

STONE RIVER RANCH

12589 BIG SKY DRIVE • SHAWNEE, OK 74804

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STONE RIVER RANCH, LLC
12589 BIG SKY DRIVE
SHAWNEE, OK 74804

Stone River Ranch, LLC an Oklahoma Limited Liability Company, hereinafter referred to as “Owner/Developer”, Justin C. Duval and BancFirst are the owners and lien holders of the following described real property east of the City of Shawnee, County of Pottawatomie, State of Oklahoma, to-wit:

Tracts 1-20 of Block 1 of Stone River Ranch Phase 1, being a part of the Southeast Quarter (SE/4) of Section 34, township eleven (11) North, Range Four (4), East of Indian Meridian, Pottawatomie County.

That as the Owner/Developer, it has had the tract of land surveyed into blocks, lots and streets, and has had a plat to be made of the tracts showing accurate dimensions of lots, set-back lines, rights-of-way, widths of streets and easement for utilities. The said tract of land is designated as Stone River Ranch LLC, a subdivision East of the City of Shawnee, Pottawatomie County, Oklahoma, (hereafter Stone River Ranch). It reserves the right for installation and maintenance of all utilities and drainage such easements as are shown on the recorded plat.

For the purpose of providing an orderly development of the entire tract and for the further purpose of providing adequate restrictive covenants for the mutual benefit of itself or its successors in title to the subdivision of the tract, it hereby declares that all the property described hereinabove shall be held, sold and conveyed subject to the following easements, restrictions, covenants, and conditions which are for the purpose of protecting the value and desirability of and which run with the real property and be binding on all parties having any right, title or interest in the described properties of any part thereof, their heirs, successors and assigns and shall inure to the benefit of each owner thereof.

Definitions

Owner – “Owner” shall mean and refer to the record owner whether one or more persons or entities of a fee simple title to any lot which is part of the properties, including contract sellers, but excluding mortgagee or other persons or legal entity holding such interest merely as security for the performance of an obligation.

Subdivision – “Subdivision” shall mean and refer to any lot within Stone River Ranch.

Properties – “Properties” shall mean and refer to that certain real property hereinbefore described.

Lot – “Lot” shall mean and refer to any plot of real estate shown upon any current or any future recorded platted phases of this subdivision that is owned by an owner other than the Homeowners Association.

Majority or Lot Owners – “Majority of Lot Owners” mean the owners of more than seventy five percent (75%) of the lots. Any specified percentage of lot owners means such percentage in the aggregate of such ownership of lots.

Homeowners Association – “Homeowners Association” shall mean an association formed by the Owner/Developer of the subdivision as provided for in Title 60 Oklahoma State Statutes Section 852 and any amendment or modification thereof. The Homeowners Association within either any current or future recorded platted phases of this subdivision shall have all of the rights and powers set forth in Title 60 Oklahoma Statutes Sections 851 through 856 or any amendment, modification or addition thereto. Such Homeowners Association will be a part of the Stone River Ranch Home Owners Association that has been previously formed by the Owner/Developer of the real estate dedicated as Stone River Ranch, and to all its current or future recorded platted phases, upon the recording of the covenants. All Stone River Ranch owners shall be a member of the Stone River Ranch Home Owners Association. The Owner/Developer shall have the option of designating a person that will be a non-dues paying, voting member of the Stone River Ranch Home Owners Association.

Vote – “Vote” wherever used in these covenants with regard to rights of owners of lots to change, amend, alter, enact, or repeal any provision contained in these covenants shall mean that each lot as defined herein shall have one vote regardless of its size and regardless of the number of owners of interests in such lots. If the owners of majority of the interests in a lot cannot agree on the vote to be cast for such lot, no vote shall be counted for such lot.

Architectural Control Committee – “Architectural Control Committee” shall mean, either the Owner/Developer, or any partner(s) developer wishes to add so long as he is an Owner, or thereafter, the Owner/Developer, or a committee composed of three (3) or more representatives of the Homeowners Association voted on annually, if so desired by the Homeowners Association.

