

**AMENDED AND RESTATED
DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS**

FOR

**NICHOLSON LAKES SUBDIVISION,
FIRST AND SECOND FILINGS**

NLDG, L.L.C., DEVELOPER AND DECLARANT

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TABLE OF EXHIBITS

<u>Exhibit</u>	<u>Subject Matter</u>
"A"	Rules of Arbitration
"B"	Design Guidelines

WITHOUT LIMITING ANYTHING CONTAINED HEREIN, ALL OWNERS AND OCCUPANTS OF LOTS ARE GIVEN NOTICE THAT USE OF THEIR LOTS AS DEFINED HEREIN IS LIMITED BY THE USE RESTRICTIONS AND RULES AS THEY MAY BE CHANGED IN ACCORDANCE WITH THIS DECLARATION. EACH OWNER, BY ACCEPTANCE OF A DEED/ACT OF SALE OR OTHER TRANSFER ACKNOWLEDGES AND AGREES THAT THE USE AND ENJOYMENT AND MARKETABILITY OF HIS/HER/ITS PROPERTY CAN BE AFFECTED BY THE PROVISIONS OF THIS DECLARATION AND THAT THE USE RESTRICTIONS AND RULES MAY CHANGE FROM TIME TO TIME.

**AMENDED AND RESTATED
DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS
FOR
NICHOLSON LAKES SUBDIVISION**

NLDG, L.L.C., (herein "Developer" or "Declarant"), joined in by **Crown Construction, L.L.C.**, solely for the purpose of ratifying this Amendment, each of whose address is 4601 Bluebonnet Boulevard, Suite C, Baton Rouge, LA, 70809, hereby declares that in its capacity as Developer of the Nicholson Lakes Subdivision and Declarant under that certain Act of Restrictions for Nicholson Lakes Subdivision, First Filing recorded at Original 124, Bundle 11677 of the records of the Clerk and Recorded for the Parish, amended by the first amendment thereto recorded at Original 406, Bundle 11753 of the records of the Clerk and Recorded for the Parish, and the Act of Restrictions for Nicholson Lakes Subdivision, Second Filing – Phases I & II, recorded at Original 204, Bundle 11807, of the records of the Clerk and Recorded for the Parish (collectively, the "Original Declarations") it amends and restates the Original Declarations as set forth herein.

**ARTICLE 1
DEFINITIONS**

Section 1.1 Defined Terms. The terms used in this Declaration shall generally be given their natural, commonly accepted definitions except as otherwise specified. Capitalized terms shall be defined as set forth in this Section 1.1, and as they may be defined elsewhere in this Declaration. Any capitalized terms not defined herein shall have the meanings given to those terms in the Design Guidelines, such definitions being incorporated herein by this reference and made a part hereof.

"Apartment": A Dwelling not coinciding with an individual Lot such that the Lot is shared with other apartments and/or another use category.

"Architectural Review Committee": The panel established by Section 8.4, also referred to herein as the "ARC".

"Articles of Incorporation" or "Articles": The Articles of Incorporation of the Association, as filed with the Secretary of State for the State of Louisiana, as amended from time to time.

"Assessment Lien": The lien held by the Association to secure the payment of Assessments and other charges, as described in Section 12.15.

"Assessments": Assessments levied on all Lots subject to assessment, or against certain or individual Lots, all as set forth in under Article 12

"Association": Nicholson Lakes Homeowners Association, Inc., a Louisiana not-for-profit

corporation, its successors and assigns, whose members are the Owners, and who is responsible for maintaining the Common Area of the Property and enforcing this Declaration in accordance with the terms and provisions herein, as more fully described in Section 10.2 herein.

"Bed Room": A room in a Dwelling or Apartment. For the purpose of calculating off-street parking requirements, rooms such as studies, dens, and libraries shall be considered a Bed Room if they have an adjacent or adjoining bathroom.

"Board": The Board of Directors of the Association, as the body responsible for administration of the Association, selected as provided in the Bylaws of the Association and possessing all the powers as a board of directors generally possesses under Louisiana corporate law.

"Builder": Any Person which purchases one (1) or more Lots for the purpose of constructing Improvements for later sale to consumers or parcels of land within the Property for further subdivision, development, and/or resale in the ordinary course of such Person's business.

"Building": Any Dwelling or other structure constructed on any Lot. If permitted by the Design Guidelines and approved by the ARC, a Building may be attached to another Building and share party walls.

"Building Cover": The horizontal land area occupied by a Building at finished grade, excluding open Porches, Loggia, projections, and overhangs of less than two (2') feet.

"Building Restrictions": The restrictions and standards consisting of the Master Plan, as amended and/or supplemented from time to time, set forth in Article 7.

"Business": Any of the following uses: retail, professional or commercial office, public and/or private school, conference center, wholesale business, service, such as gas stations, or small, light manufacturing not imposing noxious environmental impact (e.g. noise, smoke, odor, dust, vibration, or glare).

"Bylaws": The Bylaws of the Association, as they may be amended from time to time.

"Carport": An open air structure with a weatherproof roof to shelter an automobile, which is no more than one (1) Story in height.

"City". The city of Baton Rouge, Louisiana.

"Cladding": Exterior surface material of a Building.

"Common Area": All immovable property within the Property (including, without limitation, all real rights, streets, right-of-ways and servitudes), designated for the common use and enjoyment of all Owners, which is the responsibility of the Association, and which the Association owns, leases or otherwise holds possessory or use rights in for the common use and enjoyment of the Owners. Common Area shall also include any Improvements on that immovable property, all servitudes and personal property for the Owners' common use, and any other property of any type specifically designated as Common Area. The term shall include the Exclusive Common Area, as defined below. The Common Area shall not be dedicated for use by the general public, except as set forth in this Declaration.

"Common Expenses": The expenses incurred or anticipated to be incurred by the Association for the general benefit of all Lots, including any reasonable reserves, as the Board may find necessary

and appropriate pursuant to this Declaration, the Bylaws, and the Articles of Incorporation. Common Expenses shall not include any expenses incurred during the Class "B" Control Period for initial development, original construction, installation of infrastructure, original capital improvements, or other original construction costs unless approved by Voting Members representing a majority of the total Class "A" votes and by Developer, as long as Developer owns any Lots. Common Expenses shall include Service Area Expenses.

"Common Roads": The Streets and Roads located within the Property which are intended for automobile traffic. Common Roads are part of the Common Area. Title to servitudes in the Common Roads may be granted, transferred and sold to the Association. Common Roads may also be dedicated, partially or in their entirety, to the the City and the Parish by Developer or the Association. Unless otherwise indicated, Common Roads includes Streets and Roads.

"Community Meeting": The annual meeting of the Members as described in Section 17.3.

"Community Wide Standard": The standard of conduct, maintenance, or other activity generally prevailing throughout the Property, which shall not be lower than the standards established by the ARC and/or Developer, for all the Property. Such standard is expected to evolve over time as development progresses and may be more specifically determined by the Board, Developer, and the ARC.

"Cornice": An ornamental molding at the meeting of the roof and wall, usually consisting of bed molding, soffit, fascia and crown molding.

"Deck": Any wooden platform without a solid roof structure.

"Declaration": This act titled Declaration of Covenants, Conditions, and Restrictions, and any and all Supplemental Declarations filed pursuant to Section 22.4.

"Design Guidelines": Those building restrictions and standards set forth in Exhibit "B" attached to this Declaration.

"Development Right": Any right of Developer as set forth in Article 5 .

"Drive": A special traditional thoroughfare serving pedestrian mobility, similar to a Street, with developed, urban character on one (1) side and natural area on the other side (such as a playa, wetland or wooded area). Auto mobility is secondary.

"Driveway": A vehicular access way within a private Lot connecting a Garage to a thoroughfare.

"Dwelling": Any complete Building designed or intended for use and occupancy as a residence by a Single Family Unit.

"Eave": The lowest overhanging part of a sloping roof.

"Exclusive Common Area": A portion of the Common Area intended for the exclusive use or primary benefit of one (1) or more, but less than all, Lots, as more particularly described in Article 14.

"Fascia": The wall of a Building parallel to and corresponding to a Frontage Line.

"Fence": A closure of front, side or rear yard area on a Lot, measuring three (3') feet, six (6")

inches high.

"Footprint": The total area of a structure as measured at the ground level. When enclosed space is located above a Porch or cantilevered out from the lower floor, the Footprint of heated and cooled space shall include the enclosed space on the upper level.

"Frontage Line": The Lot line which coincides with the Street track.

"Gable": The vertical triangular portion of the end of a Building having a double sloping roof from the level of the Cornice or Eaves to the ridge of the roof.

"Garage": An enclosed structure to shelter automobiles with a maximum door opening height of ten (10') feet.

"Garden Structure": Pavilions, gazebos, harbors, Pergolas, and other similar structures no more than one (1) Story in height.

"Garden Wall": A seven (7') foot high closure of a side or rear yard area constructed with masonry or stucco.

"Governing Documents": This Declaration, any applicable Supplemental Declaration, the Design Guidelines, the Bylaws of the Association, the Articles of Incorporation of the Association, the Use Restrictions and Rules, and the Rules and Regulations of the Association, as they may be amended from time to time, as more particularly described in Section 2.3.

"Governmental Authority": (i) The United States of America, (ii) the State of Louisiana, (iii) any other State of the United States of America, (iv) any political subdivision of any of the foregoing, (v) any agency, department, commission, board or bureau of any of the foregoing, and (vi) any parish, municipality, tribunal, instrumentality or court having jurisdiction over the Property or any of the uses that may be made of Lots or other portions of the Property.

"Green": A public space available for unstructured recreation, circumscribed by Building facades, its landscape consisting of grassy areas and trees, naturalistically disposed and requiring only limited maintenance. Green could include any amenities that support any intended recreational use.

"Home Office": Premises located within the Property used for the transaction of business or the provision of professional services employing no more than four (2) full-time employees, one (1) of whom must be the Owner of the Lot on which the Home Office is located, or the tenant of said Owner, conducted in accordance with the terms and provisions of this Declaration and the Design Guidelines.

"Improvement": Every structure and all appurtenances thereto of every type and kind, including but not limited to, Dwellings, Buildings, Outbuildings, Patios, tennis courts, swimming pools, Garages, Carports, Driveways, sidewalks, walkways, Fences, walls, gates, screening walls, Terraces, retaining walls, Stairs, Decks, exterior air conditioning and heating units, pumps, wells, tanks and reservoirs, pipes, lines, cables, meters, towers, antennae, equipment and facilities used in connection with water, sewer, gas, electric, telephone, television or other utilities or services, and any other construction which in any way alters the exterior appearance of any Improvement; provided, however, that Improvement shall not include pipes, lines, cables, meters, equipment and facilities in connection with water, sewer, drainage, gas, electric, telephone, television or other utilities or service provider in favor of whom a utility or drainage servitude has been expressly

established and granted herein.

"Leasing": The 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.

"Loggia": A roofed but open Gallery or arcade along the front or side of a Building often at an upper level.

"Lot": The smallest parcel of land which is separately platted and may be separately conveyed containing a use, held privately. Lots are designated as numbered, separately identifiable parcels on the Initial Plat or a subsequently recorded plat of additional immovable property which will be annexed to, and included and otherwise incorporated within, the Property by Supplemental Declaration pursuant to Section 4.2. Developer may redefine Lots by combining Lots or portions of Lots and by adjusting the boundary of a Lot. Special Use Parcels shall be considered Lots.

"Lot Line": The boundaries that legally and geometrically demarcate the edges of Lots held in private ownership and intended primarily for the construction of Buildings.

"Master Plan": The land use plan for the development of the Property as a residential subdivision, which plan includes the Property and any other immovable property which Developer may from time to time anticipate subjecting to this Declaration. The Master Plan includes, without limitation, the Initial Plat and the Design Guidelines.

"Member": A Person entitled to membership in the Association, as provided in Section 10.9. A Member shall also mean an Owner.

"Mortgage": A mortgage, security agreement, financing agreement, assignment, deed of trust, deed to secure debt, or any other form of security instrument affecting title to a Lot.

"Mortgagee": An (i) institutional or governmental holder of a Mortgage which makes, holds, insures or guarantees Mortgage loans in the ordinary course of its business, (ii) any Person which holds a mortgage encumbering a Lot as collateral security for the performance of an obligation, or (iii) any Person which otherwise holds a lien or encumbrance burdening or otherwise encumbering a Lot.

"Natural Area": Waterways, wetlands, and nature preserves to be preserved and perpetuated.

"Out Building or Outbuilding": A separate Building additional to the principal Building, continuous with the rear Lot Line of a maximum of two (2) Stories, and having a maximum Building Footprint of 550 square feet. Outbuildings do not count against maximum Building cover restrictions or Lot counts.

"Owner": One (1) or more Persons who hold the record title to any Lot, but excluding in all cases any Person (i) holding an interest merely as security for the performance of an obligation, or (ii) holding a mortgage, lien or other encumbrance burdening or encumbering any Lot. An Owner shall also mean a Member.

"Parish". East Baton Rouge Parish, Louisiana.

"Park": An outdoor public tract naturalistically landscaped, not more than ten (10%) percent paved and surrounded by the Frontage Line of Lots on at least fifty (50%) percent of its perimeter. Parks

may contain wetlands and could include any amenities that support any intended recreational use.

"Patio": A hard-surfaced area without a solid roof structure.

"Pergola": An open aired Garden Structure with a trellis roof.

"Person": Any natural person, corporation, limited liability company, partnership, trustee, joint venture, association, joint stock company, trust, unincorporated organization, Governmental Authority, government or any agency or political subdivision thereof, or any other form of entity.

"Porch", "Gallery", or "Veranda": A covered outdoor area attached to a Dwelling.

"Preserve": A designation applied to areas intended never to be urbanized.

"Primary Residence": The primary Dwelling structure on a Lot.

"Privacy Fence": See Garden Wall.

"Private": That which is neither public nor civic.

"Property": The real property described in each of the Original Declarations.

"Reservations" shall have the meaning set forth in Section 2.2.

"Reserve": A designation applied to areas intended for temporary preservation until release for urbanization. A release is the process of re-designating reserved land for urbanization according to established criteria.

"Rules and Regulations": The Rules and Regulations of the Association, as promulgated by the Board and as the same may be amended or modified from time to time, as more particularly described in its Bylaws.

"Service Area": Two (2) or more Lots to which an Exclusive Common Area is assigned, as described in Article 14, or which receive benefits or services from the Association which are not provided to all Lots. A Lot may be part of more than one (1) Service Area, and Service Areas may overlap.

"Service Area Committee": A committee established in accordance with the Bylaws to act as a liaison between the Board and the Owners of Lots within a particular Service Area.

"Service Area Expenses": The actual or estimated expenses incurred or anticipated to be incurred by the Association for the benefit of the Owners and occupants of Lots within a particular Service Area. Common Expenses shall include Service Area Expenses.

"Setback": The placement of a Building or other structure from the property line of a Lot to the exterior of a wall. Roofs are permitted to overhang the Setback requirement by twenty-four (24") inches except where the Setback is zero (0') feet.

"Single Family Dwelling": A Dwelling consisting of one (1) Dwelling unit.

"Single Family Unit": One (1) or more persons related by blood, adoption or marriage, or not more than two (2) unrelated persons, living and cooking together as a single housekeeping unit.

"Special Use Parcel": A Lot of unconventional size, shape, location or use which calls for special design considerations.

"Square": An outdoor public tract spaciouly defined by its surrounding Buildings as a room that is defined by its walls, and adjacent to Streets on at least two (2) sides. Squares shall be partially paved and surrounded by shop front use or row house use Lots on at least sixty (60%) percent of its perimeter. One-third (1/3) of the sixty (60%) percent may be substituted by a natural spacial border such as a water front for at least one (1) side

"Stairs" are for the purpose of accessing floors or levels beyond the first floor.

"Stoops" or **"Steps"** are for the purpose of accessing the first floor or level.

"Story": A habitat level within a Building no more than fourteen (14') feet in height from finished floor to finished ceiling.

"Street": A local, slow-movement thoroughfare designed for motor vehicle mobility within the Property.

"Street Edge": A masonry wall, wood Fence, or hedge no less than fifty (50%) percent opaque built along the Frontage Line between three (3') and five (5') feet in height. Any wall, Fence, or hedge built between the Frontage Line and a point even with the nearest enclosed edge of a Dwelling may be of no greater height than the Street Edge. The percent capacity shall be calculated including all openings.

"Supplemental Declaration": An amendment or supplement to this Declaration filed in the public records of the Parish, by Developer or the Association, for such purposes as this Declaration may provide.

"Terrace": An upper level outdoor living area without a solid roof.

"Thoroughfare Standards": A set of plans and specifications which assemble and depict vehicular and pedestrian travel ways, as set forth in the Design Guidelines.

"Through Street": Through Streets may provide primary access to and/or border but not pass through a Neighborhood Proper. Where Through Streets border or pass through a Neighborhood Proper, there shall be a sidewalk between the Frontage Line and the Street lanes a sidewalk of not less than six (6') feet, at least one (1) lane of parking, at least one (1) ten (10') foot travel lane, and a planted area with Trees planted no further than fifty (50') feet apart. Through Streets will generally be constructed in accordance with the applicable existing road and street regulations as supplemented by the Thoroughfare Standards.

"Tract": A separately platted portion of land containing a use held in common.

"Use Restrictions and Rules": The initial use restrictions and rules of the Association adopted by the Board set forth in Article 6, as they may be supplemented, modified, amended and repealed in accordance with this Declaration.

"Utility Easements": Those portions of the Property depicted or labeled on the Initial Plat, or on any plat submitted as part of any Supplemental Declaration, as "utility easement", "utility easement", "utility servitude" or any similar words suggesting that such areas have been reserved for use in conjunction with any such public or private utility or service system.

"Work": Any construction, erection, alteration, addition, renovation or removal of Improvements on any Lot other than routine maintenance and repairs of existing Improvements.

Additional Definitions. Additional definitions for some terms used in the Design Guidelines are included as part of the Design Guidelines. In addition, unless the context otherwise requires or specifies, the words and phrases defined in this Declaration, when used in the Design Guidelines, shall have the meanings specified for those words and phrases, whether or not such words or phrases are capitalized when used in the Design Guidelines.

General. All terms used in this Declaration and/or in the Design Guidelines, to the extent not defined in this Declaration, shall, if those are terms used in the architectural profession and/or the construction industry, have those meanings generally described to those terms within the architectural profession. The fact that a word or phrase is defined in this Declaration does not mean that such word or phrase has been used, or was intended to be used, in this Declaration or in the Design Guidelines; definitions may have been included in anticipation of the future use of such words or phrases in amendments to this Declaration or the Design Guidelines, and/or the use of such words or phrases in Supplemental Declarations.

Section 1.2 Interpretation.

All provisions of this Declaration are to be construed in a manner to enforce the Reservations to the fullest extent possible. In the event of a conflict between two or more provisions of this Declaration, the more stringent Reservation shall be deemed to apply.

I. THE SUBDIVISION

ARTICLE 2 THIS DECLARATION

Section 2.1 Purpose and Intent. This Declaration amends and supplements, and restates the Original Declarations for the entirety of the property subject thereto (all collectively herein, the **"Property"**).

Section 2.2 Binding Effect.

a. All of the Property (sometimes referred to herein as the **"Subdivision"**) shall be held, owned, leased, occupied, conveyed and used subject to all of the provisions of this Declaration, including without limitation all reservations, servitudes, restrictions, covenants, charges, liens, privileges and conditions contained herein (individually and collectively, the **"Reservations"**), which Reservations shall run with the Property and the title to such Property and each and every portion thereof and which shall inure to the benefit of all Owners. This Declaration and the Reservations shall be binding upon all Persons having any right, title, or interest in any portion of the Property, including without limitation their respective heirs, successors, successors-in-titles, and assigns, as well as the occupants of any Lot and all of their lessees, guests and invitees.

b. This Declaration and the Reservations shall be enforceable by Developer, the Association, any Owner, and their respective successors and assigns, and unless terminated as provided in Section 2.2(c), shall have perpetual duration. If Louisiana law hereafter limits the period during which covenants may run with the land, then to the extent consistent with such law, this Declaration and the Reservations shall automatically be extended at the expiration of such period for successive periods of twenty (20) years each, unless terminated as provided below.

c. Unless otherwise required by Louisiana law, this Declaration may not be terminated except by an instrument signed by Owners of at least ninety (90%) percent of the total number of Lots within the Property and by Developer, if Developer owns any portion of the Property, with such additional approval as may be required pursuant to Section 22.10. Any such instrument shall set forth the intent to terminate this Declaration and shall be recorded in the official records of the Parish. Nothing in this Section shall be construed to permit the termination of any servitude created in this Declaration without the consent of the holder of such servitude.

ARTICLE 3 GOVERNANCE AND RELATED PROVISIONS

Section 3.1 Governing Documents. This Declaration, any Supplemental Declaration, the Articles of Incorporation, the Bylaws, the Design Guidelines, the Use Restrictions and Rules, and the Rules and Regulations of the Association, and any other documents referenced in this Declaration (individually and collectively, the "**Governing Documents**") create a general plan of development for the Property which may be supplemented by additional covenants, restrictions, and servitudes applicable to particular areas within the Property. In the event of a conflict between or among the Governing Documents and any such additional covenants or servitudes, or the provisions of any other articles of incorporation, bylaws, rules or policies governing any area within the Subdivision, the Governing Documents shall control. Nothing in this Section shall preclude any Supplemental Declaration or other recorded covenants applicable to any portion of the Property from containing more restrictive provisions than this Declaration.

Section 3.2 Additional Covenants. The Association shall comply with and shall be entitled to enforce the provisions of such additional covenants as if set forth in this Declaration. In the event Developer delegates its rights to enforce any deed restrictions or other additional covenants to the Association, the Association shall enforce such additional covenants as if set forth in this Declaration, and to the extent that such additional covenants are more comprehensive or restrictive than the covenants and restrictions contained in the Governing Documents, such additional covenants and restrictions shall control.

Section 3.3 Disclaimer of Representations. Developer makes no representations or warranties whatsoever that: (a) Nicholson Lakes will be completed in accordance with the plans for Nicholson Lakes as they exist on the date this Declaration is recorded; (b) any property subject to this Declaration will be committed to or developed for a particular use or for any use; (c) any property not now subject to this Declaration will be subjected to the provisions hereof; or (d) the use of any property subject to this Declaration will not be changed in the future. Nothing contained in this Declaration and nothing which may be represented to a purchaser by real estate brokers or salespersons representing Developer or any Builder shall be deemed to create any covenants or restrictions, implied or express, with respect to the use of any property subject to this Declaration.

Section 3.4 Guardhouses and Security Issues; Restriction on Liability of the Association and Developer.

a. Guardhouses may be constructed within or adjacent to the Subdivision in order to limit access and to provide more privacy for the Owners; subject, however, to the provisions of applicable laws and to the applicable rules and regulations regarding public streets, if any, and utilities. Each Owner and their families, guests and invitees, acknowledge that any such guardhouse may restrict or delay entry into, or access within, the Subdivision by police, fire department, ambulances and other emergency vehicles or personnel. Each Owner and their families, guests and invitees agree to assume the risk that any such guardhouse will restrict or delay entry into, or access within, the Subdivision by police, fire department, ambulances or other

emergency vehicles or personnel. Neither Developer, the Association nor any director, officer, agent or employee of Developer or the Association shall be liable to any Owner or their families, guests or invitees for any claims or damages resulting, directly or indirectly, from the construction, existence, operation or maintenance of any such guardhouse. In addition, if any guardhouses are constructed within or adjacent to the Subdivision, Developer makes no representations or warranties that a guard service will be provided or, if guard service is provided, that it will be provided during any particular hours or be continued in the future.

b. The Association may, but shall not be obligated to, maintain or support activities within the Property to enhance the safety of the Property. Neither the Association, Developer, nor any successor or assign of Developer, shall in any way be considered insurers or guarantors of security or safety within the Property, nor shall any of them be held liable for any loss or damage by reason of failure to provide adequate security or of ineffectiveness of security measures undertaken. No representation or warranty is made that any fire protection system, burglar alarm system or other security system can not be compromised or circumvented, nor that any such system or security measure undertaken will in all cases prevent loss or provide the detection or protection for which the system is designed or intended. Each Owner acknowledges, understands and covenants to inform its occupants and tenants, if any, that the Association, the Board, Developer, and any successor or assign of Developer are not insurers or guarantors and that each Person using the Properties assumes all risk for loss or damage to Persons, to Lots and to the contents and improvements of Lots resulting from acts of third parties.

