

**NOTICE OF PLAT FILING FOR  
VILLAS AT CRESTONE RIDGE**

**AND NOTICE THAT DECLARATION OF COVENANTS, CONDITIONS  
AND RESTRICTIONS OF CRESTONE RIDGE SHALL APPLY TO ALL PROPERTY  
OWNERS WITHIN THE PLATTED BOUNDARIES OF VILLAS AT CRESTONE RIDGE**

**AND**

**SUPPLEMENTAL DECLARATION OF  
COVENANTS, CONDITIONS AND RESTRICTIONS FOR  
VILLAS AT CRESTONE RIDGE  
A RESIDENTIAL SUBDIVISION TO THE  
CITY OF OKLAHOMA CITY, CANADIAN COUNTY, OKLAHOMA**

**WHEREAS**, ROGREBO, Inc. filed a Declaration of Covenants, Conditions and Restrictions for Crestone Ridge, a residential subdivision to the City of Oklahoma City, Canadian County, Oklahoma, in Book RB-4347, Pages 913-936, of the records of the County Clerk of Canadian County, Oklahoma (hereinafter referred to as the "Declaration");

**WHEREAS**, ROGREBO, Inc. is the "Declarant" as that term is used in the Declaration. Under Article 2 thereof, the Declarant is given the unilateral right, privilege and option to subject to the provisions of the Declaration and the jurisdiction of the Villas at Crestone Ridge Owners Association, Inc. (the "Villas Association"), all or any portion of the real property owned by Declarant or Declarant's successors and assigns, which is platted for single family or duplex residential use and is located in the Southeast Quarter (SE/4) of Section 36, Township 13 North, Range 5 West of the Indian Meridian, Canadian County, Oklahoma;

**WHEREAS**, said right, privilege and option to annex such property exists for a period of twenty (20) years, or until December 31, 2036;

**WHEREAS**, Declarant has platted an addition to Crestone Ridge, as the Villas at Crestone Ridge, more specifically described in the Plat appended hereto as Exhibit "A", recorded at Plat Book 9, Page 517, of the records of the Canadian County Clerk, which Plat is made a part hereof;

**WHEREAS**, Declarant desires to subject and annex all the property within Villas at Crestone Ridge to the Declaration and to the covenants, conditions and restrictions set forth herein (the "Supplemental Covenants"), to be established upon the recording hereof, which Supplemental Covenants shall be deemed to run with the land described on Exhibit "A", all of which shall be for the use and benefit of 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; and

**WHEREAS**, there was incorporated under the laws of the State of Oklahoma, an entity known as Villas at Crestone Ridge Owners Association, Inc., an Oklahoma non-profit corporation, to administer and manage Villas at Crestone Ridge (hereinafter the "Villas Association").

**NOW, THEREFORE**, Declarant states and hereby declares that the real property described on the Plat appended hereto as Exhibit "A" is and shall be held, sold, conveyed and occupied subject to the Declaration and subject to these Supplemental Covenants, all of which are to enhance and protect the value, desirability and attractiveness of Villas at Crestone Ridge. These Supplemental Covenants are intended to supplement, amend and modify the Declaration insofar as, and only insofar as, the property which lies within the boundaries of the Plat appended hereto as Exhibit "A". These Supplemental Covenants shall run with the property described on Exhibit "A" and shall be binding upon, and inure to the benefit of, Declarant and its successors in title, and all parties having or acquiring any right, title or interest in one or more of the Lots within Villas at Crestone Ridge. All areas in Villas at Crestone Ridge that are not separately owned Lots shall be conveyed by Declarant to the Villas Association and shall be owned in common by the owners of the separately owned lots within Villas at Crestone Ridge. In the original Plat appended hereto, the Common Areas within Villas at Crestone Ridge shall consist of Block F, the private streets and medians within the Villas at Crestone Ridge, being NW 81st Street, NW 79th Terrace and Lillas Way, the entry and exit gates and control equipment and boxes pertaining to same, all of which shall be maintained as a common expense of the Villas Association. Provided, Declarant shall convey the Community Fence, as hereinafter described, to the Crestone Ridge Owners Association, to be owned in common by all the Owners subject to the Declaration.

**Owners of Lots within Villas at Crestone Ridge, other than Builders and the Class C Member, shall be Class A Members of the Crestone Ridge Owners Association and shall also be Class A Members of the Villas at Crestone Ridge Owners Association. Such owners shall be subject to the assessments and governance of both the Crestone Ridge Owners Association and the Villas at Crestone Ridge Owners Association, as provided in these Supplemental Covenants.**

## **ARTICLE 1 PROPERTY SUBJECT TO DECLARATION**

**1.1 Property Subject To Declaration.** All property within Villas at Crestone Ridge shall be subject to the Declaration and these Supplemental Covenants. All Owners of Lots shall be Members of the Crestone Ridge Owners Association as well as Members of Villas at Crestone Ridge Owners Association.

**1.2 Incorporation of Declaration.** The Declaration, as same is filed in Book RB-4347, Pages 913-936 of the records of the County Clerk of Canadian County, Oklahoma, including all its terms, conditions, covenants, restrictions, dedications, easements, assessments, charges and liens, are incorporated herein by reference as if same had been fully set forth.

**1.3 Defined Terms of Declaration.** Unless otherwise defined herein, all the terms defined within the Declaration shall have the same meaning within these Supplemental Covenants.

**1.4 Additional Defined Terms:** The following terms shall have the specified meaning within these Supplemental Covenants, unless the context shall otherwise require:

**1.4.1 "Villas Association"** shall mean and refer to the Villas at Crestone Ridge Owners Association, Inc., a non-profit corporation incorporated under the laws of the State of Oklahoma, its successors and assigns.

**1.4.2 "Villas at Crestone Ridge Board"** shall mean the Board of Managers of the Villas Association.

1.4.3 "Property" means and includes, unless the context pertains to all the property subject to the Declaration, the real property described in the Plat of Villas at Crestone Ridge, appended as Exhibit "A".

1.4.4 "Villas at Crestone Ridge Owner(s)" shall mean the record owner, whether one or more persons or entities, of legal title to any Lot within Villas at Crestone Ridge.

1.4.5 "Villas at Crestone Ridge Common Areas" shall mean:

- A. Block F;
- B. The private streets and medians within Villas at Crestone Ridge, being NW 81st Street, NW 79th Terrace and Lillas Way;
- C. The entry and exit gates, and control equipment for the gates, on NW 81st Street and NW 79th Terrace; and,
- D. Any other areas or improvements established as Common Areas under these Supplemental Covenants,

including all improvements located on said areas. Any Common Area within the Villas at Crestone Ridge Common Areas shall be common only to Villas at Crestone Ridge Owners.

1.4.7 "Villas at Crestone Ridge Common Expenses" means and includes:

- A. The expenses of administration, maintenance, repair or replacement of Common Areas and improvements within the Villas at Crestone Ridge, including the entrance and exit gates and private streets;
- B. "Lawn Maintenance Expenses" is defined to mean and include all expenses associated with the mowing, Spring and Fall fertilization, and pre-emergent weed control of the lawns and landscaped areas on the Lots, all in such manner as determined by the Board;
- C. Expenses described in these Supplemental Covenants as Common Expenses of the Villas Association; and
- D. Expenses that are agreed upon as common by a vote of two-thirds of Villas at Crestone Ridge Owners or declared common by provisions of the Bylaws of Villas Association.

1.5 **Amendment as to Unsold Lots; Waiver.** Declarant hereby reserves the right to revoke or amend these Supplemental Covenants, by written instrument filed of record in the Canadian County Clerk's office, to remove or amend the restrictions and provisions set forth herein on any Lot owned by Declarant except, however, any amendment involving ownership or maintenance of any Villas at Crestone Ridge Common Area must receive express written approval of the City of Oklahoma City. The Declarant shall have the power to grant to any Owner a waiver, variance or exception of and from any of the provisions in these Supplemental Covenants.

**ARTICLE 2**  
**DESCRIPTION OF PROJECT, DIVISION OF PROPERTY, AND**  
**CREATION OF PROPERTY RIGHTS AND EASEMENTS**

**2.1 Division of Property.** The property within Villas at Crestone Ridge is hereby divided into Lots and Common Areas, in the same manner as set forth in the Declaration. Villas at Crestone Ridge Common Areas, as defined herein, shall be conveyed by Declarant to the Villas Association.

**2.2 Conveyance of Common Areas and Dedication of Easements.** Declarant, in consideration of the benefits to be derived from this development, the receipt and sufficiency of which is acknowledged, hereby grants, bargains, sells and conveys to Villas Association, its successors and assigns, all of its right, title and interest in and to Villas at Crestone Ridge Common Areas, being more specifically described as Block F, the private streets and medians within Villas at Crestone Ridge, being NW 81st Street, NW 79th Terrace and Lillas Way, the entry and exit gate) on NW 81st Street and exit gate on NW 79th Terrace (and gate control equipment), all as more specifically described on the Plat of Villas at Crestone Ridge, a residential subdivision to the City of Oklahoma City, Canadian County, Oklahoma. For the same consideration, Declarant grants, bargains, sells and conveys to the Crestone Ridge Owners Association, Inc., its successors and assigns, all right, title and interest in and to the Community Fence, as defined herein.

