

## **EXHIBIT "C"**

### **Initial Use Restrictions and Rules for Northbrooke**

The following restrictions shall apply to all of Northbrooke until such time as they are amended, modified, repealed or limited by rules of the Association adopted pursuant to Section 3 of the Declaration.

**1. General.** Northbrooke shall be used only for residential and related purposes (which may include, without limitation, an information center and/or a sales office for any real estate broker retained by Declarant to assist in the sale of property described in Exhibits "A" or "B," offices for any property manager retained by the Association, or business offices for Declarant or the Association) consistent with this Declaration and any Supplemental Declaration.

**2. Restrictions.** The following activities are prohibited at Northbrooke unless expressly authorized by, and then subject to such conditions as may be imposed by, the Board:

**2.1 Parking.** Parking any vehicles on private streets or thoroughfares, or parking of commercial vehicles or equipment, mobile homes, recreational vehicles, golf carts, boats and other watercraft, trailers, stored vehicles, or inoperable vehicles in places other than enclosed garages; provided, construction, service and delivery vehicles shall be exempt from this provision for such period of time as is reasonably necessary to provide service or to make a delivery to a Lot or the Common Area;

**2.2 Pets.** Raising, breeding, or keeping animals, livestock, or poultry of any kind, except that a reasonable number of dogs, cats, or other usual and common household pets may be permitted in a Lot. However, those pets which are permitted to roam free, or, in the sole discretion of the Board, make objectionable noise, endanger the health or safety of, or constitute a nuisance or inconvenience to the occupants of other Lots shall be removed upon the Board's request. If the pet owner fails to honor such request, the Board may remove the pet. Dogs shall be kept on a leash or otherwise confined in a manner acceptable to the Board whenever outside the dwelling. Pets shall be registered, licensed and inoculated as required by law;

**2.3 Noxious, Offensive Activity.** Any activity which emits foul or obnoxious odors outside the Lot or creates noise or other conditions which tend to disturb the peace or threaten the safety of the occupants of other Lots;

**2.4 Violations of Law.** Any activity that violates local, state, or federal laws or regulations; however, the Board shall have no obligation to take enforcement action in the event of a violation;

**2.5 Healthy Environment.** Pursuit of hobbies or other activities that tend to cause an unclean, unhealthy, or untidy condition to exist outside of enclosed structures on the Lot;

**2.6 Common Area Uses.** Any noxious or offensive activity which in the reasonable

determination of the Board tends to cause embarrassment, discomfort, annoyance, or nuisance to persons using the Common Area or to the occupants of other Lots;

**2.7 Burning.** Outside burning of trash, leaves, debris, or other materials;

**2.8 Audible Discharge.** Use or discharge of any radio, loudspeaker, horn, whistle, bell, or other sound device so as to be audible to occupants of other Lots, except alarm devices used exclusively for security purposes;

**2.9 Firecrackers, Firearms and Explosives.** Use and discharge of firecrackers and other fireworks, firearms, and other explosives, provided, the Board shall have no obligation to take action to prevent or stop such discharge;

**2.10 Dumping.** Dumping grass clippings, leaves or other debris, petroleum products, fertilizers, or other potentially hazardous or toxic substances on any Lot or Common Area and in any drainage ditch, stream, pond, or lake, or elsewhere within Northbrooke, except that fertilizers may be applied to landscaping on Lots provided care is taken to minimize runoff, and Declarant may dump and bury rocks and similar materials;

**2.11 Accumulation of Debris.** Accumulation of rubbish, trash, or garbage except between regular garbage pick ups, and then only in approved containers;

**2.12 Obstructions.** Obstruction or rechanneling drainage flows after location and installation of drainage swales, storm sewers, or storm drains, except that Declarant and the Association shall have such right; provided, the exercise of such right shall not materially diminish the value of or unreasonably interfere with the use of any Lot without the Owner's consent;

**2.13 Subdivision of Lots.** Subdivision of a Lot into two or more Lots, or changing the boundary lines of any Lot after a subdivision plat including such Lot has been approved and Recorded, except that Declarant shall be permitted to subdivide or replat Lots which it owns;

**2.14 Use of Water Areas.** Swimming, boating, use of personal flotation devices, or other active use of lakes, ponds, streams, or other bodies of water within Northbrooke, except that catch and release fishing from the shore shall be permitted with appropriate licenses and Declarant, its successors and assigns, shall be permitted and shall have the exclusive right and easement to retrieve materials and objects from bodies of water within the Common Areas and to draw water from lakes, ponds, and streams within Northbrooke for purposes of irrigation and such other purposes as Declarant shall deem desirable. The Association shall not be responsible for any loss, damage, or injury to any person or property arising out of the authorized or unauthorized use of rivers, lakes, ponds, streams or other bodies of water within or adjacent to Northbrooke;