ARTICLE 4 PROPERTY SUBJECT TO THIS DECLARATION

Section 4.1 Initial Property. The immovable property which shall be held, transferred, conveyed and occupied subject to this Declaration consists of the entirety of the Property subject to any of the Original Declarations.

Section 4.2 Platted Lots. No Lots may be subdivided or separated into smaller lots except by Developer or with the specific consent of the ARC. No portion of any Lot may be separately conveyed, except by Developer or with the specific consent of the ARC. This Section 4.3, however, shall not prohibit the recording of corrective deeds or similar corrective instruments. Developer shall have the right to record a Supplemental Declaration to modify approved subdivision plats for the purpose of making adjustments to Lot boundary lines with the consent only of those Owners whose Lot boundaries are to be changed by such Supplemental Declaration.

Section 4.3 Additional Covenants and Servitudes. Developer may subject any portion of the Property to additional covenants and servitudes, including covenants obligating the Association to maintain and insure the subject property and authorizing the Association to recover its costs through Assessments. Such additional covenants and servitudes shall be set forth in a Supplemental Declaration filed either concurrently with or after the annexation of the subject property, if applicable, and shall require the written consent of the owner(s) of such property, if other than Developer. Any such Supplemental Declaration may supplement or otherwise modify the terms of this Declaration as it applies to the subject property in order to reflect the different character and intended use of such property. Such additional covenants and servitudes shall be included within the term Reservations.

Section 4.4 Amendment. This Article shall not be amended without the prior written consent of Developer so long as Developer owns any portion of the Property.

ARTICLE 5 RIGHTS OF DEVELOPER

Section 5.1 General. Developer Rights contained in this Article 5 are hereby reserved to Developer to the maximum extent permitted by law, and may be exercised where applicable anywhere within the Subdivision.

Section 5.2 Special Developer Rights. Developer reserves the following "**Special Developer Rights**", to the maximum extent permitted by law, which may be exercised, where applicable, anywhere within the Subdivision:

- a. Complete Improvements indicated on the survey and plans filed with this Declaration;
- b. Exercise any Development Right reserved in this Declaration;
- c. Maintain sales offices, management offices, signs advertising the Subdivision and models;
- d. Use easements throughout the Common Area for the purpose of making Improvements within the Subdivision; and
- e. Appoint or remove any officer of the Association or Board member for so long as Developer owns any portion of the Property.

Section 5.3 Right to Transfer or Assign Developer Rights . Any or all of the special rights and obligations of Developer set forth in this Declaration or the Bylaws may be transferred in whole or in part to other Persons, including without limitation the Association, provided that the transfer shall not reduce any obligation nor enlarge a right beyond that of Developer under this Declaration or the Bylaws. No such transfer shall be effective unless it is in a written instrument signed by Developer and duly recorded in the public records of the Parish. The foregoing shall not preclude Developer from permitting other Persons to exercise, on a one (1) time or limited basis, any right reserved to Developer in this Declaration where Developer does not intend to transfer such right in its entirety, and in such case it shall not be necessary to record any written assignment unless necessary to evidence Developer's consent to such exercise.

Section 5.4 Termination of Responsibility of Developer. In the event Developer shall convey all of its right, title and interest in and to the Property to any successor Person or entity, then and only in such event, Developer shall be relieved of the performance of any further duty or obligation hereunder, and such successor Persons or entity shall be obligated to perform all such duties and obligations of Developer.

Section 5.5 Right to Use Common Area. Developer and its designees may maintain and carry on upon portions of the Common Area such facilities and activities as, in the sole opinion of Developer, may be required, convenient, or incidental to the construction or sale of Lots, including, but not limited to, business offices, signs, model units, and sales offices. Developer and its designees shall have servitudes for access to and use of such facilities. Developer and its designees, during the course of construction on the Property adjacent to any Common Area, may use such Common Area for temporary storage and for facilitating construction on adjacent property. Upon cessation of such use, the user of such Common Area shall restore it to its condition prior to such use. If Developer's use under this Section results in additional costs to the Association, Developer shall not be obligated to pay any use fees, rent or similar charges for its

use of Common Area pursuant to this Section. Developer and its employees, agents and designees shall also have a right and servitude over and upon all of the Common Area for the purpose of making, constructing and installing such Improvements to the Common Area as it deems appropriate in its sole discretion.

Section 5.6 Right to Approve Additional Covenants . No Person shall record any declaration of covenants, conditions and restrictions, or declaration of condominium or similar instruments affecting any portion of the Property without Developer's review and written consent so long as Developer owns any portion of the Property. Any attempted recordation without such consent shall result in such instrument being void and of no force and effect unless subsequently approved by Developer and recorded in the official records of the Parish.

Section 5.7 Right to Approve Changes in Community Wide Standard. Notwithstanding any contrary provision of this Declaration, no amendment to or modification of any Use Restrictions and Rules or Design Guidelines shall be effective without prior notice to and the written approval of Developer so long as Developer owns any Property.

Section 5.8 Exclusive Right to Use the Name of the Development . No Person shall use the term "Nicholson Lakes" or any derivative in any printed or promotional material without Developer's prior written consent. However, Owners may use that term in printed or promotional material solely to specify that particular property is located within the Subdivision, and the Association shall be entitled to use that term in its name.

Section 5.9 Limitations on Special Developer Rights. Unless terminated earlier by a recorded instrument executed by Developer, any Special Developer Right may be exercised by Developer so long as Developer is obligated under any warranty or obligation, owns any Lots within the Property, or for thirty (30) years after recording of the Declaration, whichever is sooner. Earlier termination of certain rights may occur by statute.

Section 5.10 Developer Personal Property. Developer reserves the right to retain all personal property and equipment used in sales, management, construction and maintenance of the premises that has not been represented as property of the Association. Developer reserves the right to remove, within one (1) year after the sale of the last Lot, from the Property any and all goods and Improvements used in development, marketing and construction, whether or not they have become fixtures, provided that Developer shall mitigate any damage to property in its removal of such fixtures, if any.

Section 5.11 Non-Applicability to Special Developer Rights. The provisions of this Article shall not apply to Developer in the exercise of any Special Developer Right. Further, because of the potential impact of such activities on the marketing of Lots, so long as Developer owns any Lot or holds any right under this Declaration, Developer alone has the right, in lieu of the Board, to exercise the regulatory powers described in this Article with respect to Special Developer Rights.

Section 5.12 Leasing by Developer. Developer may also enter into short term leases on a day to day basis as a part of providing temporary occupancy to purchasers prior to closing.

II. CREATION AND MAINTENANCE OF SUBDIVISION STANDARDS

ARTICLE 6 USE AND CONDUCT

Section 6.1 Initial Use Restrictions and Rules. The following initial Use Restrictions and Rules shall apply to all of the Property until such time as they are amended, modified, repealed, or limited by rules of the Association adopted pursuant to this Declaration. So long as Developer has the right to unilaterally amend this Declaration under and pursuant to the provisions of Article 22, Developer may unilaterally amend the following initial Use Restrictions and Rules.

Section 6.2 Owner's Responsibility. Each Owner shall keep all parts of his Lot in good order and repair and free from debris.

Section 6.3 General. The Property shall be a residential neighborhood development and shall be used for those residential, recreational, and related purposes (which may include, without limitation, an information center and/or sales office for any real estate broker retained by Developer to assist in the sale of any portion of the Property, offices for any property manager retained by the Association, or business offices for Developer or the Association consistent with this Declaration and any Supplemental Declaration) as set forth in this Article 6. Except as specifically provided in this Article 6, Lots shall be used for single family residential purposes only.

Section 6.4 Permitted Uses and Activities.

a. **Lots.** Lots may not be used for any purpose other than residential. Other uses, such as certain home occupations which, in the sole discretion of the ARC, do not generate significant traffic, may be permitted by the ARC. An Owner may consolidate not more than two (2) Lots within the Property for the construction of a single Dwelling thereon, as approved by the ARC.

b. **Special Use Parcels.** The Design Guidelines may describe special restrictive covenants and building restrictions for Special Use Parcels, which shall include residential use.

c. **Leasing.** Dwellings may be rented, subject to the Rules and Regulations which may be modified from time to time and subject to approval by the ARC in its sole discretion. Except as otherwise provided herein, no Dwelling shall be rented to more than one (1) person. Except as otherwise provided in this Declaration, Lots may be leased in their entirety.

d. **Occupancy.** In the absence of written approval of the Board of the Association, all Occupants of a Dwelling must comprise a Single Family Unit. For purposes of this subparagraph d., "Occupant" shall mean any Person who stays overnight in a Dwelling for more than seven (7) days (whether or not consecutive) in any one (1) calendar year.

Section 6.5 Prohibited Uses and Activities. Except for the activities of Developer in connection with the development of the Subdivision and the activities of any permitted grantees hereunder in connection with the construction, installation, repair, alteration and maintenance of water, sewer, drainage, natural gas, electrical, telephone and communications, and cable television lines and facilities within utility and drainage servitudes, the following activities are prohibited within the Property unless expressly authorized by, and then subject to such conditions as may be imposed by, the Boards in the Rules and Regulations and/or the ARC. The fact that the Boards and/or the ARC are given the right to grant exceptions to the prohibitions contained in this Section 6.5, shall not mandate that any exceptions be granted.

a. **Animals** Raising, breeding, or keeping of animals of any kind on any Lot or within any Dwelling constructed on a Lot shall not be permitted, except that no more than three (3) dogs, cats, or other usual and common household pets may be permitted on any Lot or within any Dwelling constructed on a Lot (provided they are not raised, bred or kept for commercial purposes), subject to such additional Rules and Regulations as may be adopted for the Property or any portion

thereof, which rules may prohibit all pets or specific types of animals. The Rules and Regulations may also designate specific areas within the Common Area where pets may be walked, prohibit pets on other areas, require pets to be on leash, and restrict the rights of tenants to keep pets. Any pet that the Board in its sole discretion determines to be a nuisance, after notice to such Member or resident and affording such person an opportunity for a hearing before the Board, shall be removed from the Lot upon request of the Board. If the pet owner fails to honor such request, the Board may remove the pet. The Board may also, in its sole discretion, prohibit the keeping of specific breeds of dogs, cats and other permitted animals within any part of the Subdivision where the Board determines that the keeping of such animals is a safety risk. Each Owner shall be strictly responsible to immediately collect and properly dispose of wastes and litter of any permitted pets.

b. **Business.** Any business, trade, or similar activity shall not be conducted from any Lot or any Dwelling on any Lot, except as provided in this subparagraph b., and except that an Owner or occupant residing in a Lot may conduct "**discrete business activities**" within the Lot so long as the existence or operation of the business activity is not apparent or detectable by sight, sound, or smell from outside the Lot; the business activity does not involve regular visitation of the Lot or door-to-door solicitation of residents of the Property; and the business activity is consistent with the residential character of the Property and does not violate these Use Restrictions and Rules. Examples of "**discrete business activities**" include, but are not limited to, computer-based telecommunications and literary, artistic, or craft activities. The Board may restrict any business activities that it determines interfere with the enjoyment or residential purpose of the Property in its sole and absolute discretion.

The leasing of a Lot in accordance with these Use Restrictions and Rules shall not be considered a business or trade within the meaning of this subparagraph b. This subparagraph e. shall not apply to any activity conducted by Developer or a Builder approved by Developer with respect to its development and sale of the Property or its use of any Lots which it owns within the Property, including the operation of a timeshare, or similar program.

Notwithstanding anything to the contrary in this Declaration, Developer and any Builder approved by Developer may utilize a Lot as a show house or model home. Furthermore, Developer and any approved Builder may utilize a Lot as a sales office for homes being constructed within the Property.

c. **Compliance with Law.** No use shall be made of, nor any actions taken on, any Lot which is any violation of any law, ordinance or regulation applicable to the geographical area within which the Lot is located.

d. **Diseases and Insects.** No person shall permit any thing or condition to exist upon any Lot or other property within the Subdivision which shall induce, breed or harbor infectious diseases or noxious insects.

e. **Division of Lots.** No Lot shall be divided or subdivided and no portion of any Lot other than the entire Lot shall be transferred or conveyed for any purpose whatsoever, except by Developer, or with the prior, express, written approval of the ARC if such authority is delegated by Developer. This subparagraph e. shall not be construed to prohibit the granting of any servitude and/or right-of-way to any Governmental Authority, public utility, or to the Association or Developer.

f. **Firearms.** Discharge of firearms shall not be permitted within the Subdivision; provided, the Board shall have no obligation to take action to prevent or stop such discharge.

g. **Flags.** Flags of any kind placed on a Lot so as to be visible from outside the Dwelling on the Lot shall not be permitted, except that one country flag not exceeding 48" X 72" in size and one decorative flag not exceeding 36" X 60" in size may be hung from flagpoles not exceeding 72" in length or 2" in diameter, which are mounted within brackets on the exterior facade of the residence at a location approved by the ARC.

h. **Gambling and Gaming.** Conducting, participating in, or holding of any events, functions or programs that involve games of chance, raffles, gambling, wagering, betting, or similar activities where the participants pay money or give other valuable consideration for the opportunity to receive monetary or other valuable consideration shall not be permitted on any Lot or within any Dwelling on any Lot; provided, however, that the foregoing is not intended to bar the occasional use of the interior of a residential Dwelling on the Property for the activities described in this subparagraph so long as such use is either: (1) in conjunction with fundraising activities for a non-profit or charitable organization, or (2) is a private, social, non-commercial activity.

i. **Garage sales, rummage sales, or similar sales.** Garage, rummage or similar sales shall not be permitted on any Lot; provided, however, that Declarant may allow no more than two (2) community garage sales per calendar year in a portion of the Common Area determined by Declarant. The time, place, and method of notice to Owners of a community garage sale shall be at Declarant's sole discretion.

j. **Garbage; Trash Collection.** On scheduled trash collection days, all Owners or occupants of all Lots shall place their garbage in the container provided by the garbage service provider for such purposes and bring such container to the Street curb for pickup by the applicable trash collector. Owners or occupants of all Lots shall not place garbage containers in public view except on trash collection days. Recyclable products or materials may be placed for collection in containers expressly designed or legally required for such collection. Owners shall use and store trash and garbage containers on days other than scheduled trash collection days in compliance with other provisions contained in this Declaration and any applicable Rules and Regulations of the Association. The Design Guidelines and the Association, through the adoption of Rules and Regulations, may regulate placement and maintenance of garbage and trash containers, and other matters affecting the attractiveness or safety of Lots.

k. **Golf Carts, "Minibikes", "Go-Carts", and "All Terrain Vehicles".** Operation of "minibikes", "go-carts", "All Terrain Vehicles" and other similar vehicles shall not be permitted within the Property, except that the use of golf carts by Declarant, Owners, residents, and tenants of the Subdivision, and agents, employees and representatives of the Association shall be permitted and encouraged within the Property to the extent permitted by applicable federal, state and local law. The Association may adopt Rules and Regulations governing the use of golf carts within the Property at its sole discretion.

l. **Half-way Houses or Group Homes.** No Dwelling or other Improvement on any Lot shall at any time be used as a Half-Way House or other facility under supervision of a Supervising Agency or Group Home whether or not under supervision of a Supervising Agency. For the purposes of this subparagraph, the term "**Supervising Agency**" shall mean a Governmental Authority including without limitation thereto any law enforcement agency in the the City and/or the Parish, the Louisiana Department of Corrections, the United States Department of Justice and the United States Marshal's Service. For the purposes of this subparagraph, the term "**Half-Way House**" shall mean a place where persons who have been imprisoned or incarcerated for crimes (whether felonies or misdemeanors), or confined for drug or alcohol rehabilitation, are continued under some form of supervision for the primary purpose of aiding said persons in readjusting to society following their imprisonment, incarceration, hospitalization or other form of confinement.

m. **Emergency Shelter.** No Dwelling or other Improvement on any Lot shall at any time be used as an emergency shelter or for any similar use. No state of emergency shall suspend or serve as the basis for deviation from any of the provisions of this Declaration with respect to any Dwelling or other Improvement on any Lot.

n. **Incinerators and Burning.** No incinerator shall be kept or maintained on any Lot. No trash or leaf burning shall be permitted on any Lot.

o. **Interference with Servitudes and Drainage.** No Improvements other than Driveways, sidewalks, walkways, mailboxes, Fences, walls, retaining walls, and gas and water meters, and no other obstruction shall be placed or permitted to remain upon any Lot which may damage or interfere with any servitude for the installation or maintenance of utilities or passage or drain, or obstruct any drainage ditch or channel. Notwithstanding any inference herein to the contrary, Driveways, sidewalks, walkways, mailboxes, Fences, walls, retaining walls, and gas and water meters may only be constructed and/or installed on a Lot in accordance with the requirements of the Design Guidelines and in compliance with the provisions of Articles 7 and 8.

p. **Ingress and Egress.** Except as allowed by the Design Guidelines or as otherwise approved by the ARC, vehicular ingress to and vehicular egress from Lots and Improvements thereon shall be from and to the front of the Lot (i.e., that side which a Dwelling thereon must face as hereafter set forth) and no vehicular access shall be allowed from the sides or rear of any Lot. With respect to each Lot which is bordered on its rear property line by an Alley, there shall be no Driveway or parking area constructed or used on that part of any such Lot between the front wall of the Primary Residence and the front property line where the said Lot fronts on a Street.

q. **Insurance.** Nothing shall be done or kept on any Lot or the Common Area which will increase the rate of, or resulting cancellation of, insurance for the Subdivision or any other Lot, or the contents thereof, without the prior written consent of the Association. This prohibition shall not prohibit the usual and customary activities associated with residential use of a single family Dwelling.

r. **Lakes.** Any Lot which shall abut upon any lake, pond, , or other waterway in or adjacent to the Subdivision (each a "Lake") shall be subject to the following additional restrictions:

(1) No pier, dock or other structure or obstruction or any other wall, revetment, rip-rap or any other material shall be built, placed or maintained upon any waterfront Lot or into or upon any waterway on the Property or adjacent thereto except with the specific written approval of the Association. As to any such structure, approval or permits from the United States Army Corp of Engineers or any other such private or governmental agency as may be now or hereafter required must be obtained by the Owner, if permitted by the Association hereunder.

(2) Except with the prior written approval from the Association, no device or material may be constructed, placed or installed upon any Lot which shall in any way alter the course of natural boundaries of any waterway or which shall involve or result in the removal of water from any waterway.

(3) The Owner of each Lot abutting the water's edge shall release and discharge Developer, the Association, the the City, and the Parish , from any and all claims for debt or damages sustained by the Owner or a lessee or existing in the Owner's or lessee's property and property rights heretofore or hereafter sustained or to accrue by reason or account of the operation and maintenance of said lakes, streams, ponds, wetlands, and waterways. Use of any lake area or adjacent areas

following adoption of this Declaration shall irrevocably subject an Owner and its guests, invitees, and permittees to this provision.

(4) All such Lots shall be subject to a perpetual easement in favor and for the use and benefit of the Association for the maintenance of said lakes, streams, ponds, wetlands, and waterways.

(5) The Lake shall not be used for swimming, boating, canoeing, rafting, tubing, or similar activities or for operation of manned watercraft. The use of such are is restricted to the Owners and occupants of Lake Lots and their respective guests and invitees. All costs associated with maintenance, repair, replacement and insurance on the Lake shall be assessed solely against the Owners of the Lake Lots, in accordance with Article 12.

s. **Leasing of Lots.**

(1) Except as otherwise provided in any applicable Supplemental Declaration or other applicable covenants, residential Lots may be leased in their entirety; however, no single rooms, except where part of an inn or hotel room, or other fraction or portion of a residential Lot may be leased, nor shall any residential Lot or portion thereof be used for operation of a boarding house, "**Bed and Breakfast**" establishment, or similar accommodation for transient tenants.

(2) All leases shall be for an initial term of no less than one (1) year, except with the prior written consent of the Board.

(3) No Lot shall be leased to or occupied by any person accused or convicted of being a child abuser or sexual predator or of any other felony, and any Owner leasing a Lot shall be deemed to have represented to the Board that it has made all reasonable inquiry to assure compliance with this provision.

(4) Any occupancy without a written lease agreement that complies with this Declaration, including the notice requirements in the following provision shall be considered temporary guest occupancy subject to the applicable provisions of this Declaration, provided that this shall not relieve any such Occupant of compliance with this Declaration in its entirety.

(5) Notice of any lease, together with such additional information as may be required by the Board, shall be given to the Board by the Owner within ten (10) days of execution of the lease. The Owner must make available to the lessee copies of the Declaration, Bylaws, and the Use Restrictions and Rules. There shall be no subleasing or assignment of any lease unless prior written approval is obtained from the Board or its designated representative or officer. All tenants of Owners occupying any portion of the Property within the Subdivision agree to be bound by the terms and provisions and all Reservations contained in this Declaration.

t. **Maintenance.** No Lot (whether or not any Dwelling or other Buildings have been constructed on the Lot), and no Dwelling or other Improvements which are located upon a Lot, shall be permitted to fall into disrepair and each such Lot, and all such Dwellings and other Improvements, and all lawns and other landscaped areas, shall be kept neat and maintained in good condition and repair consistent with any requirements set forth in either the Design Guidelines or in the Rules and Regulations of the Association. Each Owner shall keep neat and maintain in good condition and repair that portion of any Street right-of-way servitude (i.e., that portion of the right-of-way between the edge of the Street curb and the Owner's boundary line(s)) that is immediately adjacent to (whether in front of or alongside) the Owner's Lot. The opinion of the ARC

as to the acceptability of such conditions shall be final; the ARC may delegate, in its sole discretion, its authority under this provision. All maintenance obligations are subject to enforcement in accordance with the provisions of this Declaration imposing enforcement mechanisms, including monetary penalties assessed by the Board.

u. **Mineral and Mining Activity.** No Lot shall be used for the purpose of boring, mining, quarrying, exploring for, producing or removing oil or other hydrocarbons, minerals, gravel or earth except in the case of soil borings in connection with soil analysis for foundation design; provided, however, that offsite exploration for or production of oil, gas or other minerals lying beneath the surface of a Lot through directional or horizontal drilling methods or otherwise shall be allowed if such directional or horizontal drilling does not penetrate or otherwise disturb any portion of the earth within five hundred (500') feet of the surface of any Lot.

v. **Noise.** The use and enjoyment by each Owner of its Lot and the benefits of being a part of the Subdivision include not being disturbed by excessive noise to the same extent as unacceptable physical conditions within the Subdivision. No interior audio systems shall be played at a volume that can be heard from a neighboring Lot. No exterior speakers, horns, whistles, bells or other sound transmitting, generating or amplifying devices other than security devices used exclusively for security purposes shall be (a) located, used or placed on any Lot in such manner that the sound emitted therefrom may be heard on any other Lot at any time, and (b) without limiting the generality of subpart (a), utilized between the hours of midnight and 8:00 a.m. This limitation includes audio equipment in vehicles both when parked and when driving through the Subdivision. No noise shall be permitted to exist or operate upon any Lot that may be a nuisance to any other Owner or resident. All noise limitations are subject to enforcement in accordance with the provisions of this Declaration imposing enforcement mechanisms, including monetary penalties assessed by the Board.

w. **Noxious Activity; Nuisance; Unlawful Activity.** No noxious odors shall issue or emanate from any Lot. No noxious activity shall be carried on or upon any Lot or within any Dwelling situated upon the Property or at any other place within the Subdivision, nor shall anything be done therein or thereon which may be or become unsafe or hazardous or an annoyance or nuisance to the Neighborhood within which the Lot is located or other Owners or residents of the Subdivision. Any nuisance or immoral, improper, offensive, hazardous or unlawful use or any other activity or condition that interferes with the reasonable enjoyment of any part of the Property or that detracts from the overall appearance of the Property is strictly prohibited. All laws, building codes, orders, rules, regulations or requirements of any governmental agency having jurisdiction shall be complied with, by and at the sole expense of the Owner or the Association, whichever shall have the obligation to maintain or repair the affected portion of the Subdivision.

x. **Occupancy.** Occupancy of a Lot by more than two (2) persons per bedroom in the Lot is prohibited. For purposes of this provision, "**occupancy**" shall be defined as staying overnight in the Lot more than seven (7) consecutive days, or more than (30) days in any six (6) month period.

y. **Parking and Traffic.**

(1) Parking of vehicles on any portion of a Lot other than the area in a Garage or Carport is prohibited. Regular parking of a single vehicle on a Driveway may be permitted but only with the prior consent of the ARC. Subject to the foregoing, parking of vehicles on that portion of any Driveway located between the front facade of the residence and the Street which the Dwelling faces is prohibited, except temporarily for a period not to exceed twenty-four (24) hours in any seventy-

two (72) hour period. In addition, no parking shall be permitted on or over Street curbs.

