management company. Failure or refusal to deliver a copy of a lease to the Association after written notice to comply with this requirement shall be grounds for assessment of fines and an action to recover damages or injunctive relief or both, and for reimbursement of all attorney's fees incurred in connection therewith, which action shall be maintainable by the Managing Agent or Board of Directors in the name of the Association on behalf of the Owners.

(B) Association a Third-party Beneficiary. The Association shall be considered a third-party beneficiary of any lease and may enforce compliance therewith.

1.4 Compliance with Provisions of Declaration, Certificate of Incorporation and Bylaws. Each Owner shall comply strictly with the provisions of this Declaration, the Certificate of Incorporation, the Bylaws of the Association and the rules, regulations, decisions and resolutions of the Association adopted pursuant thereto as the same may be lawfully amended from time to time. Failure and refusal after written notice to comply with any of the same 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 Managing Agent or Board of Directors in the name of the Association on behalf of the owners or, in a proper case, by an aggrieved Owner.

1.5 Revocation or Amendment to Declaration. The Declarant, so long as the Declarant owns one or more Units, may amend this Declaration at any time to correct scrivener's errors or omissions so long as said correction does not diminish the rights granted herein to the Owners. Except as aforesaid this Declaration shall not be revoked unless all of the Owners unanimously consent and agree to such revocation by instrument(s) duly recorded. Except as provided herein, this Declaration shall not be amended unless the Owners representing an aggregate ownership interest of eighty percent (80%), or more, of the Units agree to such amendment by instrument(s) duly recorded. However, these Declarations may not be amended to remove or restrict any of the rights granted or reserved herein to Declarant without the express written consent of Declarant; nor may there be any amendment that substantially affects any rights of Mortgagees without the consent of 51% of the voting interest of Units that are subject to mortgages.

Mortgagees shall be given sufficient notice of any meeting wherein an action that requires the consent of a specified percentage of Mortgagees is required. Any approval required herein to a Mortgagee may be assumed so long as said Mortgagee has received notice by certified or registered mail, return receipt requested, after the expiration of 60 days from the date of notice without a written response.

Notwithstanding anything herein to the contrary the Owners may not amend these covenants to dissolve the Homeowner Association created herein in Article III.

Any amendment to these covenants that affects the ability and responsibility of the Homeowners Association to maintain the common areas shown on the plat must be consented to by the City of Norman.

1.6 Shared Common Area. Each Owner is hereby noticed that Common Area "A" shown on the Plat is owned one-half by the EAST VILLAGE TOWNHOMES HOA, INC. ("Townhomes") and one-half by the separate Association created by the Declarant for governance of the condominium regime named EAST VILLAGE OWNERS ASSOCIATION, INC. ("Condos"). Further, that the use and maintenance of Common Area "A" will be shared jointly between Townhomes and Condos as further described herein.

1.7 Joint and Mutual Easement and Maintenance Agreement with Adjoining Development; Joint Contracting with Condos. Declarant is the developer/owner of a project described as East Village Condominiums, a mixed-use development, to be developed in conjunction with Townhomes. The Declarant and the East Village Townhomes Association do hereby agree to enter into a Joint and Mutual Easement and Maintenance Agreement with the neighboring condominium development which shares mutual landscaping and parking lot. The general form of the Joint and Mutual Easement and Maintenance Agreement is attached hereto as **Exhibit "B"**. Nothing in this paragraph or otherwise herein shall imply that the neighboring property shall be appended to this project. In addition to the joint maintenance of the common areas the Board may enter into joint contracts with Condos to share the expense of hiring a manager and other common expenses as decided by the Board.

1.8 Service Agent. The name of the person or entity to receive service of process in actions against the Association and the name of the person/entity to receive service of process on two or more Unit Owners in actions relating to the Common Elements is **Neighborhood Services Corporation, an Oklahoma corporation, 1322 Fretz Drive, Edmond, OK 73003**. This person/entity may be changed as provided in the Bylaws.

## ARTICLE II DESCRIPTION OF COMMON ELEMENTS AND LIMITED COMMON ELEMENTS OWNERS AND ASSOCIATION MAINTENANCE RESPONSIBILITY

2.1 "Common Expenses" includes those items stated hereinabove (1.1 Definitions) and, by way of further explanation includes those expenses for maintenance, repair and replacement of the Common and Limited Common Elements, as defined herein and as defined by the Board of Directors.

2.2 "Common Elements" means all portions of the common areas other than the Units and Limited Common Elements.

2.3 "Limited Common Elements" shall be:

(i) the exterior portion of the walls of the buildings including the framing of the exterior walls, brick and other exterior materials such as siding and stucco. The definition excludes the interior walls and materials affixed to any wall and also does not include any pipes, wiring or other material included within the frame;

(ii) fascia and soffits and other items affixed to the exterior as original construction, but not including any light fixtures contained in the soffits;

(iii) the roof and supporting roof structure including shingles but not including any wiring, pipe or duct work inside the roof structure;

(iv) sidewalks, concrete/asphalt driveways and other exterior improvements such as sod and landscaping that are appurtenant to an Owner's Unit.

(v) the front yard and improvements in the front yard such as fencing, if any, in the front yard of each Unit; and

(vi) designated parking spaces, if any, and any other common elements which are shown on the Plat as a Common Element or Common Area.

2.4 "Unit" in this **Article II** means all portions of the building structure not described as a Limited Common Element. The Unit Owner shall be deemed to own the condensing unit and the fan coil unit and hot water heater serving that Unit notwithstanding the fact that such condensing unit, fan coil unit and, in some cases, the hot water heater lie outside the Unit walls.