**2.15 Investment Uses.** Use of any Lot for operation of a timesharing, fraction-sharing, or similar program whereby the right to exclusive use of the Lot rotates among participants in the program on a fixed or floating time schedule over a period of years, except that Declarant and its

assigns may operate such a program with respect to Lots which it owns;

**2.16 Combustible Materials.** On-site storage of gasoline, heating, or other fuels, except that a reasonable amount of fuel may be stored on each Lot for emergency purposes and operation of lawn mowers and similar tools or equipment, and the Association shall be permitted to store fuel for operation of maintenance vehicles, generators, and similar equipment. This provision shall not apply to any underground fuel tank authorized pursuant to Section 4;

**2.17 Business Uses.** Any business, trade, or similar activity, except that an Owner or occupant residing in a Lot may conduct business activities within the Lot so long as: (i) the existence or operation of the business activity is not apparent or detectable by sight, sound, or smell from outside the Lot; (ii) the business activity conforms to all zoning requirements for Northbrooke; (iii) the business activity does not involve door-to-door solicitation of residents of Northbrooke or constitutes a day care facility; (iv) the business activity does not, in the Board's reasonable judgment, generate a level of vehicular or pedestrian traffic or a number of vehicles being parked in Northbrooke which is noticeably greater than that which is typical of Lots in which no business activity is being conducted; and (v) the business activity is consistent with the residential character of Northbrooke and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of other residents of Northbrooke, as may be determined in the Board's sole discretion.

The terms "business" and "trade," as used in this provision, shall be construed to have their ordinary, generally accepted meanings and shall include, without limitation, any occupation, work, or activity undertaken on an ongoing basis which involves the provision of goods or services to persons other than the provider's family and for which the provider receives a fee, compensation, or other form of consideration, regardless of whether: (i) such activity is engaged in full or part-time; (ii) such activity is intended to or does generate a profit; or (iii) a license is required.

Leasing of a Lot shall not be considered a business or trade within the meaning of this subsection. This subsection shall not apply to any activity conducted by Declarant or a Builder approved by Declarant with respect to its development and sale of Northbrooke or its use of any Lots which it owns within Northbrooke, including the operation of a timeshare or similar program;

**2.18 Wildlife.** Capturing, trapping, or killing of wildlife within Northbrooke, except in circumstances posing an imminent threat to the safety of persons using Northbrooke;

**2.19 Preservation of Natural Resources.** Any activities which materially disturb or destroy the vegetation, wildlife, wetlands, or air quality within Northbrooke or which use excessive amounts of water or which result in unreasonable levels of sound or light pollution;

**2.20 Vehicle Storage Conversions.** Conversion of any vehicle storage structure to finished space for use as an apartment or other integral part of the living area on any Lot;

**2.21 Operation of Motorized Vehicles.** Operation of motorized vehicles, including but

not limited to motorcycles, scooters, mopeds, go-carts, and golf carts, on sidewalks, pathways or trails, except that motorized carts may be operated by those requiring the same for medical purposes; and

**2.22 Construction Activities.** Any construction, erection, placement, or modification of any thing, permanently or temporarily, on the outside portions of the Lot, whether such portion is improved or unimproved, except in strict compliance with the provisions of Section 4 of the Declaration. This shall include, without limitation, signs, basketball hoops, swing sets and similar sports and play equipment; clotheslines; garbage cans; woodpiles; above-ground swimming pools; docks, piers and similar structures; and hedges, walls, dog runs, animal pens, or fences of any kind; satellite dishes and antennas, except that:

2.22.1 an antenna designed to receive direct broadcast satellite services, including direct-to-home satellite services, that is one meter or less in diameter;

2.22.2 an antenna designed to receive video programming services via multipoint distribution services, including multichannel multipoint distribution services, instructional television fixed services, and local multipoint distribution services, that is one meter or less in diameter or diagonal measurement; or

2.22.3 an antenna that is designed to receive television broadcast signals;

(collectively, "Permitted Antennas") shall be permitted on Lots, subject to such reasonable requirements as to location and screening as may be set forth in the Design Review Guidelines, consistent with applicable law, in order to minimize obtrusiveness as viewed from streets and adjacent property. Declarant and/or the Association shall have the right, without obligation, to erect an aerial, satellite dish, or other apparatus for a master antenna, cable, or other communication system for the benefit of all or a portion of Northbrooke, should any master system or systems be utilized by the Association and require such exterior apparatus.