(2) Parking of commercial vehicles or equipment, mobile homes, boats, trailers, or stored or inoperable vehicles in places other than enclosed Garages is prohibited. Such restrictions shall not apply to construction vehicles or third party service vehicles while providing services to the Lot on or adjacent to which they are parked.

(3) Only vehicles bearing current license and registration tags, as required by state law, may be parked in the Subdivision.

(4) No vehicle shall be parked so as to create a temporary obstruction to visibility at a Street intersection.

(5) The foregoing restrictions are subject to enforcement by towing, at the expense of the Owner or Occupant as well as the vehicle owner, and all Owners and Occupants are responsible for making their respective guests aware of these provisions.

(6) In addition to the following restrictions on signs, all temporary signs directing guests to a Lot are strictly prohibited and subject to immediate removal without notice.

z. **Signs.** The following restrictions on signs shall apply to all Lots within the Property unless otherwise stated or unless otherwise approved by the Board. All signs must meet the guidelines set forth in the Design Guidelines and any guidelines adopted by the Board.

(1) Each Lot may have posted, prior to initial occupancy of the Lot, a sign setting forth the name of the architect and Builder of the Lot and, in the case of a Lot owned by Developer or a Builder approved by Developer, a sign indicating that the Lot is available for sale; provided, any such signs shall be removed at the time of initial occupancy. Notwithstanding any language to the contrary herein, Developer shall be permitted to post and display advertising signs, including "for sale" signs, within the Property so long as Developer owns any portion of the Property.

(2) Except as provided in subparagraph y. (1) above, no "for sale" or "for lease" signs may be posted on a Lot without the prior consent of Developer or ARC. An "open house" sign indicating that the Owner of the Lot is hosting such an event may be posted on the Lot for a period not to exceed three (3) continuous days.

(3) To the extent permitted by applicable law, signs containing political or similar endorsements are prohibited in the Property.

(4) One sign not exceeding 9" X 12" in size may be mounted in a window or on a stake not more than 36" above the ground, without prior approval, to identify the Lot as being equipped with a security system and/or monitored by a security service.

(5) Developer may post "model home" or similar signs on a Lot containing model homes open to the public prior to initial occupancy of the Lot.

(6) No other signs, except those required by law, including posters, circulars, and billboards, "fast signs" or other 'quick print' or temporary signs, advertising signs, and political candidate signs, may be posted on any Lot so as to be visible from outside the Lot; provided, however, Developer shall be entitled to post signs without Board approval.

- aa. **Soliciting.** No soliciting will be allowed at any time within the Property.
- bb. **Tools, Supplies, and other Materials.** Cleaning of tools, supplies and equipment by concrete suppliers, painters or other subcontractors in other than designated areas is prohibited.
- cc. **Trash.** Burning of trash and accumulation or storage of litter, lumber, scrap metals, refuse, bulk materials, waste, new or used building materials, or trash of any other kind is prohibited in the Property; provided, however, that storage of building materials, equipment and scrap materials and waste generated in connection with Work shall be permitted on a Lot during periods of Work on the Lot if stored neatly. Nothing in this subparagraph shall be construed as prohibiting Developer or a Builder from storing of building materials, equipment and other materials used in connection with the development of the Property in the course of its business, if stored neatly.
- dd. **Vehicles and Other Equipment.** None of the following may be kept or stored within the Property: (a) junk or abandoned vehicles, (b) commercial vehicles other than company automobiles provided for personal use, (c) trailers, (d) tractor-trailers, (e) campers, (f) motor homes and recreational vehicles, (g) camp trucks, (h) house trailers, (i) boats, (j) boat trailers, or (k) other machinery or equipment of any kind or character (except for such equipment as may be reasonable, customary and usual in connection with the use and maintenance of any Dwelling or other Improvements located upon the Property and except for such equipment and/or machinery as the Association may require in connection with the maintenance and operation of the Association's property); provided, however, that campers, motorhomes and recreational vehicles may be kept on the Property so long as they are kept within a Garage. No repair, maintenance or restoration of automobiles or other authorized vehicles (except for bona-fide emergencies) may be carried out on any Lot or at any location within the Property unless and except to the extent such repair, maintenance or restoration can be accomplished inside an enclosed Garage with all doors to the said Garage closed. Changing oil in any vehicle or other equipment on the Property is prohibited. This restriction shall not apply to vehicles, trailers, boats, machinery, equipment or the like stored and kept on a Lot within an enclosed Garage.

The Association shall have the right to have any truck, mobile home, travel trailer, tent trailer, trailer, camper shell, detached camper, recreational vehicle, boat, boat trailer or similar equipment or vehicle or any automobile, motorcycle, motorbike, or other motor vehicle which is parked, kept, maintained, constructed, reconstructed or repaired in violation of this Declaration towed away at the sole cost and expense of the owner of the vehicle or equipment. Any expense incurred by the Association in connection with the towing of any vehicle or equipment shall be paid to the Association upon demand by the owner of the vehicle or equipment. If the vehicle or equipment is owned by an Owner, any amounts payable to the Association shall be secured by the Assessment Lien, and the Association may enforce collection of such amounts in the same manner provided for in this Declaration for the collection of Assessments.

- ee. **Vending Machines.** No vending machines shall be kept, stored, operated or otherwise located anywhere within the Property. For the purpose of this provision "vending machines" shall include any machines of any nature that are used for the sale of food items, soft drinks, or articles of any nature by the insertion of coins or paper money into said machines, or by the use of any kind of credit or debit card. The Board may adopt Rules and Regulations granting an exception to this provision, or may grant exceptions on a case by case basis, with respect to a vending machine that will be located inside a Dwelling and is used solely for private use, and is not used to sell food items, soft drinks, or articles of any nature to persons who do not reside in the Dwelling.

ff. **Yard Ornaments.** Artificial flamingos, deer, spinners, gazing balls, pirogues and such other tableau are prohibited in front yards. Typical seasonal decorations are permitted within season.

Section 6.6 Rules and Regulations of the Association. The Board may from time to time adopt rules or amend previously adopted Rules and Regulations governing and regulating (a) the operation, use, maintenance, condition, attractiveness, maintenance, and control of, as well as conduct on and within, the Lots, Common Area and any facilities or services made available to the Owners, and (b) any other matters as to which this Declaration authorizes the adoption of Rules and Regulations by the Board. This right shall include without limitation the right to approve rental agents and other professionals who do business within the Property. The Rules and Regulations of the Association shall take effect immediately upon approval by the Board, or at a later date selected by the Board. If requested by at least ten (10%) percent of the Members, a Community Meeting may be called and any rule or regulation adopted by the Board may be repealed by majority vote of the Members. A copy of the Rules and Regulations of the Association shall be kept in the registered office of the Association and available for review during its normal business hours on each Monday through Friday, except for holidays. Upon acquisition of a Lot, each Owner does agree and acknowledge that said Owner has received a copy of the Rules and Regulations of the Association as of the date of acquisition of the Lot. As additions, deletions or modifications are adopted with respect to the Rules and Regulations adopted pursuant to this Section 6.6, copies of such additions, deletions or modifications shall be mailed to each Member at the last known address for said member as shown in the records of the Association, as determined in Section 17.6. Additional copies of the Rules and Regulations shall be provided to any Member upon payment by said Member for the cost of reproducing same which is hereby set at \$0.50 per page. It is not a condition to enforcement of any provision of this Declaration, or to any other Rules and Regulations of the Board, that an Owner, Occupant, or other person shall have received a copy of such provisions or notice of any violation prior to imposition of any enforcement mechanisms available to the Board or any Owner under this Declaration or applicable laws.

Section 6.7 Framework for Regulation. Developer has established a general plan of development for the Property as a residential subdivision in order to enhance all Owners' quality of life and collective interests, the aesthetics and environment within the Property, and the vitality of and sense of community within the Property, all subject to the Board' and the Members' abilities to respond to changes in circumstances, conditions, needs, and desires within the community. The Property is subject to the land development, architectural, and design provisions described in the Design Guidelines, Article 7 and Article 8, the other provisions of this Declaration governing individual conduct and uses of or actions upon the Property, and the guidelines, rules and restrictions promulgated pursuant to this Article, all of which establish affirmative and negative covenants, servitudes, and restrictions on the Property. All provisions of the Governing Documents, including the Use Restrictions and Rules, shall apply to all Owners, tenants, occupants, guests and invitees of any Lot. Each Owner shall insert a provision in any lease of its Lot informing the lessee and all occupants of the Lot of the Governing Documents, all Use Restrictions and Rules affecting the Lot, the Common Area and Exclusive Common Area; however, failure to include such a provision in the lease shall not relieve any Person of responsibility for complying with the Governing Documents and all Use Restrictions and Rules affecting such Lot.

Section 6.8 Rulemaking Authority . Subject to the terms of this Article, the initial Use Restrictions and Rules as set forth in this Article 6 may be modified in whole or in part, repealed or expanded as follows:

a. Subject to the terms of this Article 6 and in accordance with its duty to exercise business judgment on behalf of the Association and its Members, the Board may adopt rules which

modify, cancel, limit, create exceptions to, or expand the Use Restrictions and Rules. The Board shall publish notice of the proposed action in a community newsletter, electronic bulletin board, or by other means which the Board determines will be reasonably effective in disseminating such notice on a community-wide basis, at least thirty (30) days prior to the Board meeting at which such action is to be considered. Members shall have a reasonable opportunity to be heard at a Board meeting prior to such action being taken.

b. Any rule adopted by the Board shall become effective thirty (30) days after a properly called meeting of the Board wherein such rule was adopted, as provided in the Bylaws, unless within such thirty (30) day period it is disapproved at a properly called special meeting, as provided in the Bylaws, by Owners or Voting Members representing a majority of the total Class "A" votes and by the Class "B" Member, if any, as set forth in the Bylaws. At any such meeting of the Owners, Owners may vote by proxy, and proxies may be filed by facsimile or other electronic means so long as they meet the requirements of Louisiana law. The Board shall have no obligation to call a meeting to consider disapproval except upon petition of the Owners or Voting Members as required for special meetings as set forth in the Bylaws.

c. The Voting Members, at a meeting duly called for such purpose as provided in the Bylaws, may adopt rules which modify, cancel, limit, create exceptions to, or expand the Use Restrictions and Rules applicable to all of the Property, by a vote of a majority of the total Class "A" votes in the Association and the approval of the Class "B" Member, if any.

d. Notwithstanding the above, after termination of the Class "B" Membership, no amendment to or modification of any Use Restrictions and Rules shall be effective without prior notice to and the written approval of Developer so long as Developer owns any portion of the Property.

e. At least thirty (30) days prior to the effective date of any action taken under subparagraph a., b., or c. of this Section, the Board shall send notice of the action to each Owner. The Association shall provide, without cost, a copy of the Use Restrictions and Rules then in effect to any requesting Member or Mortgagee.

f. Nothing in this Article shall authorize the Board or the Members to adopt rules conflicting with the Design Guidelines or addressing matters of architectural control, which shall be governed by the Design Guidelines and other architectural controls described in Article 8.

Section 6.9 Owners' Acknowledgment and Notice to Purchasers. All Owners and occupants of Lots are given notice that use of their Lots is limited by the Use Restrictions and Rules as they may be changed in accordance with this Declaration. Each Owner, by acceptance of a deed/act of sale or other act of transfer acknowledges and agrees that the use and enjoyment and marketability of his or her property can be affected by this provision and that the Use Restrictions and Rules may change from time to time.

Section 6.10 Enforcement of Use Restrictions and Rules.

a. **Owner's Responsibility.** Each Owner, all family members of Owners and all Owners' guests and tenants shall conform to and abide by the covenants contained in this Declaration and the Rules and Regulations of the Association. Each Owner shall be responsible for assuring such compliance, and any violation by family members, guests or tenants may be considered to be a violation by the Owner.

b. **Covenants Committee.** The Board may establish a Covenants Committee to hear any complaints of violations of the covenants and Reservations set forth in this Declaration or the Rules and Regulations of the Association. Members of the Board may serve on the Covenants Committee. All powers afforded under this Declaration to the Association, Board, or ARC shall also be available to the Covenants Committee except as may be expressly reserved by the Board.

c. **Notice, Hearing and Fines.** The Board, or the Covenants Committee if established by the Board, shall notify any Owner or tenant who is believed to be in violation of this Declaration or the Rules and Regulations of the Association of the violation and provide an opportunity for the Owner or tenant to be heard. After such hearing, the Board or Covenants Committee, as applicable, shall have the right to assess fines, up to a maximum of \$50 for a single violation or \$10 per day for a continuing violation (to be adjusted according to increases in the cost of living) and may restrict the Owner's use of the Common Area for up to sixty (60) days or until remedied, whichever is longer. The primary goal, however, of the Board or Covenants Committee, as applicable, under this Section is not to punish Owners or tenants but to reconcile and resolve problems. The Board or Covenants Committee, as applicable, may suggest or approve dispute resolution agreements and withhold the requirement of paying a fine if the agreement is honored. Fines shall be charged against an Owner's Lot as an Individual Lot Assessment and shall be secured by the Assessment Lien.

d. **Tenant Violations.** If a tenant is believed to be in violation of the covenants set forth in this Declaration or the Rules and Regulations of the Association, the Board or Covenants Committee, as applicable, shall notify the Owner and tenant and provide an opportunity for hearing. If the Board or Covenants Committee, as applicable, determines after notice and opportunity for hearing that a tenant has violated the covenants set forth in this Declaration or the Rules and Regulations of the Association, the Board or Covenants Committee may assess fines against the Owner as provided in subparagraph c. of this Section. In addition, if the tenant materially violates the covenants set forth in this Declaration or the Rules and Regulations of the Association more than once in any one (1) year period, the Association, by a two-thirds (2/3) vote of the Board, shall have right to evict the tenant. Each Owner by acceptance of a deed irrevocably appoints the Association as its agent and attorney-in-fact in such an eviction action. All costs and attorneys' fees related to such action shall be charged to the Owner as an Individual Lot Assessment. Any Owner whose tenant or tenants (whether under one (1) lease or different leases) violate the covenants set forth in this Declaration or the Rules and Regulations of the Association three (3) times in any one (1) year period may be prohibited from further leasing his Lot for a period of up to one (1) year.

e. **Corrective Action for Lot Maintenance.** If the Board or Covenants Committee, as applicable, determines after notice and hearing that any Owner has failed to maintain any part of the Lot (including the yard and any Garden Wall, Fence, Building, Garden Structure or other structure) in a clean and attractive manner, in accordance with the provisions of this Declaration, the Design Guidelines and applicable Rules and Regulations of the Association, the Board or Covenants Committee, as applicable, shall notify the Owner of its findings and may assess fines as provided in subparagraph c. of this Section. If the violation continues for ten (10) days after notice to the Owner of the Board's or Committee's findings, the Association, by a two-thirds (2/3) vote of the Board, shall have the right without liability to enter upon such Lot to correct, repair, restore, pain and maintain any part of such Lot and to have any objectionable items removed from the Lot. The Board may reduce or eliminate the time for notice if it believes the condition creates a hazard to the Property or a risk to the safety of Persons. All costs related to such action shall be assessed to the Owner as an Individual Lot Assessment and shall be secured by the Assessment Lien.

f. **Pets.** After notice and hearing, as more fully set forth in Section 6.5, subparagraph a., the Board or Covenants Committee, as applicable, may require that an Owner or the tenant of an Owner permanently remove from the Property any pet which violates this Declaration or the Rules and Regulations of its Association, or which creates disturbances or annoyances to the reasonable displeasure of other Owners. Nothing in this provision shall prevent the Association from requiring removal of any animal that presents an actual threat to the health or safety of residents or from requiring abatement of any nuisance or unreasonable source of annoyance to other Persons and Owners. The noise and nuisance provisions of this Declaration shall also apply to dogs barking and/or any other sounds from pets that may be heard on any Lot other than the pet owner's.

g. **Additional Remedies.** All remedies listed in this Section are non-exclusive and may be applied cumulatively. The Association shall also have the right to bring suit to enforce the covenants and its Rules and Regulations, as described in this Article 6.

Section 6.11 Protection of Owners and Others. Neither the Board nor the Members may adopt any rule in violation of the following provisions:

a. **Equal Treatment.** Similarly situated Owners and occupants shall be treated similarly; provided, the Use Restrictions and Rules may vary from one (1) portion of the Property to another depending upon housing type.

b. **Signs and Displays.** The rights of Owners to display religious and holiday signs, symbols, and decorations on their Lots of the kinds normally displayed in or outside of residences located in single-family residential neighborhoods shall not be abridged, except that the Association may adopt reasonable time, place, and manner restrictions (including design criteria) for the purpose of minimizing damage and disturbance to other Owners and occupants. No rules shall regulate the content of political signs; however, rules may reasonably regulate the time, place and manner (including design criteria) of posting such signs.

c. **Household Composition.** No rule shall interfere with the freedom of occupants of Lots to determine the composition of their households, except that the Association shall have the power to require that all occupants be members of a single housekeeping unit and to limit the total number of occupants permitted in each Lot on the basis of the size and facilities of the Lot and its fair use of the Common Area.

d. **Activities Within Lot.** No rule shall interfere with the activities carried on within the confines of structures on Lots, except that the Association may prohibit activities not normally associated with property restricted to residential or home office use, and it may restrict or prohibit any activities that create monetary costs for the Association or other Owners, that create a danger to the health or safety of occupants of other Lots, that generate excessive noise or traffic, that create unsightly conditions visible outside the Lot, that block the views from other Lots, or that create an unreasonable source of annoyance to other Persons and Owners.

e. **Allocation of Burdens and Benefits.** The initial allocation of financial burdens and rights to use Common Areas among the various Lots shall not be changed to the detriment of any Owner over that Owner's objection expressed in writing to the Association. Nothing in this provision shall prevent the Association from changing the Common Area available, from adopting generally applicable rules for use of Common Area, or from denying use privileges to those who abuse the Common Area, violate the Governing Documents, or fail to pay Assessments. This provision does not affect the right to increase the amount of Assessments as provided in Article 12.

f. **Alienation.** No rule shall prohibit leasing or transfer of any Lot, or require consent of the Association or Board for transfer or leasing of any Lot for a period of one (1) year or longer. The Association shall not by rule impose any fee on the transfer of any Lot greater than an amount based on the costs to the Association of the transfer; however, this provision shall not preclude imposition of transfer or similar fees for the benefit of the Association or other entities pursuant to other recorded covenants.

g. **Abridging Existing Rights.** If any rule would otherwise require Owners or occupants of Lots to dispose of personal property which they maintained in or on the Lot prior to the effective date of such rule, and in compliance with all rules in force at that time, such rule shall not apply to any such Owners without their written consent unless the rules were in effect at the time such Owners or occupants acquired their interest in the Lot.

h. **Reasonable Rights to Develop.** No rule or action by the Association or Board shall impede Developer's right to develop the Property.

ARTICLE 7 BUILDING RESTRICTIONS AND STANDARDS

Section 7.1 General.

a. Specific building restrictions and other covenants relating to the construction of Improvements on each Lot are set forth on **Exhibit "B"** attached to this Declaration. Such restrictions and covenants shall be hereinafter referred to as the **"Design Guidelines"**.

b. All Dwellings and other Buildings and Improvements constructed on each Lot shall be designed and constructed in accordance with the Design Guidelines, in addition to such other requirements as are provided in this Declaration. Height restrictions, placement requirements, parking requirements, Setback requirements, requirements concerning Porches, Fences and/or Garden Walls, and other building restrictions are all set forth in the Design Guidelines.

Section 7.2 ARC Approval Mandatory. Except as otherwise provided above, no structure shall be constructed, placed, erected or installed upon any portion of the Property and no Improvements (including staking, clearing, excavation, grading, and other site work, exterior alteration of existing Improvements, and plantings or removal of landscaping materials) shall take place within the Property without prior approval from the ARC and except in compliance with this Article and the Design Guidelines.

Section 7.3 Lake and Lake Lots; Nature. All Owners and occupants acknowledge that in order to further enhance each and every Owners' quality of life and collective interests, and the aesthetics and environment within the Property, after construction of Dwellings and Improvements on Lake Lots the side and rear portions of the Lake Lots will still be subject to the view of other Lake Owners and of other Persons in Common Areas near the Lake; therefore; all Owners and occupants of Lake Lots are hereby given further notice that due to the nature of the Lake Lots, the plans for Improvements upon each Lake Lot that will be visible from the side and rear portions thereof, will be reviewed in accordance with this Declaration with a heightened scrutiny in order to effectively maintain the aesthetics and environment of the Property for the benefit of the all Owners and occupants.

ARTICLE 8 ARCHITECTURAL REVIEW

Section 8.1 Applicability. If Developer has reserved rights of architectural or design review and control over any portion of the Property pursuant to any contract, deed, covenant or other recorded instrument outside of this Declaration, then the provisions of such instrument shall control as to any matter within the scope of this Article, and approval by Developer pursuant to such instrument of any matter within the scope of this Article shall be deemed full compliance with this Article unless, and except to the extent that:

- a. Developer has assigned in writing any or all of its reserved rights under such instrument to the ARC established pursuant to this Article; or
- b. Developer has recorded an instrument in the public records of the Parish declaring its intent that this Declaration thereafter control as to any matter within the scope of this Article.

Section 8.2 General. This Article may not be amended without the written consent of Developer so long as Developer owns any land subject to this Declaration or subject to annexation to this Declaration.

Section 8.3 Evaluation of Proposed Improvements. The ARC, Developer or the Association, as applicable, may consider (but shall not be restricted to the consideration of) visual and environmental impact, ecological compatibility, topography and finish grade elevation, harmony of external design with surrounding structures and environment, location in relation to surrounding structures and plant life, compliance with the general intent of the Design Guidelines, and architectural merit. Decisions may be based purely on aesthetic considerations. Each Owner acknowledges that determinations as to such matters are purely subjective and opinions may vary as to the desirability and/or attractiveness of particular Improvements, and the opinion of the ARC. If it is determined that particular Improvements will not adequately satisfy the design philosophy of Developer, approval may be withheld, even though the plans comply with the specific requirements and prohibitions contained in the Design Guidelines.

Section 8.4 Architectural and Design Review.

a. **Function of Design Review Process.** The function of design review is to encourage the architectural and structural harmony of the Subdivision.

b. **Developer Review.** Each Owner, by accepting a deed or other act of sale or transfer, or other instrument conveying any interest in any portion of the Property, acknowledges that, as Developer of the Property and as an Owner of significant portions of the Property, it has a substantial interest in ensuring that the Improvements within the Property enhance Developer's reputation as a community developer and do not impair Developer's ability to market, sell, or lease its property. Therefore, each Owner agrees that no Work shall be commenced on the Owner's Lot unless and until Developer, along with the prior approval of the ARC pursuant to Section 8.4, subparagraph c., has given its prior written approval for such Work, which approval may be granted or withheld in Developer's sole discretion. In reviewing and acting upon any request for approval, Developer shall be acting in its own interest and shall owe no duty to any other Person. The rights reserved to Developer under this Article shall continue so long as Developer owns any portion of the Property or any immovable property subject to annexation pursuant to this Declaration, unless earlier termination in a written instrument executed by Developer and recorded in the public records of the Parish. Notwithstanding the foregoing, after the ARC has reviewed the plans required to be submitted and has given its prior written approval, minor additions, changes or alterations and ordinary maintenance shall not require the approval of the ARC.

c. **Architectural Review Committee.**

(1) The Architectural Review Committee is an agency, department or division of the Association, and has the right to exercise control over all construction within the Property and review all modifications to structures and Improvements, including but not limited to painting, renovations, and landscaping. Initially, the ARC shall be appointed by Developer and shall consist of three (3) members. Until such time as Developer has sold all of the Lots in the Subdivision or no longer wishes to appoint members of the ARC, the ARC shall be appointed by the Board and shall consist of three (3) members. Should the Board wish to declare that there be an increase in the number of members serving on the ARC, it may do so at a regularly called meeting of the Board. The members of the ARC need not be Members of the Association or representatives of Members, and may, but need not, include architects, engineers or similar professionals, whose compensation, if any, shall be established from time to time by the Board. The Board may establish and charge reasonable fees for review of applications hereunder and may require such fees to be paid in full prior to review of any application. In addition, the ARC may, with the prior approval of the Board, retain architects, engineers or other professionals to assist in the review of any application and the Association may charge any fees incurred for such assistance to the applicant. The ARC may also establish a Modifications Committee, with the approval of the Board, to review and approve any proposed modifications of Property which are submitted at least two (2) years after a Certificate of Substantial Conformance is issued in accordance with Section 8.8, subparagraph f.