**2.3 Lots Subject to Restrictions.** All Lots in Villas at Crestone Ridge shall be acquired, transferred, assigned or conveyed subject to the easements, conditions, restrictions and covenants of ownership set forth in the Declaration, the Bylaws appended to the Declaration, these Supplemental Covenants, and in the Bylaws appended hereto, as same may be amended or supplemented from time to time.

**2.4 Owner's Nonexclusive Easement of Enjoyment; Limitations.** The Villas at Crestone Ridge Owners, and their immediate family, guest and invitees, shall have a non-exclusive right and easement of enjoyment in and to the Common Areas within Villas at Crestone Ridge and Crestone Ridge, which shall be appurtenant to and shall pass with the title to the Lot of such owner, subject to the rights of the Association and Villas Association, as stated in the Declaration and these Supplemental Covenants.

**2.5 Blanket Easements for Utilities.** There is hereby created a blanket non-exclusive easement in, on, through, upon, across, over and under all the publicly dedicated easements, Villas at Crestone Ridge Common Areas, and the 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 this easement, it shall be expressly permissible for the City of Oklahoma City, the electric company, the telephone company, cable providers and/or any other company providing services to the Property to access the Property, to erect and maintain the necessary poles, and to install such other necessary equipment on said easements. No building of any nature shall be permitted in the easement reserved for utilities, and there shall be no retaining wall permitted in easements unless approved by the Villas Association.

**2.6 Fire Lane Access and Police Protection Easement.** There is hereby created and granted to the City of Oklahoma City, Oklahoma, a non-exclusive easement and fire lane over and across the Villas at Crestone Ridge Common Areas, specifically including the private streets, for access, ingress and egress of public service and public protection employees to facilitate fire, police and sanitation services, for the safety and benefit of the Owners within Villas at Crestone Ridge.

**2.7 Easement for Lawn Maintenance.** Declarant grants to the Villas Association, its designated agents and contractors, an easement of ingress, egress and access to the Lots within Villas at Crestone Ridge for lawn and shrubbery maintenance on said Lots.

**ARTICLE 3**  
**ASSOCIATION, ADMINISTRATION,**  
**CLASSES OF MEMBERS AND VOTING RIGHTS**

**3.1 Villas Association to Manage Property.** The administration of Villas at Crestone Ridge shall be governed by the Bylaws of the Villas Association, appended as Exhibit "B" hereto (the "Bylaws"). Each of the Villas at Crestone Ridge Owners shall comply strictly with the Bylaws and with the administrative rules and regulations adopted pursuant thereto, as either of the same may be amended from time to time, and with these Supplemental Covenants.

**3.2 Membership.** Villas Association shall be composed of all the Villas at Crestone Ridge Owners. Membership in Villas Association shall be appurtenant to, and may not be separated from, ownership of any Lot, even though such interest and membership is not expressly mentioned in the deed or other instrument of conveyance. Ownership of a Lot within Villas at Crestone Ridge shall be the sole qualification for membership in Villas Association.

**3.3 Classes of Members.** The Villas Association shall consist of Class A Members, Class B Members and the Declarant as the Class C Member.

**3.3.1 Class A Members.** Class A Members shall be all those owners of single-family residential Lots except for Class B and Class C Members. Each Class A Member shall be entitled to one vote for each Lot in which he holds the interest required for membership as set forth herein. When more than one person holds such interest in any Lot, all such persons shall be Members. The vote for such Lot shall be exercised as they among themselves determine, but in no event, shall more than one vote be cast by Class A Members with respect to any Lot.

**3.3.2 Class B Members.** Class B Members shall be Builders who have purchased, or contracted with Declarant to purchase, a Lot or Lots.

**3.3.3 Class C Member.** The Class C Member shall be the Declarant. The Class C membership shall cease to exist when neither Declarant nor any Class B Member owns an interest in any Lot in Villas at Crestone Ridge.

**3.4 Voting.** The proportionate representation for voting purposes in the meetings of the Association shall be one (1) vote per Lot for Class A Members. The Class C Member shall be entitled to six (6) votes for each Lot owned by Declarant and six (6) votes for each Lot owned by a Class B Member. Class B Members shall not be entitled to vote on matters and business of the Villas Association. No amendment to this provision may be made without the written consent of the Class C Member.

**3.5 Membership Meetings.** Regular and special meetings of the Villas Association shall be held in accordance with the provisions of the Bylaws appended hereto and incorporated herein.

**3.6 Board of Managers.** The affairs of the Villas Association shall be managed by a Board of Managers ("Villas at Crestone Ridge Board"), which is hereby established by the appended Bylaws. The Board shall conduct regular and special meetings according to the provisions of the Bylaws.

**ARTICLE 4**  
**ASSESSMENTS**

**4.1 Creation of Lien and Personal Obligation of Assessment to Both the Association and Villas Association.** Each Class A Member, by acceptance of a deed for a Lot, whether it shall be so expressed in any such deed or other conveyance, is deemed to covenant and agree to pay to the Association such assessments as are set forth in the Declaration. Each Class A Member, by acceptance of a deed for a Lot, whether it shall be so expressed in any such deed or other conveyance, is deemed to covenant and agree to pay to the Villas Association such additional assessments as are set forth in these Supplemental Covenants.

Each assessment of the Villas Association shall be fixed, established, and collected from time to time as hereinafter provided, and shall be in addition to the purchase, annual and special assessments set forth in the Declaration. The assessments of the Villas Association shall be a charge on the land and shall be a continuing lien upon the Member's property superior to any homestead or other exemption provided by law, but shall not be prior or superior to any purchase money mortgage lien or any first mortgage on a home. Said lien may be enforced by the Villas Association and may be recorded and/or foreclosed in any manner provided by the laws of the State of Oklahoma for the foreclosure of mortgages or deeds of trust, with or without power of sale. Each such assessment, together with such interest, costs and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation shall not pass to successors in title unless expressly assumed, but, nevertheless, the lien shall continue to be a charge and lien upon the land as above provided.

**4.2 Purchase Assessments.** Upon the initial sale by Declarant of each Lot to a Builder or other original purchaser, or upon the execution of a contract to purchase between a Builder and Class A Member, there shall be immediately due and owing to the Villas Association, a Purchase Assessment in the amount of Three Hundred Dollars (\$300.00) per Lot transferred or subject to the contract to purchase, which amount is assessed, due and payable, as of the date of such transaction. All such assessments shall be deposited into the Villas Association's account(s) as provided in the Bylaws.

**4.3 Annual Assessments.** Commencing on January 1, 2017, and on the first day of each year thereafter, there shall be an annual assessment due from each Class A and Class B Member for each Lot owned (or subject to a contract to purchase) the amount of which shall be as set forth herein:

<b><u>Type of Member</u></b>	<b><u>Amount</u></b>	
Class A	\$ 1250.00	<b>(Which amount is in addition to the Annual Assessment paid by Villas at Crestone Ridge Class A Members to the Crestone Ridge Owners Association.)</b>
Class B	\$ 250.00	
Class C	\$ 0.00	

The annual assessment shall be assessed, due and payable, without formal action of Villas Association or Villas at Crestone Ridge Board, against each Lot and the record title owner thereof as of the first day of January.

**4.3.1 Commencement Date of Annual Assessments for Class A Members.** The annual assessments provided for herein as to Class A Members shall commence on the date of transfer of title of a Lot to a Class A Member. The Board shall determine the amount of the initial annual assessment due from such Owner, calculated by multiplying the Annual Assessment Amount times a fraction, the numerator being the number of

days remaining in the calendar year at the time the Class A Member purchased or contracted to purchase the Lot and the denominator being 365. The initial annual assessment shall be assessed, due and payable upon closing of the transaction wherein title to the Lot is transferred to a Class A Member. Thereafter, annual assessments shall be due and owing as of January 1st of each subsequent year by the Owner of the Lot as of said date.

**4.3.2 Commencement Date of Annual Assessments for Class B Members and Adjustment Upon Sale to a Class A Member.** The Annual Assessments provided for herein as to Class B Members shall commence on the date on which the Class B Member acquires title to a Lot (or executes a contract with Declarant to purchase a Lot), or January 1, 2017, whichever date is later. The Villas at Crestone Ridge Board shall determine the amount of the initial Annual Assessment due from such Class B Member, calculated by multiplying the Annual Assessment Amount times a fraction, the numerator being the number of days remaining in the calendar year from the date of transfer of title, and the denominator being 365. If the Class B Member shall sell the Lot to a Class A Member during the calendar year for which an assessment has been paid, the Class B Member shall be entitled to a prorated refund of the annual assessment. The amount refunded shall be determined by multiplying the Class B Annual Assessment Amount times a fraction, the numerator being the number of days remaining in the calendar year upon the transfer of title of the Lot to a Class A Member and the denominator being 365.

**4.3.3 Class B Members Obligated to Pay Ad Valorem Taxes.** In addition to the payment of the Annual Assessments, Class B Members who have acquired an interest in a Lot through a contract to purchase from Developer shall be obligated to pay the ad valorem taxes associated with such Lot (prorated for the year in which the contract is signed) as of the date of the contract to purchase. Class B Members shall pay to Developer, within ten (10) days of demand, the ad valorem tax assessed against the Lot.

