

DECLARATION OF CONDITIONS, COVENANTS AND RESTRICTIONS
FOR CHATEAU, SECTION 3, ADDITION TO THE CITY
OF EDMOND, OKLAHOMA COUNTY, OKLAHOMA

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KNOW ALL MEN BY THESE PRESENTS:

RECITALS

WHEREAS, Chateau Partners, L.L.C., an Oklahoma Limited Liability Company, hereafter referred to as the "Declarant", is the owner of certain land and improvements ("Subject Property") in Oklahoma 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 subdivision known as the Chateau, Section 3, Addition, which plat was filed on September 4, 1998 and recorded at Plat Book 58, page 43 at the office of the County Clerk of Oklahoma 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 Homeowner's Association" means THE CHATEAU HOMEOWNERS ASSOCIATION, INC., an Oklahoma non-profit corporation its successors and assigns, the Certificate of Incorporation and By-Laws 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" and more specifically shown on the plat also shown on the attached Exhibit "A".

"Common Areas" means all portions of the real estate development other than the Units and other than publicly dedicated right-of-ways which are shown on the recorded plat of Chateau, Section 3, a planned unit development, as a Common Area or designated by the Association as a Common Area.

"Common Expenses" means all expenditures estimated by the Board of Directors in its annual budget as necessary to run the Association for the ensuing fiscal year, including any sums required to fund the reserve accounts required to be maintained by the Association.

"Declarant" shall mean and refer to Chateau Partners, L.L.C., an Oklahoma Limited Liability Company, and its successors and assigns.

"General Common Areas" means all portions of the real estate development other than the Units and the Limited Common Areas.

"Limited Common Areas" means that portion of the real estate development an Owner is permitted to fence as hereinafter described and areas lying outside but adjacent to a Unit used for mechanical or air conditioning equipment.

"Master Insurance Policy" shall mean the insurance policy obtained by the Homeowner's Association that provides general loss and liability coverage for the General and Limited Common Areas.

"Obligation(s)" shall mean all dues and special assessments attributable to the Owner of 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.

"Owners Insurance Policy" shall mean the insurance policy obtained by the Unit Owner that provides general loss and liability coverage for any damage or loss occurring to the Unit, including damage or loss to the building and improvements and the Owner's personal property.

"Party Wall" shall mean the entire wall, including the foundations thereof, which is built as a part of the original improvements on the Units and is intended to be placed on the boundary line between adjoining Units.

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

"Unit" means a portion of the planned unit development designated for separate ownership, the boundaries of which unit being the building lines as shown on the recorded plat of the real estate described on Exhibit "A", said plat being filed as stated hereinabove, as actually constructed by Declarant upon deciding which floor plan shall be built on that Unit.

1.2 Ownership of Units. Each Owner shall own his, her or their Unit in fee simple title and shall further own an undivided interest in all Common Areas shown on the plat of the subject property subject, however, to the restrictions contained herein. Said fee simple ownership to include all rights and appurtenances normally associated with ownership of real property. Each owner shall also be a mandatory member of the Homeowner's Association as hereinafter provided. Each Owner's proportionate share of the Common Areas and the Common Expenses is shown on Exhibit "B" attached hereto.

1.3 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) Association's Right to Erect and Maintain Fence along Statutory Street Right-of Way. The Association is hereby granted the right, together with the concomitant easement necessary to exercise this right, to erect and maintain a fence along statutory street right-of-ways, if any.

(D) 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 Areas, 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.

1.4 Use and Occupancy; Rights to Rent; Mortgagee Right to Rent; Leases Subject to Declaration. After the initial sale or transfer of a Unit or Units by Declarant, all such Units shall thereafter 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.

1.5 Mortgage a Unit; Priority; Mortgage Subject to Declaration. An Owner shall have the right from time to time to mortgage or encumber his Unit and the interest 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.

1.6 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.

1.7 Revocation or Amendment to Declaration. This Declaration shall not be revoked unless all of the Owners and all of the holders of any recorded mortgage or lien covering or affecting any or all of the Units 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.

1.8 Party Walls.

(A) Ownership of Party Wall; Reciprocal Easement. The Owner shall possess, in fee simple, that portion of the party wall lying within the platted Unit on which his building sits. Each Owner 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 Owners 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.

(B) Destruction. If a party wall is destroyed or damaged by any casualty, the Owners of the Unit 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 costs of repairing such damage and shall diligently prosecute all such repairs and reconstruction. If such Owner shall fail to do so, then the other Owner of a Unit abutting such party wall may do so at the sole cost and expense of such 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 Owners successors in title.