(2) Developer may from time to time, but shall not be obligated to, delegate all or a portion of its reserved rights under this Article or other recorded instruments to the ARC appointed by the Board, subject to (i) the right of Developer to revoke such delegation at any time and reassume jurisdiction over the matters previously delegated and (ii) the right of Developer to veto any decision of the ARC which Developer determines, in its sole discretion, to be inappropriate or inadvisable for any reason. So long as Developer has any rights under this Article, the jurisdiction of the ARC shall be limited to such matters as are specifically delegated to it by Developer.

(3) Upon expiration or termination of Developer's rights under this Article, the Association shall assume jurisdiction over architectural matters hereunder and the Association, acting through the ARC, shall be entitled to exercise all powers previously reserved to Developer under this Article; provided, however, in exercising the discretion previously reserved to Developer, the Association and the ARC shall act in the interest of the Members of the Association.

(4) Other professionals and staff assisting the ARC may be paid reasonable compensation for service on the ARC, as determined from time to time by the Board. All members of the ARC shall be reimbursed by the Association for their respective expenses incurred in furtherance of the authorized activities of the ARC, subject to review and approval by the Board. All members of the ARC may be paid compensation for their time and efforts in serving on the ARC if such compensation is approved and authorized by the Board.

(5) The Association shall be responsible for all reasonable costs of operation of the ARC. Each Owner submitting plans for the construction or modification of Improvements on any Lot shall submit with such plans a payment of \$300.00 as a nonrefundable "**Review Fee**", more particularly described in Section 8.8, subparagraph g., and that payment shall be made to the Association. The

Review Fee shall be used by the Association to defray the costs and expenses incurred by the ARC and the fees and compensation paid, if any, to staff, other professionals and members of the ARC. The Board, in its sole discretion, may increase the amount of the Review Fee, but in no event shall the Review Fee charged in any one (1) calendar year exceed 110% of the Review Fee charged during the preceding calendar year.

(6) The ARC may employ personnel or contract with individuals or companies as necessary to assist in the review process, as authorized pursuant to the budget for the ARC, as established by the Board. All such personnel, individuals and/or companies employed or contracted with by the ARC shall be considered as employees and/or independent contractors of the Association.

(7) The ARC is authorized to adopt rules and procedures and to adopt, from time to time, amendments to said rules and procedures for the conduct of its business, consistent with the provisions of this Declaration. Any Owner shall be provided with a copy of such rules and procedures within fifteen (15) days of submission of a written request to the Board.

Section 8.5 Modification of Design Guidelines.

a. The ARC may, subject to any applicable zoning requirements, revise any part of the Design Guidelines, and supplement all or any of the Design Guidelines, from time to time for any of the following reasons:

(1) To make changes which the ARC believes will better accomplish the objectives set forth in this Declaration;

(2) To adjust for market conditions so as to improve the value of all or some of the Lots;

(3) To recognize changing land use conditions over time, both from within and outside the Property; or

(4) To establish the plan for the development of additional immovable property annexed to, and included and incorporated within, the Property pursuant to a Supplemental Declaration, which plan shall be implemented through the regulation of land use, architecture, environment and landscaping with said additional immovable property in accordance with Article 4 herein.

While Developer owns at least one (1) Lot or hold any property within the Subdivision for sale in the normal course of business, no modification or amendment may be made to the Design Guidelines without the express written consent of Developer. Subject to the preceding sentence, on request of the ARC, the Board shall, without the consent of the Members, file any amendments to this Declaration at any time which add to, change or otherwise modify the Design Guidelines. Modifications and changes to the Design Guidelines shall not affect or bear on the construction of Buildings within the Subdivision to the extent such Buildings have been constructed prior to the adoption of such modification or other amendment to the Design Guidelines; but such modifications and changes shall be effective with respect to any alterations or other additions to Buildings constructed after the date of such amendments or modifications to the Design Guidelines. Developer and the Association, whenever filing Supplemental Declarations, shall file supplements to the Design Guidelines which contain specific requirements for any property added to the Subdivision pursuant to any such Supplemental Declaration, including without limitation thereto, in the filing party's sole discretion, additional designations of Building types, architectural characteristics and historical details for each such additional Building type, and such further

requirements and restrictions with respect to construction on Lots as are contained in the Design Guidelines as filed originally with this Declaration. There shall be no limitation on the scope of amendments to the Design Guidelines; amendments may remove requirements previously imposed or otherwise make the Design Guidelines more or less restrictive in whole or in part, in accordance with the provisions of this subparagraph a.

b. **Copies.** The Design Guidelines, together with all changes to same adopted by the ARC, shall be available for review in the registered office of each Association during normal business hours. Any Owner wishing to have a copy of the Design Guidelines, together with all changes to same adopted by the ARC, shall pay the cost of reproducing same to the Association which shall be calculated on the basis of \$0.50 per page; provided, however, there shall be no charge for the first copy of each Design Document with respect to each Lot; and provided that only certain portions of the Design Guidelines shall be available for copying. Developer shall determine the availability of copying of portions of the Design Guidelines in its sole discretion.

Section 8.6 Landscaping.

a. **General.** Each Lot shall be landscaped in accordance with the requirements of this Declaration and the Design Guidelines. All landscape plans must receive the approval of Developer or ARC.

b. **Trees.** A minimum of one (1) thirty-six inch (36") box tree and two (2) fifteen (15) gallon trees per yard selected from the "**Recommended Plant List**" shall be planted. The Recommended Plant List is available for inspection to Owners. A minimum of one (1) five (5) gallon shrub per sixty-five (65) square feet of front yard, and a minimum of one (1) gallon shrub per one hundred (100) square feet of front yard shall be planted.

c. **Removal of Trees.** In reviewing building plans, the ARC shall take into account the natural landscaping such as trees, shrubs and palmettos, and encourage the Owner to incorporate them in his landscaping plan. No trees of two (2) inches in diameter at one (1) foot above natural grade shall be cut or removed without approval of the ARC, which approval may be given when such removal is necessary for the construction of a Dwelling or other Improvement.

d. **Unimproved Areas.** All unimproved areas of a Lot shall be fully turfed.

e. **Maintenance of Landscaping.** Each Owner of a Lot shall properly maintain and keep neatly trimmed, properly cultivated and free of trash, weeds and other unsightly material all shrubs, trees, hedges, grass and plantings of every kind (collectively, "**Landscaping**") located on: (a) the Lot; (b) any public right-of-way or easement area which abuts or adjoins the Lot and which is located between the boundary line of his Lot and the paved area of any Street, sidewalk, bike-path or similar area (unless otherwise directed by the Association); and (c) any non-street public right-of-way or easement area adjacent to the Lot (unless otherwise directed by the Association); provided, however, that such Owner shall not be responsible for maintenance of any area over which: (i) the Association assumes the responsibility in writing; (ii) the Association has been given such responsibility by this Declaration or any Supplemental Declaration; or (iii) the the City, the Parish or any other municipality or other Governmental Authority having jurisdiction over such property assumes responsibility, for so long as the the City, the Parish or such other municipality or other Governmental Authority assumes or has responsibility. For purposes of this subparagraph d., proper maintenance of Landscaping shall include, without limitation, removal and replacement of dead Landscaping, subject to the ARC rules.

f. **Lighting.** Low voltage landscape lighting integrated with the Landscaping for a Lot is encouraged, but not required.

Section 8.7 Approved Builders, Contractors, Architects and Design Professionals.

a. **Builders, Contractors, Architects, and Design Professionals.** Developer shall select all Builders, contractors, architects and design professional for all structures constructed within the Property in his sole discretion. No Owner shall self-contract any Builder, contractor, architect, or design professional for any Improvement to be located on the Property without the prior approval of the ARC.

b. **No Endorsement.** Any approval by the ARC of a Builder, contractor, architect or design professional is not meant as an endorsement of that professional's ability and shall not be the basis for any liability on the part of the ARC.

c. **Access to Approval Lists.** The lists of approved contractors, architects and other design professionals shall be maintained by the Association in the registered office of the Association and those lists shall be available for review by Owners during regular business hours of the Association.

d. **Approval Process.** Should an Owner desire to have a Dwelling or other Improvement constructed on a Lot by a contractor who is not approved by the ARC, or to have a Dwelling or other Improvement to a Lot designed by an architect or other design professional who is not approved by the ARC, the Owner shall submit to the ARC such information as may be requested by the ARC which information may include, without limitation thereto, the following: (a) name and address; (b) a listing of other dwellings or similar types of improvements constructed or designed, as the case may be, by the proposed contractor or design professional, together with photographs of such dwellings or similar types of improvements; (c) a listing of references who may be called to discuss the quality, effectiveness, thoroughness and other aspects of services to be provided by the proposed contractor or design professional; (d) evidence of insurance; (e) evidence of ability to obtain payment and performance bonds, or other evidence of net worth and liquidity; (f) other evidence of ability, as to a contractor, to build a Dwelling or other Improvements in a timely manner, in accordance with plans and specifications; and (g) other evidence, as to a design professional, of ability to design and provide specifications for a Dwelling or other Improvements which would be consistent with the requirements of this Declaration and the Design Guidelines. The ARC shall have the sole discretion to approve or disapprove any such professional.

Section 8.8 Review Procedure.

a. **Forms.** Examples of forms that may be used in the design review process are available for review in the development office.

b. **Construction Subject to Review; Application.** All construction or modification (except interior alterations not affecting the external structure or appearance of any Building) on any Lot or Common Area must be approved in advance by the ARC. Prior to commencing any Work, an application for approval of such Work shall be submitted to the ARC in such form as may be required by the ARC or the Design Guidelines, as more fully set forth in subparagraph c. below. The application shall include Plans showing the site layout, exterior elevations, exterior materials and colors, landscaping, drainage, lighting, irrigating, and other features of the proposed construction, as required by the Design Guidelines as applicable. The ARC may require the submission of such additional information as it deems necessary to consider any application. Modifications subject to review specifically include, but are not limited to, painting or other alteration

of a Building (including doors, windows and trim); replacement of a roof or other parts of a Building other than with duplicates of the original material; installation of antennae, satellite dishes or receivers, solar panels or other devices; construction of fountains, swimming pools, whirlpools or other pools; construction of privacy walls or other Fences or gates; addition of awnings, flower boxes, shelves, statues, or other outdoor ornamentation; window coverings; and any material alteration of the landscaping or topography of the Subdivision, including without limitation any removal or substantial pruning of trees or plants. The listing of a category does not imply that such construction is permitted; this Declaration or the Rules and Regulations may, for example, prohibit the placement of certain antennae, satellite dishes or receivers, in which event, such a prohibition shall control.

c. **Consideration by ARC.** The ARC may consider (but shall not be restricted to consideration of) visual and environmental impact, ecological compatibility, natural platforms and finish grade elevation, harmony of external design with surrounding Dwellings, Improvements and environment, location in relation to surrounding structures and plant life, compliance with the general intent of the Design Guidelines, architectural style or design, quality of workmanship and material, and quality and size of the proposed Improvements. Decisions may be based on purely aesthetic considerations. Each Owner acknowledges that determinations as to such matters are purely subjective and opinions may vary as to the desirability and/or attractiveness of particular improvements. Each Owner agrees and acknowledges that the listing in this subparagraph c. is not a complete listing and that in reviewing applications the ARC may consider such other factors as the ARC may in its sole discretion deem appropriate.

d. **Application.** The plans to be submitted for approval shall include (i) at least one (1), but not more than three (3) sets of the construction plans and specifications for all proposed Work, including all proposed grading, leveling, contouring, clearing and landscaping of the subject Lot, and which specifically reflect therein the structural components, size, shape, height, dimensions, floor plan or layout, materials and colors of the proposed Improvement, and the types of construction, (ii) elevations of all proposed Improvements and the location of all proposed Improvements on the Lot in question, (iii) a standard for what constitutes substantial completion based on current industry practices and customs, and (iv) such other items as the ARC requires. No construction on any Lot shall be commenced and no Lot shall be modified except in accordance with plans and specifications that have been approved by the ARC. Any modification to the approved plans and specifications must be reviewed and approved by separate application. The ARC shall, within thirty (30) days after receipt of each submission of the plans, advise the party submitting the same, in writing, at an address specified by such party at the time of submission, of (i) the approval of the plans, or (ii) the disapproval of such plans, specifying the segments or features of the plans which are objectionable and suggestions, if any, for the curing of such objections. One (1) set of plans shall be returned to the Owner with comments. In the event the ARC fails to advise the submitting party by written notice within the time set forth above of either the approval or disapproval of the plans, the applicant may give the ARC written notice of such failure to respond, stating that unless the ARC responds within ten (10) days of receipt of such notice, approval shall be deemed granted. Upon such further failure, approval shall be deemed to have been given, subject to the right of Developer to veto approvals by the ARC as set forth in this Section. However, no approval, whether expressly granted or deemed granted pursuant to the foregoing, shall be inconsistent with the Design Guidelines, if any, unless a variance has been granted in writing pursuant to Section 8.10. If the application is denied, a formal appeal may be made in writing to the Association, attention: ARC. Notice shall be deemed to have been given at the time the envelope containing such notice, properly addressed, and postage prepaid is deposited with the U. S. Postal Service, registered or certified mail, return receipt requested. Personal delivery of such written notice shall, however, be sufficient and shall be deemed to have

been given at the time of delivery. An application for withdrawal of plans may be made by an Owner without prejudice.

e. **Approval and Construction.** Within three (3) days after the ARC has approved any application relating to proposed Work, the ARC shall give written notice to Developer of such action, together with such other information as Developer may require. Developer shall have ten (10) days after receipt of such notice to veto any such action, in its sole discretion, by written notice to the ARC and the applicant. If construction does not commence on any Work for which approval has been granted within twelve (12) months of such approval, such approval shall be deemed withdrawn, and it shall be necessary for the Owner to re-submit plans for reconsideration in accordance with the Design Guidelines as are then in effect prior to commencing such Work. All Work shall be completed within two (2) years of commencement or such other period as may be specified in the notice of approval, unless completion is delayed due to causes beyond the reasonable control of the Owner, as determined in the sole discretion of the ARC. Any approval given pursuant to this Declaration by the ARC, Developer or the Association, as applicable, shall not relieve an Owner of his/her/its obligation to obtain any approvals from a Governmental Authority. If such governmental approval is required and not obtained by the Owner, Developer, the Association and/or the Governmental Authority may take whatever actions are necessary against the Owner to force compliance. Periodic inspections may be made by Developer and the ARC at any time during construction and when construction is complete to determine compliance with the approved plans.

f. **Substantial Completion.** Upon substantial completion based on the standard set forth in the application and approved by the ARC, as set forth in subparagraph d. above, the ARC shall issue a "**Certificate of Substantial Conformance**" which shall specify any deficiencies, if any, in the construction. Upon correction of any such deficiencies or if no such deficiencies exist, the ARC shall issue a "**Certificate of Completion and Release**" in recordable form to the Builder or other applicable Person certifying that such construction conforms to the provisions of the Design Guidelines and this Declaration.

g. **Review Fee.** A review fee of \$300.00, as same may be modified in the future by the Board or the ARC, whichever applicable, shall be submitted together with those items required to be submitted pursuant to this Section. Should the ARC reject, and or require modifications or changes, to any plans and/or specifications due to deviations in said plans or specifications from the Design Guidelines, then and in that event the Owner who submitted said plans and specifications shall pay another review fee of \$300.00 (or such amount as the said Review Fee may have been increased to by the Board or ARC, as applicable). When an Owner resubmits revised plans and specifications, the Board or ARC, as applicable, shall have the discretion to waive any such additional review fees if, in its sole discretion, it determines that the deviations from the Design Guidelines were not significant.

h. **Uniform Procedures.** The ARC shall establish procedures for the receipt, review, and approval of applications.

i. **Enforcement.** Any Work performed in violation of this Article or in a manner inconsistent with the approved plans shall be deemed to be nonconforming. Upon written request from Developer, the Association, Board, or ARC, Owners shall, at their own cost and expense, remove any non-conforming structure or Improvement and restore the property to substantially the same condition as existed prior to the nonconforming Work. Upon demand, the Owner shall reimburse all costs incurred by any of the foregoing in exercising its rights under this Section, together with interest at the maximum rate then allowed by law. Should an Owner fail to remove and restore as required, the ARC, Developer or the Association may bring an action for specific

performance, declaratory judgment or injunction and shall be entitled to recover its actual attorney's fees in bringing such action.

Developer, the Association, the Board, or the ARC, acting separately or jointly, may preclude any contractor, subcontractor, agent, employee or other invitee of an Owner who fails to comply with the terms and provisions of this Article and the Design Guidelines from continuing or performing any further activities in the Property, subject to the notice and hearing procedures contained in the Bylaws. Neither Developer, the Association, the Board, or the ARC, nor their officers, directors or agents shall be held liable to any Person for exercising the rights granted by this subparagraph.

Section 8.9 No Waiver of Future Approvals. Each Owner acknowledges that the Persons reviewing applications under this Article will change from time to time and that decisions regarding aesthetic matters and interpretation and application of the Design Guidelines may vary accordingly. In addition, each Owner acknowledges that it may not always be possible to identify objectionable features of proposed Work until the Work is completed, in which case it may be unreasonable to require changes to the Improvements involved, but the ARC may refuse to approve similar proposals in the future. Approval of proposals, plans and specifications, or drawings for any Work done or proposed, or in connection with any matter requiring approval, shall not be deemed a waiver of the right to withhold approval as to any similar proposals, plans and specifications, drawings or other matters whenever subsequently or additionally submitted for approval.

Section 8.10 Variances. All variance requests must be made in writing. The ARC may, but shall not be required to, grant a variance from compliance with any of the provisions of the Design Guidelines when circumstances such as topography, natural obstructions, hardship, or aesthetic or environmental considerations require, or when architectural merit warrants such variance, as it may determine in its sole discretion. Such variances shall be granted only when, in the sole judgment of the reviewing entity, unique circumstances exist. No Owner shall have any right to demand or obtain a variance. No variance shall (a) be effective unless in writing, (b) be contrary to this Declaration, or (c) stop the ARC from denying a variance in other circumstances. Notwithstanding the foregoing, any Work performed pursuant to a variance granted by the ARC shall nevertheless be performed in compliance with the other terms and provisions of this Declaration and the Design Guidelines. If a variance is granted, no violation of this Declaration or the Design Guidelines shall be deemed to have occurred with respect to the matter for which the variance was granted. The granting of any variance shall not operate to waive any of the terms and provisions of this Declaration for any purposes except as to the particular instance covered by the variance, and in no case shall the granting of a variance in one instance obligate the ARC to grant a variance in another instance.

Section 8.11 Limitation of Liability. The standards and procedures established by this Article are intended to provide a mechanism for maintaining and enhancing the overall aesthetics and monetary values of the Property and to maximize compliance with the Declaration and the Design Guidelines for the benefit of all Owners, but shall not create any duty to any Person. Developer, the ARC, the Association, the Board, or any member thereof does not:

- a. assume any responsibility for ensuring structural adequacy, capacity, integrity, soundness, or safety features of structures or Improvements, or compliance with building codes, safety requirements and other governmental laws, regulations, ordinances or requirements, or ensuring that structures on Lots are located so as to avoid impairing views from or other negative impact on neighboring Lots;

b. make any representation or warranty that all structures and Improvements constructed within the Property are or will be of comparable quality, value, size, or design; or

c. assume any responsibility for the performance or quality of Work of any architect or contractor or Builder.

Neither Developer, the Association, the Board, the ARC, nor any member of any of the foregoing shall be held liable for non-compatible or unstable soil conditions, soil erosion, drainage problems or other general site work (provided, however, that the Architect shall review and implement, if necessary, soils tests requirements), nor for defects in Work done according to approved plans, nor for any injury, damages, or loss arising out of the manner, design or quality of approved construction on or modifications to any Lot.

Section 8.12 Warranty. Neither the approval by the ARC of any plans or specifications for any Work nor any review, inspection or observation of such Work shall in any manner constitute a warranty, representation or the undertaking of any duty or obligation on the part of the ARC, the Association, the Board, Developer or their respective members, agents, employees, partners, and representatives, to any person, that any method, practice, design, material or structure, contained, shown or specified in any plans or specifications approved by the ARC, or reviewed, inspected or observed by the ARC or its members, (a) is safe or proper or sound or free from defects or vices or is invested with any quality or characteristic whatsoever, (b) complies with the requirements of this Declaration or the Design Guidelines, (c) complies with the requirements of any contract, agreement or instrument, (d) complies with the requirements of any law, ordinance or regulation applicable to Owner's Lot and/or the Work which Owner proposes to have performed on the Lot, or (e) does not create an encroachment on a Utility Easement for which permission must be obtained from those utility providers using the Utility Easement.

Section 8.13 Release From Liability.

a. Each person who submits plans and specifications to the ARC for a particular Work, each Owner who performs or contracts for the performance of such Work on any Lot pursuant to such plans and specifications, and each architect, engineer, contractor, sub-contractor, supplier, materialman or other person who participates or engages in any Work on any Lot pursuant to such plans and specifications, hereby fully releases and discharges the ARC and its members, the Board and its members, the Association, Developer and their officers, directors, employees, agents and representatives, from all claims, demands, causes of action, suits, liabilities, damages, costs and fees (including reasonable attorneys' fees) arising out of any act, or fault by any person, or any defect, vice, hazard or failure, in any material, Lot or Improvement, relating in any way to such Work.

b. The ARC shall have the power and authority to reject any plans or specifications for any Work that in the sole opinion of the ARC does not meet the requirements of this Declaration and/or the Design Guidelines, and any Owner whose plans or specifications have been so rejected does hereby fully release and discharge the ARC and its members, the Board and its members, the Association, Developer and their officers, directors, employees, agents and representatives, from all claims, demands, causes of action, suits, liabilities, damages, costs and fees arising out of such rejection of plans or specifications, the opinion of the ARC being final and binding and not subject to any claim or challenge whatsoever. Should any Owner nevertheless make any claim or challenge to the rejection by the ARC of any plans or specifications, such Owner agrees to pay the actual attorneys' fees, costs and expenses incurred by the ARC in defending or responding to such claim or challenge.

ARTICLE 9 MAINTENANCE AND REPAIR

Section 9.1 Maintenance of Units.

a. **General.** Each Owner shall maintain his or her Lot and all structures, parking areas, landscaping, and other Improvements comprising the Lot in a manner consistent with the Community-Wide Standard unless such maintenance responsibility is otherwise assumed by or assigned to the Association or a condominium or similar owners association pursuant to any Supplemental Declaration or other declaration of covenants applicable to such Lot.

b. **Landscaped Areas.** Each Owner shall also maintain, mow, irrigate, replace sod, and prune all landscaping lying within the right-of-way of adjacent public Streets and Alleys between the Lot boundary and the curb of such public Street or Alley, and between the Lot boundary and any adjacent servitudes for pedestrian paths or sidewalks, in a manner consistent with the Community-Wide-Standard unless responsibility for maintaining such landscaped areas has been assigned to or assumed by the Association.

c. **Common Area.** The Association shall maintain the Common Area (as shown on the Initial Plat attached hereto) in a manner consistent with the Community-Wide Standard unless such maintenance responsibility is otherwise assumed by or assigned to a condominium or similar owners association pursuant to any Supplemental Declaration or other declaration of covenants applicable to such Common Area.

d. **Alleys.** The Association shall maintain the Alleys located within the Subdivision. Ownership of such Alleys shall remain with the adjacent Owners as provided in Section 13.5.

e. **Enforcement.** In addition to any other enforcement rights, if an Owner fails properly to perform his or her maintenance responsibility, the Association may perform such maintenance responsibilities and assess all costs incurred by the Association against the Lot and the Owner in accordance with Article 12. The Association shall afford the Owner notice and a reasonable opportunity to cure the problem prior to entry, except when entry is required due to an emergency situation.