Stone River Ranch

- a) Stone River Ranch shall be a part of the Stone River Ranch Home Owners Association which is currently formed for the general purposes of maintaining the common area and enhancing the value, desirability and attractiveness of Stone River Ranch. The Stone River Ranch Homeowners Association will begin assessments on the sale and closing of each home in Stone River Ranch.
- b) For the purpose of providing restrictive covenants for the mutual benefit of the undersigned owners and their successors in title to the subdivision of said tract, Justin Duval, being the sole owner of said tract, does hereby impose the following restrictions and reservations to which it shall be incumbent on or successor to adhere.

- c) This subdivision is planned to provide an orderly and attractive residential environment with special concern for amenities which contribute to the rearing and education of children and to family life. It is intended that each dwelling, and the accessory building relating thereto, be of good architectural design and sound construction which reflect the climatic characteristics and flora of the region and the culture of Oklahoma. The landscaping, orientation and design of all buildings shall evidence due consideration for the character of the site on which the building is locational, and for the other dwellings and landscape of the area, to achieve both unity and distinctiveness. The development of each lot shall be consistent with the general spirit of this statement of purposes. It is deemed desirable that the design of dwellings and accessory buildings be performed by an architect or professional designer, and the construction be supervised by a professional builder.
- d) For the purpose of providing an orderly development of the entire tract and for the further purpose of providing adequate restrictive covenants for the mutual benefit of themselves or their successors in title to the subdivision of said tract, the owner hereby declares that all property described herein above shall be held, sold and conveyed subject to the following easements, restrictions, covenants, and conditions which run with the real property and shall be binding upon on all parties having any right, title, or interest in the described properties or any part thereof, their heirs, successors, and assigns and shall inure to the benefit of each owner thereof.
- e) The invalidity of any of the provisions of this declaration shall not affect any of the other provisions all of which shall remain in full force and effect.

Home Construction Minimums

- a) Homes should be in a craftsman style. Metal or partially metal roofs are encouraged but not required.
- b) Seventy percent of the veneer exterior of the first floor facing the road, will be of siding. Vinyl siding is not allowed.
- c) Computation of Living Area. The computation of living area shall not include any basement or attic area used for storage. All living area measurements shall be taken horizontally at the top plate level to the face of the outside wall. Required living area must average at least seven feet six inches (8') in height, except that in the computation of second of upper story living areas, the height shall be seven feet six inches (7'6") for at least one-half of the required living area, and any area of less than five feet (5') in height shall be excluded.
- d) All metal flashings, vents, gutters, downspouts, or pipes must be matched to the roof or wall color and texture or otherwise treated architecturally to present a finished appearance.
- e) No dwelling shall be permitted on any lot unless it is of brick, brick veneer, stucco, masonry veneer, or other material that the Architectural Control Committee approves, it being the intention and purpose of the covenant to assure that all dwelling shall be of a quality of workmanship and materials substantially the same or better than which can be produced on the date these covenants are recorded for the minimum permitted dwelling size. For Lots E1 through E3, the living area of the main structure, exclusive of one-story open porches, terraces, and garages, shall be not less than 1,500 square feet of living space for any and every house. All other lots in plat I are to have not less than 1,800 square feet living space with at least 1,500 square feet living square on the first floor of a two-story house. No completed prebuilt or move-in type of house is permitted.
- f) Fences on the property line must be of stonework or brick and wrought iron or wrought iron style materials to be approved by the Architectural Committee. Fences must be 6 foot in height. Privacy fences of wood or poly construction are allowed behind homes and are required around swimming pools but must be kept within 25 feet of a concrete pad or foundation.
- g) The minimum floor area of all the main structure to be finished heated living area exclusive of open porches, terraces, garages, basements, or attic area used for storage shall have a minimum square footage as set out below:

- a. A minimum of 1,500 square feet in E1 – E3
- b. A minimum of 1,800 square feet on all lots in Phase 1 not mentioned above.