ARTICLE II HOMEOWNERS ASSOCIATION

2.1 **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 By-Laws 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.

2.2 **Private Streets.** The Association shall be responsible for the maintenance, replacement and repair of all streets shown on the plat of Chateau, Section 3 Addition. These streets are privately dedicated streets and are not maintained by the City or any other governmental entity. However, the Association and any Owner may not restrict access to the Addition by placing any restriction or other impediment to entry or use of the streets without the express prior approval of the City of Edmond.

2.3 **Association's Additional Maintenance and Responsibility.** In addition to responsibility for maintenance and replacement of the streets, the Association shall be responsible only for the maintenance, operation and repair of the Common Areas, the areas appurtenant to statutory street right-of-ways along section line roads and any other areas shown on the plat as common right-of-way such as entrances and center medians.

2.4 **Interim Control of Association.** Until such a time as fifty percent (50%) of the Units are occupied by Owners, or the Declarant elects to turn over control of the Association to the then existing Unit Owners, whichever comes first, the Association shall be managed by one or more person, who do not have to be Unit Owners, under contract with the Association. Once fifty percent of the Units have been occupied control of the Association shall pass to a duly elected Board of Directors pursuant to the applicable provisions of the Certificate of Incorporation and Bylaws.

2.5 **Assessment for Annual Dues and Special Assessments.**

(A) **Obligation to Pay Dues.** Except as stated in this Section 2.5, all Owners shall be obligated to pay the annual dues imposed by the Bylaws and the Board of Directors of the Association to meet the expenses of the Association.

(B) **Initial Dues and Due Dates.** Annual Dues and the semi-annual Due Date shall be initially set in the By-laws of the Corporation. No dues shall be assessed or collected until the Unit is purchased by an Owner, who is not a Builder. Dues shall be paid semi-annually in advance on the date specified in the Bylaws or as set by the Board of Directors. Dues for the first year shall be prorated on a semi-annual basis 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. Annual Dues may be adjusted up or down by the membership or the Board of Directors as provided in the Certificate of Incorporation and By-laws.

(C) **Special Assessments for Capital Improvements; Assent; Notice.** In addition to the annual dues 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.

(D) **Unsold Units; Dues paid by Declarant.** Declarant, including Builder transferees of Declarant, shall not be responsible for payment of annual dues or assessments for any unsold Units, except, however, as of the next annual due date the Declarant, and any transferee thereof, shall begin paying dues on any unit upon which Declarant has obtained a building permit from the City of Edmond. An unsold Unit is any Unit that has not yet been purchased as a residence by any Owner or lessor of an Owner.

(E) **Assessment Lien; Priority; Notice of Lien; Recording; Enforcement; Receiver; Mortgagee may pay Assessment** All unpaid assessments and annual 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 annual 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 Oklahoma County, Oklahoma. Such lien for the annual dues 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 annual 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.

(F) Annual Dues and Assessments Collectible on Sale. Upon the sale or conveyance of a Unit, all unpaid annual 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 annual 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 therefor. 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 annual 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 annual 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 Areas 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 the assessment, such Owner shall be obligated to pay 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 assessment from the due date thereof, together with all expenses,

including attorney's fees, incurred to collect such dues or assessments together with late charges as provided by the By-Laws of the Association. Suit to recover a money judgment for obligations may be instigated in Oklahoma 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 to the mortgagee.

2.6 Eminent Domain. 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 Areas, or part thereof. Each Unit Owner appoints the Association as attorney-in-fact for such purposes.

2.7 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 Areas 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.

2.8 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 may receive compensation, directly or indirectly, for services rendered as an officer, director or employee of the Association.

2.9 Committees. The Association shall establish an Architectural Committee and such other Committees as provided in the Certificate of Incorporation and Bylaws. The Architectural Committee shall exercise all of the rights and powers reserved herein to the Declarant once those rights have been transferred pursuant to the provisions of paragraph 5.6. If, for any reason, the Architectural Committee is not established or operating those rights and responsibilities shall be exercised by the Board of Directors.

2.10 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 of the Board of Directors of the Association or served upon the service agent of the Association.

ARTICLE III PROPERTY RESTRICTIONS

3.1 Single Family Residences. All Units herein shall be occupied as single family residences only. No residence may be owned or occupied for any commercial purpose.