Section 9.2 Maintenance of Other Property.

a. **Service Area.** Upon Board resolution, the Owners of Lots within each Service Area shall be responsible for paying, through Service Area Assessments, the costs of operating, maintaining and insuring certain portions of the Common Area within or adjacent to such Service Area. This may include, without limitation, the costs of maintaining any signage, right-of-way and Green space within the Service Area or between the Service Area and adjacent public Roads or private Streets within the Service Area, and lakes or ponds within the Service Area, regardless of ownership and regardless of the fact that such maintenance may be performed by the Association; provided, however, all areas which are similarly situated shall be treated the same.

b. **Other.** Any condominium or similar owners association having responsibility for maintenance of any portion of the Property shall perform, with respect to such property, all maintenance required of an Owner under this Article in a manner consistent with the Community-Wide Standard. If it fails to do so, the Association may perform such responsibilities and assess the costs against all Lots as provided in Article 12.

Section 9.3 Responsibility for Repair and Replacement. Each Owner shall be responsible for obtaining and maintaining property insurance on all insurable Improvements on his or her Lot, unless either a condominium or other owners association of which the Lot is a part, or the Association, carries such insurance (which they may but are not obligated to do hereunder). If the Association assumes responsibility for obtaining any insurance coverage on behalf of its Owners hereunder, the premiums for such insurance shall be levied as a Specific Assessment against the benefited Lot and the Owner thereof pursuant to Section 12.10. Each Owner shall also maintain liability insurance to fund its obligation to indemnify the Association pursuant to Section 10.15, subparagraph c.

a. **Damage or Destruction.** Each Owner further covenants and agrees that in the event of damage to or destruction of structures on or comprising his Lot the Owner shall proceed promptly to repair or to reconstruct in a manner consistent with the original construction or such other plans and specifications as are approved in accordance with Article 7 and Article 8. Alternatively, the Owner shall clear the Lot of all debris and ruins and maintain the Lot in a neat and attractive, landscaped condition consistent with the Community-Wide Standard. The Owner shall pay any costs which are not covered by insurance proceeds.

b. **Other.** The requirements of this Section shall apply to any condominium or similar owners association responsible for any portion of the Property in the same manner as if it were an Owner and such property were a Lot. Additional recorded covenants applicable to any portion of the Property may establish more stringent requirements for insurance and more stringent standards for rebuilding or reconstructing structures on the Lots within such portion of the Property and for clearing and maintaining such Lots in the event the structures are not rebuilt or reconstructed.

Section 9.4 Standard of Performance. Maintenance, as used in this Article, shall include, without limitation, repair and replacement as needed, as well as such other duties, which may include irrigation, as the Board and the ARC may determine to be necessary or appropriate to satisfy the Community-Wide Standard. All maintenance and irrigation shall be performed in a manner consistent with the Community-Wide Standard, all applicable Reservations, and all other requirements and restrictions set forth herein.

III. GOVERNANCE AND ADMINISTRATION

ARTICLE 10 ASSOCIATION AND MEMBERS

Section 10.1 The Association. There shall be an Association organized and created pursuant to the terms of this Declaration, the Association's articles of incorporation and its bylaws for the operation and management of the Property. The Association shall be organized as a non-profit corporation under the laws of the State of Louisiana

Section 10.2 Function of Association. The Association is the entity responsible for the management, maintenance, operation and control of the Common Area within the Property in good, clean, attractive and sanitary condition, order and repair, consistent with this Declaration, the Community-Wide Standard and the Design Guidelines. The Association shall be the primary entity responsible for enforcement of this Declaration and the Rules and Regulations regulating use of the Property as the Board may adopt. Upon delegation by Developer or termination of Developer's authority over certain architectural matters, pursuant to the provisions of Article 8, the Association shall also be responsible for administering and enforcing the architectural standards and controls set forth in this Declaration and in the Design Guidelines through the ARC. The Association shall

perform its functions in accordance with this Declaration, the Bylaws, the Articles, Louisiana law, and any rules adopted by the ARC. The Association may enter into contractual agreements with each other to share facilities and Common Area, and to provide for any required contribution for expenses and costs of same.

Section 10.3 Acceptance and Control of Association Property. The Association may acquire, hold, and dispose of tangible and intangible personal property and real property. Developer and its designees may convey to the Association improved or unimproved real estate located within the Property, personal property, leasehold and other property interests; provided, however, Developer shall not convey any real estate to the Association as Common Area which it knows to contain hazardous substances which would require remediation or create liability for the property owner under state or federal law. Such property shall be accepted by the Association and thereafter shall be maintained as Common Area by the Association at its expense for the benefit of its Members, subject to any restrictions set forth in the deed or other instrument transferring such property to the Association, not inconsistent with this Declaration. Developer shall convey the initial Common Area to the Association prior to the conveyance of a Lot to any Person other than a Builder.

Section 10.4 Additional Powers. To the extent permitted by any Governmental Authority, the Association may, but is not obligated to, provide the following services or engage in the following activities within the Property:

- a. water, sewer, electrical, telephone, cable television or other utility services, including the supply or irrigation water, and garbage and trash collection and disposal;
- b. insect and pest control;
- c. improvement of vegetation, fishing and wildlife conditions;
- d. pollution and erosion controls;
- e. emergency rescue, evacuation or safety equipment;
- f. fire protection and prevention;
- g. lighting of their respective Common Roads and Streets;
- h. security patrols within the Property, provided that no security measures that the Association may or does implement shall in any case impose any liability on the Association, Board, or any other person or entity (including any security services provider except as may be imposed by its contract) for any failure or shortcomings in such services or facilities;
- i. any other service allowed, or not prohibited, by law to be provided by a community association organized as a [not-for-profit] corporation,
- j. maintenance of Utility Easement areas, public rights-of-way and other public or private properties located within reasonable proximity to the Property if its deterioration would affect the appearance of or access to the Property, or if the Board determines that such maintenance is necessary or desirable to maintain the Community-Wide Standard,

k. contracting with Developer or any other party for (a) the performance of all or any portion of the management of the Association, (b) its maintenance and repair obligations, or (c) the purpose of providing any services of a municipal, utility, or similar nature which the Association deems necessary, appropriate or desirable to enhance the Community-Wide Standard, the lifestyle within the Property, and/or the amenities available to Owners, and which the Association is authorized to provide as set forth in this Article 10. Such services may include, but shall not be limited to, refuse removal, insect control, services pursuant to subparagraph r. above, basic access to cable television, and similar services. The cost of any such services made available to all Lots within the Property shall be included in the Common Expenses to be assessed and collected as part of the General Assessment against each Lot pursuant to Article 12. The cost of such contract(s) shall be included within the General Assessment, Special Assessment or Individual Lot Assessment as applicable and as determined by the Board. The Association may require that Owners contract with a third party chosen by the Association for certain routine yard maintenance (which includes without limitation thereto grass cutting and maintenance of shrubbery and flower beds), in order to provide a uniform level of care within the Property. The Association is also hereby granted an irrevocable power of attorney, coupled with an interest, to contract for routine maintenance and other services not required to be provided by the Association, but the cost of which would be assessed to that Owner as an Individual Lot Assessment. The Association may also act as an agent for an Owner, but is not obligated to, contract for routine maintenance and other services not required to be provided by the Association, the cost of which would be assessed to that Owner as an Individual Lot Assessment. For the purpose of exercising this agency, each Owner does grant an irrevocable power of attorney to the Association, which is a power coupled with an interest, and the Association in that capacity may act on behalf of, and as said Owner's agent and attorney-in-fact to accomplish the authority intended as set forth in the first part of this sentence. The terms and conditions of all such contracts as are entered into pursuant to this Section shall be at the discretion of the Board; and

l. ownership, operation and maintenance of a community network computer system and software and permitting access to such system by the Owners and occupants of all Lots within the Property (and such other Persons as the Board may determine appropriate). The Association shall include all costs herefrom in their respective budgets as Common Expenses to be assessed and collected as part of the General Assessment against each Lot pursuant to Article 12.

Section 10.5 Costs. To the extent that the Association provides any of the services described in Section 10.4 or engages in any of the activities described in Section 10.4, the cost of same shall be billed to the Members as Assessments and, in the discretion of the Board, said costs may be included in either the General Assessment or in the Individual Lot Assessments. If requested by at least ten (10%) percent of the Members, a Community Meeting may be called and the offering of any additional service under Section 10.4 may be repealed by majority vote of the Members. Except as otherwise specifically provided herein, all costs associated with maintenance, repair and replacement of the Common Area shall be a Common Expense to be allocated among all Lots as part of the General Assessment, without prejudice to the right of the Association to seek reimbursement from the owner(s) of, or other Persons responsible for, certain portions of the Common Area pursuant to this Declaration, other recorded covenants, or agreements with the owner(s) thereof. All costs associated with maintenance, repair and replacement of Exclusive Common Area shall be a Service Area Expense assessed against the Service Area(s) to which the Exclusive Common Area is assigned, notwithstanding that the Association may be responsible for performing such maintenance.

Section 10.6 Servitudes. There are hereby reserved to the Association servitudes over the Property as necessary to enable the Association to fulfill their responsibilities under this Article 10.

The Association shall maintain the facilities and equipment within their Common Areas in continuous operation, except for any periods necessary, as determined in the sole discretion of the Board, to perform required maintenance or repairs, unless Members representing seventy-five (75%) percent of the Class "A" votes in the Association and the Class "B" Member, if any, agree in writing to discontinue such operation. This limitation shall not apply to Streets or Roads which the Association owns or controls; the Association, acting through the Board, may temporarily or permanently close portions of any such Streets or Roads to control traffic or traffic flow, or to enhance privacy, or for similar purposes, without approval of the Members.

Section 10.7 Service Area. The Association may assume maintenance responsibility for any portion of the Property within any Service Area, in addition to any additional property designated by a Supplemental Declaration, either by agreement with the Service Area Committee, or because, in the opinion of the Board, the level and quality of existing service is not consistent with the Community-Wide Standard. All costs of maintenance pursuant to this Section shall be assessed as a Service Area Assessment only against the Lots within the Service Area to which the services are provided. The provision of services in accordance with this Section shall not constitute discrimination within a class.

Section 10.8 Failure to Perform Maintenance. In the event that the Association fails to properly perform its maintenance responsibilities hereunder, Developer may, upon not less than ten (10) days' notice and opportunity to cure such failure, cause such maintenance to be performed and in such event, shall be entitled to reimbursement from the Association for all costs incurred in connection with the performance of such maintenance.

Section 10.9 Membership. Every Owner of a Lot shall be a Member of the Association. There shall be only one (1) membership per Lot. Membership shall be appurtenant to and may not be separate nor apart from ownership of any Lot.

a. **Co-Owners.** If a Lot is owned by more than one (1) Person, all co-Owners shall share the privileges of such membership, subject to reasonable Board regulation and the restrictions on voting set forth in this Article 10 and in the Bylaws, and all such co-Owners shall be jointly and severally obligated to perform the responsibilities of Owners.

b. **Nature of Owner.** The membership rights and privileges of an Owner who is a natural person may be exercised by the Member or the Member's spouse. The membership rights of an Owner which is a corporation, partnership or other legal entity may be exercised by any officer, director, partner, or trustee, or by any other duly authorized individual designated from time to time by the Owner in a written instrument provided to the Secretary of the Association in advance of any vote and dated within six (6) months of the date of such vote.

Section 10.10 Voting Rights. The Association shall have two (2) classes of membership, which are Class "A" membership and Class "B" membership, described as follows:

a. **Class "A".** Class "A" Members of the Association shall be all Owners of property in the Subdivision, except Developer for so long as Developer remains a Class "B" Member. Each Class "A" Member shall have one (1) vote for each Lot which they own; provided, there shall be only one (1) vote per Lot and, no votes shall be exercised on account of any property which is exempt from assessment under Article 12. When more than one (1) Person holds an interest in any Lot, all such persons shall be Members, provided, however, that the vote for such Lot shall be exercised as they determine and advise the Secretary of the Association in writing prior to the close

of balloting. In no event shall more than one vote be cast with respect to any Lot which is owned by more than one (1) Person. Corporations, limited liability companies, partnerships and other entities shall notify the Association of the natural person who is authorized to exercise its vote; such entities shall provide such evidence of appointment and authority as the Board may require.

b. **Class "B".** The Class "B" Member of the Association shall be Developer, and no other Person shall be a Class "B" Member of the Association. Developer, as the Class "B" Member, shall be entitled to three (3) votes for each Lot owned in the Subdivision (provided that Developer shall not be entitled to any votes of any Lot owned and leased by it). The additional rights of the Class "B" Member are specified elsewhere in this Declaration and the Bylaws.

c. **Termination of Class "B" Membership.** The Class "B" membership shall terminate two (2) years from the effective date of this Declaration, or when, in its discretion, the Class "B" Member so determines and declares in a recorded instrument.

d. **Exercise of Voting Rights.** Except as otherwise specified in this Declaration or the Bylaws, the vote for each Lot owned by a Class "A" Member shall be exercised by the Owner of each Lot.

e. **Amendment of Bylaws.** Amendment of the Association's Bylaws shall require the affirmative vote of 51% of the Owners, provided however that if a meeting is called to consider the amendment of the Bylaws, and (a) a majority of the Owners in attendance, but less than 51% of the total number of Owners votes in favor of such amendment(s), and (b) the Board determines that Owner attendance and representation at such meeting is insufficient to fairly determine if 51% of the total number of Owners, if all had been in attendance, might have supported such amendment(s), then the Board may call and give notice to the Owners of a second meeting to consider such amendment(s), at which second meeting a majority of those Owners actually voting (in person or by proxy) shall be sufficient to adopt any or all of such amendments being considered.

Section 10.11 Board.

a. **Types of Board.** There shall be a Board. Except as otherwise expressly provided or the context requires otherwise, the Board will be appointed and operated as set forth in this Section.

b. **Initial Composition.** The Board shall initially consist of at least three (3) persons each of whom shall be appointed by Developer. When at least one hundred (100) Lots have been conveyed to Owners other than Developer and while Developer is the Class "B" Member, the Class "A" membership in the Association shall be entitled to vote and elect one (1) member of the Board, and the remaining members of the Board shall be selected by the Class "B" Member.

c. **Class "B" Termination.** Upon termination of the Class "B" membership, the Board shall be elected as provided in the Bylaws.

d. **Compensation.** Directors of the Association shall receive no compensation for their services unless expressly provided for in resolutions adopted by the Members, but may be reimbursed for expenses when approved by the Board.

e. **Additional Provisions.** Additional provisions concerning the operation of the Association and the Board are contained in the Articles and Bylaws.

Section 10.12 Compliance and Enforcement. Every Owner and occupant of any Lot shall comply with the Governing Documents. Subject to the terms of Article 18, failure to comply with the Governing Documents shall be grounds for an action by the Association, Developer, or, in a proper case, by any aggrieved Owner(s) to recover sums due, for damages or injunctive relief, or for any other remedy available at law or in equity, in addition to those enforcement powers, including monetary fines and penalties and associated lien rights, granted to the Association pursuant to this Declaration and the Bylaws.

a. **Remedies Cumulative.** All remedies set forth in this Declaration and the Bylaws shall be cumulative of any remedies available at law or in equity. In any action to enforce the provisions of the Governing Documents, the prevailing party shall be entitled to recover all costs, including, without limitation, attorneys' fees and court costs, reasonably incurred in such action.

b. **Sanctions.** The Association may impose sanctions for violations of the Governing Documents in accordance with procedures set forth in the Bylaws, including reasonable monetary fines and suspension of the right to vote and to use any recreational facilities within the Common Area. In addition, in accordance with the Bylaws, the Association may suspend any services it provides to the Lot of any Owner who is more than thirty (30) days delinquent in paying any assessment or other charge due to the Association.

c. **Determination of Association.** The Association may, but shall not be obligated to, take action (a) to enforce any provision of the Governing Documents which the Board reasonably determines is inconsistent with applicable law, or (b) with respect to any violation of the Governing Documents which the Board reasonably determines to be so minor or unobtrusive as not to be objectionable to a reasonable person; or (c) in any case in which the Board reasonably determines that the Association's position is not strong enough to justify taking enforcement action. Any such determination shall not be construed as a waiver of the right not to enforce such provision under other circumstances or stop the Association from enforcing any other covenant, restriction or rule.

Section 10.13 Implied Rights; Board Authority. The Association may exercise any right or privilege given to it expressly by this Declaration or the Bylaws, and any right or privilege which could reasonably be implied from or which is reasonably necessary to effectuate any such right or privilege. Except as otherwise specifically provided in this Declaration, the Bylaws or by law, all rights and powers of the Association may be exercised by the Board without a vote of the membership of the Association. All powers of the Association shall be exercised by and through the Board, or any one or more officers or other agents delegated by the Board. All references in this Declaration to the exercise of rights and powers by the Association shall be deemed to mean the Association acting through the Board. All references in this Declaration to the exercise of rights and powers by the Association shall be deemed to mean that the Board is exercising the powers of the Association hereunder. The Board may also exercise any powers granted hereunder to the ARC.

Section 10.14 Personal Liability. No member of the Board, the ARC or any committee of the Association, no officer of the Association and no manager or other employee of the Association shall be personally liable to any Member, or to any other Person including the Association, for any damage, loss or prejudice suffered or claimed on account of any act, omission, error or negligence of the Association, the Board or any member thereof, the ARC or any member thereof, the manager, any representative or employee of the Association, any officer of the Association or any member of any committee of the Association; provided, however, the limitations set forth in this

Section shall not apply to any Person who has failed to act in good faith or has engaged in willful or intentional misconduct.

Section 10.15 Indemnification of Officers, Directors and Others.

a. The Association shall indemnify every officer, director and committee member against all damages and expenses, including counsel fees, reasonably incurred in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the Board) to which he or she may be a party by reason of being or having been an officer, director, or committee member, except that such obligation to indemnify shall be limited to those actions as to which liability is limited under this Section and Louisiana law.

b. The officers, directors and committee members shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct, or bad faith. The officers and directors shall have no personal liability with respect to any contract or other commitment made or action taken, in good faith, on behalf of the Association (except to the extent that such officers or directors may also be Members of the Association) and the Association shall indemnify and forever hold each of their officers and directors harmless from any and all liability to others on account of any such contract, commitment or action. This right to indemnification shall not be exclusive of any other rights to which any officer, director or committee member may be entitled. The Association shall, as a Common Expense, maintain adequate general liability and officers' and directors' liability insurance to fund this obligation, if such insurance is reasonably available.

c. Each Owner shall indemnify and hold harmless the Association from any loss, damages, and expenses, including counsel fees, which they may incur as a result of the failure of such Owner, any occupant of such Owner's Lot, or any contractor, employee, or agent of such Owner acting within the scope of his contract, agency or employment to comply with this Declaration, any Supplemental Declaration or other covenants applicable to such Owner's Lot, the Design Guidelines, Bylaws and Rules and Regulations of the Association.

Section 10.16 Enhancement of Safety. THE ASSOCIATION MAY, BUT SHALL NOT BE OBLIGATED TO, MAINTAIN OR SUPPORT CERTAIN ACTIVITIES WITHIN THE PROPERTY DESIGNED TO ENHANCE THE SAFETY OF THE PROPERTY. NEITHER THE ASSOCIATION, DEVELOPER, NOR ANY SUCCESSOR OF THE ASSOCIATION OR DEVELOPER SHALL IN ANY WAY BE CONSIDERED INSURERS OR GUARANTORS OF SECURITY OR SAFETY WITHIN THE PROPERTY, NOR SHALL ANY OF THEM BE HELD LIABLE FOR ANY LOSS OR DAMAGE BY REASON OF FAILURE TO PROVIDE ADEQUATE SECURITY OR OF INEFFECTIVENESS MEASURES UNDERTAKEN. NO REPRESENTATION OR WARRANTY IS MADE THAT ANY FIRE PROTECTION SYSTEM, BURGLAR ALARM SYSTEM OR OTHER SECURITY SYSTEM CAN NOT BE COMPROMISED OR CIRCUMVENTED, NOR THAT ANY SUCH SYSTEMS OR SECURITY MEASURES UNDERTAKEN WILL IN ALL CASES PREVENT LOSS OR PROVIDE THE DETECTION OR PROTECTION FOR WHICH THE SYSTEM IS DESIGNATED OR INTENDED. EACH OWNER ACKNOWLEDGES, UNDERSTANDS AND COVENANTS TO INFORM ITS TENANTS THAT THE ASSOCIATION, THE BOARD AND COMMITTEES, DEVELOPER, AND ANY SUCCESSOR OF DEVELOPER ARE NOT INSURERS AND THAT EACH PERSON USING THE PROPERTY ASSUMES ALL RISKS FOR LOSS OR DAMAGE TO PERSONS, TO UNITS AND TO THE CONTENTS OF UNITS RESULTING FROM ACTS OF THIRD PARTIES.

Section 10.17 Powers of the Association to Other Associations. The Association shall have the power to veto any action taken or contemplated to be taken by any condominium or

similar owners association having concurrent jurisdiction with the Association over any portion of the Property (herein, the "homeowners association") which the Board determines to be adverse to the interest of the Association or its Members or inconsistent with the Community Wide Standard. The Association also shall have the power to require specific action to be taken by any homeowners association in connection with any of its obligations and responsibilities. Without limiting the generality of the foregoing, the Association may (a) require specific maintenance or repairs or aesthetic changes to be effectuated by the homeowners association, and (b) require that the homeowners association include certain items within its budget and that specific expenditures be made. Any action required by the Association in a written notice pursuant to the foregoing shall be taken within the time frame set by the Association in such written notice. If the homeowners association fails to comply with the requirements set forth in such written notice, the Association shall have the right to effect such action on behalf of the homeowners association. To cover the Association's administrative expenses in connection with the foregoing and to discourage failure to comply with the requirements of the Association, the Association shall assess the Lots subject to the jurisdiction of such homeowners association for their pro rata share of any expenses incurred by the Association in taking such action in the manner provided in Article 12, such assessments being collected as a Specific Assessment hereunder and subject to all lien rights provided for herein.

Section 10.18 Governmental, Educational and Religious Interests. So long as Developer owns any portion of the Property, it may designate sites within the Property for government, education or religious activities and interests, including, but not limited to, fire, police, utility facilities, schools or education facilities, houses of worship, Parks, recreation and other public facilities, all consistent with the Community Wide Standard. The sites may include Common Areas and in such case, the Association shall dedicate and convey such sites as directed by Developer and no membership approval shall be required.

Section 10.19 Volunteer Organizations. One of the important functions of the Association is to encourage and facilitate the organization of volunteer organizations within the community which will serve the interests of community residents as they may be identified from time to time. The Association may maintain a data bank of residents interested in volunteer organizations and may make such data available to volunteer organizations within the community. The Association, by Board resolution, may also establish or support the establishment of charter clubs or other organizations as it deems appropriate to encourage or facilitate the gathering of Owners and residents of the Subdivision to pursue common interests or hobbies. Any resolution establishing a charter club shall designate the requirements, if any, for membership therein. The Board may provide for such organizations to be funded by the Association as a Common Expense subject to such rules regarding participation, area of interest or other matters as the Board, in its discretion, may establish. Any charter club shall operate in accordance with the resolution establishing it. The Association through their bulletin boards and publications, may assist community groups, religious groups, civic groups, youth organizations, support groups, and similar organizations in publicizing their meetings, events, and need for volunteer assistance. The nature and extent of any such assistance shall be in the Board's sole discretion. It is not intended that the Association spend its funds for specific advertising or promotion of events of such volunteer groups unless the Board determines that they merit such support as benefiting the entire community. The Association's contribution will be supplemental to funds raised by the volunteer organization.