2.5 Owner's Maintenance Responsibility of Unit; Association Right of Approval. For purposes of maintenance, repair, alteration and remodeling, an Owner shall be deemed to own all of the elements described in **2.4** above. The Owner shall do no act nor any work that will impair the structural soundness or integrity of the Townhome or impair any easement or hereditament, nor shall Owner make any changes to those elements that are visible such as doors, windows, or garage doors, without written approval of the Association attesting to the compatibility of the proposed improvement or repair with the overall architectural design.

2.6 Association's Maintenance, Operation, Repair and Alterations Responsibility; Access by Association. The Association shall be responsible for the maintenance, operation and repair of the Common and Limited Common Elements. In order to carryout this repair and maintenance responsibility the Association is hereby granted access at anytime to perform routine maintenance, perform inspections or resolve emergencies. All Owners and their invitees must deliver to the Association or its management company, and keep current, a key to the Unit. The Association shall not be liable for any damages in the event access to a Unit must be forced by reason of the Owners failure to deliver an operating key.

2.7 Ambiguity Resolved by Board. If a reasonable dispute arises regarding interpretation of this document as to whether the repair, maintenance or replacement of any item in or on a building structure is an Owners responsibility or the Associations responsibility then the Board of Directors shall have the right, duty and authority to resolve said dispute. The decision of the Board shall be kept in the minutes of any Board meeting and shall thereafter be uniformly applied to all similar situations. All such decisions shall be placed on the agenda of the Associations annual meeting for approval by a majority of Owners in attendance at said meeting.

## 2.8 Party Wall Agreement.

2.8.1 Ownership of Party Wall: Reciprocal Easement. The Owner shall possess, in fee simple, that portion of the party wall, if any, lying within the platted Unit. Each Owner having a party wall is hereby granted a mutual reciprocal easement for repair or replacement of said party wall. No Owner shall commit or omit any act, the result of which is an infringement of the adjoining Unit Owner's rights in the party wall absent written agreement between such Owners. In the event that any portion of any structure, including any party" wall, shall protrude over an adjoining Unit, such structure shall not be deemed to be an encroachment upon the adjoining Unit, nor shall any action be maintained for the removal of or for damage because of such protrusion. It shall be deemed that said Owner has granted perpetual easements to the adjoining Owner for continuing maintenance and use of any such protrusion. The foregoing shall apply to any replacements of any party wall if the same are constructed substantially in conformity with the original party wall construction.

2.8.2 Destruction. If a party wall is destroyed or damaged by any casualty, the Owners of Units abutting such party wall shall jointly restore it substantially to its original form, and they shall contribute equally to the cost of restoration thereof without prejudice, however, to the right of any such Owner to call for a larger contribution from the other Owner under any rules of law regarding liability for negligent or willful acts or omissions. Destruction or damage to any party wall shall not cause the termination of any rights of any of the adjoining Owners thereto, and such Owners will retain those rights herein set forth concerning any reconstruction or replacement of a party wall. Owners of Units abutting such a party wall are obligated hereby to restore it in its substantially original condition. Notwithstanding any other provisions of this section, an Owner who by his negligent or, willful act causes the party wall to be damaged shall bear the whole cost of repairing such damage and shall diligently prosecute all such repairs and reconstruction. If such Owner shall fail to do so, then any other Owner of a Unit abutting such party wall may do so at the sole cost and expense of the Owner causing such damage. The right of any Owner to contribution from any other Owner under this section shall be appurtenant to the land and shall pass to such Owner's successors in title.

2.9 Parking Rules and Regulations for Owners and Guests. All parking by Owners and Guests will be in the designated areas for Townhomes parking. Parking for residential Units along the east side will be shared with the Condos who own an undivided one-half interest in the parking areas and share in the cost of repair and maintenance according to the terms and conditions set forth in Joint and Mutual Easement and Maintenance Agreement attached hereto as **Exhibit "B"**. The following Rules and Regulations for parking shall be as follows:

2.9.1 Residential parking along 12th Avenue SE is not allowed.

2.9.2 Commercial trucks and parking for business customers of Condos is not allowed except along the east side of the buildings and along 12th Avenue SE.

2.9.3 Parking on the Unit driveway is not allowed. All vehicles must be parked inside the Unit's garage or as otherwise allowed herein.

Subject to the provisions of Section **2.10** hereinbelow, the Board of Directors may modify the above Rules and Regulation and may adopt further Rules and Regulations in accordance with the authority granted in Section **3.6** hereinbelow and the Bylaws.

2.10 Joint Parking Committee. In order to facilitate cooperation among the owners of Units and the owners of the Condos (both residential and retail Units) to the east of the project the Board shall appoint four (4) Owners to a joint committee (the "Joint Parking Committee") with the Condos, who shall also have four (4) members, to discuss and resolve various parking issues and adopt Parking Rules and Regulations. The Parking Rules and Recommendations of the Joint Parking Committee shall be implemented by the Board unless the Board votes by a 2/3rds majority of all members to renegotiate the proposed rules.

## ARTICLE III OWNERS ASSOCIATION

3.1 Mandatory Membership. An Owner of a Unit, upon becoming an Owner, shall mandatorily be a member of the Association and shall remain a member for the period of his ownership. The Association shall be governed by a Board of Directors as is provided in the Certificate of Incorporation and Bylaws of the Association. The Association may employ agents, servants and employees and any person or firm to act as Managing Agent at any agreed upon compensation.

3.2 Membership Voting Rights. Each Member shall be entitled to one vote per each Unit owned. When more than one person holds an ownership interest in a Unit, all such persons shall be members. The vote for such Unit shall be exercise as they among themselves determine, but in no event shall more than the voting percentage be cast with respect to any Unit.