3.2 Improvements and Alterations; Plans and Specifications; Approval. Except for construction by the Declarant, no building, fence, wall or other improvements or structure, including mail boxes, shall be commenced, erected, placed, moved or maintained upon the subject land, nor shall any exterior addition to or change in any improvement located on the subject land, be made until the complete plans and specifications showing the precise and exact nature, kind, shape, height, set-back, materials, color and location of the same shall have been submitted in duplicate to and approved in writing (by the Declarant as more fully described below) as to harmony of external design, color and location in relation to surrounding structures and topography and conformity with the design concept for the improvements. Declarant may waive this requirement, at its option, by written authorization upon the terms and conditions set forth in said writing.

3.3 Private Fence. Each Owner may erect a fence in the Limited Common Area adjacent to his Unit, not to exceed 350 square feet, for the purpose of maintaining a garden, a private yard or for the housing of pets permitted by these Restrictions. Any fence erected pursuant to this section may not exceed six (6) feet in height, must be properly maintained and must be approved by the Board of Directors or Architectural Control Committee as to location, material and appearance. The Association, through its Board of Directors, reserves the right to designate the dimensions and location of the fence so as to not inconvenience the other Owners. The Association also reserves the right to remove the fence if it finds that the fence is not being properly maintained.

3.4 Minimum Square Footage. Unless otherwise stated herein, no residence shall contain less than One Thousand Three Hundred (1,300) square feet of living area. The first floor of any two story residence must contain a minimum of Eight Hundred (800) square feet of living area.

3.5 Exterior Requirements. The exterior of any residence shall be at least fifty percent (50%) brick, stone or stucco, and fifty percent (50%) may be of frame or other material which will blend together with the brick, stone or stucco. It is the intention of this restriction to allow panels of materials other than brick, stone or stucco to be used, but in no event shall a continuing wall consisting of fifty percent (50%) of the exterior of the residence be built of any material other than brick, stone or stucco. This restriction is intended to encourage the use on the principal exterior of residences of masonry construction, but may be modified to allow the use of other materials to blend with the environment to eliminate repetition of design. In no event shall out buildings be of a material other than the residence. Chimney materials must be brick, stone or stucco to the top of the first floor plate except where the chimney is on the interior, in which case it need not be brick, stone or stucco.

3.6 Roofs. Roofs shall be of wood shingles, shakes, clay, tile or composition roofing approved by the Declarant.

3.7 Approvals; Copy of Plans and Specifications Deposited; Lapse of Time Paramount to Approval. Upon approval by the Declarant of any plans and specifications submitted pursuant to these provisions, a copy of such plans and specifications, as approved, shall be deposited among the permanent records of Declarant, and a copy of such plans and specifications bearing such approval, in writing, shall be returned to the applicant submitting the same. In the event the Declarant fails to approve or disapprove any plans and specifications which may be submitted to it within sixty (60) days after submission, then approval will not be required, and this paragraph shall be deemed to have been fully complied with.

3.8 Construction; Limitations, Deviations from Plans and Specifications. Construction or alterations in accordance with plans and specifications approved by the Declarant shall be commenced within six (6) months following the date upon which the same are approved by the Declarant (whether by affirmative action or by forbearance from action), and shall be substantially completed within twelve (12) months following the date of commencement, or within such longer period as the Declarant shall specify. In the event construction is not commenced within the period aforesaid, then approval of the plans and specifications by the Declarant shall be conclusively deemed to have lapsed, and compliance with the provisions of this paragraph shall again be required. There shall be no deviations from plans and specifications approved by the Declarant without the prior consent in writing of the Declarant. Approval for use on any Unit of any particular plans and specifications or design shall not be construed as a waiver of the right of the Declarant to disapprove such plans and specifications, or any Areas or features thereof, in the event such plans and specifications are subsequently submitted for use upon any other Unit or Units.

3.9 Certificate of Compliance. Upon the completion of the construction or alteration of any building, fence, wall or other improvements or structure in accordance with plans and specifications approved by the Declarant, the Declarant shall, at the request of the Owner thereof, issue a certificate of compliance which shall be prima facie evidence that the building, fence, wall, or other improvements or structure referenced in such certificate has been approved by the Declarant and constructed or installed in full compliance with the provisions of this Article.