**4.4 Increase of Annual Assessment.** From and after September 1, 2017, the Villas at Crestone Ridge Board, after consideration of current maintenance costs and future needs of Villas Association, may increase the annual assessment upon Class A Members by a maximum of 20% per year, effective as of the following January 1st, without a vote of the Members. Increases in the annual assessments of Class A Members more than 20% per year must be approved at the annual meeting of Villas Association, or at any special meeting specifically called for such purpose, by the majority vote of the Members of Villas Association.

There shall be no increase in the annual assessment paid by the Class B Members or Class C Member without the express written approval of same by the Class C Member. Provided, in the event a Builder or his tenant occupies a structure as a personal residence, then the Builder will be deemed to be a Class A Member of Villas Association regarding said Lot.

Notwithstanding any other provision within these Supplemental Covenants and/or the Bylaws of Villas Association, Class A Members shall not be entitled to amend these Supplemental Covenants and/or the Bylaws in any manner which would change the classification of membership within the Villas Association or subject the Class B Members or Class C Member to an assessment by the Villas Association, unless the Class C Member expressly consents in writing to such action.

Provided, Declarant shall pay operating deficits of Villas Association in the event Villas Association is unable to fund current and normal operating expenses after collection of the assessments set forth herein. All liability of Declarant for payment of operating deficits shall terminate upon the earlier event of (a) ownership by Class A Members of 15 or more Lots, or (b) January 1, 2020.

**4.5 Special Assessments.** The Villas Association may levy a special assessment equally upon Class A Members of Villas Association for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of an improvement on or related to Villas at Crestone Ridge Common Areas, or to defray any unanticipated or underestimated expense normally covered by the annual assessment, including Lawn Maintenance Expenses (and, where necessary, for taxes assessed against Villas at Crestone Ridge Common Areas); provided that, any such assessment or charge as to any period shall have the assent of two-thirds (2/3rds) of the Members present at a meeting called for such purpose, written notice of which shall be sent to all Members not less than fifteen (15) and not more than thirty (30) days in advance of the meeting setting out the purpose of the meeting. Special assessments may also be levied against any individual Lot and its Owner within Villas at Crestone Ridge, other than Declarant, to reimburse Villas Association for costs incurred in bringing that Owner and/or his Lot into compliance with these Supplemental Covenants and/or the Bylaws.

**4.6 Purpose of Assessments.** Assessments, including the annual assessment and any special assessments which may be levied by the Villas Association, shall be used exclusively to provide for the management and maintenance of Villas at Crestone Ridge Common Areas and to pay Villas at Crestone Ridge Common Expenses, for the common good of the Property and Villas at Crestone Ridge Owners. Annual assessments shall include an adequate reserve fund to insure, maintain and repair the Common Areas.

**4.7 Transfer of Lot by Sale or Foreclosure.** Sale or transfer of any Lot shall not affect the assessment lien; however, the sale or transfer of any Lot pursuant to mortgage foreclosure shall extinguish the lien of such assessment as to payments which become due prior to such sale or transfer (except for assessment liens recorded prior to the mortgage). No sale or transfer shall relieve such Owner from liability for any assessments thereafter becoming due or from the lien thereof. In a voluntary conveyance of a Lot, the grantee of the same shall be jointly and severally liable with the grantor for all unpaid assessments by Villas Association against the latter for his share of the common expenses up to the time of the grant or conveyance 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 Villas Association setting forth the amount of the unpaid assessments due Villas Association and such grantee shall not be liable for, nor shall the Lot be subject to a lien for, any unpaid assessments made by Villas Association against the grantor in excess of the amount set forth in the statement; provided, however, the grantee shall be liable for any such assessment becoming due after the date of any such statement.

**4.8 Enforcement of Assessment Obligation; Priorities; Discipline.** Any part of any assessment not paid within thirty (30) days after the due date shall bear interest at the rate of ten percent (10%) per annum from the due date until paid. When a notice of assessment and/or lien has been recorded, such assessment shall constitute a lien on each respective Lot prior and superior to all other liens except (1) all taxes, bonds, assessments and other levies which, by law, would be superior thereto and (2) the lien or charge of any first mortgage of record (meaning any recorded mortgage or deed of trust with priority over other mortgages or deeds of trust) made in good faith and for value. Such lien, when delinquent, may be enforced by sale by the Villas Association, its attorney or other person authorized by this document or by law to make the sale, after failure of the Owner to pay such assessment. Villas Association, acting on behalf of Villas at Crestone Ridge Owners, shall have the power to bid for the Lot at the foreclosure sale and to acquire and hold, lease, mortgage and convey the same. Suit to recover a money judgment for unpaid common expenses, rent and attorneys' fees shall be maintainable without foreclosing or waiving the lien securing the same. Villas at Crestone Ridge Board may impose reasonable monetary penalties, which penalties may include attorney fees and expenses of litigation or collection, against an Owner who is in default in payment of any assessment, after notice and hearing according to the Bylaws.

**4.9 Mandatory Membership in Crestone Ridge Owners Association.** The Owners in Villas at Crestone Ridge are also members in the Crestone Ridge Owners Association and must pay the annual and special assessments for said Crestone Ridge Owners Association as same become due and payable under the Declaration,



filed on November 18, 2015, at Book 913, Page 24 of the records of the Canadian County Clerk. All provisions of the Declaration regarding membership in the Crestone Ridge Owners Association are incorporated herein by this reference. Where the provisions of these Supplemental Covenants differ with those in the Declaration, the terms and provisions of these Supplemental Covenants shall prevail as to the Villas at Crestone Ridge.

**ARTICLE 5**  
**DUTIES AND POWERS OF VILLAS ASSOCIATION**  
**AND VILLAS AT CRESTONE RIDGE BOARD**

**5.1 Statutory Duties and Powers of Villas Association.** The duties and powers of Villas Association shall be as required, implied or necessary by 60 Okla. Stat. §§ 851 through 855, inclusive, as same presently exist or may be hereafter amended relative to Real Estate Developments.

**5.2 Other Duties and Powers of Villas Association.** In addition to the duties and powers enumerated in the Bylaws or elsewhere provided for herein, the Villas Association, acting through the Board, may enforce these Supplemental Covenants and shall:

**5.2.1 Maintenance of Common Areas.** The Villas Association shall be responsible only for (i) the maintenance, operation and repair of Villas at Crestone Ridge Common Areas (as defined herein), and (ii) any other areas shown on the Plat as common right-of-way or common use area, such as entrances, islands and center medians. It is the intent of these Supplemental Covenants to require Villas Association to maintain, insure, repair, replace, restore, operate and manage all of Villas at Crestone Ridge Common Areas

**5.2.2 Maintenance of Lawns Within Villas at Crestone Ridge.** Villas Association shall be responsible for the mowing, Spring and Fall fertilization, and pre-emergent weed control of all lawns within Villas at Crestone Ridge. The Association shall also periodically weed the front flower beds. Lot Owners shall be responsible for all other planting and maintenance of planting beds, and the maintenance and replacement of shrubbery and trees as provided in Article 6 hereof. Watering and the repair and replacement of any sprinkler system shall also be the responsibility of the Lot Owner. Villas Association shall not be responsible for the maintenance of any Lot owned by Declarant or a Builder. Declarant and Builders (Class B Members) shall maintain lots owned by them, at their own expense.

**5.2.3 Enforcement.** Enforce the provisions of these Supplemental Covenants by appropriate means including, without limitation, the expenditures of funds of the Villas Association, the employment of legal counsel and the commencement of legal proceedings.

**5.2.4 Insurance.** Maintain such policy or policies of insurance as are required by these Supplemental Covenants is document or as the Villas at Crestone Ridge Board deems necessary or desirable in furthering the purposes of, and protecting the common interests of, the Villas Association.

**5.2.5 Rules and Regulations.** The Villas at Crestone Ridge Board shall adopt and enforce such rules and regulations as Villas at Crestone Ridge Board deems desirable for the use, security and safety of Owners in respect to Villas at Crestone Ridge Common Areas. Rules and regulations adopted by the Villas at Crestone Ridge Board shall be prominently displayed or otherwise published to Villas at Crestone Ridge Owners.

**ARTICLE 6**  
**USE RESTRICTIONS AND ARCHITECTURAL CONTROL**

All property within the boundaries of the platted property within Villas at Crestone Ridge shall be subject to the covenants and restrictions set forth in Article 7 of the Declaration regarding Use Restrictions and Architectural Control, subject to the following amendments and supplements:

**6.1     Structural Size Restriction.** The floor area of the main structure of each single-family dwelling, exclusive of porches, basements and garage(s), shall not be less than 1,500 square feet.