**3. Prohibited Conditions.** The following shall be prohibited at Northbrooke:

3.1 Plants, animals, devices, or other things of any sort whose activities or existence in any way is noxious, dangerous, unsightly, unpleasant, or of a nature as may diminish or destroy the enjoyment of Northbrooke;

3.2 Structures, equipment, or other items on the exterior portions of a Lot which have become rusty, dilapidated, or otherwise fallen into disrepair; and

3.3 Sprinkler or irrigation systems or wells of any type which draw upon water from lakes, creeks, streams, rivers, ponds, wetlands, canals, or other ground or surface waters within Northbrooke, except that Declarant and the Association shall have the right to draw water from such sources.

3.4 Outbuildings, Temporary Structures. No temporary sheds, outbuildings, or temporary accessory buildings are allowed. Any sheds, outbuildings, or accessory buildings of a permanent

nature must obtain DRB approval prior to installation pursuant to Section 4 of the Declaration.

**4. Leasing of Lots.** "Leasing, leased, and lease" for purposes of this Paragraph, is defined as regular, exclusive occupancy of a Lot by any person, other than the Owner for which the Owner receives any consideration or benefit, including, but not limited to, a fee, service, gratuity, or emolument. "Owner Occupied Lots" are defined for purposes of this Paragraph as Lots occupied solely by the Owner, the members of the family of the Owner or other guests and invitees of the Owner who occupy without the payment of rent, as the occupant's principal residence or second home. This Paragraph expressly limits and controls Section 3.4(5) of the Declaration.

**4.1 Leasing Restricted.** Within the Properties, Lots may be leased, provided the total percentage of leased Lots within the Properties shall not exceed twenty percent (20%) of the total number of Lots within the Properties. Upon the occurrence of a decrease below 10% of Owner Occupied Lots within the Properties, Lots will be permitted to be leased on a first bona fide request, first permitted basis, until the number of Lots which are leased reaches 20%, at which time no further Lots shall be leased until the number of leased Lots drops below 20%.

Except for the Declarant, if a single entity (the same individual, investor group, partnership, or corporation) owns more than 10% of the total Lots, no Lot in excess of 10% of the total Lots within the Properties which it (a) owns and occupies as their residence and (b) leases, may be leased.

In order to administer the above regulation, all Persons who intend to purchase a Lot within the Properties shall file a certification either (a) that the Lot will not be occupied as the purchaser's principle residence or second home, or (b) covenanting and agreeing with the Association that the purchaser will occupy the Lot as an Owner Occupied Lot until the leasing restriction under this Rule is lifted.

The Association will keep a record of the Owner Occupied Lots and leased Lots. Each lease shall be for a term of no less than 12 months and each lessee shall expressly agree to the terms of the Governing Documents.

#### **4.2 Professional Management of Leased Lots.**

**4.2.1 Definitions.** For purposes of this section:

a) "Professional Manager" shall mean a person or entity that Professionally Manages residential real estate within the United States and has the following qualifications:

- (1) If an individual, is a licensed real estate broker within the State of Oklahoma, and has been so licensed for a period of no less than three (3) years from the date such person seeks to manage a Leased Lot within the Addition;
- (2) If an entity, the controlling interest in such entity is owned by at least one person who is a licensed real estate broker within the State of Oklahoma, and has been so licensed for a period of no less than three (3) years from the date such entity seeks to manage a Leased Lot within the Addition;

- (3) Currently and continually Professionally Manages no less than five residential real estate properties within the State of Oklahoma;
- (4) Has Professionally Managed residential real estate no less than three (3) years prior to the date the Professional Manager seeks to manage a Leased Lot.
- b) **“Professionally Manage”** shall mean the administration, oversight, management or control of residential real estate by a Professional Manager.
- c) **“Leased Lot”** shall mean any Lot within the Addition not occupied by the Lot Owner and for which any remuneration is paid to the Owner for the use or occupancy of such Lot.

**4.2.2 Leased Lot Restrictions and Requirements.**

**4.2.2.1 Professional Management.** Each Leased Lot shall be Professionally Managed.

**4.2.2.2 Registration.** Prior to the date any Lot shall become a Leased Lot, each Professional Manager shall register the following with the Association:

- a. Name, business address, telephone and facsimile numbers, and email address for the individual Professional Manager;
- b. Professional Manager entity name, state of organizations, and date formed, business address, telephone and facsimile numbers, and email address for the entity Professional Manager;
- c. Date began property management of residential real estate;
- d. Maximum/minimum number of leased residential properties managed within the past 12 months;
- e. Five representative property address references and contacts;
- f. Photocopies of all residential real estate licenses held by the owners, employees, and agents of Manager, including: license issuing agency, date license was obtained, and a certification by the license holder that such license is current and in effect as of the date such license holder seeks to become qualified as a Professional Manager;
- g. Demonstrate compliance with all licensing, ordinances, and code for any structure located on the Leased Lot;
- h. Demonstrate adequate insurance coverage, including but not limited to 1) liability and casualty on each structure located on the Leased Lot, and 2) worker’s compensation on the Professional Manager.