Construction Conditions

- a) No building shall be located on any lot near to the front lot line or nearer to the side street lot line than the minimum building setback lines shown on the recorded plat. No home shall be located on any lot more than fifty feet (50') from the minimum setback. There will be a minimum of five (5) feet side lot setback between all interior lots.
- b) All dwellings located on any lot of the addition shall be designed with the front of the dwelling adjacent to the street.
- c) The roof of all main structures and detached garages shall have a pitch of at least 11 inches of rise for every 12 inches of run. Roof pitch on the second story portion only of a two story home may be 5-12 pitch.
- d) Review. No building, fence, wall, walk, driveway or other structure or improvement, including landscaping projects, shall be commenced, erected or maintained upon the properties, nor shall any exterior addition to or change or alteration therein, including, but not limited to re-painting, drainage and grading plans, exterior color scheme and material thereof, and plot plan, which plot plan shows the location and facing of such building be made until the plans and specifications showing the nature, kin, shape, color, height, materials and location of the same shall have been submitted to have been approved in writing by a majority of an Architectural Control Committee ("Committee") composed of Justin Duval or his duly authorized representatives(s) or successors. The Committee's approval or disapproval as required in these covenants shall be in writing. In the event the committee, or its designated representative, fails to approve or disapprove within thirty (30) days after plans and specifications have been submitted to it, approval will not be required, and the related covenants shall be deemed to have been complied with in full. In any event, the general covenants and restrictions must be followed.
- e) Storage buildings will be allowed as approved by the Architectural Control Committee. They must be built on site and have matching veneer exterior to the home at least 48" up from the buildings pad and in the same color scheme. Landscaping around building must also match that of the home style and size. There shall only be one approved storage building per lot.
- f) All dwellings located on any lot of the addition shall be designated with the garage entrance parallel to the road (side entry).
- g) At the completion of the construction, the owner of each lot shall be required to landscape the lot with trees, shrubs or perennial plants. Front, back and side yards, shall be sodded with grass upon construction of the home. Further, each Lot owner shall be required to maintain each lot in an aesthetically pleasing view, which shall include the mowing and edging of the lawns of each lot and the maintenance of flowerbeds and shrubs. When mowing, the grass clippings may not be allowed to remain on the streets and driveways and will be properly bagged or blown.
- h) Storm Shelters are mandated and must be constructed in the rear in ground or under the roof of the house. Above ground storm shelters are not allowed.
- i) All playground equipment and large toys must be located in the backyard. It is the responsibility of the owner to maintain such equipment with paint and stain, keep in repair, and remove immediately if damaged or locate out of view neighbors.
- j) All lots shall be used for residential purposes only. No building shall be erected, altered, placed or permitted to remain other than detached single family dwellings not to exceed 2 stories in height with private garage for no fewer than two automobiles, which may be attached or detached. Not more than one primary living, dwelling and one accessory non-living area building shall be placed on each lot. A single family residence may be erected on a site consisting or more than one lot. A dwelling may be built on a lot or a portion of another lot. Pod homes are allowed but must be in matching style to the home and approved by the architectural committee.

- k) No building, fence, wall, walk, driveway or other structure or improvement shall be started, erected, placed or altered on any building plot plan showing the location of such building on the lot has been approved in writing as to the quality of construction, conformity and harmony of external design with existing structures in the subdivision and as to the location of the elevation by the Architectural Control Committee. No complete, prebuild, move-in type of house is permitted.
- l) Stem Walls. All exposed foundation or stem walls shall be covered by brick, stone, stucco or siding. No concrete blocks, poured concrete or any other foundation will be exposed. No concrete face or stem walls will be exposed.
- m) Roofing: The roof of all main structures and detached garages, except for two story main structures, shall have a pitch of at least 11 inches of rise for every 12 inches of run, except that it may have a flat roof equal to no more than twenty percent (20%) of the area covered by all roof surfaces, subject to approval of the Architectural Control Committee. All roofs shall be of a minimum thirty-year composition, tile or better as approved by the Architectural Control Committee.
- n) Mailboxes. The Owner/Developer has selected a mailbox that will be used for all lots. It is the Owner's responsibility to pay their share of the cost of mailbox installation.
- o) Poly-carts will be placed in the garage or on the side of the garage on all days except garbage day.