**6.2     Brick or Stone Construction.** Unless otherwise approved by the Crestone Ridge Building Committee, the principal exterior of the first floor of any residence, excluding the roof, shall be at least seventy percent (70%) brick, stone or stucco, as approved by the Building Committee, and thirty percent (30%) may be frame wood or other materials which will blend together with the brick, stone or stucco. It is the intent of this restriction to allow panels of other materials other than brick, stone or stucco to be used, but in no event, shall a continuing wall consisting of thirty percent (30%) or more of the exterior of the residence be built of any material other than brick, stone or stucco. This restriction is intended to restrict the principal exterior of the first floor of residences to masonry in their construction, but may be modified to allow use of other materials to blend with the masonry to eliminate repetition of design, provided such modification must be approved in writing, in advance, by the building committee. No wood fireplace chimneys or chases will be allowed. All wood burning fireplaces must have a brick, stone or stucco chimney or chase.

**6.3     Garages and Carports; No Garage Conversions.** Garages must be at least two cars wide and must be attached to the residence. No carports shall be permitted on any Lot. The garage of a residence may not be converted for any other use or purpose except parking of the Owners' vehicles. This prohibition does not apply to any conversion for use as a sales office by the Declarant and Builders, however, such conversion by the Declarant or Builders will be temporary and any garage so converted shall be returned to its original purpose.

**6.4     Roof Construction.** Unless otherwise approved by the Building Committee in writing, the roof of each residential structure, including garages and detached structures, shall be constructed with CertainTeed Landmark MaxDef shingles, or an equivalent or superior shingle approved by the Building Committee, which shingles shall be of weathered wood color. Upon written application to the Building Committee, the Building Committee may approve variances to this restriction if such variance, in the opinion of the Building Committee, conforms to the architectural standards of the Property. All such variances must be approved in writing by the Building Committee.

**6.5     Mailboxes.** All mailboxes for each Lot shall be of a brick or stone construction that matches the exterior of the residence.

**6.6     Setback and Side Building Limits.** Within the area platted as Villas at Crestone Ridge, minimum building set back lines shall be as reflected on the Plat, being twenty feet (20') from the front and five feet (5') from the side lot lines. There shall be a minimum separation of ten feet (10') from all separate structures. Provided, fireplaces, bay windows, entry ways, patios, patio covers, sidewalks, and other similar appurtenances may encroach into the side lot set back. However, no building or encroachment shall extend into a utility easement, drainage easement or right-of-way.

**6.7     Storm Shelters.** No storm shelters shall be installed in the front or side yard of any Lot.

**6.8     Use of Private Streets.** Owners of Property within the Villas at Crestone Ridge, and each member of their immediate family, their guest and invitees, as well as public and private utility and service

providers, are granted a non-exclusive easement of use and enjoyment in and to the private streets within Villas at Crestone Ridge.

**6.9 Liability of Owners for Damage to Villas at Crestone Ridge Common Areas.** The Owner of each Lot within Villas at Crestone Ridge shall be liable to the Villas Association for all damages to Villas at Crestone Ridge Common Areas or improvements thereon caused by such Owner, or any occupant or guest of such Owner.

**6.10 Community Fence and Special Fence Restrictions.**

**6.10.1 Community Fence.** The Declarant shall install, and the Crestone Ridge Owners Association shall maintain as a Common Area, a Community Fence. The "Community Fence" shall be any vinyl fence installed by Declarant that abuts a Platted Common Area within Crestone Ridge or within the Villas at Crestone Ridge. The Community Fence shall be conveyed as a Common Area by Declarant to, and shall be maintained, repaired and replaced by, the Crestone Ridge Owners Association. The Community Fence shall always be maintained in good repair, with the same or equivalent material and quality. No other fence shall be permitted or installed parallel to the Community Fence.

**6.10.2 All Other Fencing.** Except for the Community Fence, if a fence is installed that abuts another residential Lot, same shall be constructed of stockade panels, uniform in design, six feet (6') in height, with steel posts on eight foot (8') centers. All fences shall be set back on each side of the residential structure at least three feet (3') from the front corner of the structure. Except as to the Community Fence, the Owner of the Lot upon which a fence is located shall be responsible for maintaining the fence on such Owner's Lot in good repair and to replace the fence and supporting structures, as needed.

**6.11 Occupancy.** Subject to the restrictions set forth in the Declaration and except as may be provided herein, the following occupancy restrictions apply to each Lot within the Villas at Crestone Ridge:

**6.11.1 Use and Occupancy of Lots.** Except as provided herein, each Lot shall be used for single family residential purposes only, and no trade or business of any kind may be carried on therein. Lease or rental of a Lot for residential purposes shall not be a violation of this covenant. Any lessee or tenant shall in all respects be subject to the terms and conditions of these Supplemental Covenants, the Declaration, and any rules and regulations adopted hereunder. Except for the principal residence constructed on each Lot, no additional structure shall be constructed or placed on any Lot for use as living quarters, nor shall any unapproved building be used or converted to living quarters, whether temporary or permanent.

**6.11.2 Declarant's Business Office; Model Lots.** Declarant and its employees, representatives, and agents may maintain a business and sales office, model homes, and other sales facilities necessary or required within Villas at Crestone Ridge until all Lots are sold.

**6.12 Nuisances.** No noxious, illegal or offensive activities shall be carried on in any Lot, or in any part of the Property, nor shall anything be done thereon which may be or may become an annoyance or a nuisance to or which may in any way interfere with the quiet enjoyment by an Owner of his respective Lot, or which shall in any way increase the rate of insurance for the Project, or cause any insurance policy to be canceled or to cause a refusal to renew the same, or which will impair the structural integrity of any building. The Board shall have the power to make and to enforce reasonable rules and regulations in furtherance of this provision.

**6.13 Garbage, Trash and Refuse Disposal.** All Lots shall be kept free from all rubbish, trash and garbage, which shall be regularly removed from the property and shall not be allowed to accumulate thereon. Trash, garbage and other waste shall not be stored except in sanitary containers or normal receptacles. Further, no trash, garbage cans or receptacles of any kind shall be left in sight, except on days so designated by the City of

Oklahoma City for collection thereof. No trash, ashes, or other refuse may be discarded in any other Owner's Lot, or in or on any Villas at Crestone Ridge Common Areas.

**6.14 Weeds and Underbrush.** Weeds, underbrush, or other unsightly growth shall not be permitted to grow or remain on any Lot or in Villas at Crestone Ridge Common Areas.

**6.15 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 basketball goal that becomes damaged or unusable must be removed. Basketball goals shall not be used in Common Areas.

**6.16 Pets.** No animals, livestock, or poultry of any kind shall be raised, bred, or kept on any Lot, except that dogs, cats, and other household pets may be kept, if they are not kept, bred, or maintained for any commercial purpose, and shall have such care and restraint as not to be obnoxious or offensive because of noise, odor, or unsanitary conditions. No more than three (3) household pets may be kept without written permission of the Villas Association. No pets may be permitted to run loose within the Villas at Crestone Ridge, and any owner who causes any animal to be brought or kept within the Villas at Crestone Ridge shall indemnify and hold harmless the Villas Association for any loss, damage, or liability which the Villas Association may sustain because of the presence of such animal on the premises, regardless of whether the Villas Association has given its permission therefor. Lot Owners are responsible for curbing their pets.

**6.17 Diseases and Insects.** No Owner shall permit any condition to exist upon any Lot which shall induce, breed or harbor infectious plant diseases or noxious insects.

**6.18 Vehicle Restrictions.** No trailer, recreational vehicle, camper (including a camper shell on a pickup truck or other vehicle), mobile home, commercial vehicle, truck (other than standard size pickup truck), inoperable vehicle, boat or similar equipment shall be permitted to remain upon any Lot, Villas at Crestone Ridge Common Area or street, except within a completely enclosed garage, other than temporarily. For purposes of this restriction "temporarily" means a period less than 24 hours. Commercial vehicles shall not include sedans or standard size pickup trucks which are used both for business and personal use, provided that any signs or marking of a commercial nature on such vehicles shall be unobtrusive and inoffensive as determined by the Villas Association. No noisy or smoky vehicles shall be operated on the property. No off-road unlicensed motor vehicles shall be maintained or operated on the property.

**6.19 Signs.** No signs or billboards shall be displayed to the public view on any Lot except signs placed by builders or licensed realtors for the sale or rental of property and such signs as are approved by the Villas Association or committee appointed by the Villas Association. Provided, an Owner's "For Sale" or "For Rent" sign, approved by the Villas Association as to size and content, may be displayed.

**6.20 Radio or Television Transmitting Device; Wind Powered Generators.** No radio or television transmitting or receiving device shall be constructed or installed upon any Lot or Villas at Crestone Ridge Common Area. No external radio or television transmitting or receiving device that extends more than five feet (5') above the peak of a roof, including satellite dish receivers with diameters in excess of twenty inches (20"), shall be allowed. All external radio or television transmitting or receiving devices, including satellite dish receivers, shall be constructed or installed on either a pedestal stand in the backyard, on the rear facing portions of the roof, or on the side of the house at least five feet (5') back from the front corner of the house, and shall be placed in such a manner as to be as unobtrusive as possible.

**6.21 Outbuildings.** No outbuildings, structures, sheds or storage buildings shall be constructed or located on any Lot. Provided, gazebos, open sided play forts, and play structures shall not be considered "outbuildings" so long as same are not taller than ten feet (10') from ground level at any point, are located entirely

behind the rear of the house, and are used solely for their customary purposes, and not used for storage or residential use. The size and location of gazebos, play forts and play structures must be approved by the Building Committee prior to installation.

