
FIRST RESTATED AND AMENDED DECLARATION
OF UNIT OWNERSHIP ESTATE OF
SHANGRI-LA ESTATES

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STATE OF OKLAHOMA
DELAWARE COUNTY

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FIRST RESTATED AND AMENDED DECLARATION OF UNIT OWNERSHIP ESTATE OF SHANGRI-LA ESTATES

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JIM SWANBY
BY J K #4976
DEPUTY

THIS FIRST RESTATED AND AMENDED DECLARATION is made this 19th day of November, 1993, by all of the owners of all of the units and all of the undivided percentage interests in the common areas of Shangri-La Estates.

RECITALS

WHEREAS, Charles I. Davis and Isla B. Davis, submitted the real property described on the Exhibit "A", attached hereto and incorporated herein by reference to the provisions of the Unit Ownership Estate Act of the State of Oklahoma by their Declaration of Unit Ownership Estate for Shangri-La Estates, which Declaration was filed of record with the office of the County Clerk of Delaware County, State of Oklahoma at Book 263 at Pages 113-128, which Declaration was subsequently amended by that certain Amendment to Declaration filed for record in the office of the County Clerk of Delaware County, State of Oklahoma, on February 5, 1975 in Book 332 at Page 646, by that certain Amendment to Declaration dated January 30, 1979, filed for record in the office of the County Clerk of Delaware County, State of Oklahoma in Book 385 at Pages 888-894 and by that certain Amendment to the Declaration dated March 18, 1982, filed for record in the office of the County Clerk of Delaware County, State of Oklahoma in Book 428 at Page 519; and

WHEREAS, because of the numerous amendments, new construction activities and the sale of Shangri-La Lodge by Charles I. Davis and Isla B. Davis, it is desirable and necessary to amend and restate the Declaration of Shangri-La Estates in its entirety; and

WHEREAS, all of the owners of the undivided percentage interests in the Common Elements and units in Shangri-La Estates voted to and agreed to amend the Declaration and restate it in its entirety in order to accomplish the purposes set forth herein;

NOW, THEREFORE, except as specifically provided hereinafter, the prior Declaration and all Amendments thereto are hereby repealed, amended and replaced by this First Restated Declaration, and in the event of a conflict in any of the provisions or terms of the original Declaration and amendments thereto and the Restated Declaration, the terms, conditions, covenants, easements and other provisions of this Restated Declaration shall supersede the prior Declaration in all respects and shall govern and control the administration and use of the property comprising all the common elements and unit ownership estates described therein.



SUBMISSION OF PROPERTY TO UNIT OWNERSHIP ESTATE ACT

1.1 Property Submitted to Act: The real property more particularly described on the Exhibit "A" attached hereto, incorporated herein by reference (the "Land"), together with the Buildings and all other improvements and structures located thereon or hereafter erected thereon (the "Improvements") and all easements, rights and appurtenances belonging thereto, are hereby submitted to the provisions of the Unit Ownership Estate Act of the State of Oklahoma, 60 O.S.A. 501-530, inclusive (the "Act")

1.2 Declaration of Covenants, Conditions and Restrictions: The land and improvements shall be held, conveyed, encumbered, leased, rented, used, occupied and improved, subject to the limitations, covenants, conditions, restriction, reservations, liens and charges, all of which are hereby declared and established upon the Land and Improvements for the benefit thereof and for the benefit of each every individual Unit hereinafter described and of each owner of one or more Units, now or in the future. All of said limitations, liens, covenants, conditions, reservations, charges and restrictions shall run with the Land and shall be binding upon all parties having or acquiring any right, title, or interests in the Land and Improvements or any part thereof, whether as sole owner, joint owner, lessee tenant, occupant, successor, trustee, assigns or otherwise.

ARTICLE II

DEFINITIONS

The language, terms and expressions used in this Declaration shall be defined with the definitions contained in the aforesaid Act unless it is plainly evident from the context hereof that a different definition or meaning was intended. Such language, terms and expression are defined as follows:

2.1 "Act" shall mean the Oklahoma Unit Ownership Estate Act, 60 O.S.A., 501, et seq., to be amended from time to time.

2.2 "Association" shall mean and refer to Shangri-La Estates Unit Owners Association, Inc., an Oklahoma non-profit corporation, its successors and assigns, in which all Owners shall have a membership interest as more particularly described in Article VIII hereof. The term "Association" shall be deemed synonymous with the term "Council of Unit Owners" as defined in Section 503 (m) of the Act.