Exclusions

- a) No recreation vehicles, race cars, off road vehicles, campers, boats, house trailers, or trucks of any kind shall be permitted to be continuously parked in sight in the front of residence or on any portion of any lot in the addition, except to be concealed from the street and abutting lot owners by being inside a storage building on the property.
- b) No business, trade or activity shall be carried on upon any lot not shall anything be done thereon which may be or may become an annoyance or a nuisance to the neighborhood.
- c) No noxious or offensive activity shall be carried on upon any lot, not shall anything be done thereon which may be or may become an annoyance of nuisance to the neighborhood.
- d) Temporary Structures. No structure of a temporary, trailer, basement, tent, shack, garage, barn or other outbuilding shall be used on any lot at any time as a residence either temporarily or permanently. No mobile home may be stored, even though unoccupied, either temporarily or permanently on any part of the subdivision; nor shall any boat trailer, hauling trailer, camping trailer or other trailer be stored or temporarily parked, for a period of time exceeding forty-eight hours, on any street or on any lot within the subdivision unless it is located within an enclosed building.
- e) Signs. No sign of any kind, except those signs used by Declarant or their successors or assigns shall be displayed to the public view on any lot except one sign of not more than six (6) square feet advertising the lot of the home on said lot for sale, rent, or future home to be constructed on said lot which is for sale and not yet constructed. No other commercial signs are allowed. NO POLITICAL SIGNS OF ANY NATURE ARE ALLOWED ON ANY LOT OR AT THE ENTRY OF THE ADDITION.
- f) Oil and Mining Operations. No oil drilling, oil development operations, oil refining, quarrying or mining operations or any kind shall be permitted upon any lot. No derrick, or other structure designed for use in drilling for oil or natural gas shall be erected, maintained or permitted upon any lot.
- g) The continuous parking or storage anywhere within the subdivision of trucks over 1-ton rated capacity, delivery vans of any type, or of trucks designated for hauling gasoline or hazardous materials shall be prohibited. Vehicles that are not running condition may not be parked in driveways or on the side of the road on a continuous basis. Property owner's vehicles may not be parked in the street on a continuous basis. All Property owner's vehicles must be parked in their garage or driveway to their own property and may not be parked on their lawn.

- h) Animals. No animals, livestock, or fowl, of any kind, shall be raised, bred or kept on any lot except that dogs, cats or other household pets may be kept provided they are not kept, bred, or maintained for commercial purpose. It has been determined that it is in the best interest of all lot owners in Stone River Ranch that for the safety of all the owners of lots in the subdivision that the American Pit Bull Terrier, American Staffordshire Terrier, Staffordshire Bull Terrier, Bull Terrier and Rottweiler, whether mixed breed or not, are prohibited from being brought into the subdivision, either by any owner of any lot in the subdivision or by any visitor to the subdivision.
- i) Clothes Lines. Clothes Lines are not permitted.
- j) Pools and Pool House. Above ground pools are not allowed. A pool house may be constructed on each lot as long as it matches the house in veneer, roof and paint color as approved by the Architectural Control Committee.
- k) Signs. No sign of any kind, except those signs used by the Owner/Developer to designate the lot number, shall be displayed to the public view on any lot. The exception is the one sign of not more than six (6) square feet advertising the lot or the home for sale, rent, or a future home to be constructed on a lot which is for sale and not yet constructed may be displayed. No other commercial signs are allowed.