Section 10.20 Assumption of Obligations Under Applicable Law. Developer shall have the right to assign to the Association any of its continuing obligations or responsibilities under any and all applicable laws, rules and regulations of any Governmental Authority and the Association shall accept, assume and fulfill such obligations and responsibilities.

Section 10.21 Relationship With Tax-Exempt Organizations. Developer or the Association may create, enter into agreements or contracts with, or grant exclusive and/or non-exclusive servitudes over the Common Area to non-profit, tax-exempt organizations, the operation of which confers some benefit upon the Property, the Association, its Members, or residents. The Association may contribute money, real or personal property, or services to such entity. Any such contribution shall be a Common Expense and included as a line item in the Association's annual budget. For the purposes of this Section, a "tax-exempt organization" shall mean an entity which is exempt from federal income taxes under the Internal Revenue Code ("**Code**"), such as, but not limited to, entities which are exempt from federal income taxes under Section 501(c)(3), as the Code may be amended from time to time. The Association may maintain multiple-use facilities within any portion of its respective Property and allow temporary use by tax-exempt organizations. Such use may be on a scheduled or "first-come, first-served" basis. A reasonable maintenance and use fee may be charged for the use of such facilities.

ARTICLE 11 INSURANCE

Section 11.1 Review of Coverage. The Board shall arrange for the review of the sufficiency of limits of coverage for each type of insurance at least once a year by one (1) or more qualified Persons, at least one (1) of whom must be familiar with insurable replacement costs in the Baton Rouge, Louisiana metropolitan area.

Section 11.2 Required Coverages of Association. The Association, acting through the Board or its duly authorized agent, shall obtain and continue in effect the following types of insurance, if reasonably available, or if not reasonably available, the most nearly equivalent coverages as are reasonably available:

a. **Property.** Blanket property insurance covering "risks of direct physical loss" on a "special form" basis (or comparable coverage by whatever name denominated) for all insurable Improvements on the Common Area, if any, and on other portions of the Common Area to the extent that it has assumed responsibility for maintenance, repair and/or replacement in the event of a casualty. The Association shall have the authority to insure, and the interest in insuring, any privately or publicly owned property for which the Association has maintenance or repair responsibility. Such property shall include, by way of illustration and not limitation, any insurable Improvements on or related to parks, rights-of-way, medians, servitudes, and walkways which the Association is obligated to maintain. If such coverage is not generally available at reasonable cost, then "broad form" coverage may be substituted. All property insurance policies obtained by the Association shall have policy limits sufficient to cover the full replacement cost of the insured Improvements.

b. **Casualty.** Casualty insurance on the Common Area for fire damage. Endorsements for extended coverage, vandalism, malicious mischief, flood and windstorm should be obtained where available at reasonable cost. Coverage shall be in an amount not less than necessary to comply with the coinsurance percentage stipulated in the policy, but in any event not less than eighty (80%) percent of the insurable value (based upon replacement) of the Improvements constructed on the Common Area.

c. **General Liability.** Commercial general liability insurance on the Common Area, insuring the Association and its Members for damage for injury caused by the negligence of the Association or any of its Members, employees, agents, or contractors while acting on its behalf insuring against liability arising out of, or incident to, the ownership and use of the Common Area and any water access located on or adjoining the Property. If generally available at reasonable

cost, the commercial general liability coverage (including both primary and any umbrella policies) shall have a limit of at least \$5,000,000.00 per occurrence with respect to bodily injury, personal injury, and property damage; provided, should additional coverage and higher limits be available at reasonable cost which the Board, in the exercise of its business judgment, deems advisable, the Association shall obtain such additional coverages or limits. Whenever practicable, such insurance should be issued on a comprehensive liability basis and should contain a "severability of interest" endorsement which shall preclude the insurer from denying the claim of an Owner because of negligent acts of the Association, the Board or other Owners.

d. **Workers' Compensation.** Workers compensation insurance and employers liability insurance in the amounts required by applicable law.

e. **Director Liability.** Directors and officers liability coverage insuring against personal loss for actions taken by members and officers of the Board in the performance of their duties. Such insurance shall be of the type and amount determined by the Board in its discretion.

f. **Fidelity.** Fidelity insurance covering all Persons responsible for handling Association funds in an amount determined in the Board's best business judgment. Fidelity insurance policies shall include coverage for officers, directors and other Persons serving without compensation.

g. **Other.** Such additional insurance as the Board, in its best business judgment, determines advisable, which may include, without limitation, flood insurance, boiler and machinery insurance, and building ordinance coverage. In addition, the Association may obtain and maintain property insurance on the insurable Improvements within any of the Service Areas in such amounts and with such coverages as agreed upon by the Board.

Section 11.3 Lot Coverage. Each Owner shall obtain casualty insurance for Improvements on his/her/its Lot, naming the Association as an additional insured. Coverage shall be in an amount not less than necessary to comply with the co-insurance percentage stipulated in the policy, but in any event not less than eighty (80%) percent of the insurable value (based upon replacement) of the Improvements constructed on the Lot. Each Owner by accepting title to a Lot in the Property agrees that each policy of casualty insurance insuring the Lot and any Improvements thereon shall contain a waiver of all subrogation rights as against the Association. If requested by the Association, an Owner shall provide evidence of such insurance to the Association.

Section 11.4 Other Coverage by Owner. Each Owner shall maintain liability insurance to fund its obligation to indemnify the Association pursuant to Section 10.20, subparagraph c.

Section 11.5 Premiums. Premiums for all insurance on the Common Area shall be Common Expenses and shall be included in the General Assessment, except that (i) premiums for property insurance obtained on behalf of a Service Area shall be charged to the Owners of Lots within the benefited Service Area as a Service Area Assessment; and (ii) premiums for insurance on Exclusive Common Areas may be included in the Service Area Assessment of the Service Area(s) benefited unless the Board reasonably determines that other treatment of the premiums is more appropriate.

Section 11.6 Policy Requirements.

a. All Association policies shall provide for a certificate of insurance to be furnished to the Association and, upon reasonable request, to the Owner of any insured Unit.

b. The policies may contain a reasonable deductible and the amount thereof shall not be subtracted from the face amount of the policy in determining whether the policy limits satisfy the requirements of this Section. In the event of an insured loss, the deductible shall be treated as a Common Expense or a Service Area Expense in the same manner as the premiums for the applicable insurance coverage. However, if the Board reasonably determines, after notice and an opportunity to be heard in accordance with the Bylaws, that the loss is the result of the negligence or willful misconduct of one or more Owners, their guests, invitees, or lessees, then the Board may specifically assess the full amount of such deductible against such Owner(s) and their Lots pursuant to Article 12.

c. All insurance coverage obtained by the Board shall:

(1) be written with a company whose primary business is providing insurance coverage and which is authorized to conduct business in the State of Louisiana and which satisfies the requirements of the Federal National Mortgage Association, or such other secondary mortgage market agencies or federal agencies as the Board deems appropriate;

(2) be written in the name of the Association as trustee for the benefited parties. Policies on the Common Areas shall be for the benefit of the Association and its Members. Policies, if any, secured by the Association on behalf of any of its Service Areas shall be for the benefit of the Owners of Lots within such Service Area and their Mortgagees, as their interests may appear;

(3) not be brought into contribution with insurance purchased by individual Owners, occupants, or their Mortgagees; and

(4) include an agreed amount endorsement, if the policy contains a co-insurance clause.

d. The Board shall use reasonable efforts to secure insurance policies which name the Owners and their Mortgagees (as a class) as additional insureds and provide:

(1) a waiver of subrogation as to any claims against the Board, officers, employees, and manager, if any, and the Owners and their tenants, servants, agents, and guests;

(2) a waiver of the insurer's rights to repair and reconstruct instead of paying cash;

(3) an endorsement excluding Owners' individual policies from consideration under any "other insurance" clause;

(4) an endorsement requiring at least thirty (30) days' prior written notice to the Association of any cancellation, substantial modification, or non-renewal;

(5) a cross liability provision; and

(6) a provision vesting in the Board exclusive authority to adjust losses; provided, however, no Mortgagee having an interest in such losses may be prohibited from participating in the settlement negotiations, if any, related to the loss.

e. In addition to the reserve provisions of Article 12, the Board is expressly authorized to accumulate and reserve, and to establish through Assessments, sufficient reserve funds to address the insurance deductibles plus up to ninety (90) days of operating expenses.

Section 11.7 Damage and Destruction. Immediately after damage or destruction to all or any part of the Property covered by insurance written in the name of the Association, the Board or its duly authorized agent shall file all insurance claims and obtain reliable and detailed estimates of the cost of repair or reconstruction. Repair or reconstruction, as used in this Section, means repairing or restoring the property to substantially the condition in which it existed prior to the damage; allowing for changes or improvements necessitated by changes in applicable building codes.

a. **Determination to Repair.** Any damage to or destruction of the Common Area shall be repaired or reconstructed unless voting Members in the Association representing at least seventy-five (75%) of the total Class "A" votes in the Association and the Class "B" Member, if any, decide within sixty (60) days after the loss not to repair or reconstruct. If either the insurance proceeds or reliable and detailed estimates of the costs of repair or reconstruction, or both, are not available to the Association within such sixty (60) day period, then the period shall be extended until such funds or information are available. However, such extension shall not exceed sixty (60) additional days. No Mortgagee shall have the right to participate in the determination of whether the damage or destruction to the Common Area shall be repaired or reconstructed. The Board shall obtain funds for such reconstruction first from the insurance proceeds, then from reserves for the repair and replacement of such improvements, and then from any Special Assessments that may be necessary after exhausting insurance and reserves.

b. **Upon Determination Not to Repair.** If it is determined, in the manner described above, that the damage or destruction to the Common Area shall not be repaired or reconstructed and no alternative Improvements are authorized, the affected property shall be cleared of all debris and ruins and thereafter shall be maintained by the Association in a neat and attractive, landscaped condition consistent with the Community Wide Standard.

c. **Proceeds.** Any insurance proceeds remaining after paying the costs of repair or reconstruction, or after such settlement as is necessary and appropriate, shall be retained by and for the benefit of the Association or the Service Area, as appropriate, and placed in a capital improvement account. This is a covenant for the benefit of Mortgagees and may be enforced by the Mortgagee of any affected Lot. If insurance proceeds received, after application of any applicable deductible, are insufficient to cover the costs of repair or reconstruction, the Board may, without a vote of the voting Members, levy Special Assessments to cover the shortfall against those Owners responsible for the premiums for the applicable insurance coverage under this Section.

Section 11.8 Lot Improvements. If fire or other casualty damages or destroys a Building or any other Improvements on a Lot, the Owner of that Lot shall immediately proceed to rebuild and restore the Improvements to the condition existing immediately prior to such damage or destruction, unless other plans are approved by the ARC. In doing so, the Owner shall comply with the provisions of this Declaration. If the Owner fails to clean and secure a Lot within thirty (30) days after a casualty, the Association may remove debris, raze or remove portions of damaged structures and perform any other clean up the Association deems necessary to make the Lot safe and attractive. The cost of such clean-up shall be assessed to the Owner as an Individual Lot Assessment pursuant to Section 12.11.

ARTICLE 12 FINANCES OF THE ASSOCIATION

Section 12.1 Fiscal Year. The fiscal year of the Association shall begin January 1 of each year and end on December 31 of that year, unless the respective Board selects a different fiscal year.

Section 12.2 Budget Items. The budget for the Association shall estimate total expenses to be incurred by the Association in carrying out its responsibilities. These expenses shall include, without limitation, the cost of wages, materials, insurance premiums, services, supplies and other expenses for the rendering of all services required by this Declaration or properly approved in accordance with this Declaration. The budget may also include reasonable amounts, as determined by the Board, for working capital for the Association and for reserves. If the Common Area is taxed separately from the Lots by the City or the Parish or by any other governmental authority with taxing power, for ad valorem property taxes or any other taxes, the Association shall include such taxes as part of the budget. Fees for professional management of the Association, accounting services, legal counsel and other professional services may also be included in the budget.

Section 12.3 Authority to Levy General Assessments. The Association is hereby authorized to levy General Assessments equally against all Lots subject to assessment under this Declaration to fund its Common Expenses. The General Assessment shall be set at a level which is reasonably expected to produce total income for the Association equal to the total budgeted Common Expenses, including reserves. In determining the total funds to be generated through General Assessments, the Board, in its discretion, may consider other sources of funds available to the Association. The Board shall take into account the number of Lots subject to assessment under this Declaration on the first day of the fiscal year for which the budget is prepared and may consider the number of Lots reasonably anticipated to become subject to assessment during the fiscal year.

Section 12.4 General Assessments.

a. **Establishment.** The Board shall set the date or dates General Assessments become due and may provide for collection and payment of Assessments annually or in monthly, quarterly or semiannual installments.

b. **Date of Commencement.** The annual General Assessments shall begin on the day of conveyance of the first Lot to an Owner other than Developer. The initial Assessment on any Lot subject to Assessment may be collected at the time title is conveyed to the Owner. During the initial year of ownership, each Owner shall be responsible for the prorata share of the annual General Assessment charged to each Lot, prorated to the day of closing.

c. **Discretion of Board.** When determining the General Assessment due from each Owner, the Board may, in its sole discretion, but is not obligated to, distinguish between Lots on which Buildings have not been constructed, Lots on which Buildings have been constructed and Lots on which Buildings are in the process of being constructed.

Section 12.5 Preparation and Approval of Annual Budget.

a. **Initial Budget.** Developer shall determine the budget for the fiscal year in which a Lot is first conveyed to an Owner other than Developer or a Builder.

b. **Subsequent Years; Notice.** Beginning with the year in which a Lot is first conveyed to an Owner other than Developer or a Builder, and each year thereafter, at least sixty (60) days before the beginning of each fiscal year, the Board shall, by majority vote, adopt a budget

covering the estimated Common Expenses during the coming year, including a capital contribution to establish a reserve fund in accordance with a budget separately prepared as provided in Section 12.7. Thereafter, and in accordance with the budget, the Board shall set the annual General Assessment at a level sufficient to meet the budget. At least thirty (30) days prior to the beginning of the fiscal year, the Board shall send a copy of the budget in itemized form and notice of the amount of the General Assessment payable by each Member for the following year for which it is to be effective to each Owner.

c. **Effective.** Such budget and General Assessment shall become effective unless disapproved at a meeting by Members representing at least seventy-five (75%) percent of the total Class "A" votes in the Association and by the Class "B" Member, if such exists. There shall be no obligation to call a meeting for the purpose of considering the budget except on the petition of the Members as provided for special meetings in the Bylaws, which petition must be presented to the Board within ten (10) days after delivery of the budget and notice of assessments. Notwithstanding the foregoing, if General Assessments are to be increased to greater than 125% of the previous year's General Assessment, and at least ten (10%) percent of the Members request review within thirty (30) days after the budget is delivered to the Members, the Board shall call a Community Meeting to present the budget and to answer any questions. After presentation, the budget shall be deemed approved unless the percentage required to transact business is present and the budget is rejected by a majority of the Members. If the budget is rejected, the Board shall approve a new budget within ten (10) days and send a copy to each Member.

d. **Failure to Prepare or Adopt Budget.** The Board's failure or delay in preparing or adopting the annual budget for any fiscal year shall not waive or release a Member's obligation to pay General Assessments whenever the amount of such Assessments is finally determined. In the absence of an annual Association budget, each Member shall continue to pay the Assessment at the rate established for the previous fiscal period until notified otherwise.

Section 12.6 Budgeting and Allocating Service Area Expenses . At least sixty (60) days before the beginning of each fiscal year, each Board shall prepare a separate budget covering the estimated Service Area Expenses for each Service Area whose behalf Service Area Expenses are expected to be incurred during the coming year. Each Board shall be entitled to set such budget only to the extent that this Declaration, any Supplemental Declaration, or the Bylaws specifically authorizes the Board to assess certain costs as a Service Area Assessment. Any Service Area may request, through the Service Area Committee or by petition of Owners of at least a majority of the total Lots within any existing Service Area, that additional services or a higher level of services be provided by the Association, and in such case, any additional costs shall be added to such budget. Such budget shall include a capital contribution establishing a reserve fund for repair and replacement of capital items maintained as a Service Area Expense, if any, within the Service Area.

a. **Authority.** The Association is hereby authorized to levy Service Area Assessments equally against all Lots in the Service Area which are subject to Assessment to fund Service Area Expenses; provided, if so specified in the Supplemental Declaration applicable to such Service Area or if so directed by petition signed by a majority of the Owners within the Service Area, any portion of the Assessment intended for exterior maintenance of structures, insurance on structures, or replacement reserves which pertain to particular structures shall be levied on each of the benefited Lots in proportion to the benefit received.

b. **Notice.** The Board shall cause a copy of such budget and notice of the amount of the Service Area Assessment for the coming year to be delivered to each Owner of a Lot in the Service Area at least thirty (30) days prior to the beginning of the fiscal year. Such budget and assessment shall become effective unless disapproved by a majority of the Owners of Lots in the Service Area to which the Service Area Assessment applies. There shall be no obligation to call a meeting for the purpose of considering the budget except on the petition of Owners of at least ten (10%) percent of the Lots in such Service Area, which petition must be submitted to the Board within ten (10) days after delivery of the notice of Assessments. This right to disapprove shall only apply to those line items in the Service Area budget which are attributable to services requested by the Service Area.

c. **Failure to Prepare or Adopt Service Area Budget.** The Board's failure to delay in preparing or adopting the annual budget for Service Area Expenses for any fiscal year shall not waive or release a Member's obligation to pay Service Area Assessments whenever the amount of such Assessments is finally determined. In the absence of an annual budget for Service Area Expenses, each Member shall continue to pay the Assessment at the rate established for the previous fiscal period until notified otherwise.

Section 12.7 Budgeting for Reserves. The Association may build up and maintain reserves for working capital, contingencies and replacement, for both its Common Area and Service Areas, which shall be included in the budgets, respectively, and collected as part of the annual General Assessment and Service Area Assessment, respectively. Extraordinary expenses attributable to its Common Area and/or Service Area not originally included in the annual budgets, respectively, which may become necessary during the year shall be charged first against such reserves for Common Area and Service Area, respectively. Except in the event of an emergency, reserves accumulated for one purpose may not be expended for any other purpose unless approved by a majority vote of the Members. If the reserves are inadequate for any reason, including nonpayment of any Member's Assessment, the Board may at any time levy and collect an emergency assessment in accordance with the provisions of Section 12.9. If there is an excess of reserves at the end of the fiscal year and the Board so determines, the excess may be returned on a prorata basis to all Members, as of the date of such decision to refund such excess of reserves, who are current in payment of all Assessments due the Association, or the excess may be used to reduce the following year's Assessments. The Association may rely on its records as maintained by the Secretary of the Association in determining the names and addresses of Members as of the date of any refund of excess reserves.

Section 12.8 Capital Improvements. Any substantial capital improvement to the Common Area approved by the Board must be ratified by a majority of the Class "A" Members. If the substantial capital improvement is approved by the Class "A" Members, the Board shall determine whether it shall be paid from General Assessments or by Special Assessment. A capital improvement shall be considered substantial if the cost to the Association of the Improvement is more than six (6%) percent of the Association's annual budget, or if, when added to other capital improvements for the fiscal year in question, totals more than ten (10%) percent of the Association's annual budget. Notwithstanding any inference to the contrary, any repair or replacement of existing Improvements shall not be considered a capital improvement. Approval of the ARC is required for all capital improvements. This Section shall not limit the right of Developer to make Improvements to the Common Area.

Section 12.9 Special Assessments. In addition to other authorized Assessments, the Association may levy Special Assessments from time to time to cover unbudgeted expenses or expenses in excess of those budgeted. Any such Special Assessment may be levied against the

entire membership, if such Special Assessment is for Common Expenses, or against the Lots within any Service Area if such Special Assessment is for Service Area Expenses.

a. **Payment.** Special Assessments shall be payable in such manner and at such times as determined by the Board, and may be payable in installments extending beyond the fiscal year in which the Special Assessment is approved.

b. **Approval.** Except as otherwise specifically provided in this Declaration, any Special Assessment which would exceed twenty (20%) percent of the annual budget for the year immediately preceding that in which the Special Assessment is approved shall require the affirmative vote or written consent of a majority of the Members (if a Common Expense) or Owners (if a Service Area Expense) representing Lots which will be subject to such Special Assessment, and the affirmative vote or written consent of the Class "B" Member, if any.

c. **Capital Improvements.** Any substantial capital improvement which has been approved in accordance with this Declaration or any capital improvement not required to be approved by the Members may be paid by Special Assessment.

d. **Emergency Assessment.** If authorized by a vote of 51% of the Owners, the Board may impose a Special Assessment for any unusual or emergency maintenance or repair or other expense which this Declaration or the law requires the Association to pay (including but not limited to, after depletion of reserves, any unexpected expenditures not provided by the budget or unanticipated increases in the amounts budgeted). The provisions of Section 10.10, subpart e, shall also apply to the Owners' vote provided herein, such that a second meeting may be called at which a majority of the voting Owners may authorize such emergency assessment.

e. **Discretion of Board.** When determining the Special Assessment due from each Owner, the Board may, in its sole discretion, but is not obligated to, distinguish between Lots on which Buildings have not been constructed, Lots on which Buildings have been constructed, and Lots on which Buildings are in the process of being constructed.

Section 12.10 Specific Assessments.

a. **General.** The Board shall have the power to levy Specific Assessments against a particular Lot or Lots constituting less than all Lots within the Property, as follows:

(1) to cover the costs, including overhead and administrative costs, of providing benefits, items, or services to the Lot or occupants thereof upon request of the Owner pursuant to a menu of special services which the Board may from time to time authorize to be offered to Owners (which might include, without limitation, landscape maintenance, maid service, linen service, handyman service, pool cleaning, pest control, arrival and departure service, courier service, etc.), which assessments may be levied in advance of the provision of the requested benefit, item or service as a deposit against charges to be incurred by the Owner; and

(2) to cover costs incurred in bringing the Lot into compliance with the terms of this Declaration, any applicable Supplemental Declaration, the Bylaws or Rules and Regulations, or costs incurred as a consequence of the conduct of the Owner or occupants of the Lot, their licenses, invitees, or guests; provided, the Board shall give the Owner prior written notice and an opportunity for a hearing, in accordance with the Bylaws before levying a Specific Assessment under this subparagraph a.

b. **Other.** The Association may also levy a Specific Assessment against any homeowners, condominium or similar association to reimburse the Association for costs incurred in bringing the property under its control into compliance with the provisions of the Declaration, any applicable Supplemental Declaration, the Articles, the Bylaws, and Rules and Regulations, provided the Board gives such homeowners association prior written notice and an opportunity to be heard before levying any such Assessment.

Section 12.11 Individual Lot Assessments. The Board may levy at any time an Individual Lot Assessment against a particular Lot for the purpose of defraying, in whole or in part, the cost of any special services to that Lot or any other charges designated in this Declaration as an Individual Lot Assessment, including fines and penalties for violation of this Declaration.

Section 12.12 Accounts. Reserves shall be kept separate from other Association funds, either in a single account for all reserves or separated by purpose. All other sums collected by the Board with respect to Assessments and charges of all types may be commingled in a single fund.