2.3 "Board of Governors" or "Board" shall mean the Board of Governors of the Association.

2.4 "Building" shall mean one or more of the buildings or structures located on the Property, more particularly shown on the plans as filed in previous amendments to the Declaration of Shangri-La Estates in the office of the County Clerk of Delaware County, State of Oklahoma. Those plans are incorporated herein by reference and hereinafter referred to as Exhibit "B".

2.5 "Bylaws" shall mean the duly adopted bylaws of the Association, a copy of which is attached hereto as Exhibit "C" and made a part hereof as the same may be amended, changed and modified from time to time.

2.6 "Certificate" shall mean the duly adopted Certificate of Incorporation of the Association, as the same may be amended from time to time.

2.7 "Common Elements" means all portions of the Property, other than the Units and includes the General Common Elements and the Limited Common Elements, as hereinafter defined.

2.8 "Common Expenses" means the following:

(a) Expenses of administration, maintenance, repair or replacement of Common Elements to the extent such expenses are to be born by the Association under the terms of Article VIII hereof.

(b) Expenses agreed upon as common by all Unit Owners acting through the Association and pursuant to the Bylaws; and

(c) Expenses declared common by the provisions of the Act, the Declaration and the Bylaws in force as of the date hereof and as they may later be amended.

2.9 "Declaration" means this instrument, which the Property is submitted to the provisions of the Act to be filed with the office of the County Clerk of Delaware County, State of Oklahoma, together with such Amendments to this instrument as may hereafter from time to time be lawfully made.

2.10 "General Common Elements" means all portions of the Property other than Units and Limited Common Elements, including without limitation, the following specific elements.

(a) The Land whether leased or in fee simple, on which the Buildings stand and other such land and improvements thereon as specifically may be included herein, except any portion thereof included in a Unit;

(b) The yards, gardens, sidewalks, water fountains, waterfalls, outside lighting, fences, access to parking, roadways, all parking areas, storage areas and facilities not located within a Building or Unit, except any portion thereof included in the Limited Common Elements described hereinafter;

(c) Installations of central services, including power, light, gas, water and coaxial cable, excluding any portion thereof included in a Unit;

(d) The tanks, pumps, motors, fans, compressors, ducts, underground pipes, and in general all apparatus and installations existing for common use;

(e) Any gazebos, maintenance building, security buildings and community facilities as may be provided herein and related amenities; and

(f) All other elements of the Property necessary or convenient to its existence, maintenance, and safety, or normally in common use.

2.11 "Limited Common Elements" means and includes those elements of the Common Elements which are agreed upon by all Unit Owners to be reserved for exclusive use by one or more (but fewer than all) Owners to the exclusion of the Owners of other Units. The Limited Common Elements are graphically represented on Exhibit "B" and, consist in part of the following:

(a) Single driveways appurtenant to a Unit shall be a Limited Common Element for the exclusive use of the owners of that Unit to which it is appurtenant.

(b) A driveway serving two Units and the common party walls between the two Units so joined and any common roof shall be Limited Common Elements exclusive to such two Units with each Unit Owner holding an undivided fifty percent (50%) interest in such Limited Common Elements.

(c) Parking areas which are hereby reserved for the exclusive use of the owners of those Units located within a three-hundred (300) foot radius of each of said parking areas.

(d) The structural and commonly used components of each Building and the utilities, sewers, power, water and other common lines running through the walls, ceilings, attic or floor of each Unit for the service of another Unit in the same building.

(e) Those certain improvements constructed by individual Unit Owners, such as swimming pools, patios, decks and boat docks as shown on the plans attached hereto as Exhibit "B" are Limited Common Elements appurtenant to the Unit for which it was constructed by the Owners thereof with the consent of the Board of Governors of Shangri-La Estates, subject to the provisions contained hereinafter in Article VI hereof, which are reserved for the exclusive use by the Owners of the Unit to which they are appurtenant as designated on the attached Exhibit "B". In addition, any new improvements by a Unit Owner provided such improvements were approved by the Board of Governors as provided in Article VI hereof, are also hereby designated as Limited Common Elements appurtenant to the Unit for which they were constructed as provided in Article VI hereof.