3.3 Voting/Membership Rights of Declarant; Interim Control. Until such time as Declarant shall have transferred title to Eighty Percent (80%) of the Units the Declarant shall have the right, but not the obligation, to appoint or elect the Board of Directors. Within sixty (60) days after the sale of Units comprising Eighty (80%) percent of the total Units the Declarant shall cause notice to be given, in accordance with the requirements of the Bylaws, of the initial meeting of the Owners Association.

3.4 Association's Maintenance and Responsibility. The Association shall be responsible for the Common Expenses as defined in Sections 1.1 and 2.1 above.

3.5 Assessment for Monthly Dues and Special Assessments.

(A) Obligation to Pay Monthly Dues. Except as stated in this Section 3.5, all Owners shall be obligated to pay the Monthly Dues imposed by the Bylaws and the Board of Directors of the Association to meet the expenses of the Association.

(B) Commencement of Monthly Dues; Due Dates. Monthly Dues for a Unit shall commence on the date the Unit is certified as ready for occupancy by the issuance of a certificate of occupancy from the City of Norman. Monthly Dues for the year 2007 are hereby initially set at \$\_\_\_\_\_. Monthly Dues shall be paid in advance on the first day of the month, and shall be past due on the tenth day of the month. Dues for the first year shall be prorated and collected by the closing agent or, if none, by the purchaser, at the time of transfer of title and promptly remitted to the Association or its agent.

Dues may be adjusted up or down by the membership or the Board of Directors as provided in the Bylaws.

(C) Emergency Dues. 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 nonpayment 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 Owners of each Unit; provided, however, that any such emergency assessment in an amount exceeding **\$500.00** per Unit must first be approved by Seventy-five (75%) percent of the interest of the Unit Owners, present either in person or by proxy and entitled to vote at a meeting called for such purposes at which a quorum is present, written notice of which meeting shall be sent to all members not less than 10 days nor more than 30 days in advance of the meeting. Emergency assessments levied in accordance with this section shall be due and payable within 15 days of written notice thereof by the Board.

(D) Special Assessments for Capital Improvements; Assent; Notice. In addition to the Monthly Dues and Emergency Assessments hereof, the Board of Directors may levy a special assessment ("Assessment") applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement, including the necessary fixtures and personal property related thereto, provided that any such special

assessment shall have the assent of 2/3rds of the Owners, voting in person or by proxy, at a meeting duly called for this purpose. Written notice of which shall be given to all members at least ten (10) days in advance, which shall set forth the purpose of the meeting. No special assessment may be levied upon the Declarant.

(E) Assessment Lien; Priority; Notice of Lien; Recording; Enforcement; Receiver; Mortgagee may pay Assessment All unpaid assessments and dues chargeable to any Unit, including any fees, late charges, fines or interest, shall constitute a lien on such Unit prior to all other liens except the following: (1) assessments, liens and charges for taxes past due and unpaid on the Unit, (2) judgments entered in a Court of Record prior to the due date of the monthly dues or assessment date, (3) mortgage instruments of encumbrance duly recorded prior to the due date or date of such assessment, and (4) mechanic's and materialmen's liens arising from labor performed or material furnished upon a Unit prior to the due date or date of such assessment. To evidence such lien, 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 Unit and a description of the Unit. Such a notice shall be signed by one of the Board of Directors or by one of the officers of the Association, or a management agent of the Board of Directors, and shall be recorded in the office of the County Clerk of Cleveland County, Oklahoma. Such lien for the Monthly Dues, Emergency Assessment or Special Assessment 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 foreclosure of the defaulting Owner's Unit subsequent to the recording of a notice or claim thereof by the Association in like manner as a mechanics or materialmens lien on real property. In any such proceedings the Owner shall be required to pay the costs, expenses and attorney's fees incurred for filing the lien and, in the event of foreclosure proceedings, the additional costs, expenses and attorney's fees incurred. The owner of the Unit being foreclosed shall be required to pay to the Association the yearly assessment for the Unit 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 Unit 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 Unit may pay, but shall not be required to pay, any unpaid monthly dues or special assessments payable with respect to such Unit, and such payment shall not be deemed a waiver by the Association of default by the Unit Owner.

The Association may disconnect services to a Unit, if possible, where the Unit Owner is more than sixty (60) days delinquent. The authority to disconnect services does not include electrical or water service but does include any telephone, data or cable service.

(F) Monthly Dues and Assessments Collectible on Sale. Upon the sale or conveyance of a Unit, all unpaid monthly dues or assessments, 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 of any other assessments or charges of whatever nature, except the following:

Assessments, liens and charges for taxes past due and unpaid on the Unit;

Judgments entered in a Court of Record prior to the due date of monthly dues or a special assessment;

Mortgage instruments of encumbrance duly recorded prior to the date of such assessments;  
Mechanic's and materialmen's liens arising from labor performed or material furnished upon a Unit prior to the date of such assessment; and

In a voluntary conveyance of a Unit the grantee of the Unit shall be jointly and severally liable with the grantor for all unpaid dues and assessments by the Association, without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee therefore. However, any such grantee shall be entitled to a statement from the management agent or Board of Directors of the Association, as the case may be, setting forth the amount of the unpaid assessments against the grantor due the Association and such grantee shall not be liable for, nor shall the Unit conveyed be subject to a Lien for, any unpaid assessments made by the Association against the grantor in excess of the amount therein set

forth.