**6.22 Temporary Structures.** No structure of a temporary nature, including trailers, tents, shacks, garages, barns or other outbuildings shall be erected, placed or permitted on any Lot or building site at any time, nor shall any structure of a temporary character be used at any time as a residence. This restriction shall not apply to temporary business offices of Declarant and Builders.

**6.23 Power Equipment and Car Maintenance.** No power equipment, workshops or car maintenance shall be permitted on any Lot as a commercial venture. Car maintenance, other than routine servicing of vehicles (oil change, car wash, etc.), shall not be conducted on the property except wholly within the garage of a residence.

**6.24 Clotheslines; Awnings.** No outdoor clotheslines shall be visible from the street. No metal or plastic awnings shall be visible from the street.

**6.25 Planting Beds.** Planting beds must be kept in a neat and presentable manner in keeping with the general aesthetic standards of Villas at Crestone Ridge. Dead or dying shrubbery or trees shall be removed and replaced by the Lot Owner and at the Lot Owner's expense. It is the intent of this provision to set a standard in the Villas at Crestone Ridge of well-kept and attractive exteriors of each residence.

**6.26 Operation of Gate During Construction Period.** Villas at Crestone Ridge is a privately gated community. However, the gate will not be made operable until the earlier of (a) the Villas Association has been turned over to a Class A Member elected Board of Directors, or (b) earlier, at the option of the Declarant if circumstances allow. Normally, activation of the gate will occur within sixty (60) days after the election of the first Class A member controlled Board of Directors. However, in no event shall the Villas Association close the gates during normal business hours which shall be defined for these purposes as daylight to dusk, including weekends, so long as the Declarant or any Builder has homes for sale in Villas at Crestone Ridge.

## **ARTICLE 7** **GENERAL PROVISIONS**

**7.1 Enforcement.** The Villas Association, any of Villas at Crestone Ridge Owners, and any governmental or quasi-governmental agency or municipality having jurisdiction over the Property, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by these Supplemental Covenants and, in such action, shall be entitled to recover costs and reasonable attorneys' fees as are ordered by the Court; provided, however, that an individual Owner shall have no right to enforce the collection of any assessment levied against any other Owner under Article 4 above. Failure by any such person or entity to enforce any such provision shall in no event be deemed a waiver of the right to do so thereafter. Neither Declarant, or any member, officer, employee, manager or designated representative of Declarant or the original Building Committee, shall be liable to the Villas Association, any Member of the Villas Association, or any third party for claims arising from the enforcement of, or failure to enforce, the terms, conditions and provisions of these Supplemental Covenants, or any waiver thereof, whether such action be intentional, unintentional or negligent.

**7.2 Invalidity of Any Provision.** Should any provision of these Supplemental Covenants be declared invalid or in conflict with any law of the jurisdiction where Villas at Crestone Ridge is situated, the validity of all other provisions shall remain unaffected and in full force and effect.

**7.3 Amendments.** To the extent not inconsistent with 60 Okla. Stat. §§ 851, et seq., as same is now

or may hereafter be amended, an amendment of these Supplemental Covenants may be enacted by the vote or written assent of at least sixty percent (60%) of the Members of the Villas Association, with each Member having the number of votes as set forth in ¶ 3.4 above. Provided, the percentage of the voting power necessary to amend a specific clause or provision containing a prescribed percentage shall not be less than the prescribed percentage of affirmative votes required for an action to be taken under that specific clause. Any amendment must be recorded and shall become effective upon being recorded in the office of the County Clerk of Canadian County, Oklahoma.

#### **7.4 Mortgage Protection Clause.**

**7.4.1 Rights of First Mortgagees.** No breach of any of the Covenants, Conditions and Restrictions contained in this document, nor the enforcement of any lien provisions herein, shall render invalid the lien of any first mortgage (meaning a mortgage with priority over any other mortgage) on any Lot made in good faith and for value, but all said Covenants, Conditions and Restrictions shall be binding upon and be effective against any Owner whose title is derived through foreclosure or trustee's sale or otherwise.

**7.4.2 Mortgage Priority; Right to Inspect Records.** Notwithstanding any language contained in this document to the contrary, no Owner and no other party shall have priority over any rights of institutional lenders pursuant to their mortgages in the case of a distribution to Owners of insurance proceeds or condemnation awards for losses to or taking of Lots and/or any portion or element of Villas at Crestone Ridge Common Areas. Institutional lenders shall have the right to examine the books and records of Villas Association.

**7.5 Insurance.** The Villas Association shall obtain and continue in effect comprehensive public liability insurance insuring the Villas Association and the Declarant, its managers, agents and employees, and Villas at Crestone Ridge Owners, their families, guests and invitees, against any liability incident to the ownership or use of Villas at Crestone Ridge Common Areas and facilities in such common areas and including, if reasonably obtainable, a cross-liability endorsement insuring each insured against liability to another insured and a "severability of interest" endorsement precluding the insurer from denying coverage to one Owner because of the negligence of other Owners or the Villas Association.

**7.5.1 Insurance Premiums.** Insurance premiums on policies purchased by the Villas Association shall be a common expense to be paid from the assessments provided for herein or as levied by the Villas Association. The acquisition of insurance by the Villas Association shall be without prejudice to the right of any Owners to obtain additional individual insurance. Provided, the Villas at Crestone Ridge Board shall be entitled to purchase or participate in, on a pro-rated and equitable basis, a policy which insures the interest of both the Association and the Villas Association.

**7.6 Owners' Compliance.** Each Villas at Crestone Ridge Owner, and any tenant or occupant of a Lot, shall comply with the provisions of the Declaration, the Association's Bylaws, the Villas Association's Bylaws, these Supplemental Covenants, the rules and regulations of the Villas Association, and all decisions and resolutions of the Villas Association or its duly authorized representative, and failure to comply with any such Declaration, Bylaws, Covenants, rules, regulations, provisions, decisions or resolutions shall be grounds for an action to recover sums due for damages (including costs and attorneys fees) and/or for injunctive relief. All agreements and determinations lawfully made by the Villas Association in accordance with the voting percentage established in this document or in the Bylaws shall be deemed to be binding on all Villas at Crestone Ridge Owners, their successors and assigns.

**7.7 Service of Process.** The name of the person to receive service of process on Villas at Crestone Ridge Owners Association, together with the residence or place of business of such person in Canadian County, is Mark Bonadeo, 7000 N. Midwest Blvd., Oklahoma City, Oklahoma 73141, or such other person as the Board may designate by an amendment hereto filed solely for that purpose. The Board may amend the designated service agent without a vote of the Members.

**IN WITNESS WHEREOF**, the undersigned, being all the owners of record of the property within Villas at Crestone Ridge, a residential subdivision to the City of Oklahoma City, Canadian County, Oklahoma, have executed this document this \_\_\_\_ day of March, 2017.

**ROGREBO, INC.**

\_\_\_\_\_  
David P. Roberts, President

STATE OF OKLAHOMA        )  
                                      ) ss  
COUNTY OF OKLAHOMA    )

Before me, the undersigned, a Notary Public, in and for said County and State on this \_\_\_\_ day of March, 2017, personally appeared David P. Roberts of ROGREBO, Inc., to me known to be the identical person who subscribed the name of the maker thereof to the foregoing instrument as its President and acknowledged to me that he executed the same as his free and voluntary act and deed and as the free and voluntary act and deed of said entity, for the uses and purposes therein set forth.

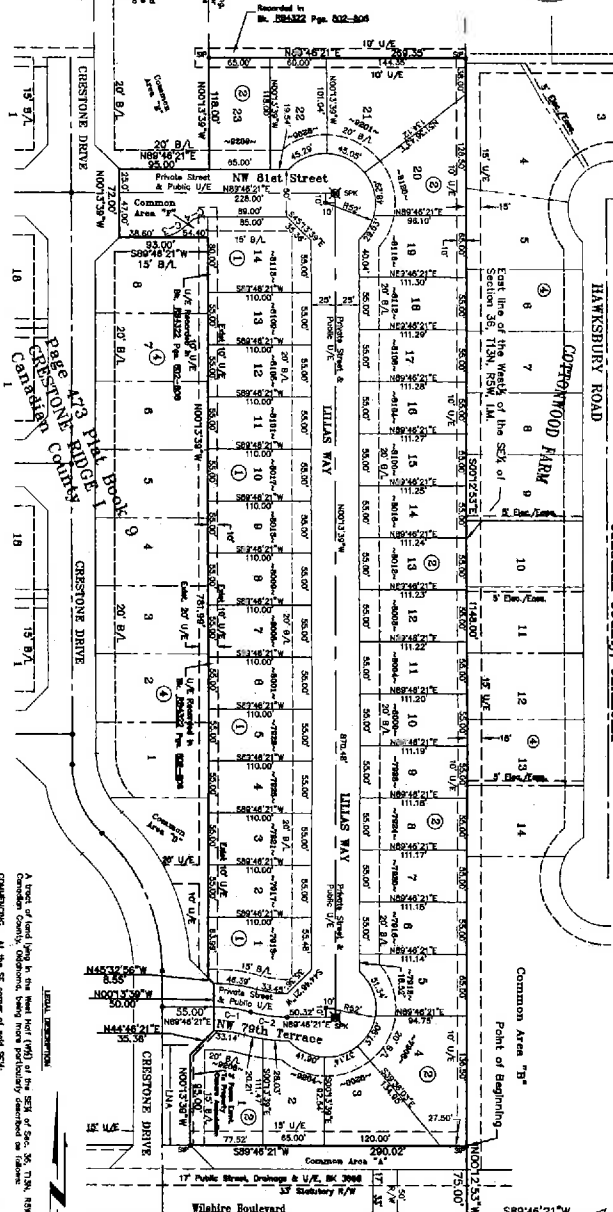
Given under my hand and seal of office the day and year last above written.