Section 12.13 Personal Obligation.

a. **Owner; Grantee.** Each Owner, by accepting a deed, act of sale, or other act of transfer, or entering into a recorded contract of sale for any portion of the Property, whether or not it shall be so expressed in such deed, act of sale or other instrument, is deemed to covenant and agree to pay all Assessments authorized in this Declaration. All Assessments, together with interest from the due date of such assessment at a rate determined by the Association (but not less than 10% per annum, subject to the limitations of Louisiana law), reasonable late charges in such amount as is established by resolution of the Board, costs, and reasonable attorneys' and paralegals' fees, shall be a charge and continuing lien upon each Lot against which the assessment is made until paid, as more particularly provided in Section 12.15. Each such Assessment, together with interest, late charges, costs, and reasonable attorneys' and paralegals' fees, also shall be the personal obligation of the Person who was the Owner of such Lot at the time the Assessment arose. Upon a transfer of title to a Lot, the grantee shall be jointly and severally liable for any Assessments and other charges due at the time of conveyance. However, no Person who obtains title to a Lot following foreclosure of a first priority Mortgage given in good faith and for value shall be liable for unpaid Assessments which accrued prior to such foreclosure.

b. **Waiver.** Failure of the Board to fix Assessment amounts or rates or to deliver or mail to each Owner an Assessment notice shall not be deemed a waiver, modification, or a release of any Owner from the obligation to pay Assessments. In such event, each Owner shall continue to pay General Assessments and Service Area Assessments on the same basis as during the last year for which an Assessment was levied, if any, until a new Assessment is made, at which time the Association may retroactively assess any difference.

c. **Non-use.** No Owner may exempt himself from liability for Assessments by non-use of Common Area, abandonment of his Lot, or any other means. The obligation to pay Assessments is a separate and independent covenant on the part of each Owner, and binds the Owner for so long as he owns the Lot. No diminution or abatement of Assessments or set-off shall be claimed or allowed for any alleged failure of the Association or the Board to take some action or perform some function required of it, or for inconvenience or discomfort arising from the making of repairs or Improvements, or from any other action it takes.

d. **Proof of Payment.** The Association shall, upon request, furnish to any Owner liable for any type of Assessment a certificate in writing signed by the Treasurer of the Association or its designated agent setting forth whether such Assessment has been paid. Such certificate

shall be conclusive evidence of payment, and such certificate, when co-signed by the Secretary of the Association, may be relied upon by a good faith purchaser or mortgagee as evidence of payment of any Assessment therein stated to have been paid. The Association may require the advance payment of a processing fee for the issuance of such certificate.

Section 12.14 Developer's Option to Fund Budget Deficits. Notwithstanding anything contained herein to the contrary, during the Class "B" Control Period, Developer may annually elect either to pay regular Assessments on its unsold Lots, or to pay the difference between the amount of Assessments levied on all other Lots subject to Assessment and the amount of actual expenditures by the Association during the fiscal year. Developer may make such election at any time prior to the end of the fiscal year for such fiscal year.

a. **Lien.** Regardless of such election, the Association shall have a lien against all Lots owned by Developer to secure Developer's obligations under this Section, which lien shall have the same attributes and shall be enforceable in the same manner as the Association's lien against other Lots under this Article. Developer's obligations hereunder may be satisfied in the form of cash or by "in kind" contributions of services or materials, or by a combination of these.

b. **Contracts.** The Association is specifically authorized to enter into subsidy contracts and contracts for "in kind" contribution of services, materials or a combination of services and materials with Developer or other entities.

Section 12.15 Lien for Assessments; Remedies Upon Nonpayment.

a. **General.** All Assessments authorized in this Article shall constitute a lien against the Lot against which they are levied until paid ("**Assessment Lien**"). The Assessment Lien shall also secure payment of interest, late charges (subject to the limitations of Louisiana law), and costs of collection (including attorneys' and paralegals' fees). Such Assessment Lien shall be superior to all other liens, except (a) the liens of all taxes, bonds, assessments, and other levies which by law would be superior, and (b) the lien or charge of any first priority Mortgage of record made in good faith and for value. Such Assessment Lien securing any payment delinquent by more than thirty (30) days, may be documented and filed for record with the Clerk of Court for the Parish, and also enforced by suit, judgment, and foreclosure in the same manner as mortgages on real property are foreclosed under Louisiana law.

b. **Subordination of Lien to Mortgages.** The Assessment Lien shall be superior to any mortgage, lien or encumbrance of any Mortgagee.

c. **Foreclosure Sale.** The Association may bring an action at law against the Owner personally obligated to pay the Assessments, or may foreclose the Assessment Lien in a manner similar to foreclosure of a mortgage lien, or both. The Association, acting on behalf of the Owners, shall have the power to bid for an interest in any Lot foreclosed at such foreclosure sale and to acquire, hold, lease, mortgage and convey the Lot. While a Lot is owned by the Association following foreclosure, (a) no right to vote shall be exercised on its behalf and (b) no assessment shall be levied on it. The Association may sue for unpaid Common Expenses and costs without foreclosing or waiving the lien securing the same.

d. **Sale by Owner.** The sale or transfer of any Lot shall not affect the Assessment Lien or relieve such Lot from the lien for any subsequent Assessments. However, the sale or transfer of any Lot pursuant to foreclosure of a first priority Mortgage given in good faith and for value shall extinguish the Assessment Lien as to any installments of such Assessments due prior to such sale or transfer. A Mortgagee or other purchase of a Lot who obtains title following foreclosure of such a Mortgage shall not be personally liable for Assessments on such Lot due prior

to such acquisition of title. Such unpaid Assessments shall be deemed to be Common Expenses collectible from Owners of all Lots subject to assessment, including such acquirer, its successors and assigns.

e. **Other Remedies.** The Board shall have the right to assess fines up to a maximum of ten (\$10.00) dollars per day, and to suspend the voting rights and right to use of the Common Area by an Owner for any period during which any Assessment against the Owner's Lot remains unpaid.

f. **Benefit.** The lien rights created in this Declaration shall be for the benefit of the Association as to Assessments levied on behalf of the Association.

Section 12.16 Exempt Property. The following property shall be exempt from payment of General Assessments, Service Area Assessments, and Special Assessments:

- a. any property owned by Developer which is included in the Common Area; and
- b. any property dedicated to and accepted by any governmental authority or public utility.
- c. In addition, the Board may, but shall not be obligated to, exempt from payment of Assessments any property devoted to museums, art galleries, sports, religious or civic purposes, or educational or family centers.

Section 12.17 Capitalization of Association. Upon acquisition of record title to a Lot by the first Owner thereof other than Developer or a Builder holding title for resale in the ordinary course of such Builder's business, a contribution shall be made by or on behalf of the purchaser to the working capital of the Association in an amount equal to two (2) months' General Assessment per Lot or such greater amount as required by Developer by contract with the Person to whom it may sell a Lot. This amount shall be in addition to, not in lieu of, the annual General Assessment and shall not be considered an advance payment of such Assessment. This amount shall be deposited into the purchase and sales escrow and disbursed therefrom to the Association for use in covering operating expenses and other expenses incurred by the Association pursuant to the terms of this Declaration and the Bylaws.

Section 12.18 Equitable Division of Assessments. General Assessments and Special Assessments shall be assessed equally among all Lots. If an Owner combines two (2) Lots or parts of Lots, with appropriate approval to so combine the Lots in accordance with Section 6.4, subparagraph a., and uses them as a single Lot, the Association may (but is not required to) assess them as a single Lot in accordance with regulations consistently applied. In the event the Association agrees to assess two (2) Lots, or parts of Lots, as a single Lot, the Owner(s) of such Lots or portions of Lots, shall have only one (1) vote, with respect to said Lots or parts of Lots, as a Member, when voting on matters that are required to be voted on by the Members. It is understood that the Association is not required to make the same decision on any requests submitted to them pursuant to this Section 12.18.

IV. PROPERTY RIGHTS IN THE SUBDIVISION

ARTICLE 13 COMMON AREA

Section 13.1 General. Certain property within the Subdivision and certain servitudes, called the Common Area, are to be owned and maintained by the Association for the benefit of all

Owners. In the event additional property is annexed to this Declaration, a portion of such additional property will be added to the Common Area.

Section 13.2 Association Ownership. The Common Area shall be owned by the Association for the benefit of all Owners as set forth above. For those portions of the Common Area which consist of parks, servitudes and other rights, the Association shall be the owner and holder of those parks, servitudes and rights, with the right to allow use of those parks, servitudes and rights by the Owners pursuant to this Declaration and any Rules and Regulations of the Association, but subject at all times to the rights of Developer as set forth herein.

Section 13.3 Additional Common Area. Developer may convey to the Association additional Common Area which the Association shall accept, and following such acceptance the Association shall be solely responsible for maintenance of such additional Common Area.

Section 13.4 Dedication. Developer and the Association shall at all times have the right, without the consent or approval of any of the Owners, to convey title to and/or dedicate the Common Roads to the Governmental Authority with jurisdiction to accept such dedication, which is currently understood to be the City and/or Parish. All other Common Area may be dedicated to the public by the Board upon consent in writing of Members representing seventy-five (75%) percent of the votes in the Association.

Section 13.5 Alleys. The ownership of each Lot which is adjacent to an Alley shall include the ownership of that portion of such Alley directly bordering such Lot to its centerline. Alleys shall not be included in the Common Area; however, the Association shall be obligated to maintain such Alleys in the same manner as if such Alleys were a part of the Common Area.

Section 13.6 Maintenance; Capital Improvements.

a. **Generally.** The Association shall have the sole responsibility for the management, control and improvement of the Common Area and shall keep the Common Area attractive, clean and in good repair.

b. **Capital Improvements.** The Association may make capital improvements to the Common Area and may modify the uses of the Common Area. For example, the Association is authorized to create parking areas within the Common Area or to add new recreational facilities. Expenses for substantial capital improvements must be approved in accordance with Section 12.8.

Section 13.7 Common Roads. In accordance with applicable law, the Association may make Rules and Regulations concerning driving and parking within the Property, and may construct speed bumps, post speed limit or other traffic signs and take any other reasonable measures to discourage excessive speed and encourage safe driving on the Common Roads. The Association may enforce any violation in accordance with the enforcement provisions of this Declaration.

Section 13.8 Damage or Destruction by Owner. If any Owner or any of said Owner's guests, tenants, licenses, agents, employees or members of his family damages any of the Common Area as a result of negligence or misuse, the Owner hereby authorizes the Association to repair the damage. The cost of repair shall be the responsibility of that Owner and shall become an Individual Lot Assessment payable by the responsible Owner. The Association may, but is not required to, seek compensation for damage from the guest, tenant or other party who caused the damage, in which case the Owner shall be jointly and severally liable with the guest, tenant or other party who caused the damage.

Section 13.9 Limitation of Liability. The Association may, in their discretion, provide security within the Property and may maintain their Common Areas and Common Roads and enforce traffic control measures, but neither the Association nor Developer makes any representation or assumes any liability for any loss or injury sustained as a result of any such security or traffic control measures.

ARTICLE 14 EXCLUSIVE COMMON AREA

Section 14.1 Purpose. Certain portions of the Common Area may be designated as Exclusive Common Area and reserved for the exclusive use or primary benefit of Owners, occupants and invitees of Units within a particular Service Area. By way of illustration and not limitation, Exclusive Common Areas may include entry features, recreational facilities, landscaped medians and cul-de-sacs, lakes and other portions of the Common Area within a particular Service Area. All costs associated with maintenance, repair, replacement, and insurance of Exclusive Common Areas shall be assessed as a Service Area Assessment against the Owners of Units in Service Areas to which the Exclusive Common Area is assigned.

Section 14.2 Designation. Initially, Developer shall designate any Exclusive Common Area and shall assign the exclusive use thereof in the deed, act of sale, or other act of transfer conveying the Common Area to the Association or on the plat of survey relating to such Exclusive Common Area. No such assignment shall preclude Developer from later assigning use of the same Exclusive Common Area to additional Lots and/or Service Areas so long as Developer has a right to subject additional property to this Declaration.

Thereafter, a portion of the Common Area may be assigned as Exclusive Common Area of a particular Service Area and Exclusive Common Area may be reassigned upon the vote of a majority of the Class "A" votes within the Service Area(s) to which the Exclusive Common Areas are assigned, if applicable, and within the Service Area(s) to which the Exclusive Common Areas are to be assigned. As long as Developer owns any property subject to this Declaration or has the right to subject additional property to this Declaration, any such assignment or reassignment shall also require Developer's consent.

Section 14.3 Use by Others. The Association may, upon approval of a majority of the members of the Service Area Committee for the Service Area(s) to which certain Exclusive Common Area is assigned, permit Owners of Lots in other Service Areas to use all or a portion of such Exclusive Common Area upon payment of user fees, which fees shall be used to offset the Service Area Expenses attributable to such Exclusive Common Area.

ARTICLE 15 SERVITUDES

Section 15.1 Servitudes in the Common Area. Every Owner shall have a right and nonexclusive servitude of use, access, and enjoyment in and to the Common Area, which shall be appurtenant to and shall pass with title to every Lot, subject to:

- a. this Declaration, the Bylaws and any other applicable covenants and servitudes, including any declaration of servitudes and covenants to share costs or similar instruments relating to the Common Area which grant non-members rights to use and enjoy portions of the Common Area upon payment of fees or a portion of the costs relating to such Common Area;

b. any restrictions or limitations contained in any deed, act of sale, or other act of transfer conveying such property to the Association;

c. the right of the Board to adopt rules regulating the use and enjoyment of the Common Area; including rules restricting use of recreational facilities within the Common Area to occupants of Lots and their guests, and rules limiting the number of guests who may use the Common Area;

d. the right of the Board to suspend the right of an Owner to use recreational facilities within the Common Area (i) for any period during which any charge against such Owner's Lot remains delinquent, and (ii) for a period not to exceed thirty (30) days for a single violation or for a longer period in the case of any continuing violation of the Governing Documents after notice and a hearing pursuant to the provisions of the Bylaws;

e. the right of the Association, acting through the Board, to dedicate or transfer all or any part of the Common Area subject to such approval requirements as may be set forth in this Declaration;

f. the right of the Board to impose membership requirements and charge membership admission or other fees for the use of any recreational facility situated upon the Common Area;

g. the right of the Board to permit use of any recreational facilities situated on the Common Area by persons other than Owners, their families, lessees and guests upon payment of use fees established by the Board;

h. the right of the Association, acting through the Board, to mortgage, pledge, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred subject to approval requirements set forth in this Declaration and/or the Bylaws;

i. the rights of certain Owners to the exclusive use of those portions of the Common Area designated Exclusive Common Area as more particularly described in Article 14; and

j. the right of Developer or the Association to grant servitudes over the Common Area to "tax-exempt organizations" pursuant to Section 10.22.

Any Owner may extend his or her right of use and enjoyment to the members of his or her family, lessees, and social invitees, subject to reasonable regulation as provided for in this Section 15.1 and Article 6. An Owner who does not reside within the Property shall be deemed to have assigned all rights to use and enjoy the recreational facilities within the Common Area to the occupants of such Owner's Lot and may not extend his or her rights to anyone other than such Occupant.

Section 15.2 Construction; Developer's Easement. Developer reserves the right to perform warranty work, repairs and construction work, and to store materials in secure areas in the Lots and Common Area, and to control all such work and repairs, and the right of access thereto, until its completion. All work may be performed by Developer without the consent or approval of the Board. Developer is hereby granted an easement through the Common Area as may be reasonably necessary for the purpose of discharging Developer's obligations or exercising special Developer rights, whether arising under the Act or reserved in this Declaration. Such easement includes the right to convey utility and drainage easements to public utilities, municipalities, the State, riparian owners or upland owners to fulfill the plan of development for the Property and the right to withdraw and convey fee interest in the Improvements within the easements.

Section 15.3 Servitudes for Encroachment. There shall be reciprocal appurtenant servitudes for encroachment, and for maintenance and use of any permitted encroachment, between each Lot and any adjacent Common Area and between adjacent Lots due to the unintentional placement or setting or shifting of the improvements constructed, reconstructed, or altered on a Lot or the Common Area (in accordance with the terms of this Declaration) to a distance of not more than one (1') foot on a Lot and to a distance of not more than three (3') feet on Common Area, as measured from any point on the common boundary along a line perpendicular to such boundary. However, in no event shall any servitude for encroachment exist if such encroachment occurred due to willful and knowing conduct on the part of, or with the knowledge and consent of, an Owner, occupant, or the Association.

Section 15.4 Servitudes for Common Roads. Developer reserves for itself, its successors and assigns, a nonexclusive easement and servitude for use of the Common Roads.

Section 15.5 Signs; Marketing. Developer reserves the right to post signs and displays in the Common Area to promote sales of Lots, and to conduct general sales activities, in a manner as will not unreasonably disturb the rights of Owners.

Section 15.6 Servitudes for Utilities.

a. There are hereby reserved unto Developer, its successors and assigns, so long as Developer owns any portion of the Property, and hereby granted to, and for the benefit of, Developer, the Association, the Property, and to the designees of each (which may include, without limitation, any municipality or public or private utility company) access and maintenance servitudes upon, across, over, and under all of the Property to the extent necessary for the purpose of replacing, repair, and maintaining cable television systems, master television antenna systems, security and similar systems, Roads, walkways, bicycle pathways, lakes, ponds, wetlands, drainage systems, street lights, signage, and all utilities, including, but not limited to, water, sewers, meter boxes, telephone, gas, and electricity, and for the purpose of installing any of the foregoing on property which it owns or within servitudes designated for such purposes on recorded plats of the Property.

b. This servitude shall not entitle the holders to construct or install any of the foregoing systems, facilities, or utilities over, under or through any existing dwelling on a Lot, and any damage to a Lot resulting from the exercise of this servitude shall promptly be repaired by, and at the expense of the Person exercising the servitude. The exercise of these servitudes shall not unreasonably interfere with the use of any Lot and, except in an emergency entry onto any Lot shall be made only after notice to the Owner or occupant.

c. Developer specifically grants to the local water supplier, electric company, and natural gas supplier servitudes across the Property for ingress, egress, installation, reading, replacing, repairing, and maintaining utility meters and boxes. However, the exercise of these servitudes shall not extend to permitting entry into the Dwelling on any Lot, nor shall any utilities be installed or relocated on the Property except as approved by the Board or Developer.

d. Either Developer (for so long as Developer owns any portion of the Property) or the Association may at any time make a partial assignment, to any public or private utility company, or any Governmental Authority, of the servitudes reserved by Developer, and granted to the Association, in the preceding subparagraphs of this Section 15.6. Whether or not such assignment by Developer or the Association expressly states, the assignment shall be partial and nonexclusive and Developer and the Association shall continue to have the servitude reserved and granted herein, to be used on a nonexclusive basis with each other and with any public or private utility

company, or any Governmental Authority to whom such assignment was made. Neither Developer nor the Association shall have any liability or responsibility to each other or to any Owner for (1) any damages caused by any public or private utility company, or any Governmental Authority, or (2) for failure to provide any utility services to any Owner or to the Association.

e. To the extent any Governmental Authority, any public utility or any private utility uses any of the Utility Easements within the Property, and/or to the extent that Developer, the Association or any assignee of Developer or the Association (all of whom are collectively referred to as "**grantee**" in this subparagraph e.) use or exercise any of the rights granted and reserved under this Section, then and in that event: (a) whenever reasonably possible, the lines and facilities to be constructed and installed within the Utility Easements shall be placed underground, (b) each grantee shall respect the reasonable use of the servitudes by the other grantees thereof, and each shall cooperate with the others to the extent necessary to assure the reasonable, mutual use of the Utility Easements by all grantees; (c) each grantee, after any use of the servitude areas or exercise by such grantee of the rights herein granted, shall restore the surface of the immovable property subject to the servitude to a condition as close as is reasonably possible to that which existed prior to such use or exercise, provided that such grantee shall not be required to replace, or otherwise repair any Improvements, trees, shrubs or other obstructions which interfere with use of the servitude granted pursuant to this Section and which are damaged through the reasonable exercise of the servitudes granted pursuant to this Section; (d) each grantee who is an assignee of Developer or the Association, by its use of the servitude area or exercise of the rights herein granted pursuant to this Section, does hereby agree to defend and hold its assignor (whether Developer or the Association), together with its successors and assigns, harmless from any and all liability arising from any negligence or other fault of the respective grantee in the construction, installation, repair, alteration and maintenance of the said water, sewer, natural gas, electrical, telephone and communications, and cable television lines and facilities pursuant to the servitudes granted under this Section. Developer, the Association, each Governmental Authority, each public utility and each private utility agree that (i) it accepts the right to use the said Utility Easements subject to the right of Owners to construct Buildings on Lots which have soffits, Eaves, Stairs, Stoops, balconies and/or Fascia which encroach on and over the said Utility Easement by no more than twenty-four (24") inches measured from the boundary of the Utility Easement nearest to the interior of the Lot going out toward the exterior boundary of the Lot, provided that any such encroachment is at least ten (10) feet above the finished ground elevation in the area of the encroachment, and (ii) it may never request that the Owner remove any such soffits, Eaves, Stairs, Stoops, balconies or Fascia, which encroach on the said Utility Easement consistent with the conditions of this Section.

f. Those areas located on Lots and identified as utility niches are not to be considered as part of the Utility Easement or subject to any servitude in favor of any Governmental Authority or any public or private authority. All such utility niche areas shall be used solely, in the absence of approval from the ARC to the contrary, for the placement of utility meters.

Section 15.7 Police Powers. Developer reserves for itself, its successors and assigns, and grants to the Association, a blanket easement and servitude throughout the Property for private patrol services, and for police powers and services supplied by the local, state and federal governments.

Section 15.8 Servitudes for Lake and Pond Maintenance and Flood Water. Developer reserves for itself and its successors, assigns, and designees, the nonexclusive right and servitude, but not the obligation, to enter upon the lakes, ponds, streams, and wetlands located within the Common Area to (a) install, keep, maintain and replace pumps in order to provide water for the irrigation of any of the Common Area; (b) construct, maintain, and repair any bulkhead, wall,

dam, or other structure retaining water; and (c) remove trash and other debris therefrom and fulfill their maintenance responsibilities as provided in this Declaration.

Developer's rights and servitudes provided in this Section shall be transferred to the Association at such time as Developer shall cease to own any property subject to the Declaration, or such earlier time as Developer may elect, in its sole discretion, to transfer such rights by a written instrument. Developer, the Association, and their designees shall have an access servitude over and across any of the Property abutting or containing any portion of any of the lakes, ponds, streams, or wetlands to the extent necessary to exercise their rights under this Section.

There is further reserved herein for the benefit of Developer, and its designees, and granted to the Association, for itself and its designees, a perpetual, nonexclusive right and servitude of access and encroachment over the Common Area and Lots (but not the Dwellings thereon) adjacent to or within thirty (30') feet of lake beds, ponds, and streams within the Property, in order; (a) to temporarily flood and back water upon and maintain water over such portions of the Property; (b) to fill, drain, dredge, deepen, clean, fertilize, dye and generally maintain the lakes, ponds, streams and wetlands within the Common Area; (c) to maintain and landscape the slopes and banks pertaining to such lakes, ponds, streams, and wetlands; and (d) to enter upon an across such portions of the Property to the extent reasonably necessary for the purpose of exercising its rights under this Section. All persons entitled to exercise these servitudes shall use reasonable care in, and repair any damage resulting from the intentional exercise of such servitudes. Nothing herein shall be construed to make Developer or any other Person liable for damage resulting from flooding due to hurricanes, heavy rainfall, or other natural disasters.

Section 15.9 Servitudes to Serve Additional Property. Developer hereby reserves for itself and its duly authorized agents, representatives, successors-in-title, assigns, licensees, and mortgagees, a perpetual nonexclusive servitude over the Common Area for the purposes of enjoyment, use, access, and development of the Property, and over any additional property which is annexed subject to this Declaration. This servitude includes, but is not limited to, right of ingress and egress over the Common Area for construction of Roads and for connecting and installing utilities on such property. Developer agrees that it and its successors or assigns shall be responsible for any damage caused to the Common Area as a result of vehicular traffic connected with development of such property. Developer further agrees that if the servitude is exercised for permanent access to such property and such property or any portion thereof is not made subject to this Declaration, Developer, its successors or assigns shall enter into a reasonable agreement with the Association to share the cost of maintenance of any private roadway serving such property.

Section 15.10 Servitude for Maintenance, Emergency and Enforcement. Developer, the Association, and their respective designees shall have the right, but not the obligation to enter upon any Lot for emergency, security, and safety reasons, to perform maintenance pursuant to Article 9 hereof, and to inspect for the purpose of ensuring compliance with the Governing Documents, which right may be exercised by any member of the Board, Association, officers, agents, employees, and managers, and all policemen, firemen, ambulance personnel, and similar emergency personnel in the performance of their duties.

Except in an emergency situation, entry shall only be during reasonable hours and after notice to the Owner. This right of entry shall include the right to enter upon any Unit to cure any condition which may increase the possibility of a fire or other hazard in the event an Owner fails or refuses to cure the condition within a reasonable time after requested by the Board, but shall not authorize entry into any single family detached dwelling without permission of the Owner, except by emergency personnel acting in their official capacity.