(G) Mortgaging a Unit; Priority; Mortgage Subject to Declaration; Mortgagee in Title-Unpaid Assessments. An Owner shall have the right from time to time to mortgage or encumber his Unit and the interests appurtenant thereto, but the lien created thereby shall be subject to the terms and provisions of this Declaration, and any mortgagee or other lienholder who acquires a Unit through judicial foreclosure, public sale or other means shall be subject to the terms and conditions of this Declaration except as specifically excepted herefrom. Where the holder of a first mortgage of record or other purchaser obtains title to the Unit as a result of foreclosure of the first mortgage or deed in lieu of foreclosure, such acquirer of title shall not be liable for the monthly dues or assessments chargeable to such Unit which became due prior to acquisition of title to such Unit by such acquirer.

(H) Non-Exemption from Payment; Board Responsibility to Collect; Interest, Costs, and Attorney Fees; Suit; Notice to Mortgagee. The amount of monthly dues and assessments assessed against each Unit shall be the personal and individual debt of the Owner thereof. No Owner may exempt himself from this liability by waiver of the use of enjoyment of any of the Common Elements or by abandonment of his Unit. The Board of Directors shall have the responsibility to take prompt action to collect any unpaid dues or assessments which remain unpaid more than fifteen (15) days from the due date for payment thereof. In the event of a default by an Owner in the payment of dues or an assessment, such Owner shall be obligated to pay a late charge, initially set at \$25.00 for each late payment, and interest at the rate of eighteen percent (18%), or such higher rate (provided the same shall not be usurious) as the Board of Directors may from time to time determine, per annum, on the amount of the dues or assessment from the due date thereof, together with all expenses, including attorney's fees, incurred to collect such dues or assessments. Suit to recover a money judgment for obligations may be instigated in Cleveland County, Oklahoma, and may be maintainable without foreclosing or waiving the lien securing same additionally, in the event that the mortgage on a Unit should so provide, a default in the payment of an obligation shall be a default in such mortgage and if required by the mortgagee by written notice to the Association, the Board of Directors shall give notice of any default in payment of an assessment that is more than 60 days delinquent to the mortgagee. Any entity purchasing a Unit in a foreclosure or other liquidation sale shall be liable for dues as early as the law allows, however, if the purchaser is the Mortgagee of said Unit the Mortgagee's liability for dues shall be limited to six months of the unpaid regularly budgeted dues or charges accrued before the acquisition of title.

3.6 Rules and Regulations; Fines; Enforcement. The Board of Directors is empowered to adopt Rules and Regulations together with the authority to impose fines, which shall thereafter be deemed to be an assessment against that owner, all of which shall be binding on all Owners as if fully set forth herein.

(A) Adoption of Rules. Written notice of any proposed adoption, modification or change of a Rule or a fine shall be given to the members. Said written notice shall provide at least five days notice of the meeting wherein the Board proposes to adopt the Rule or fine and afford any Owner the opportunity to be heard in that regard. At the conclusion of the meeting the Board may adopt the Rule or fine as published or make modifications prior to final decision.

(B) Due Process. In order to afford due process to each Owner before any punitive action may be finally imposed by the Board of Directors, each Owner shall have the right of a hearing before the Board of Directors, en banc for the purpose of avoiding or mitigating any penalty, fine or punitive action. The Owner shall be afforded not less than 10 days written notice of the hearing. At the hearing both the Association and the owner may produce evidence and present witnesses. The Board of Directors shall promptly resolve the dispute and announce its decision, which in such instances shall be final as to all matters.

(C) Notice. New Owners shall be afforded copies of the Rules upon notice to the Association of the change of title.

3.7 Eminent Domain; Substantial Destruction. If part of a Common Area is acquired by eminent domain, the award must be paid to the Association. The Association shall represent the Unit Owners in any condemnation proceedings or in negotiations, settlements and agreements with the condemning authority for acquisition of the Common Elements, or part thereof. Each Unit Owner appoints the Association as attorney-in-fact for such purposes.

In the event of condemnation or substantial destruction of a material portion of the project the Unit Owners and Mortgagees representing at least 51% of the voting interest of the Units may elect to liquidate the improvements and allocate the insurance proceeds or condemnation award to the Owners and Mortgagees thereof as their may interests appear. Notice of any meeting whereupon liquidation is a consideration must be given to all Owners and Mortgagees at least 60 days prior to the date set for consideration of this action.

3.8 Association Rights to Use and To Grant Easements. The Association, in its sole discretion, may from time to time grant easements and rights of way on, across, under and over the Common Elements to any municipal corporation or public utility company, or other entity providing water, sewer, gas, electricity, telephone, cable television, or other similar service to the real estate development.

3.9 Prohibition of Employment or Other Pecuniary Gain. No part of the assessments or net earnings of the Association shall inure to the benefit of any Unit Owner or individual, except to the extent that Unit Owners receive the benefits from the maintenance, repair, operations, additions, alterations and improvement responsibility of the Association. No Unit Owner or any business in which a Unit Owner has an interest may receive a credit or compensation, directly or indirectly, for services rendered as an officer, director or employee of the Association.

3.10 Committees. The Board of Directors shall establish such Committees as provided in the Certificate of Incorporation and Bylaws.

3.11 Registration of Mailing Address of Unit Owners; Association Address. Each Owner shall register his mailing address with the Association, and notices or demands intended to be served upon an Owner shall be sent by 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 Secretary or managing agent of the Board of Directors of the Association at 1322 Fretz Drive, Edmond, OK 73003, or served upon the service agent of the Association.

3.12 Mandatory Mediation/Arbitration. Any Owner, by acceptance of a deed to a Unit in the Subject Property, does hereby agree to mandatory Mediation/Arbitration of any non-monetary dispute between that Owner and the Association or any other Owner the subject of which is the violation or non-compliance with the terms of these Covenants or Bylaws of the Association. The terms and procedures to be followed are set forth in the Bylaws of the Association.