(f) Shrubbery, plants and landscaping installed by a Unit Owner appurtenant to a Unit, which are not part of the original planting and shrubbery located at the foundations of the Units, or located within the general common elements are hereby designated as Limited Common Elements appurtenant to the Unit for which they were installed and are the sole responsibility of the Unit to which they are appurtenant.

2.12 "Majority of Unit Owners" means the owners of more than fifty percent (50%) of the aggregate interest in the Common Elements as established by this Declaration.

2.13 "Person" means an individual, corporation, partnership, association, trust or other legal entity, or any combination thereof.

2.14 "Plans" means and includes the architectural, engineering, surveying and all exhibits of the Land located therein all of the Improvements, and any other drawings or diagrams depicting a part of or all of the Improvements, Land and Units.

2.15 "Property" means and includes the Land, the Buildings, all Improvements and structures thereon, the Common Elements and all easements, rights, and appurtenances belonging thereto, together with all personal property intended for use in connection therewith which has been or may be submitted to the provisions of the Act.

2.16 "Unit Estate" or "Unit" shall mean that part of the property or elements of the Property intended for independent use as a residence and which are not owned in common with the Owners of other Units in the Property, such Units being more particularly described in Article III hereof and the Plan referred to herein.

2.17 "Unit Owner" or "Owner" as used in this Declaration means the person or persons who is or are the record owner owning the fee simple title to any Unit, including contract purchasers.

ARTICLE III

DESCRIPTION OF BUILDINGS

3.1 "Buildings." The Buildings containing the Units are depicted on Exhibit B and the Plans and are constructed principally of stone, wood, masonry and concrete.

3.2 "Units." The Unit designations and a particular description of each Unit, containing the number of rooms, stories and location are contained on Exhibit B attached hereto.

ARTICLE IV

DESCRIPTION OF GENERAL COMMON ELEMENTS AND PROPORTIONATE INTEREST THEREIN

4.1 "Description of General Common Elements." The General Common Elements are described in Section 2.10 hereof.

4.2 "Percentage of Interest in General Common Elements." The General and Limited Common Elements described herein shall be held and owned tenants in common by the Unit Owners in the proportion set opposite their respective Unit number on Exhibit "D" attached hereto.

ARTICLE V

DESCRIPTION OF LIMITED COMMON ELEMENTS

5.1 "Description." A portion of the Common Elements is hereby set aside and reserved for the exclusive use of the individual Unit Owners, the same being designated and known as Limited Common Elements and are described in Section 2.11 hereof. In addition, the Limited Common Elements include those improvements that may be constructed with the permission of the Board of Governors as set forth in Article VI hereof.

5.2 "Exclusive Use and Ownership." Each Limited Common Element shall be used in connection with the particular Unit for which such Limited Common Element has been set aside and reserved to the exclusion of the use thereof of the other Owners of Units in the Property. Subject to the right of exclusive use by individual Unit Owners as herein set forth, said Limited Common Elements shall be owned in the same manner and in the same proportion as set forth

above for ownership of the General Common Elements. The right of exclusive use of the Limited Common Elements, however, shall be subject to such restrictions or regulations governing their use as may be provided for in the Declaration or the Bylaws.

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ARTICLE VI

IMPROVEMENTS TO UNITS AND LIMITED COMMON ELEMENTS

6.1 "Construction of Improvements." No Unit owner shall construct any additions to a Unit, boat docks, swimming platforms, swimming pools, steps, stairs, patios or other additions to a Unit or the Common Elements without having first obtained the written approval of the Board of Governors, which approval may be withheld in the sole discretion of the Board of Governors. The construction of any Improvements on the Common Elements shall only be done in accordance with the Plans, specifications and the conditions imposed by the Board of Governors and no Unit Owner shall construct any such Improvements in violation thereof. The Board of Governors shall have the unlimited authority to remove any unapproved Improvements constructed by any Unit Owner on the Common Elements at the sole cost and expense of the Unit Owner who constructed such Improvements, which costs of removal shall be a lien upon the Unit Owner who constructed such Improvements, which lien may then be foreclosed as provided hereinafter.