Utilities/Easements

- a) Easements and Utilities. All utility services shall be underground for as long as such underground facilities to take and receive such services by means of properly installed underground service lines. Easements for installation and maintenance of utilities and drainage facilities are reserved as shown on the recorded plat. Within these easements, no structures, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities, or which may change the direction of flow of drainage channels in the easements, or which may obstruct or retard the flow of water through drainage channels in the easements. The easement area of each lot and all improvements for which a public authority of utility company is responsible. No structure, planting or other material shall be placed or permitted to remain which may change the direction flow of drainage channel. The drainage area of each lot and all improvements on it shall be maintained continuously by the owner of the lot.
 - a. The Owner/Developer does hereby dedicates for the public used of the utility easements as designated on the accompanying plat, for the purposes of constructing, maintaining, operating, repairing, and/or removing any and all public utilities including storm sewers, sanitary sewers, telephone and communicated lines, electric power lines and transformers gas lines, water lines, and cable television lines, together with all fittings, including the poles wires, conduits pipes, valves, meters and equipment for each of such facilities and any other appurtenances thereto with the rights of ingress and egress to and upon said utilities, easements and rights of way for the uses and purposes aforesaid. No building structure, or other above or below the ground obstruction will be placed, erected, installed or permitted upon the easements or rights of way as shown: PROVIDED, HOWEVER, that the Owner/Developer hereby reserves the right to construct, maintain, operate, lay and relay water lines and sewer lines, together with the right of ingress and egress for such construction, maintenance, operation, laying and relaying over, across and along all of the utility easements, shown in said plat. The Owner of each lot shall be responsible for the repair and replacement of any landscaping and paving located within the utility easements in the event it is necessary to repair any underground water or sewer mains, electric, natural gas, communication or telephone service.
 - b. Street light poles or standards shall be served by underground cable and elsewhere throughout Stone River Ranch. All supply lines shall be located underground in the easement ways reserved for general utility services, shown on the attached plat. Service pedestals and transformers, as source

of supply at secondary voltages and communication pedestals, may also be located in said easement ways.

- c. The owner of each lot shall be responsible for the protection of the underground electric, communication or gas facilities located on his property and shall prevent the alteration of grade or any construction or has facilities located on his property and shall prevent the alteration or any construction activity which may interfere with said electric, communication or gas facilities. The companies will be responsible for ordinary maintenance or underground electric, communications or gas facilities, but the Owner will pay for damage or relocation of such facilities caused or necessitated by acts of the Owner or his agents or contractors.
 - d. The owner of each lot shall be responsible for the protection of any public water or sewer mains located on or in his lot.
- b) Public Streets and General Utility Easement. The Owner/Developer does hereby dedicate for the public use the streets, as designated on the accompanying plat, and does further dedicate for the public use other utility easements as designated on the accompanying plat, for the purposes of constructing, maintaining, operating, repairing, and/or removing any and all public utilities including storm sewers, sanitary sewers, telephone and communication lines, electric power lines and transformers, gas lines, water lines, and cable television lines. Together with all the fittings, including the poles, wire, conduits, pipes, valves meters and equipment for each of such facilities and any other equipment with the rights of ingress and egress to and upon said utilities, easements and rights-of-way for the uses and purposes previously stated. No building, structure, or other above or below ground obstruction will be placed, erected, installed or permitted upon the easements or rights of way as shown; provided however, that the Owner/Developer hereby reserves the right to construct, maintain, operate, lay and relay water lines, sewer lines, together with the right of ingress and egress for such construction, maintenance, operation, laying and relaying over, across and along all of the utility easements, shown in said plat, for the purpose of furnishing water and/or sewer services to the area included in said plat. The Owner of each lot shall be responsible for the repair and replacement of any landscaping and paving located within the utility easement in the vent it is necessary to repair any underground water or sewer mains, electric, natural gas, communication or telephone service.
- c) Electric Gas and Communication Service
- a. Overhead lines for the supply of Electric service may be permitted on the property within the utility easement appearing on the recorded plat. Street light poles or standard shall be served by underground cable and elsewhere throughout Stone River Ranch, all supply lines shall be located underground in the easement ways, reserved for general utility services, shown on the attached plat. Service pedestals and transformers, and communication pedestals, may also be located in the easement ways.
 - b. The supplier of electric, communication or gas service, through their proper agents and employees, shall at the times have right of access to all such easement ways shown on said plat, or provided for in this Deed of Dedication for the purpose of installing, maintaining, removing or replacing any portion of the underground electric, communication or gas facilities installed by them.
 - c. The Owner of each lot shall be responsible for the protection of the underground electric, communication or gas facilities located on his property and shall prevent the alteration of grade or any construction activity which may interfere with the electric, communication or gas facilities. The companies will be responsible for ordinary maintenance of underground electric, communication or gas facilities, but the Owner will pay for damage or relocation of such facilities caused or necessitated by acts of the Owner of his agents or contractors.
 - d. The foregoing covenants set forth in Section 2, concerning underground electric communication and gas facilities shall be enforceable by the supplier of electric communication and gas service, and the Owner of each lot agrees to be bound hereby.
- d) Landscape Easement. The Owner herein establishes for the benefit of the Homeowners Association a perpetual easement as depicted on the accompanying plate as a "landscape easement" for the purposes of