## ARTICLE IV INSURANCE

**The Master Policy shall cover all those portions of the structures insurable under such a policy (sometimes described in the industry as sheetrock-out) regardless of the designation of ownership, repair and maintenance responsibility otherwise contained herein. An Owner is required to carry the standard HO-5 Condo Policy which, when combined with the coverage of the Master Policy, will provide for complete replacement of the Unit and all improvements originally installed.**

4.1 Master Policy; Flood Insurance; Special Condominium Endorsement; Public Liability. The Association shall carry a blanket insurance policy in an amount not less than one hundred percent (100%) of the insurable value (based upon replacement cost) from an insurance company qualified to do and conduct business in the State of Oklahoma and holding a rating of Best's Insurance Reports of Class XV

or better (the limits of coverage of which insurance shall be reviewed annually by the Board of Directors), of fire, lightning, extended coverage, vandalism and malicious mischief, all risk, agreed amount and inflation guard endorsement and replacement cost covering the Common Elements and Limited Common Elements, and, if required by law, workmen's compensation insurance (all of which hereinafter referred to as the "Master Policy"), with respect to the project and the Association's administration thereof in accordance with the following. The name of the insured must be stated in form and substance similar to the following: "East Village Townhomes Association for use and benefit of the individual owners." Such policy must contain the standard mortgagee clause (without contribution) which must be endorsed to provide that any proceeds shall be paid to the East Village Owners Association for the use and benefit of mortgagees, their successors and assigns, as their interest may appear.

If the project is located in an area identified by the Secretary of Housing and Urban Development as an area having special flood hazards, a per building policy of flood insurance must be maintained in the amount of one hundred percent (100%) of current replacement cost of all buildings or other insurable property or the maximum limit of coverage available under the National Flood Insurance Act of 1968, as amended, whichever is less.

Said Master Policy and the endorsements made a part thereof may provide for such deductibles from any amounts otherwise payable thereunder as the Association may determine, and shall also, by Special Condominium Endorsement or its equivalent, (i) provide that the insurer issuing said policy agrees to abide by the decision of the Association whether to repair, reconstruct or restore all or any damaged or destroyed portion of the Common Elements or the Units covered thereby, (ii) provide that only improvements made or installed by the Association shall affect the valuation of any Building or Improvement on the project for co-insurance purposes. (iii) provide for at least an annual insurance review which shall include an appraisal of all Buildings, improvements and personal property of the Association located on or within the project required to be insured hereby by a representative of the insurer issuing said master policy, (iv) contain a waiver by said insurer of any and all rights of subrogation against any Owner, Declarant (and each member of its staff and its employees), the Association, its Board and each member thereof, its officers (and each of them), the Manager and his staff, and the agents, representatives and employees of the Association (v) provide that said Master Policy cannot be cancelled, invalidated, suspended, substantially modified, terminated, avoided or expire in whole or in part by reason of any act, omission or breach of any covenant contained in this Declaration by any Owner, Declarant, the Association, its Board, its officers, the Manager and his staff, or the agents, representatives, or employees of the Association without a prior written demand that the Association cure such breach, and that in no event shall said policy be invalidated, suspended, terminated, voided or expire for any reason without thirty (30) days' prior written notice from the insurer to the Association, Declarant and to any Owner or mortgagee who shall have filed a written request with said insurer for such notice (vi) provide that the Board or its authorized agent or representative shall have the exclusive authority to adjust any and all losses covered by said policy, (vii) provide that the insurance obtained pursuant to this paragraph shall not be prejudiced by any act or neglect of any of the insureds when such act or neglect is not within the knowledge and control of the insureds collectively, (viii) provide that the insurance obtained pursuant to this paragraph shall not be prejudiced by failure of the insureds collectively to comply with any warranty or condition with regard to any portion of the premises over which the insureds collectively have no control, (ix) provide that the insurance obtained pursuant to this paragraph shall not be prejudiced by reason of the vacancy or non-occupancy of any one or more Units within the project, provided that this Declaration (as the same may be amended from time to time) is in force and the project is operating as a condominium project, (x) provide that all insurance proceeds under said master policy shall be payable to the Association as trustee to be held and expended as provided in this Declaration for the benefit of the Owners and their respective mortgagees as their interests may appear, (xi) provide that the insurer shall issue certificates or memoranda of insurance to the Association, and upon request, to any Unit Owner, mortgagee, or beneficiary under a deed of trust, (xii) prohibit contribution or assessments being made against FNMA or FHLMC or being made a lien on the project superior to the lien of any first mortgage, (xiii) provide for the recognition of any Insurance Trust Agreement, and (xiv) provide that the policy is primary in the event the Unit Owner has other insurance covering the same loss.

The Board of Directors shall also obtain and maintain, to the extent obtainable, comprehensive general liability insurance in such limits as may from time to time be determined necessary, covering all of the Common Elements in the Condominium project. Such insurance policy shall contain a "severability of interest" endorsement which shall preclude the insurer from denying the claim of a Unit Owner because of negligent acts or the Association or other Unit Owners. The scope of coverage must include all other coverage in the kinds and amounts required by private institutional mortgage investors for projects similar in construction, location and use. Coverage shall be for at least One Million Dollars (\$1,000,000.00) per occurrence, for personal injury, including death of persons, and/or property damage. The Association shall use its best efforts to see that the liability insurance carried by the Association shall contain cross-liability insurance endorsement, or appropriate provisions to cover liability of the Owners, individually and as a group, to another Owner. Such policies must provide that they may not be cancelled or substantially modified, by any party, without at least ten (10) days' prior written notice to the Association and to each holder of a first mortgage which is listed as a scheduled holder of a first mortgage in the insurance policy.