6.2 "Submittal of Plans." Any Unit Owner desiring to make any additions to the exterior of his Unit or construct boat docks, landscaping, patios, sidewalks or any Improvements of any nature whatsoever upon the Common Elements, shall first submit a request for approval of such Improvements, together with all plans therefore in sufficient detail as required by the Board of Governors, for its approval. The Board of Governors, in its sole discretion, may approve, disapprove, modify or condition its approval of any Improvements at any regular meeting of the Board of Governors or any special meeting of the Board of Governors called for the purpose thereof. Such written request and plans shall be submitted to the Board of Governors no less than fifteen (15) days prior to the meeting at which it is to be considered. Failure of the Board of Governors to act on any such proposal shall be deemed a denial of the Board of Governors of the request for the construction of such Improvements. The approval of the Board of Governors shall be conditioned upon the Owner providing satisfactory insurance, bonds or other financial assurances indemnifying and holding the Board of Governors and Council of Unit owners harmless from any and all causes of action, damages or claims which may result or arise from the construction and maintenance of the Improvements by the Owner. Such construction activity shall further only be undertaken at such times and upon such conditions as permitted or required by the Board of Governors. The Owner of the Unit making such construction which have been

approved by the Board of Governors shall be granted a license to maintain such Improvements, in written recordable form, upon such terms and conditions deemed advisable by the Board of Governors, which license can be terminated upon violation of any of the conditions thereof by the Board of Governors, at which time the Unit Owner shall be responsible for the complete removal of the Improvements from the Common Elements and the restoration of the Common Elements therefore. Improvements constructed by the Unit Owner with the approval of the Board of Governors shall be deemed a Limited Common Element for the exclusive use of the Owner constructing said Improvements, unless otherwise provided by the Board of Governors in its approval, and the full costs of maintenance, taxes, insurance and any other expense or cost of whatsoever nature attributable to the Improvement, shall be borne solely by the Unit Owner or Owners constructing said Improvements. All costs of utilities, water or any other expenses associated with the construction or maintenance of such Improvements shall be borne solely by the Owner constructing such Improvements.

ARTICLE VII

RESTRICTIVE COVENANTS

7.1 "Restrictions on Use of the Property." Without limiting or impairing in any manner any restrictions or covenants elsewhere in this Declaration or in the Bylaws or contained in the Act itself, the use of the Property shall be restricted as follows:

(a) Each Unit shall be occupied and used only as and for a residential dwelling and at no time shall such Unit or any portion thereof be used for business, professional or commercial purposes; provided, however, that the Owner of a Unit may use such Unit for conducting retreats or meetings of its Owner's employees or guests.

(b) No Unit may be divided or subdivided into a smaller Unit or Units; provided, however, that nothing contained herein shall prohibit the combining of two or more Units into a single Unit providing that the written consent and approval of the plans therefore is first obtained from the Board of Governors.

(c) No Unit Owner shall do or cause to be done any work upon or about his Unit that will impair or jeopardize the structural soundness or safety of the Property or that will impair any easement or hereditament.

(d) No noxious or offensive activity or trade shall be carried on in any Unit or upon or about the Common Elements or in the vicinity thereof, nor shall anything be done thereon or thereabouts by any Unit Owner, social

or business guests, invitees, tenants, employees, children, agents, servants or any person residing in a Unit which may be or become any annoyance or nuisance to any other Unit Owner.

(e) No Common Elements shall be utilized for any purposes other than the basic, primary and customary purpose for which the same is installed, designed or constructed. Any questions as to the purpose and use of to be made of any Common Element shall be decided by the Board of Governors.

(f) No portion of a Unit (other than the entire Unit) may be rented or leased. No Unit Owner shall lease his Unit for hotel or transient purposes; provided, however, that Unit Owners may offer their Units for rent to guests of the Shangri-La Lodge as part of a rental program. Any rental or lease agreement shall provide that the terms of the lease shall be subject in all respects to the provisions of the Declaration and the Bylaws and any failure by the lessee to comply with the terms of such document shall be a default under the lease, which default may be enforced by the Board of Governors, who may have the right to terminate the tenancy under the lease for failure to comply with the provisions of this Declaration, the Bylaws and any rules and regulations adopted pursuant thereto. All leases shall be in writing.

(g) Each Unit Owner covenants and agrees to keep his Unit in an orderly and sanitary condition and not to use or permit the use of his Unit or any portion thereof for any purpose or in any manner which will increase the insurance rate or risks thereon, or upon the other Units or upon the Common Elements. No Unit owner will commit or suffer any person under his control or person on the property at his invitation to commit any waste or damage to the Common Elements or other Units.