**4.2.2.3 Familiarity with Governing Documents.** Each Professional Manager, their staff, employees, and agents shall demonstrate a familiarity with the Governing Documents to the Addition and shall agree to review the same with each tenant, lessee, or occupant.

**4.2.3 Community-Wide Standard.** Each Professional Manager and Leased Lot Owner shall acknowledge the existence of the Community Wide Standard within the Addition and shall expressly agree that the Leased Lot shall be maintained within such standard, each personally agreeing to bear any expense incurred by the Declarant and Association in bringing the Leased Lot into compliance with the Governing Documents and Community Wide Standard.

**4.2.4 No Joint Venture or Partnership.** The Owner of any Leased Lot and Professional Manager shall not be considered any partner, employee, agent or joint venturer with the Declarant or Association and no term within this Amendment shall create any

implication or presumption of such relationship. No Owner of a Leased Lot or Professional Manager shall hold themselves or any other out to be any partner, employee, agent or joint venturer with the Declarant or Association.

**4.2.5 Leased Lot Sign Restrictions.** Each Professional Manager shall comply with any applicable sign restriction contained within the Design Review Guidelines to the Addition.

**5. Sex Offender Restriction.** No person required to register with a designated registering agency pursuant to Oklahoma Statutes, Title 57, Section 581 et. seq., (the "Registrant"), may occupy a Lot. As used in this section "occupy" or any grammatical derivative thereof means to reside in or on as an owner, tenant, or otherwise in or possessing any portion of a Lot for more than 10 days out of any 30 consecutive-day period.

**5.1. Registrant-Occupant Eviction by Lot Owner.** If, subsequent to the recording of this Amendment in the records of the Oklahoma County Clerk, a Registrant occupies a Lot, the Lot Owner must immediately cause the Registrant to vacate the Lot and, if the Registrant does not vacate the Lot within 30 days of the date the Lot Owner was notified by the Association of the presence of a Registrant, then the Lot Owner shall immediately commence eviction proceedings. If the Lot Owner fails to commence the eviction proceeding within 30 days following the date the Lot Owner is required to do so and diligently pursue the eviction to conclusion, then the Association may act as attorney-in-fact for the Lot Owner and pursue the eviction against the Registrant at the Lot Owner's cost and expense. Such costs and expenses shall be a lien against the Lot, which may be secured and foreclosed in like manner as regular Association assessments. If any action seeking eviction of a Registrant does not result in a judgment of possession in favor of the Lot Owner, the Association may, but will not be obligated to, prosecute an appeal seeking the eviction of the Registrant. In the event the Association obtains a final judgment resulting in the eviction of the tenant the Lot Owner will be responsible for all reasonable fees and costs of the Association in prosecuting the case, including any appeal expenses.

**5.1.1** Each Lot Owner hereby appoints the Association as the Lot Owner's attorney-in-fact for the purpose of commencing eviction proceedings, executing any and all documents pertaining to the proceedings or performing any or all responsibilities as may be required or necessary to be performed pursuant to Section 5. This power of attorney is expressly declared and acknowledged to run with the title of any and all Lots and will be binding upon the heirs, personal representatives, successors and assigns of the Lot Owner.

**5.2. Registrant Lot Owner to Vacate.** Any Registrant Lot Owner who, by virtue of residing in a Lot, has been notified by the Association that he is in violation of Section 5, must vacate the Lot within 90 days of receipt of the Association's notice. If the Lot Owner fails to vacate the Lot within 90 days, the Association may, in addition to all other remedies available to the Association, purchase the Lot at a purchase price equal to the average of two independent appraisals to be obtained by the Association, less the Association's anticipated costs of selling the Lot, including, without limitation: 1) brokerage fees of not more than seven percent (7%) of

the appraisal value, 2) the actual cost of the appraisals, 3) any actual transfer taxes (based on the appraisal value), 4) actual attorneys fees, 5) actual filing fees, 6) any other actual costs incurred by the Association in relation to the Lot purchase, and 7) incidental administrative fees and charges not in excess of two percent (2%) of the appraisal value. This Section shall act as a purchase agreement between the Registrant Lot Owner and Association.

**5.3. No Liability; Owner's Ability to Enforce.** The Association shall not be liable to any Lot Owner or anyone occupying or visiting the Addition as the result of the Association's failure to evict or remove a Registrant. Each affected Owner of a Lot may enforce this Amendment in the event the Association is unable to seek removal of a Registrant.

**5.4 Severability, Modification.** Each sentence, paragraph, and section within this Amendment are severable, and if any one or more should be found unreasonable and unmodifiable, such finding shall not affect the enforceability of this Amendment as a whole. Should a court find any provision within the Amendment, either in and of itself or in its application, unreasonable, it is the intent of the drafter that such court shall modify such provision so as to be reasonable and enforceable.