My Commission Expires: \_\_\_\_\_

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

	CHINESE	ROMANS	DELTA	FAUCENT	LENGTH	CHORD	BEARING
C-1	150.00	15.11	21.21	20.00	59.77°	39.65°	502.31° 50° E
C-2	150.00	15.11	21.21	20.00	59.77°	39.65°	502.31° 50° E
C-3	46.36	4.71	00.00	20.24	35.17°	37.10°	186.61° 21° E
C-4	22.36	2.27	00.00	6.76	18.41°	17.09°	186.61° 21° E

County line Road  
Point of Commencement  
SE Corner of SE 1/4,  
Section 36, T13N,  
R5W, 1M.



Scale: 1" = 60'

STATE OF OKLAHOMA  
COUNTY OF OKMULGEE

## SUMMARY'S CONTRIBUTION

Examination No.: **A201790**

CITY 0

ISCH & ASSOCIATES, INC.

80. 2700

4544 Federal Park Boulevard - EMERSON - OAKLAND  
OFFICE (408) 265-5095 - FAX (408) 286-  
DIRECTOR OF AUTOMATION No. 1158 EOP, D



EXHIBIT B

**BYLAWS OF  
VILLAS AT CRESTONE RIDGE OWNERS ASSOCIATION, INC.  
(A NON-PROFIT ORGANIZATION)**

**ARTICLE I  
NAME**

The name of this organization shall be Villas at Crestone Ridge Owners Association, Inc. (the "Villas at Crestone Ridge Association").

**ARTICLE II  
PURPOSE AND PARTIES**

**2.1 Purpose.** The purpose of the organization shall be the administration of the Property ("Villas at Crestone Ridge") described in the Supplemental Declaration of Covenants, Conditions and Restrictions for Villas at Crestone Ridge (hereinafter the "Supplemental Covenants"), a residential subdivision to the City of Oklahoma City, Canadian County, Oklahoma, as shown by the recorded Plat thereof, which administration shall be in accordance with these Bylaws and the provisions of 60 Okla. Stat. §§ 861, *et seq.* All definitions and terms contained in the Supplemental Covenants shall apply hereto and are incorporated herein by reference.

**2.2 Members.** All present and future owners and tenants of any lot, mortgagees and other persons who may use the facilities of Villas at Crestone Ridge the Property in any manner are subject to these Bylaws, the Supplemental Covenants, the rules and regulations of Villas at Crestone Ridge Association, and all agreements and easements relating thereto. Members of Villas at Crestone Ridge Association shall also be Members of the Crestone Ridge Owners Association, Inc. and shall be subject to the Bylaws of said Association and the Covenants, Conditions and Restrictions of Crestone Ridge, a residential subdivision to the City of Oklahoma City, Canadian County, Oklahoma.

**ARTICLE III  
MEMBERSHIP AND MEMBER MEETINGS**

**3.1 Membership.** Any person or entity on becoming an owner of a lot within Villas at Crestone Ridge shall automatically become a member of Villas at Crestone Ridge Association and be subject to these Bylaws. Such membership shall terminate without any formal action by Villas at Crestone Ridge Association whenever such person ceases to own a lot, but such termination shall not relieve or release any such former owner from any liability, obligation, right or remedy incurred under or in any way connected with Villas at Crestone Ridge Association or during the period of such ownership and membership in Villas at Crestone Ridge Association. The membership shall be deemed conveyed or encumbered with the lot even when such interest is not expressly mentioned or described in the conveyance or other instrument.

**3.2 Classes of Membership.** There shall be three (3) classes of membership in Villas at Crestone Ridge Association. Class A Members shall be all purchasers, and their successors and assigns, of a Lot within Villas at Crestone Ridge from the Developer, other than Class B Members and the Developer. Class B Members shall be Builders who have purchased, or contracted with Developer to purchase, a Lot or Lots within Villas at Crestone Ridge for the purposes of construction of a residence for sale to a third party. The Class C Member shall be the Developer, ROGREBO, Inc.

Class A Members shall be subject to levy for annual and/or special assessments by Villas at Crestone Ridge Association for each Lot owned within Villas at Crestone Ridge. Class B Members shall not be subject to special assessments but shall be obligated to pay annual assessments for each Lot owned in accordance with the terms of the Supplemental Covenants. If a Builder or his tenant occupies a structure as a residence, the Builder

will automatically become a Class A Member as to said Lot. Notwithstanding any other provision in the Supplemental Covenants or these Bylaws, the Class C Member shall not be subject to levy for annual or special assessments by Villas at Crestone Ridge Association. This provision of the Bylaws may not be altered, amended or modified by Villas at Crestone Ridge Association except by the written approval of the Class C Member.

**3.3 Annual Member Meetings.** Regular annual meetings of Members of Villas at Crestone Ridge Association shall be held at a residence on the Property or at such other suitable place convenient to the Members as may be designated by the Board. The first meeting of Villas at Crestone Ridge Association shall be held on or about June 1, 2017, contemporaneous with the annual meeting of the Crestone Ridge Owners Association.

**3.4 Special Member Meetings.** A special meeting of Members of Villas at Crestone Ridge Association shall be promptly called by the Board upon the vote for such a meeting by a majority of a quorum of the Board or upon receipt of a written request therefor signed by Members representing twenty-five (25%) of the total voting power of Villas at Crestone Ridge Association or by Members representing fifteen percent (15%) of the voting power residing in Members other than Developer.

**3.5 Notice of Member Meetings.** The Board shall give notice of regular and special meetings to Members by posting notice of the date, time and location thereof at conspicuous places on or near the entrance to Villas at Crestone Ridge. The Board shall give the Developer written notice of the annual meeting at least fifteen (15) days prior to the scheduled meeting date. The Board shall give Developer written notice of all special meetings at least five (5) days before any special meeting. Upon termination of all Class B and Class C membership in the Association, notice to the Developer will not be required.

**3.6 Quorum.** The Board shall be entitled to conduct all business, with or without a quorum being present, at any annual or special meeting of which notice has been given as set forth herein, except as may otherwise be provided herein.

**3.7 Proxies.** At all meetings of Members, each Member may vote in person or by proxy.

**3.8 Voting.** Class A Members shall be entitled to one vote for each lot owned by said owner or owners. Whenever more than one person holds such interest in any lot, the vote for such lot shall be exercised as those Owners themselves determine and advise the secretary prior to any meeting. In the absence of such advice, the lot's vote shall be suspended in the event more than one person seeks to exercise it. The Class C Members shall be entitled to six (6) votes for each lot owned by the Class B and Class C Members. Each vote shall have equal value. Class B Members shall not be entitled to vote on association matters. This provision of the Bylaws may not be amended without the written consent of the Class C Member.

#### **ARTICLE IV** **BOARD OF MANAGERS; SELECTION; TERM OF OFFICE**

**4.1 Number and Term of Managers.** The Board shall consist of three (3) managers, each of whom shall be an owner of a lot within Villas at Crestone Ridge or an agent of Developer (while Developer remains a lot owner). The managers shall serve concurrent terms of one (1) year. The initial managers, who shall be appointed by the Developer, or its successor, shall serve until the first meeting of Villas at Crestone Ridge Association; thereafter, all managers shall be elected and removed according to these Bylaws. Notwithstanding any other provision herein, so long as the Developer owns more than 5% of the lots in Villas at Crestone Ridge, Developer shall be entitled to elect two (2) of the three managers, none of whom need be a lot owner.

**4.2 Election of Board of Managers.**

**4.2.1 Nominations.** Nominations for election to the Board (for election of managers which

are not appointed or elected by Developer as provided in § 4.1) shall be made by a nominating committee. Nominations may also be made from the floor at the annual meeting of Villas at Crestone Ridge Association. The nominating committee shall consist of a chairman, who shall be a member of the Board, and two or more members of Villas at Crestone Ridge Association.

**4.2.2 Cumulative Voting.** Elections of Board members shall be by cumulative voting if more than one position is to be filled in an election.

**4.3 Vacancies in the Board.** Vacancies in the Board caused by any reason shall be filled by a vote of the majority of the remaining managers, even though they may constitute less than a quorum, and each person so elected shall be a manager until a successor is elected at the next annual meeting of Villas at Crestone Ridge Association or at a special meeting of the Members called for that purpose.

## **ARTICLE V** **MEETINGS OF MANAGERS**

**5.1 Regular Board Meetings.** Regular meetings of the Board shall be conducted at the same time as the annual meeting of the Members, and at such other times as the Board deems desirable. Notice of all regular Board Meetings shall be given to each Board Member and to the Developer at least fifteen (15) days prior to the scheduled meeting date.