(h) Each Unit Owner agrees to save the Board of Governors, the Association, its officers and all other Unit Owner harmless from and to promptly discharge any fines, impositions or any other charges levied or made by any governmental authority by reason of such Unit Owners violation of any law, ordinance or regulation of any government authority.

(i) No Owner shall install or cause to be installed any television or radio antennae, satellite receivers or other similar electronic device on any device on any portion of the exterior of any Building in the Property or on the Common Elements.

(j) The Association shall have the right of entry, upon reasonable notice, into any Unit to effect emergency or other necessary repairs which the Unit Owner has failed to perform or which are necessary in connection with repairs to the Common Elements or any adjoining Unit. The costs of such repairs shall become a charge for which such Unit Owner and Unit shall be responsible.

(k) No Unit Owner or occupants of any Unit shall post any advertisements, signs, notices, bulletins or posters of any kind, in, on or about the Property, except for a single real estate "For Sale" sign, not exceeding three (3) square feet in area, which may be displayed only in the inside window of a Unit, unless and only to the extent authorized by the Board of Governors. No Owner shall install or cause to be installed or maintain any dock, pier, steps or platforms on or adjacent to the Property along the shoreline of Grand Lake, except as permitted by the Board of Governors as permitted in this Declaration.

7.2 "Rules and Regulations." The foregoing restrictions shall not operate to limit or prohibit the adoption by the Board of Governors of Rules and Regulations restricting or regulating the use, occupancy and maintenance of the Units and Common Elements.

ARTICLE VIII

ADMINISTRATION OF PROPERTY

8.1 "Bylaws." The administration of all of the Property herein submitted to the Act shall be governed by the Bylaws of The Shangri-La Estates Unit Owners Association, Inc., a true and copy of which Bylaws are annexed hereto as Exhibit "C" and made a part hereof. Said Bylaws shall constitute the Bylaws of the "Council of Unit Owners" as defined in Section 504 (m) of the Act.

8.2 "Membership in Association." All Unit Owners of Units in Shangri-La Estates shall constitute the Council of Unit Owners, an incorporated association. Any person upon becoming the Owner of a Unit Ownership Estate in Shangri-La Estates shall automatically become a Member of the Association and shall remain a Member for the period of his Unit Ownership and be subject to the attached Bylaws. Membership in this Association may not be assigned, transferred, sold, pledged, mortgaged or otherwise conveyed or encumbered nor shall ownership thereof devolve in any manner to any other person independently or separately from the Unit Ownership Estate to which such Membership appertains.

8.3 "Termination of Membership." Membership in this Association shall terminate without any formal action whenever an

Owner ceases for any reason to own an interest in a Unit Ownership Estate. However, such termination shall not relieve or release any such former owner from any liability or obligation incurred during his period of Ownership of any interest in a Unit Ownership Estate. The Association shall issue no shares and have no capital stock. However, the governing body of the Association may, if it so elects, issue membership cards to each Owner of an interest in a Unit Ownership Estate designated herein. Any membership card so issued shall be surrendered to the Secretary of the Association and/or canceled by him whenever such Member's ownership of an interest in the Unit Ownership Estate designated thereon shall terminate. Membership in this Council of Unit Owners may not be revoked, terminated, canceled or suspended for any cause except as provided in the Act, this Declaration or as may be provided in the attached Bylaws.

8.4 "Dues, Fees, etc." There shall be no membership dues or initiation fees as such charged to or collected from any Member by the Association. However, this provision shall not be construed or interpreted as limiting, modifying or in any manner affecting assessments for common expenses as provided in the attached Bylaws, this Declaration or the Act.

8.5 "Administrative Control of Property." The Property herein submitted to the Act shall be administered, managed and under the control of the Board of Governors. Said Board of Governors shall also be the governing body of the Council of Unit Owners. The number, selection, qualification and tenure of said Board of Governors shall be as set forth in Article III in the attached Bylaws.

8.6 "Liability for Common Expenses." Each Unit Owner, by the acceptance of title to any Condominium Unit, covenants and agrees to pay his proportionate share of the Common Expenses assessed by the Board of Governors for the upkeep, maintenance, repair and administration of the Property as set forth under Article XI of the Bylaws which are incorporated by reference as if set out fully herein, which assessment shall be a lien on the Unit as set forth in said Article XI.