the building and maintenance of decorative fencing and walls, and landscaping and irrigation system. Maintenance of such facilities shall be the obligation of the Architectural Control Committee.

- e) Water and Sewer Service.
 - a. The Owner of each lot shall be responsible for the protection of any public/private water and sewer mains located on or in his lot.
 - b. Within the depicted utility easement area, if the ground elevations are altered from the contours existing upon the completion of the installation of a public water or sewer main, all ground level equipment, to include: valve boxes, fire hydrants and manholes will be adjusted to the new grade by the owner or at the owner's expense. Also, within the depicted utility easement area, the alteration of grade in excess of three (3') from the contours existing upon completion of the installation of public water or sewer mains shall be prohibited.
 - c. Any Rural Water District that potentially provides water services, maintenance of public water and sewer mains, but the Owner will pay for damages or relocation of such facilities caused or necessitated by acts of the Owner, his agents or contractors. Any Rural Water District or its successors, through its proper agents and employees, shall at all times have right of access with their equipment to all easement ways shown on the plat, or provided for in this Deed of Dedication, for the purpose of installing, maintaining, removing or replacing any portion of the underground water or sewer facilities.
 - d. The Owner of the lot shall be responsible for the repair of damage to landscaping and paving occasioned by necessary maintenance or repair of damage to landscaping and paving occasioned by necessary maintenance or repair to the public water or sewer facilities within the easement area; provided, however, any responsible parties shall use reasonable care in the performance of such activities.
 - e. The foregoing covenants set forth in Section 3, concerning public water and sewer shall be enforceable by the Rural Water District or its successor, and the Owner of each lot agrees to be bound hereby.

Responsibilities

- a) The Owner of the lot shall be responsible for the repair of damage to landscaping and paving occasioned by necessary maintenance or repair of the public water or sewer facilities within the easement areas; provided, however, any responsible parties shall use reasonable care in the performance of such activities.
- b) At the completion of the construction, the owner of each lot shall be required to landscape the lot with trees, shrubs or perennial plants. Front, back and side yards shall be sodded with grass upon construction of the home. Further, each Lot owner shall be required to maintain each lot in an aesthetically pleasing view, which shall include the mowing and edging of the lawns of each lot and the maintenance of flowerbeds and shrubs. When mowing, the grass clippings may not be allowed to remain on the streets and driveways and will be properly bagged.

Property Owners Association

- a) The Property Owners Association's purpose is to promote good design and compatibility within the subdivision and in its review of plans or determination of any waiver as hereinafter authorized, may take into consideration the nature and character of the proposed building or structure, the materials of which it is to be built, the availability of alternative materials, the site upon which it is proposed to be erected and the harmony thereof with the surrounding area. The Property Owners Association shall not be liable for any approved, disapproved or failure to approve hereunder, and its approval of building plans shall not constitute

a warranty or responsibility for building methods, materials, procedures, structural design, grading or drainage, or code violations. The approval, disapproval or failure to approve of any building plans shall not be deemed a waiver of any restriction, unless the Property Owners Association is hereinafter authorized to grant the particular waiver. Nothing herein contained shall in any way be deemed to prevent any of the Owners of property in this subdivision for maintaining any legal action relating to improvement within this subdivision which they would otherwise be entitled to maintain.