**5.2 Special Board Meetings.** A special meeting of the Board may be called by written notice signed by the President of Villas at Crestone Ridge Association or by any two (2) managers other than the President. Notice of a special meeting, with a description of the nature of any special business to be considered by the Board, shall be given to each Manager and the Developer at least five (5) business days before the date of the special Board meeting.

**5.3 Quorum.** The presence in person of a majority of the managers at any meeting of the Board shall constitute a quorum for the transaction of business and the acts of a majority of the managers present at a meeting at which a quorum is present shall be the acts of the Board.

**5.4 Board Meetings Open to Members, Exceptions.** Regular and special meetings of the Board shall be open to all Members of Villas at Crestone Ridge Association. The Board may, with the approval of a majority of a quorum of the managers, adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters, litigation or threatened litigation and orders of business of a similar nature.

**5.5 Fidelity Bonds.** The Board may obtain adequate fidelity bonds for all officers and employees of Association handling or responsible for funds of the organization. The premium for any such bonds shall be a common expense.

**5.6 Compensation.** No Member of the Board shall receive any compensation from Villas at Crestone Ridge Association or lot owners for acting as such.

**5.7 Liability of the Board of Managers.** The members of the Board shall not be liable to the lot owners for any mistake of judgment, negligence or otherwise except for their own individual willful misconduct or bad faith. The lot owners shall indemnify and hold harmless each of the members of the Board against all contractual or tort liability to others arising out of contracts made by the Board on behalf of Villas at Crestone Ridge Association unless any such contract shall have been made in bad faith or contrary to the provisions of the Supplemental Covenants or these Bylaws. It is intended that the members of the Board shall have no personal liability with respect to any contract made by them on behalf of Villas at Crestone Ridge Association or the Project. It is understood and permissible for the original Board, who are members of or employed by Developer,

to contract with the Developer and affiliated corporations without fear of being charged with self-dealing.

**ARTICLE VI**  
**POWERS AND DUTIES OF THE BOARD OF MANAGERS**

**6.1 Powers and Duties.** The Board shall have the powers and duties necessary for the management and administration of the Property. Without limitation on the generality of the foregoing powers and duties, the Board shall be vested with, and responsible for, the following powers and duties:

**6.1.1** To select, appoint, supervise and remove all officers, agents and employees of Villas at Crestone Ridge Association; to prescribe such powers and duties for them as may be consistent with the law and with the Supplemental Covenants and these Bylaws.

**6.1.2** To enforce the applicable provisions of the Supplemental Covenants, these Bylaws, and other instruments relating to the ownership, management and control of the Property.

**6.1.3** To adopt, publish and enforce rules and regulations governing the use of the Property and the personal conduct of the Members and their guests upon Villas at Crestone Ridge Common Areas, and to establish procedures and penalties for the infraction thereof, subject to approval of the membership.

**6.1.4** To cause Villas at Crestone Ridge Common Areas to be maintained, adequately insured, repaired and improved, for the benefit of the membership, and to contract for goods and/or services for Villas at Crestone Ridge Common Areas and the maintenance of lawns and shrubbery on the privately owned Lots, or such other expenses incurred for the common good of Villas at Crestone Ridge Association, and to pay all taxes and assessments which are or could become a lien on Villas at Crestone Ridge Common Areas or a portion thereof. The Board is authorized to acquire a joint insurance policy for the insurable interests of both Villas at Crestone Ridge Association and the Crestone Ridge Owners Association, Inc., if, in the opinion of the Board, the purchase of such joint policy is beneficial to Villas at Crestone Ridge Association.

**6.1.5** To delegate its powers to committees or officers.

**6.1.6** To prepare budgets and financial statements for Villas at Crestone Ridge Association as prescribed in these Bylaws.

**6.1.7** To initiate and execute disciplinary proceedings against Members of Villas at Crestone Ridge Association for violations of the provisions of the Supplemental Covenants, these Bylaws and such rules as may be promulgated by the Board in accordance with the procedures set forth in these Bylaws.

**6.1.8** To fix and collect annual and special assessments according to the Supplemental Covenants and these Bylaws and, if necessary, to record a notice of assessment and foreclose the lien against any lot for which an assessment is not paid within thirty (30) days after the due date or bring an action at law against the owner personally obligated to pay such assessment. All funds shall be transferred to a depository account with an institutional lender upon terms and conditions which are approved by the Board. All funds of Villas at Crestone Ridge Association shall be restricted in use to the sole and exclusive benefit of Villas at Crestone Ridge Association's administration of the Property and maintenance of the Villas at Crestone Ridge Common Areas and shall not otherwise be expended.

**6.1.9** To prepare and file annual tax returns with the federal government and the State of Oklahoma and to make such elections as may be necessary to reduce or eliminate the tax liability of Villas at Crestone Ridge Association. Without limiting the generality of the foregoing, the Board may, on behalf of Villas at Crestone Ridge Association, elect to be taxed, if possible, under Section 528 of the Internal Revenue Code or

any successor statute conferring income tax benefits on owners' associations. In connection therewith, the Board shall take such steps as are necessary to assure that the income and expenses of Villas at Crestone Ridge Association for any taxable year shall meet the following limitations and restrictions (which limitations and restrictions may change from time to time to conform with changes in the tax code):

a. At least 80% of the gross income of Villas at Crestone Ridge Association for any taxable year shall consist solely of amounts received as fees or assessments from lot owners.

b. At least 90% or more of the expenditures of Villas at Crestone Ridge Association for any taxable year shall be for the acquisition, construction, management, maintenance and care of Villas at Crestone Ridge Association's Property;

c. No part of the net earnings of Villas at Crestone Ridge Association shall inure (other than by acquiring, constructing or providing management, maintenance and care of Villas at Crestone Ridge Association's Property and other than by a rebate of excessive membership dues, fees or assessments) to the benefit of any private individual.

Provided, the Board may establish a reserve account to defray extraordinary expenses, such as the repair or maintenance of private streets and/or the entry and exit gates.

**6.2 Limitation of the Board's Power.** Except with the vote or written assent of a majority of the voting power of Villas at Crestone Ridge Association, the Board shall be prohibited from taking any of the following actions:

**6.2.1** Paying compensation to managers or to officers of Villas at Crestone Ridge Association for services performed in the conduct of Villas at Crestone Ridge Association's business, provided, however, that the Board may cause a manager or officer to be reimbursed for expenses incurred in carrying on the business of Villas at Crestone Ridge Association.

**6.2.2** Entering into a contract with a third person wherein the third person will furnish goods or services for the Common Areas or Villas at Crestone Ridge Association for a term longer than one (1) year with the following exceptions:

a. A management contract;

b. A contract with a public utility company if the rate charged for the materials or services are regulated by the Corporation Commission; provided, however, that the term of the contract shall not exceed the shortest term for which the supplier will contract at the regulated rate;

c. Prepaid casualty and/or liability insurance policies of not to exceed three (3) years duration if the policy permits for short rate cancellation by the Insured;

d. Any agreement for professional management of the Project or any other contract providing for services by Developer shall provide for termination by either party without cause or payment of a termination fee on ninety (90) days or less written notice and shall provide for a maximum contract term of three (3) years.

e. Agreements for maintenance of the entrance and security gate(s).

**6.2.3** The funds of Villas at Crestone Ridge Association shall be maintained in trust account(s)

for the benefit of the organization or shall be deposited with an institutional bank in an interest-bearing account(s), and may not be accessed or withdrawn by the Board, or any Member of Villas at Crestone Ridge Association or other person, except by check or draft drawn on Villas at Crestone Ridge Association's account and signed by at least two of the officers of the organization.

## **ARTICLE VII** **OFFICERS AND DUTIES**

**7.1 Enumeration and Term.** The officers of Villas at Crestone Ridge Association shall be a president, who shall always be a member of the Board, a secretary, treasurer and such other officers as the Board may from time to time by resolution create. The officers shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign or shall be removed or otherwise disqualified to serve.

**7.2 Election of Officers.** The initial officers shall be elected by the Board appointed by Developer and shall serve until the first annual meeting. Officers shall thereafter be elected by the Board at each annual meeting.

**7.3 Resignation and Removal.** Any officer may be removed from office by a majority of the Board at any time with or without cause. Officers may resign at any time upon written notice to each member of the Board.

**7.4 Vacancies.** A vacancy in any office may be filled by appointment by the Board. The officer appointed to fill a vacancy shall serve for the remainder of the term of the officer he replaces.

**7.5 Duties.** The duties of the officers are as follows:

**7.5.1 President.** The president shall preside at all meetings of the Board and Villas at Crestone Ridge Association (members); shall see that orders and resolutions of the Board are carried out; shall sign all leases, deeds, mortgages and other written instruments and shall co-sign all checks and promissory notes.

**7.5.2 Vice President.** The vice president shall act in the place and stead of the president in the event of his absence, inability or refusal to act and shall exercise and discharge such other duties as may be required of him by the board.