4.2 Named Insured; Mortgagee Clause. The Master Policy shall be purchased by the Association naming the Association as the insured, as attorney-in-fact or trustee (for all of the Owners), which policy or policies must contain or have attached the standard mortgagee clause commonly accepted by private institutional mortgage investors in the area in which the mortgage premises are located.

4.3 Fiduciary Liability Insurance. The Board of Directors shall also obtain and maintain fiduciary liability insurance coverage against dishonest acts on the part of officers, directors, managers, trustees, employees or volunteers responsible for handling funds belonging to or administered by the Association. The fidelity bond or insurance must name the Association as the named insured and shall be written in an amount sufficient to provide protection which is in no event less than (i) one and one-half (1 1/2) times the estimated annual operating expenses and reserves or (ii) the estimated maximum of funds, including reserve fund, in the custody of the Association or the management agent, as the case may be, at any given time during the term of each bond, or (iii) a sum equal to three (3) months' aggregate assessments on all Units plus reserve funds. In connection with such coverage, an appropriate endorsement to the policy to cover any persons who serve without compensation shall be added if the policy would not otherwise cover volunteers. The fidelity insurance policy shall provide it may not be cancelled or substantially modified (including cancellation for non-payment of premium) without at least ten (10) days' prior written notice to the Association or to any Insurance Trustee and each servicer on behalf of FNMA and FHLMC.

4.4 Insurance for Unit Owners. Each owner shall obtain insurance at his own expense on that part of the Units not covered by the Master Insurance Policy, all furnishings and decorations and other items of personal property belonging to an Owner. Casualty and public liability insurance coverage within each Unit are specifically made the responsibility of the Owner thereof.

4.5 Insurance Trustee; Power of Attorney. Notwithstanding any of the foregoing provisions and requirements relating to property or liability insurance, there may be named as an insured, on behalf of the Association, the Association's authorized representative, including any trustee with whom such Association may enter into any insurance Trust Agreement or any successor to such trustee (each of whom shall be referred to herein as the "Insurance Trustee"), who shall have exclusive authority to negotiate losses under any policy providing such property or liability insurance. Each Unit owner appoints the Association, or any Insurance Trustee or substitute Insurance Trustee designed by the Association, as attorney-in-fact for the purpose of purchasing and maintaining such insurance, including: the collection and appropriate disposition of the proceeds thereof; the negotiation of losses and execution of releases of liability; the execution of all documents; and the performance of all other acts necessary to accomplish such purpose. The Association or any Insurance Trustee shall receive, hold or otherwise properly dispose of any proceeds of insurance in trust for Unit Owners and their first mortgage holders, as their interests may appear.

## ARTICLE V PROPERTY/USE RESTRICTIONS

5.1 Single Family Residences; Limitation on occupancy. All Units shall be occupied as single family residences only. Single family residences may be liberally construed to include occupancy by roommates and extended family members but in no event shall include occupancy for any commercial purpose and shall be strictly limited to the occupancy requirement of no more than two persons per bedroom.

5.2 Offensive or Noxious Use; Nuisance Activity. The Owner of any Unit shall not use or allow the use of such Unit for any purpose which will be noxious, offensive or detrimental to the use of the other Units or which will create or emit any objectionable, offensive or noxious odors, dust, gases, fumes or other such material or which will in any manner violate any applicable zoning ordinance or other regulations enacted by any duly constituted governmental authority. No noxious or offensive activity shall be carried on, nor shall anything be done therein which may be or may become an annoyance or nuisance.

5.3 Refuse Storage. The storage of trash, ashes, or other refuse, except in commercial trash bins located on the common area, is prohibited.

5.4 Signs and Billboards; Declarant's Right. No signs or billboards shall be permitted on the exterior of any Unit without the prior written consent of the Association; provided, this prohibition shall not apply to the Declarant in the initial sale of such Unit. The Association shall determine the location and manner in which properties for sale or rent may be advertised.

5.5 Vehicle Parking and Storage. All parking is subject to the Rules and Regulations promulgated by the Joint Parking Committee as provided in Sections 2.9 and 2.10 hereinabove. Generally, without intending to limit or replace any rules established by the Joint Parking Committee, no boats, trailers, trucks, campers, recreational vehicles, motor homes or large commercial vehicles, nor any vehicle in the process of being repaired or otherwise presently inoperable, shall be stored or parked within the subject lands. No vehicle not used for everyday transportation may be parked or stored on the premises. No vehicles may be parked overnight on the Unit's driveway.

5.6 Household Pets; Care and Restraint; Limit on Number. No animal shall be kept except household pets. Such pets may not be kept or bred for any commercial purpose and shall have such care and restraint so as not to be obnoxious or offensive on account of noise, odor or unsanitary conditions. No savage or dangerous animal shall be kept. No more than two (2) household pets may be kept without written permission of the Association. No pets may be permitted to run loose within the Project. The Board of Directors is permitted to establish further Rules and Regulations regarding pets, including banning certain types or sizes of pets, as changing conditions require.

5.7 No Garage Conversions. The garage of a Townhome may not be converted for any other use or purpose except parking of the Owners vehicles. This prohibition does not apply to any conversion by the Declarant for use as a sales office, however, such conversion by the Declarant would be temporary and any garage so converted shall be returned to its original purpose.

5.8 Exterior Attachments; Radio, Television and Other Devices or Antennas. No attachments of kind shall be placed on the exterior of a Unit, No radio or television transmitting or receiving device shall be allowed on any building except upon written approval of the Board.

## **ARTICLE VI DECLARANT'S RESERVATIONS**

In addition to the reservations stated throughout this Declaration and notwithstanding anything herein to the contrary Declarant hereby reserves the rights contained in this Article.