- b) The powers and duties of the Association or its designated representative shall cease when eighty-percent (80%) of the lots in all Stone River Ranch phases have been closed. Thereafter, the powers and duties of the Association shall be exercised by the Property Owners Association hereafter provided for. The Developer may elect to transfer these powers and responsibilities to the Property Owners Association at an earlier date.
- c) Changes in These Covenants. Changes may be made in these covenants only by the means of signed and recorded vote of 75% approval of the total Legal Lot Owners. The document containing such changes may be examined and then shall be recorded in the county clerk's office as an addendum to the original Protective Covenants.
- d) The Owner/Developers have formed or shall cause to be formed Stone River Ranch Property Owners Association (hereinafter referred to as the 'Association', a non-profit entity established pursuant to the General Corporation Act of the State of Oklahoma and formed for the general purpose of maintaining the common areas and enhancing the value, desirability and attractiveness of Stone River Ranch. "Homeowner's Association" shall mean an Association formed by the declarants or owners of the subdivision as provided for in Title 60 Oklahoma Statutes Section 852 and any amendment or modification thereof. The Homeowner's Association within either any current or future recorded platted phases of this subdivision shall have all the rights and powers set forth in Title 60 Oklahoma Statutes Section 851 through 856 or any amendment modification or addition thereto. Such Homeowner's Association shall be considered as having been formed by the owners of the real estate dedicated as Stone River Ranch and to all its current or future recorded platted phases, upon the recording of the covenants, a Homeowner's Association is to enhance and protect this home addition and its community property in an orderly manner. Upon the recording of these covenants, a Homeowner's Association shall for one hundred percent of the of all the lots and of lot owner of lot owners within this subdivision has now been created for the common use and benefit of said lots and or lot owners for the purpose of maintaining the community lots.
- e) Every person or entity who is a recorded Owner of the fee interest of a lot shall be a member of the Association, and membership shall be appurtenant to and may be separated from the ownership of a lot. The acceptance of a deed to a lot shall constitute acceptance of membership to the Association as of the date of incorporation, or as of the date of recording of the deed, whichever occurs last.
- f) All of the maintenance, upkeep, improvements cost, taxes, etc. are the responsibilities of the association and must be paid by its members in an orderly and timely fashion. This cost may be billed to each lot owner as so decided by the association in duly held and written recorded fashion. All transactions of the association officers are to be kept in an orderly recorded manner by the president or secretary of the association, and open to examination to each member.
- g) The regular assessment may be increased by the Homeowner's Association Board as needed to maintain the integrity of the addition. Notice of increase pursuant to this section shall be given by the Board to each Owner prior to the commencement of each year for which such increase is to be effective.
- h) Home Owners Association. The Owner/Developer shall have the option of designating a person that will be a non-dues paying, voting member of the Stone River Ranch Home Owners Association. The regular assessment will be owed as \$600 annually per tract either paid in full or paid quarterly \$150 every three (3) months.
- i) Vote. "Vote" wherever used in these covenants with regard to rights of owners of lots to change, amend, alter, enact, or repeat any provision contained in these covenants shall mean that each lot as defined herein shall have one vote regardless of its size and regardless of the number of owners of interests in such lots. If

the owners of majority of the interests in a lot cannot agree on the vote to be cast for such lot, no vote shall be counted for such lot.