**7.5.3 Secretary/Treasurer.** The secretary/treasurer shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of Villas at Crestone Ridge Association, together with their addresses; receive and deposit funds in appropriate bank accounts of all monies of Villas at Crestone Ridge Association and shall disburse such funds as directed by resolution of the Board; shall co-sign all checks and promissory notes of Villas at Crestone Ridge Association; keep proper books of accounts and prepare or have prepared financial statements as required in these Bylaws; and shall perform such other duties as provided by the Board. The duty of the secretary/treasurer to receive and deposit funds and to sign checks in the ordinary course of Villas at Crestone Ridge Association's business may be delegated to a management company as provided in these Bylaws.

**7.6 Compensation of Officers.** No officer shall receive any compensation from Villas at Crestone Ridge Association or lot owners for acting as such.

**ARTICLE VIII**  
**MAINTENANCE AND ASSESSMENTS**

Pursuant to the procedures and guidelines set forth in the Supplemental Covenants, the Board shall collect and deposit into the account of Villas at Crestone Ridge Association, the assessments as set forth in the Supplemental Covenants. The monies collected from the assessments shall be invested by the Board in an interest-bearing account and shall be utilized to pay Villas at Crestone Ridge Common Expenses as defined in the Supplemental Covenants. All assessments shall be used exclusively to promote the health, safety and welfare of all residents in Villas at Crestone Ridge, to maintain the Common Areas, and to maintain the lawns on the privately-owned Lots. The Board and/or Villas at Crestone Ridge Association may only increase assessments, and/or levy special assessments, in accordance with the terms and conditions of the Supplemental Covenants. In the event Villas at Crestone Ridge Association accrues surplus funds, in excess of reasonably anticipated expenditures and in excess of a reasonable reserve fund for maintenance or repair of the private streets and the entry and exit gates, the Board may decrease the amount of the annual assessment. Provided, so long as there is a Class B or Class C membership, the Board must have the consent and written approval of the Class C Member to decrease the amount of the annual assessment.

**ARTICLE IX**  
**DISCIPLINE OF MEMBERS; SUSPENSION OF RIGHTS; MANDATORY ARBITRATION**

Villas at Crestone Ridge Association shall have no power to cause a forfeiture or abridgment of an owner's right to the full use and enjoyment of his individually owned lot on account of a failure by the owner to comply with provisions of the Supplemental Covenants, these Bylaws or of duly enacted rules of operation for the Common Areas and Property, except where the loss or forfeiture is the result of the judgment or a decision arising out of arbitration or on account of judicial or non-judicial proceeding for the foreclosure or sale under a power of sale for failure of the owner to pay assessments levied by Villas at Crestone Ridge Association. Notwithstanding the foregoing, the Board shall have the power to impose reasonable monetary penalties, temporary suspensions of an owner's rights as a Member of Villas at Crestone Ridge Association or other appropriate discipline for failure to comply with the Supplemental Covenants, these Bylaws or duly enacted rules; provided that an owner subject to such possible penalties shall be given reasonable notice and the opportunity to be heard by the Board with respect to the alleged violations before a decision to impose discipline is reached. In the case in which monetary penalties are to be imposed, such penalties shall be according to a schedule of penalties related to specific offenses, which schedule shall be proposed by the Board and approved by the vote or written assent of a majority of votes cast by the Members. Such penalties shall bear a reasonable relationship to the conduct for which the penalty is imposed and may only be imposed prospectively.

All disputes (other than a Lot Owner's failure to pay assessments when due and foreclosure of a lien filed by the Association as a result of non-payment of an annual or special assessment) arising between the Association and any Lot Owner or Owners arising under the Supplemental Covenants, these Bylaws, or an action or inaction of the Association or the Board, including any dispute by a Lot Owner as to financial penalties or other discipline imposed upon such Lot Owner, shall be resolved by binding arbitration initiated by either party to the dispute. A Lot Owner's only recourse to a disputed monetary penalty or other disciplinary action imposed or taken by the Board upon such Lot Owner shall be through the Lot Owner's commencement of arbitration proceedings. An arbitration proceeding initiated by either party shall be conducted in accordance with the procedures set forth in the Oklahoma Uniform Arbitration Act, 12 Okla. Stat. §§ 1851, *et seq.*, as same may be amended from time to time. The Arbitrator shall be selected from a panel of neutrals maintained by the Oklahoma County District Court. A reasoned decision shall not be required from the Arbitrator. An oral hearing need not be held. All costs and fees of the Arbitrator shall be paid equally by each party to the proceeding, provided the Arbitrator may award a recovery of such expenses to the prevailing party. By acceptance of a deed and ownership interest in a Lot, an Owner agrees to be subject to this arbitration provision.

**ARTICLE X**  
**BUDGETS, FINANCIAL STATEMENTS, BOOKS AND RECORDS**

**10.1 Budgets and Financial Statements.** Financial statements for Villas at Crestone Ridge Association shall be regularly prepared and distributed at the annual meeting to those members requesting a copy of same. The Board shall prepare reasonable operating statements and budgets for each fiscal year.

**10.2 Inspection of Association's Books and Records.** The membership register, books of account and minutes of meetings of the Members, of the Board and of committees of the Board or Association shall be made available for inspection and copying by any Member or by his duly authorized representative at any reasonable time and for a purpose reasonably related to his interest as a Member at the office of Villas at Crestone Ridge Association or at such other place as the Board shall prescribe, upon reasonable notice and at a reasonable time. Any Member desiring copies of any document shall pay the reasonable cost of reproduction. Every manager shall have the absolute right at any reasonable time to inspect all books, records and documents of Villas at Crestone Ridge Association and the physical properties owned or controlled by Villas at Crestone Ridge Association. The right of inspection by a manager includes the right to make extracts and copies of documents.

**ARTICLE XI**  
**AMENDMENT OF BYLAWS**

These Bylaws and the Supplemental Covenants may be amended by the combined vote or written assent of the Class C Members and at least 60% of the Class A Members, provided, however, that each of the requirements set forth in 60 Okla. Stat. §§ 851 through 855, inclusive, as it now reads or may be hereafter amended shall always be embodied in the Bylaws. Provided, however, provisions within the Supplemental Covenants and these Bylaws applicable to annual or special assessments against Class B and C Members and the voting rights of each Class of membership can only be amended or modified by the unanimous consent and written authorization of the Class C Members.

**ARTICLE XII**  
**MISCELLANEOUS PROVISIONS**

**12.1 Owner's Personal Obligation for Payment of Assessment.** The amount of total assessments against a lot, including any annual and/or special assessment, shall be the personal and individual debt of the owner(s) thereof. The Board shall have the responsibility to take prompt action to collect any unpaid assessment in accordance with the terms of the Supplemental Covenants and these Bylaws.

**12.2 Indemnity of Developer, Association Officers and Managers.** The Developer, its managers and agents, and each manager and officer of Villas at Crestone Ridge Association, shall be indemnified by Villas at Crestone Ridge Association against all expenses and liabilities, including attorneys' fees, reasonably incurred by or imposed upon him by judgment or settlement in connection with any proceeding to which he may be a party or in which he may become involved by reason of his being or having been a manager, officer or controlling person of Villas at Crestone Ridge Association, except in cases of fraud, gross negligence or bad faith of the Developer, manager or officer in the performance of his duties in relation to Villas at Crestone Ridge Association.

**12.3 Building Committee.** The Board shall appoint a building committee. The initial building committee shall consist of the Developer's agents, David P. Roberts and Mark Bonadeo, or the designated representatives appointed by Developer to serve in such capacity, who shall serve in such a capacity until January 1, 2018. Thereafter, the Board shall appoint a building committee consisting of two (2) Members. In the event of earlier resignation or death of a Member of the initial building committee, the Board shall appoint a successor. The building committee shall perform the duties set forth in the Supplemental Covenants.



**12.4 Notices.** Any notice permitted or required to be given by these Bylaws or the Supplemental Covenants may be delivered either personally or by mail or as otherwise specifically provided in said documents. If delivery is by mail, it shall be deemed to have been given three (3) business days following the date same was deposited in the United States Mail, postage prepaid, return receipt requested, addressed to each person at the current address given by such person to the secretary of Villas at Crestone Ridge Association or addressed to the lot of such person if no address has been given to the secretary. Provided, that notice of regular or special meetings of Members and the Board may be mailed without a return receipt requested and shall also be provided as set forth in ¶¶ 3.4, 5.1 and 5.2, above. Provided further, notice to Members of the building committee or to the Developer must be given in writing, addressed to such individuals, c/o Mark Bonadeo, 7000 N. Midwest Blvd., Oklahoma City, Oklahoma 73141.

#### **ESTABLISHMENT OF BYLAWS**

We, the undersigned, being all the initial members and officers designated within the Articles of Incorporation of Villas at Crestone Ridge Owners Association, Inc. and these Bylaws, do hereby certify the foregoing to be the Bylaws of Villas at Crestone Ridge Owners Association, Inc. and, by our signatures hereto, do hereby adopt the foregoing Bylaws as of the \_\_\_\_ day of March, 2017.

VILLAS AT CRESTONE RIDGE OWNERS ASSOCIATION, INC.

By: \_\_\_\_\_  
David P. Roberts, President and Member

By: \_\_\_\_\_  
Mark Bonadeo, Member