6.1 Special Amendment. Declarant hereby reserves and is granted the right and power to record a Special Amendment to this Declaration at any time and from time to time which amends this Declaration (i) to comply with requirements of the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Department of Housing and Urban Development, the Federal Housing Administration, the Veteran's Administration, or any other governmental agency or any other public, quasi-public or private entity which performs (or may in the future perform) functions similar to those currently performed by such entities and/or (ii) to induce any of such agencies or entities to make, purchase, sell, insure or guarantee first mortgages covering Units. In furtherance of the foregoing, a power coupled with an interest is hereby reserved and granted to the Declarant to make or consent to a Special Amendment on behalf of each Owner. Each deed, mortgage, trust deed, other evidence of obligation or other instrument affecting a Unit and the acceptance thereof shall be deemed to be a grant and acknowledgment of, and a consent to the reservation of, the power of the Declarant to make, execute, and record special amendments. No special amendment made by Declarant shall affect or impair the lien of any first mortgage upon a Unit or any warranties made by an Owner or first mortgagee in order to induce any of the above agencies or entities to make, purchase, insure, or guarantee the first mortgage on such Owner's Unit.

6.2 Declarant Business Office; Models. Declarant may maintain a business and sales office, models, and other sales facilities necessary or required until all of the Units are sold.

6.3 Transfer of reserved rights; Other rights extinguished. After Declarant has sold all Units owned by him any and all rights reserved herein shall be transferred to and become vested in the Association. Those rights particular to the development of the project shall naturally expire once Declarant has sold all its Units.

## **ARTICLE VII MISCELLANEOUS**

7.1 Severance. If any of the provisions of this Declaration or any paragraph, sentence, clause, phrase or word, or the application thereof in any circumstance be invalidated, such invalidity shall not affect the validity of the remainder of this Declaration, and the application of any such provisions, paragraph, sentence, clause, phrase or word in any other circumstances shall not be affected thereby.

7.2 Failure to Enforce Not Waiver. No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same irrespective of the number of violations or breaches which may occur.

7.3 Captions. The captions herein are inserted only as a matter of convenience, and for reference, and in no way define, limit or describe the scope of this Declaration or exhibits nor the intent of any provisions hereof.

7.4 Gender. Whenever the context so requires, the use of the masculine gender in this Declaration shall be deemed to refer to the feminine or neuter gender and the use of the singular shall be deemed to refer to the plural, and vice versa.

7.5 Covenants to Run With the Land. The covenants, conditions and restrictions of this Declaration shall run with and bind the project and shall inure to the benefit of and be enforceable by the Declarant or any Owner, their respective legal representatives, heirs, successors and assigns.

7.6 Declarant Easement. Declarant has an easement as may be reasonably necessary for the purpose of discharging Declarant's obligations or exercising Declarant's rights reserved herein.

7.7 Enforcement at Law or In Equity; Notice to Mortgagee of Uncured Default. Any Owner or Declarant, so long as Declarant has a record interest in the covered property, shall have the right to enforce by proceedings at law or in equity all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration or any amendment thereto, including the right to prevent the violation of any such restrictions, conditions, covenants, or reservations and the right to recover damages or other dues for such violation. Failure to enforce any covenant, condition, or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

7.8 Attorneys Fees. In the event action is instituted to enforce any of the provisions contained in this Declaration, including collections of monthly dues, the party prevailing in such action shall be entitled to recover from the other party thereto, as part of the judgment, reasonable attorneys fees and costs of such suit.

7.9 City of Norman a Beneficiary. In order that the public interest may be protected, the City of Norman shall be a beneficiary of any of the covenants herein pertaining to location of uses and access. The City of Norman may enforce compliance therewith.

7.10 Right and Responsibilities within the Common Areas. In the event the Association fails to maintain the common areas, and a complaint is made to the City of Norman, the City shall have the right to perform the maintenance work, after giving the Association thirty (30) days written notice and an opportunity to cure. The costs of said abatement are the responsibility of the Association and its members both jointly and severally, In the event that the costs of said abatement are not satisfied by the Association, then a lien shall be filed on the property owned by the Association and each Unit within the development in an amount determined by dividing the amount expended by the number of Units in the development. Such lien shall be evidenced by the filing by the City of Norman of a Notice in the office of the County Clerk of Cleveland County.

IN WITNESS WHEREOF, the undersigned, being the owner of all the Units in the East Village Townhomes has executed these presents the \_\_\_\_\_ day of \_\_\_\_\_, 2007.

East Village at 12th Avenue, LLC., an Oklahoma Limited Liability Company

By: \_\_\_\_\_  
Hunter Miller, Manager

STATE OF OKLAHOMA        )  
  )  
COUNTY OF CLEVELAND    )        SS.

This instrument was acknowledged before me on \_\_\_\_\_, 2007, by \_\_\_\_\_  
Hunter Miller, as Manager of East Village at 12th Avenue, LLC, an Oklahoma Limited Liability Company, on behalf of the company.

My Commission expires:

\_\_\_\_\_  
Notary Public

\_\_\_\_\_  
SEAL

**EXHIBIT "A"**  
**LEGAL DESCRIPTION**  
**EAST VILLAGE, A MIXED USE RETAIL/RESIDENTIAL DEVELOPMENT**

All of Lots Four (4) through Forty-Six (46) in East Village, A Replat of Lots 29, 30 & 31 of Block 1, Boyd View Addition No. 2, A part of the NE Quarter of Section 5, T 8N, R 2 WIM, Cleveland County, Oklahoma as described on the Plat of East Village recorded on March 31, 2006 at Book 21, page 29, records of the Cleveland County Clerks office;

and

An undivided one-half (1/2) interest in Common Area "A" in East Village, A Replat of Lots 29, 30 & 31 of Block 1, Boyd View Addition No. 2, A part of the NE Quarter of Section 5, T 8N, R 2 WIM, Cleveland County, Oklahoma as described on the Plat of East Village recorded on March 31, 2006 at Book 21, page 29, records of the Cleveland County Clerks office.