ARTICLE IX

EASEMENTS

9.1 "Unit Ownership Estate Easements." Each Unit Ownership Estate shall include and shall be subject to the following easements:

- (a) Each Unit Ownership shall have an easement in common with the Owners of all other Units to use all pipes, ducts, cables, wires, conduits, public utility lines or

other Common Elements. Each Unit shall be subject to an easement in favor of the owners of all other Units to use the pipes, ducts, cables, wires, conduits, public utility lines and other Common Elements serving such other Units and located in such Unit. The Board of Governors shall have a right of access to each Unit to inspect the same, to remove violations therefrom and to maintain, repair or replace the Common Elements contained therein or elsewhere in the Building in which such Unit is situated.

(b) If any portion of the Common Elements encroaches upon any Unit or Units, or if any Unit or Units encroach upon any other Unit or Units or upon any portion of the Common Elements as a result of the construction of the Building in which such Unit or Units are situated, or if any such encroachment shall occur as the result of shifting or settling of the Building in which any Unit or Units are situated, or if any porch, patio or deck shall be constructed with structural support(s) resting on, or over any Common Elements or utility or sanitary sewer easements, a valid easement for each such encroachment and for the maintenance of same shall exist so long as the Building containing the Unit or Units so encroaching shall exist. In the event any Building on the Property or any Unit on the Property or any Common Element shall be partially or totally destroyed as a result of condemnation or eminent domain proceedings, and then the same is rebuilt, encroachment of parts of the same upon any Unit or Units or upon any of the Common Elements due to such rebuilding shall be permitted and valid easements for such encroachments and the maintenance thereof shall exist so long as the Unit or Units or Common Elements so encroaching shall stand. In interpreting this Declaration, the Condominium Plan and conveyances, the existing physical boundaries of the Unit, or of a Unit reconstructed in substantial accordance with the original Condominium Plan thereof, shall be conclusively presumed to be its boundaries rather than the metes and bounds (or other description) expressed in this Declaration, the Condominium Plan or conveyance regardless of settling or lateral movement of the Building and regardless of minor variance between boundaries shown on the Condominium Plan or Declaration and those of the Building.

(c) In addition to the general easements for use of the Common Elements granted herein, there shall be, a nonexclusive perpetual easement as an appurtenance to the Unit for ingress to, and egress from, the Units over driveways, private streets, parking areas, walks, and other Common Elements, and from and to the public streets bounding the Project, and an easement in Common to the use and enjoyment of all General Common Elements.

(d) Notwithstanding anything herein expressed or implied to the contrary, this Declaration shall be subject to all easements heretofore or hereafter granted by the Board of Governors for the installation and maintenance of utilities and drainage facilities that are necessary for the development of the Property, and the Board of Governors is hereby authorized and empowered by all Unit Owners to grant such easements as it deems necessary over, across or under the Common Elements.

9.2 "Shangri-La Lodge Easement." The following Easements and Covenants were either granted to the Owners of Units in Shangri-La Estates or were reserved by Charles I. Davis and Isla B. Davis for the benefit of the Owners of the Shangri-La Lodge located at Afton, Oklahoma and the golf course adjacent the Property comprising Shangri-La Estates, which Easements are set forth in the original Declaration and Amendments thereto, which Easements and Covenants are set forth herein verbatim:

(a) "10. Persons having the right to play golf on the golf course adjoining the Common Area shall have reasonable access to said Common Area for the purpose of retrieving their golf balls."

(b) "11. All roads or paths on said premises shall be private roads but the Owners of Shangri-La, their agents, servants and employees shall have the right to use said roads or paths for access to its golf course at any point or for access to any other facility or property forming a part of said Shangri-La Complex. Such right of use shall also include use of golf carts being used on said golf course."

(c) "12. Water and facilities for sewage disposal will be provided by the makers of this Declaration with the cost to be borne by Unit Owners as provided in the Bylaws, and such agreements as may be made pursuant thereto. As more particularly appears in Paragraph 15 hereof, makers are Owners of Shangri-La, a complex situated adjacent to the real estate covered by this Declaration. The makers hereof covenant with the Unit Owners hereunder that the obligation to provide water and sewage facilities shall constitute a covenant running with the land on which said Shangri-La is situated, and shall not be a personal obligation of the makers hereof in the event they elect to sell said Shangri-La. The makers, for themselves, and their assigns, reserve the right, to change, alter, or substitute the source of water and the sewage disposal facilities, provided, however, that in no event shall any such change result in a lower quality of such service. The makers further reserve the right to go upon any portion of said premises