3.10 Enforcement; Right to Correct Violations. In the event any building, fence, wall or other improvements or structure shall be commenced, erected, placed, moved or maintained upon any Unit, otherwise than in accordance with the provisions and requirements of these provisions, then the same shall be considered to have been undertaken in violation of these provisions and without the approval of the Declarant required herein. Upon written notice from the Declarant, such building, fence, wall or other structure or improvements shall be promptly removed. In the event the same is not removed, or the violation is not otherwise terminated, within fifteen (15) days after notice of such violation is delivered to the Owner of the Unit upon which such violation exists, then Declarant shall have the right, through its agents and employees, to enter upon such Unit and to take such steps as may be necessary to remove or otherwise terminate such violation, and the costs thereof shall be assessed against Owner and the Unit upon which such violation occurred. A statement for the amount thereof shall be rendered to the Owner of said Unit, at which time the assessment shall become due and payable and a continuing lien upon said Unit and an obligation of the Owners, and may be enforced as a judgment lien. The Declarant shall have the further right, through its agents, employees or committees, to enter upon and inspect any Unit at any reasonable daylight hour for the purpose of ascertaining whether any violation of the provisions of this

paragraph or any of the other provisions or requirements of this Declaration, exists on such Unit.

ARTICLE IV PROHIBITED USES

4.1 **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.

4.2 **Mineral Drilling.** No drilling or puncturing of the surface for oil, gas or other minerals or hydrocarbons within the subject lands shall be permitted.

4.3 **Livestock.** The keeping of any poultry, cattle, horses or other livestock of any kind or character is prohibited within the Project.

4.4 **Refuse Storage; Growth; Lawns.** 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 in the Project. No trash, ashes or other refuse may be thrown in any other Owner's Unit. Lawns and shrubbery shall be kept mowed and trimmed.

4.5 **Signs and Billboards; Declarant's Right.** No signs or billboards, except "for sale" or "for rent" signs, shall be permitted on any Unit without the prior written consent of the Declarant; provided, this prohibition shall not apply to the Declarant in the initial sale of such Unit.

4.6 **Vehicle Parking and Storage.** No 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 overnight parking of any vehicle on the street or Unit, other than a concrete driveway, is permitted.

4.7 **View From Street or Unit.** All clotheslines, garbage cans, equipment, coolers, or storage piles shall be located as not to be visible from any other Unit within the Project.

4.8 **Tanks.** No elevated tanks of any kind shall be erected, placed or permitted on any Unit.

4.9 **Radio or Television Device.** No radio or television transmitting or receiving device shall be allowed on any Unit or structure with an exposed antenna that exceeds five (5) feet in height and/or 24 inches in diameter.

4.10 **Wind Powered Generators.** No wind powered generators shall be allowed on the subject lands.

4.11 **Temporary Structure.** No trailer, tent or shack shall be erected, placed or permitted, nor shall any structure of a temporary character be used at anytime as a residence without the prior written consent of the Declarant.

4.12 **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 four household pets may be kept without written permission of the Association. No pets may be permitted to run loose within the Project.

4.13 **Basketball goals.** Basketball goals are permitted but may not be attached to any structure. All basketball goals must be free standing on a structure designed for that purpose and must be kept in good repair. Any goal that becomes damaged or unusable must be removed.

ARTICLE V 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.

5.1 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.

5.2 Declarant Business Office; Models. Declarant and any Builder active in the Addition may maintain a business and sales office, models, and other sales facilities necessary or required until all of the Units are sold.

5.3 Amendment as to Unsold Units; Waiver. Declarant hereby reserves the right to revoke or amend these Declarations, by written instrument filed of record in the County Clerk's office, to remove or amend the restrictions set forth herein on any Unit owned by Declarant. The Declarant shall have the power to grant to any Owner a waiver, variance, or exception of and from any of the provisions of this Declaration.

5.4 Signs. Declarant, and any Builder active in the Addition, reserves the right to erect such signs as it deems necessary for the sale and marketing of the property and Units described herein.

5.5 Transfer of reserved rights. After Declarant has sold all Units owned by him any and all rights reserved herein shall be transferred to and become vested in the Homeowners Association, with the exception of those rights granted or reserved to the Builders in the Addition so long as said Builders still own Units or homes for sale in the Addition.

ARTICLE VI MISCELLANEOUS

6.1 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.

6.2 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.

6.3 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.

6.4 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.

6.5 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.

6.6 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.

6.7 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.

6.8 Attorneys Fees. In the event action is instituted to enforce any of the provisions contained in this Declaration, 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.

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

IN WITNESS WHEREOF, the undersigned, being the owner of all the Units in the Chateau, Section 3 Addition have executed these presents the 13th day of July, 1999.

PROPERTY OWNED

DECLARANT

All Units of Chateau, Section 3

Chateau Partners, L.L.C., an Oklahoma Limited Addition Company,
Signed by Benjamin M. Turner, Jr., and Eugene D. Freeman, Members

Signed by Benjamin M. Turner, Jr. and Eugene D. Freeman. Notarized by (unreadable).

EXHIBIT "A"
LEGAL DESCRIPTION

(metes and bounds legal description omitted)