- j) Architectural Control Committee. "Architectural Control Committee" shall mean, either the Owner/Developer so long as he is an Owner, or thereafter, the Owner/Developer, or a committee composed of three (3) or more representatives of the Homeowners Association voted on annually, if so desired by the Homeowners Association.
- k) The right of the Homeowners Association to suspend the voting rights and right to use of the recreational facilities by an owner for any period during which any assessment against his lot remains unpaid; and for a period not to exceed 60 days for any infraction of its published rules and regulations.
- l) Each Owner shall fully and faithfully comply with the rules, regulations and restrictions applicable to use of the Common Areas, as these rules, regulations and restrictions are from time to time adopted by the Association for the safety, care, maintenance, good order and cleanliness of the Common Area. Each Owner shall comply with the covenants, agreements and restrictions imposed by this Declaration on the use and enjoyment of the Common Areas.
- m) Failure or refusal by an Owner after written notice to comply with any of the rules, regulations and restrictions shall be cause for an action to recover sums due, for damages or injunctive relief or both, and for reimbursement of all attorney's fees incurred in connection therewith and interest on all of such amounts at the highest lawful rate, which action shall be maintainable by the Board of Directors in the name of the Association on behalf of the Owner or, in a proper case, by an aggrieved Owner.
- n) Every person or entity who is a record Owner of the fee interest of a lot shall be a member of the Homeowners Associations, and membership shall be applicable to and may not separate from the ownership of a lot. The acceptance of a deed to a lot shall constitute acceptance of membership to the Association as of the date of incorporation, or as of the date of recording of the deed, whichever occurs last.
- o) Maintenance & Expenses. All of the maintenance, upkeep, improvements cost, utilities, taxes, etc. are the responsibilities of the Association and must be paid by its members in an orderly and timely fashion. This cost may be billed to each lot owner as so decided by the association in duly held and written, recorded fashion. All transactions of the association officers are to be kept in an orderly, recorded manner by the president or secretary of the association, and open to examination to each member.
- p) Property Owners Dues
 - a. The Owners and each subsequent owner of a lot, by acceptance of a deed thereof, is deemed to covenant and agree to pay the Association an annual assessment as established by the Board of Directors. The assessment of fees will be the amount necessary to cover the normal and regular cost associated with the common ground and property of the addition. The initial annual fee will be \$600.00 and will be due at the time of the lot purchase. The assessments will be subject to change thereafter as determined by the Homeowners Association. The Owner/Developer will handle the clerical and management duties needed until this responsibility is assumed by the Homeowners Association ("HOA"). An Association will be formed after the developer transfers duties and responsibilities to the Homeowners Association.
 - b. If the Lot Owner does not pay the annual fee and it became delinquent, the HOA must give written notice of the default to the Lot owner. If the defaulting Lot Owner does not pay to the HOA the annual fee after the written notice is given, then the HOA may assess a \$25.00 monthly penalty for not paying the annual fee. The monthly fee will continue to accrue until the annual fee, plus the penalty is paid in full. The HOA retains the power to place a lien on the homeowner's property if he or she becomes delinquent in paying the monthly fees and/or any special assessments (collectively referred to as "assessments"). Once any lot owner becomes delinquent on paying the assessments, a lien will automatically attach to the homeowner's property, typically as of the date the assessments became due when the HOA records its lien with the Pottawatomie County Clerk. The HOA will be entitled to collect its annual assessments together with the penalty, costs and reasonable attorney's fees if it is required to foreclose its lien.

- c. The Owner/Developer and the approved builders will not be required to pay Association dues, but will have all rights and privileges as a HOA member.
- q) Contract Labor. The association may, at its option, employ a manager, independent contractors, and such other employees as its deems necessary and prescribe their duties, and enter into contracts and agreements, all for the purpose of providing for the performance of the business, powers, duties and/or obligations of the Association, or any portion thereof. It is mandatory that all lots be maintained in a reasonable and presentable manner.
- r) Assessment Increases. The regular assessment may be increased by the Owner/Developer or the Homeowners Association Board as needed to maintain the integrity of the addition. Notice of increase pursuant to this section shall be given to each Owner prior to the commencement of each year for which such increase is to be effective.
- s) Additional Property. The owner may acquire or plat additional property to Stone River Ranch. Consequently, he, his successor and assigns reserve the right to develop and add additional land in this area to this development and the Property Owner's Association. The lot Owners for the combined areas shall be considered as one entity for the mutual enjoyment and responsibilities of the total area.
- t) Enforcement. Enforcement shall be by proceeding at law or in equity against any person or persons violating or attempting to violate any covenant either to restrain violation or to recover damages. The Stone River Ranch Home Owners Association retains the right to file a lien against the property owner of any property within Stone River Ranch for violation of any covenant.