The Declaration does not cover Lots One, Two and Three in East Village, A Replat of Lots 29, 30 & 31 of Block 1, Boyd View Addition No. 2, A part of the NE Quarter of Section 5, T 8N, R 2 WIM, Cleveland County, Oklahoma which has been previously divided into Units under Oklahoma's Unit Ownership Estate Act as per that Declaration filed on July 24, 2006 at Book 4211, page 545, records of the Cleveland County Clerks office, Cleveland County, Oklahoma.

**EXHIBIT "B"**  
**JOINT AND MUTUAL EASEMENT AND MAINTENANCE AGREEMENT**

This Agreement entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2006, by and between EAST VILLAGE OWNERS ASSOCIATION, INC., a non-profit corporation ("CONDOS"), and EAST VILLAGE TOWNHOMES ASSOCIATION, INC., a non-profit corporation ("TOWNHOMES"), both CONDOS and TOWNHOMES sometimes referred to herein as Parties, concerning and relating to the following described tract of land, to-wit:

All of Common Area "A" as shown on the plat of East Village, a planned unit development in the City of Norman, Cleveland County, Oklahoma, according to the recorded plat thereof at Book 21, Page 29, records of the County Clerks office of Cleveland County, Oklahoma ("Subject Property").

WHEREAS, each of the Parties herein is the owner of an undivided one-half interest of the Subject Property by virtue of that deed covering the above described tract of land, which deed was filed of record on \_\_\_\_\_, records of the County Clerks office of Cleveland County, Oklahoma, at Book \_\_\_\_\_, Page \_\_\_\_\_; and

WHEREAS, the Parties desire and do hereby enter into a Joint and Mutual Easement and Maintenance Agreement covering access to and maintenance of the improvements on the Subject Property, to-wit:

**GRANT OF CROSS EASEMENTS**

The Parties, for themselves and their successors in interest, do hereby grant, bargain, sell and convey, an easement across and access to the Subject Property. The Parties do hereby further agree not to take any action which would restrict and impair the right of the other Parties and their respective Owners, guests and invitees to full access to the Common Areas.

**JOINT MAINTENANCE AGREEMENT**

1. The Subject Property acts as a common driveway and parking area for both the CONDOS and TOWNHOMES and also contains certain other common elements such as a common area fence, grass, flower beds, trash receptacles and sprinkler system. The parties do hereby agree to share the expenses for maintenance, repair and replacement of the common items in the following proportions, to-wit:

<u>Party</u>	<u>Description</u>	<u>Proportionate Share of Maintenance Repair and Replacement</u>
East Village Condos	Driveway and Parking Lot	76%
East Village Townhomes	Driveway and Parking Lot	24%
East Village Condos	Common Area Fence	1/2
East Village Townhomes	Common Area Fence	1/2
East Village Condos	Sprinklers, water, mowing and landscaping	1/3rd
East Village Townhomes	Sprinklers, water, mowing and landscaping	2/3rds

all of the above being hereafter referred to as "Common Area Expenses".

2. All Common Area Expenses shall be contracted and paid by the CONDOS. CONDOS will be responsible for the how and when as to repairs, maintenance and replacement giving due regard to the needs and desires of the TOWNHOMES.

3. An estimated total for Common Area Expenses for the coming fiscal year shall be determined in advance by CONDOS. A detail of those Common Area Expenses will be furnished to the TOWNHOMES prior to December 1st for the ensuing year to enable TOWNHOMES to budget for payment of said costs. Costs to be reimbursed by TOWNHOMES shall be billed quarterly in arrears on a calendar year basis.

4. Should CONDOS determine repairs are needed which were not contained within the advance determination that exceed the sum of \$1,000.00 then Condos shall give TOWNHOMES ninety (90) days prior notice before requesting payment for said expense.

5. All emergency repairs arising from accidental destruction or natural disaster shall be shared in the proportions stated above without the requirement of notice or quarterly billing.

6. Any dispute that arises regarding the performance of this agreement shall be submitted to a mediator recommended by the Oklahoma Bar Association.

Agreed and Accepted the day and year first written above.

EAST VILLAGE OWNERS ASSOCIATION, INC.  
an Oklahoma non-profit corporation

EAST VILLAGE TOWNHOMES ASSOCIATION,  
INC., an Oklahoma non-profit corporation

\_\_\_\_\_  
President

\_\_\_\_\_  
President

ATTEST:

ATTEST:

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Secretary

ACKNOWLEDGEMENT

STATE OF OKLAHOMA     )  
  )  
COUNTY OF CLEVELAND    )

ss.

This instrument was acknowledged on \_\_\_\_\_, 2006 by \_\_\_\_\_ as  
President of East Village Owners Association, Inc. on behalf of the corporation .

My commission expires:

\_\_\_\_\_  
Notary Public

\_\_\_\_\_ SEAL

ACKNOWLEDGEMENT

STATE OF OKLAHOMA     )  
  )  
COUNTY OF CLEVELAND    )

ss.

This instrument was acknowledged on \_\_\_\_\_, 2006 by \_\_\_\_\_ as  
President of East Village Townhomes Association, Inc. on behalf of the corporation .

My commission expires:

\_\_\_\_\_  
Notary Public

\_\_\_\_\_ SEAL