Section 15.11 Servitude for Special Events. Developer hereby reserves for itself, its successors, assigns and designees, a perpetual, non-exclusive servitude over the Common Area for the purpose of conducting parades, running, biking, or other sporting events, educational, cultural, artistic, musical and entertainment activities, and other activities of general community interest, at such locations and times as Developer, in its sole discretion, deems appropriate. Each Owner, by accepting a deed or other instrument conveying any interest in a Lot, acknowledges and agrees that the exercise of this servitude may result in a temporary increase in traffic, noise, gathering of crowds, and related inconveniences, and each Owner agrees on behalf of itself and the occupants of its Lot to take no action, legal or otherwise, which would interfere with the exercise of such servitude. The Association shall not take any action which would interfere with or otherwise attempt to restrict the exercise of this servitude.

Section 15.12 Servitude for Use of Private Streets . Developer hereby creates a perpetual, nonexclusive servitude for access, ingress and egress over the private streets within the Common Area, for law enforcement, fire fighting, paramedic, rescue and other emergency vehicles, equipment and personnel; for school buses; for U.S. Postal Service delivery vehicles and personnel, private delivery or courier services, and for vehicles, equipment and personnel providing garbage collection service to the Property; provided, such servitude shall not authorize any such Persons to enter the Property except while in their official capacities.

Section 15.13 Alleys. Developer reserves for itself, its successors and assigns, and grants to the Association, its Members, and all future Owners of Lots, a nonexclusive servitude of passage (for use by vehicles, bicycles and pedestrians) on and across those portions of the Property that are labeled and designated as "Alley" or rights of passage on the Initial Plat and on any plat filed in conjunction with any Supplemental Declaration, subject to the provisions of this Declaration. On the Initial Plat, Alleys are identified by the label "27' Right of Passage".

Section 15.14 Servitudes for Stormwater Drainage and Retention . Each portion of the Property is hereby subjected to a non-exclusive servitude appurtenant to and for the benefit of each other portion of the Property for the purpose of stormwater drainage and runoff in accordance with the master drainage plan established by Developer for the Property, which servitude shall include, but shall not be limited to, the right to tie in to existing stormwater drainage facilities and to divert stormwater runoff from each Lot into such stormwater drainage facilities at such points and in such manner as approved by Developer, and for the flow of stormwater runoff over the Property to such points and from such points through the stormwater drainage facilities into wetlands, ponds, or other retention facilities within or outside the Property. The foregoing servitudes shall be subject to any and all restrictions regarding quantity, rate and quality of discharge which Developer may hereafter impose or which may be imposed on the Property, Developer or any Owner by any governmental entity having jurisdiction.

Section 15.15 Tenants; Guests. Any Owner may delegate, subject to the provisions of this Declaration, the Bylaws and the Rules and Regulations of the Association, such Owner's right to enjoyment to the Common Area to the members of his family, his tenants or his guests who reside on the Lot or are accompanied by the Owner. The Association may adopt rules to prohibit or restrict dual use of the Common Area recreational facilities by both an Owner and the Owner's tenant, except when the Owner is a bona fide guest of the tenant.

ARTICLE 16 SHARED STRUCTURES

Section 16.1 General Rules of Law to Apply. Each wall, Garden Wall, Fence, driveway or similar structure built as a part of the original construction on the Lots which serves and/or

separates any two adjoining Lots shall constitute a party structure. To the extent not inconsistent with the provisions of this Section, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

Section 16.2 Maintenance. All Owners who make use of any party structure shall share the cost of reasonable repair and maintenance of such structure equally in accordance with Article 9.

Section 16.3 Damage; Destruction. If a party structure is destroyed or damaged by fire or other casualty, then to the extent that such damage is not covered by insurance and repaired out of the proceeds of insurance, any Owner who has used the structure may restore it. If other Owners subsequently use the structure, they shall contribute to the restoration cost in equal portions. However, such contribution will not prejudice the right to call for a larger contribution for the other users under any rule of law regarding liability for negligent or willful acts or omissions.

Section 16.4 Right to Contribution Runs With Land . The right of an Owner to contribution from any other Owner under this Section shall be appurtenant to the land and shall pass to such Owner's successors-in-title.

Section 16.5 Disputes . Any dispute concerning a party structure shall be subject to the dispute resolution procedures set forth in Article 18.

Section 16.6 Costs for Construction of Garden Walls.

a. **Voluntary Garden Walls.** If an Owner of a Lot is permitted, but not required, to construct a Garden Wall, and such Owner elects to construct a Garden Wall, then the Owner who elects to so construct a Garden Wall shall bear the full cost of such construction, unless the Lot is adjacent to another Lot and the adjacent Owner agrees to bear a portion of the cost of construction. The adjacent Owner shall not have any obligation, however, to agree to pay for any portion of the cost of the construction of the Garden Wall. Regardless of who pays the cost of construction of a Garden Wall, the cost of maintenance of the Garden Wall shall be divided equally between the Owners of the Lots between which the Garden Wall is constructed. The cost of maintaining any Garden Wall constructed within the confines of the boundary of a Lot that is not bounded by another Lot shall be borne in full by the Owner of the Lot upon which the Garden Wall is constructed. Each Owner, by executing a cash sale, deed or other instrument pursuant to which such Owner acquired title to a Lot, acknowledges and agrees to the obligations set forth herein with respect to the cost of construction of any Garden Wall and the maintenance of same. Notwithstanding the foregoing, Developer shall not be required to share in the cost of maintaining any Garden Wall; all such costs are to be paid by the Owner of any Lot who has purchased the Lot from Developer.

b. **Mandatory Garden Walls.** If a Garden Wall is required to be constructed on the boundary of a Lot that is not bounded by another Lot along that boundary, then the Owner shall bear the full cost of construction of the Garden Wall, as well as the maintenance of same. If the Design Guidelines requires that a Garden Wall be constructed along the boundary between two (2) adjacent Lots, then the first of the Owners of the said Lots to construct a Dwelling, Building or other Improvements on his/her Lot shall be required to construct the Garden Wall, at his/her cost and expense; the adjacent Owner shall, in such cases, be offered the opportunity to pay fifty (50%) percent of the actual cost of same. Notwithstanding the foregoing, the Owner so constructing a Garden Wall, or his/her successors or assigns in the event the Owner that constructed the Garden Wall no longer owns the Lot in question, shall be entitled to reimbursement from the then Owner of the adjacent Lot when plans for the construction of a Dwelling, Building or other Improvements on the adjacent Lot are presented for approval pursuant to Article 8, such amount of reimbursement

owed to the Owner who constructed the said Garden Wall being hereby fixed at seventy-five (\$75.00) dollars per linear foot for masonry Garden Walls and thirty-five (\$35.00) dollars per linear foot for wood Garden Walls effective as of recordation of this Declaration, subject to escalation at a rate of one-quarter (.25%) percent per month hereafter, regardless of the actual cost of construction of the said Garden Wall. Regardless of how the cost of construction of a Garden Wall is determined or divided, the cost of maintenance of the Garden Wall shall be divided equally between the Owners of the Lot between which the Garden Wall is constructed. Each Owner, by executing a cash sale, deed or other instrument pursuant to which such Owner acquired title to a Lot, acknowledges and agrees to the obligations set forth herein with respect to the cost of construction of any Garden Wall and the maintenance of same. The obligation to share costs of construction and maintenance of a Garden Wall apply only to that portion of a Garden Wall which is constructed as a common wall along a boundary between two (2) Lots. Notwithstanding the foregoing, Developer shall not be required to share in the cost of maintaining any Garden Wall, all such costs to be paid by the Owner of any Lot who has purchased the Lot from Developer.

V. RELATIONSHIPS WITHIN AND OUTSIDE THE SUBDIVISION

ARTICLE 17 DECISION MAKING

Section 17.1 General. Most day-to-day decisions about the maintenance of the Property and enforcement of the Declaration are the responsibility of the Board, acting on their members' behalf. For those decisions requiring Members' approval, the Community Meeting provides a public opportunity for discussion. The Board may also call meetings of all Owners for the purpose of voting on certain matters.

Section 17.2 Articles and Bylaws. The Articles and Bylaws of the Association, which create the Association as a non-profit corporation and provide certain procedures for its corporate organization, shall be maintained and available for viewing in the office of the Association of a member of the Board.

Section 17.3 Community Meeting. The order of meeting set forth in this Section shall apply to meetings of the Association.

a. **Call.** The Community Meeting shall be called annually for the election to serve on the Board, and whenever any action is required by this Declaration to be taken by vote or assent in writing of the Members, as more fully set forth in the Bylaws.

b. **Quorum.** Voting at a Community Meeting requires presence or proxy of Members representing the percentage of votes established by the Board as necessary to transact business. The Board may revise this percentage from time to time, but in no event shall the required percentage be less than twenty-five (25%) percent nor more than fifty (50%) percent, unless otherwise required by statute. Notwithstanding any inference herein to the contrary, until termination of the Class "B" membership, presence of the Class "B" Member at a Community Meeting and a quorum of the Class "A" membership shall be required in order for the Members to effectively vote on any issue brought before the Association's membership.

c. **Notice.** Notice of any meeting of the Members must be given to the Members at least ten (10) days but not more than thirty (30) days before the meeting, except in an emergency when whatever notice is reasonable, in the sole discretion of the Board, shall be given to the Members.

d. **Action Without Meeting.** If permitted by the Board, the Members may approve any matter (specifically including the election) by written consent without a meeting, without prior notice and without a vote; provided, however, such consent shall be required to be given in writing and signed by the percentage of the Members of the Association, as required by this Declaration, the Articles or the Bylaws, and by Developer as the Class "B" Member wherever approval by the Class "B" Member is required. Consents shall be in accordance with the Bylaws and any applicable statutes.

Section 17.4 Association Board Meetings. The provisions set forth in this Section shall apply to the Board.

a. **Board Responsibility.** Except as specifically provided in this Article or elsewhere in this Declaration, the Board has been delegated the power, and shall have the authority to act on behalf of the Association under this Declaration, and to make all decisions necessary for the operation of the Association, the enforcement of this Declaration and the care of the Common Area. All consents, approvals, elections and other action authorized herein to be taken or given by the Association shall require only the approval of the Board, with the exception of those decisions that are expressly reserved to the Members. If a quorum is present at a meeting of the Board, as set forth in subparagraph b. of this Section, all decisions of the Board shall be made a vote of the majority of the directors present at such meeting, with the exception of those cases where a greater vote is required either by law or by the Articles.

b. **Quorum.** Voting at a Board meeting requires presence of at least one-half (1/2) of the directors, in person or by telephone conference or, if allowed by state law, by proxy. If not prohibited by law, any action required to be taken by vote of the Board may be taken in the absence of a meeting (or in the absence of a quorum at a meeting) by obtaining the written approval of a majority of the directors of the Board.

Section 17.5 Record Keeping. The Board shall keep records of all meetings, both of the Board and of the Members. For each action taken, the record shall state the vote and a description of the action approved, and, where applicable, the reasons why the action was considered necessary and a summary of the information on which the decision was based. The record shall be available for inspection by any Member of the Association.

Section 17.6 Notice of Status of Member. With the exception of those Owners who acquire title to a Lot from Developer, each Owner shall, upon acquiring title to a Lot, immediately give written notice to the Association at its registered office that he/she/it has acquired ownership of a Lot, which notice shall include a copy of the cash sale, deed or other instrument pursuant to which such Owner acquired title to a Lot. The Board and the Members shall be entitled to rely on its records for the purpose of determining the identity and address of Members, as of the date any notice is to be given, or any decision is to be made. There is no obligation on the part of the Association to check the records of the Parish at any time for the purpose of determining the identities of the Owners of Lots. Although the Association may, on occasion check the records of the Parish for the purpose of identifying Owners of Lots, such actions shall not be considered as creating any obligation on the part of the Association to check the records of _ the Parish at any time thereafter for the purpose of determining the identities of the Owners of Lots. The records of the Association, for the purpose of identifying Members entitled to notice of any meeting of Members, shall consist of (i) the cash sales, deeds or other instruments pursuant to which Developer initially transferred title to Lots, and (ii) those notices given to the Association pursuant to the requirements of this Section.

Section 17.7 Effective Date of Ownership for Purpose of Notice. Notice of any meeting of the Members shall be considered as having been duly and properly given, if given to those Persons entitled to notice based on the records of the Association, as described in Section 17.6, as of the date any notice is given of said meeting.

ARTICLE 18 LITIGATION MATTERS AND DISPUTE RESOLUTION

Section 18.1 Consensus for Association Litigation. Except as provided in this Section, the Association shall not commence judicial or administrative proceedings without the prior approval of at least seventy-five (75%) percent of the Members. This Section shall not apply, however, to (a) actions brought by the Association to enforce the provisions of the Governing Documents (including, without limitation, the foreclosure of liens); (b) the imposition and collection of Assessments as provided in Article 12; (c) proceedings involving challenges to ad valorem taxation; or (d) counterclaims brought by the Association in proceedings instituted against it. This Section shall not be amended unless such amendment is approved by the percentage of votes, and pursuant to the same procedures, necessary to institute proceedings as provided above.

Section 18.2 Alternative Method for Resolving Disputes. Developer, the Association, its officers, directors, and committee members, all Persons subject to this Declaration and any Person not otherwise subject to this Declaration who agrees to submit to this Article (collectively, "**Bound Parties**"), agree to encourage the amicable resolution of disputes involving the Property without the emotional and financial costs of litigation. Accordingly, each Bound Party covenants and agrees to use good faith efforts to resolve those claims, grievances or disputes described in Section 18.3 ("**Claims**") using the procedures set forth in Section 18.4 before filing suit in any court.

Section 18.3 Claims . Unless specifically exempted below, all Claims arising out of or relating to the interpretation, application or enforcement of the Governing Documents, or the rights, obligation and duties of any Bound Party under the Governing Documents, or relating to the design or construction of Improvements on the Property, shall be subject to the provisions of Section 18.4. Notwithstanding the above, unless all parties thereto otherwise agree, the following shall not be Claims and shall not be subject to the provisions of Section 18.4:

- a. any suit by the Association against any Bound Party to enforce the provisions of Article 12;
- b. any suit by the Association to obtain a temporary restraining order (or equivalent emergency equitable relief) and such other ancillary relief as the court may deem necessary in order to maintain the status quo and preserve the Association's ability to enforce the provisions of Article 6, Article 7 and Article 8;
- c. any suit between Owners which does not include Developer or the Association as a party, if such suit asserts a Claim which would constitute a cause of action independent of the Governing Documents;
- d. any suit in which any indispensable party is not a Bound Party; and
- e. any suit which otherwise would be barred by any applicable statute of limitations.

With the consent of all parties thereto, any of the above may be submitted to the alternative dispute resolution procedures set forth in Section 18.4.

Section 18.4 Mandatory Procedures.

a. **Notice.** Any Bound Party having a Claim ("**Claimant**") against any other Bound Party ("**Respondent**") (collectively, the "**Parties**") shall notify each Respondent in writing (the "**Notice**"), stating plainly and concisely:

(1) the nature of the Claim, including the Persons involved and Respondent's role in the Claim;

(2) the legal basis of the Claim (i.e., the specific authority out of which the Claim arises);

(3) Claimant's proposed remedy; and

(4) that Claimant will meet with Respondent to discuss in good faith ways to resolve the Claim.

b. **Negotiation.**

(1) The Parties shall make every reasonable effort to meet in person and confer for the purpose of resolving the Claim by good faith negotiation.

(2) Upon receipt of a written request from any Party, accompanied by a copy of the Notice, the Board may appoint a representative to assist the Parties in resolving the dispute by negotiation, if the Association is not a Party and the Board, in its discretion, believes its efforts will be beneficial to the Parties and to the welfare of the community.

c. **Mediation.**

(1) If the Parties do not resolve the Claim through negotiation within thirty (30) days of the date of the Notice (or within such other period as may be agreed upon by the Parties) ("**Termination of Negotiations**"). Claimant shall have thirty (30) additional days within which to submit the Claim to mediation pursuant to the provisions of this subparagraph c.

(2) If Claimant does not submit the Claim to mediation within thirty (30) days after Termination of Negotiations, or does not appear for the mediation, Claimant shall be deemed to have waived the Claim, and Respondent shall be released and discharged from any and all liability to Claimant on account of such Claim; provided, nothing herein shall release or discharge Respondent from any liability to Persons not a Party to the foregoing proceedings.

(3) Any settlement of the Claim through mediation shall be documented in writing by the mediator. If the Parties do not settle the Claim within thirty (30) days after submission of the matter to the mediation process, or within such time as determined by the mediator, the mediator shall issued a notice of termination of the mediation proceedings ("**Termination of Mediation**"). The Termination of Mediation notice shall set forth that the Parties are at an impasse and the date that mediation was terminated.

d. **Arbitration.**

(1) If the Parties do not resolve the Claim through mediation, the Claimant shall have thirty (30) days following termination (as determined by the

mediator) of the mediation proceedings ("**Termination of Mediation**") to submit the Claim to arbitration in accordance with the Rules of Arbitration contained in **Exhibit "A"** or the Claim shall be deemed abandoned, and the Respondent shall be released and discharged from any and all liability to Claimant arising out of such Claim; provided, nothing herein shall release or discharge the Respondent from any liability to Persons not a Party to the foregoing proceedings.

(2) Unless the Parties agree in writing to be bound by the arbitrator's decision (the "**Award**") prior to the commencement of arbitration proceedings under the foregoing paragraph, any Party shall be free to reject the Award and sue in court of competent jurisdiction or initiate proceedings before any appropriate administrative tribunal.

Section 18.5 Allocation of Costs of Resolving Claims.

a. Each Party shall bear all of its own costs incurred prior to and during the proceedings described in Section 18.4, subparagraphs a., b. and c., including the fees of its attorney or other representative. Each Party shall share equally all charges rendered by the mediator(s) pursuant to Section 18.4, subparagraph c.

b. Each Party shall bear all of its own costs (including the fees of its attorney or other representative) incurred after the Termination of Mediation under Section 18.4, subparagraph c. and share equally in the costs of conducting the arbitration proceeding pursuant to Section 18.4, subparagraph d. (collectively, "**Post Mediation Costs**"), except as otherwise provided in this subsection.

Section 18.6 Rejection of Award. If any of the Parties rejects the Award and pursues a judicial resolution under Section 18.4, subparagraph d. (2), and the final judgment is either the same as the Award or more advantageous to any non-rejecting Party, each non-rejecting Party shall be entitled to recover its Post Mediation Costs from the rejecting Party. If there is more than one rejecting Party, such non-rejecting Party's Post Mediation Costs shall be allocated pro rata among all rejecting Parties.

Section 18.7 Enforcement of Resolution. If the Parties agree to resolve any Claim through negotiation or mediation in accordance with Section 18.4 and any Party thereafter fails to abide by the terms of such Agreement, or if the Parties agree to accept the Award following arbitration and any Party thereafter fails to comply with such Award, then any other Party may file suit or initiate administrative proceedings to enforce such agreement or Award without the need to again comply with the procedures set forth in Section 18.4. In such event, the Party taking action to enforce the agreement or Award shall be entitled to recover from the non-complying Party (or if more than one non-complying Party, from all such Parties pro rata) all costs incurred in enforcing such agreement or Award, including, without limitation, attorneys' and paralegals' fees and court costs.

ARTICLE 19 MORTGAGEES

Section 19.1 General. The following provisions are for the benefit of holders, insurers and guarantors of first Mortgages on Lots within the Property. The provisions of this Article apply to both this Declaration and the Bylaws, notwithstanding any other provisions contained therein.

Section 19.2 Notices of Action. Any institutional holder, insurer or guarantor of a first Mortgage who provides a written request to the Association stating its name and address and the street address of the Lot to which its Mortgage relates shall be deemed a Mortgagee and shall be entitled to timely written notice of:

a. Any condemnation loss or any casualty loss which affects a material portion of Property or which affects any Unit on which there is a first Mortgage held, insured, or guaranteed by such Mortgagee;

b. Any delinquency in the payment of assessments or charges owned by a Lot subject to the Mortgage or such Mortgagee, where such delinquency has continued for a period of sixty (60) days, or any other violation of the Governing Documents relating to such Unit or the Owner or occupant which is not cured within sixty (60) days;

c. Any lapse, cancellation, or material modification of any insurance policy maintained by the Association; or

d. Any proposed action which would require the consent of a specified percentage of Mortgagees.

Section 19.3 Other Provisions for First Mortgagees. To the extent not inconsistent with Louisiana law:

a. First Mortgagees may, jointly or singly, pay taxes or other charges which are in default and which may or have become a charge against the Common Area and may pay overdue premiums on casualty insurance policies or secure new casualty insurance coverage upon the lapse of the Association policy, and first Mortgagees making such payments shall be entitled to immediate reimbursement from the Association.

b. Any restoration or repair of the Property after a partial condemnation or damage due to an insurable hazard shall be performed substantially in accordance with this Declaration and the original plans and specifications unless the approval is obtained of the Mortgagees of first Mortgages on Lots to which at least fifty-one (51%) percent of the votes of Lots subject to Mortgages held by Mortgagees are allocated.

c. Any election to terminate the Association after substantial destruction or a substantial taking in condemnation shall require the approval of the Mortgagees of first Mortgages on Lots to which at least fifty-one (51%) percent of the votes of Lots subject to Mortgages held by such Mortgagees are allocated.

d. An election to terminate the Association under any other circumstances shall require the consent of Members representing at least sixty-seven (67%) percent of the Class "A" votes and of the Class "B" Member, so long as it owns any land subject to this Declaration, and the approval of the Mortgagees of first Mortgages on Lots to which at least sixty-seven (67%) percent of the votes of Lots subject to a Mortgage held by a Mortgagee appertain.

Section 19.4 Amendments to Documents. Notwithstanding any provision contained in Article 22, the approval of Mortgagees of first Mortgages on Lots to which at least fifty-one (51%) percent of the votes of Lots subject to a Mortgage held by an Mortgagee appertain shall be required to materially amend any provisions of this Declaration, the Bylaws or the Articles provided that such provisions are for the sole, express benefit of holders, guarantors, or insurers of those first Mortgages on Lots.

Section 19.5 No Priority. No provision of this Declaration or the Bylaws gives or shall be construed as giving any Owner or other party priority over any rights of the first Mortgagee of any Lot in the case of distribution to such Owner of insurance proceeds or condemnation awards for losses to or a taking of the Common Area.

Section 19.6 Notice to Association . Upon request, each Owner shall be obligated to furnish to the Association the name and address of the holder of any Mortgage encumbering such Owner's Lot. The Association will notify such mortgagee of any delinquency with respect to such Owner's assessments and may request that such mortgagee satisfy such delinquency and/or collect and maintain an adequate reserve for future regular assessments as part of the mortgage escrow account.

Section 19.7 Amendment by Board. Should the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation subsequently delete any of its respective requirements which necessitate the provisions of this Article or make any such requirements less stringent, the Board, without approval of the Owners, may record an amendment to this Article to reflect such changes.

Section 19.8 Construction of Article 20. Nothing contained in this Article shall be construed to reduce the percentage of vote that must otherwise be obtained under the Declaration, Bylaws, or Louisiana law for any of the acts set out in this Article.

Section 19.9 Developer's Right of First Refusal and Right to Repurchase. No unimproved Lot, or interest therein, upon which construction has not begun within one hundred twenty (120) days from the date of its initial sale shall be sold or transferred unless and until the Builder or Owner shall have first offered to sell such unimproved Lot to Developer under the same terms and at the same price for which such Lot was originally sold, and Developer has waived, in writing, its right to purchase such unimproved Lot. If a Builder or Owner has not begun construction upon the Lot within one hundred twenty (120) days from the date of its initial sale to such Builder or Owner, Developer shall have the right to purchase the Lot under the same terms and at the same price for which such Lot was originally sold. For purposes of this Section, the date upon which construction is deemed to have begun shall be the date on which the slab for the primary Building shall be poured.

VI. CHANGES IN THE SUBDIVISION

ARTICLE 20 CHANGES IN OWNERSHIP

Any Owner desiring to sell or otherwise transfer title to his or her Lot shall give the Board at least seven (7) days' prior written notice of the name and address of the purchaser or transferee, the date of such transfer of title, and such other information as the Board may require. The transferor shall continue to be jointly and severally responsible with the transferee for all obligations of the Owner of the Lot, including assessment obligations, until the date upon which such notice is received by the Board, notwithstanding the transfer of title.

CHANGES IN COMMON AREA

Section 20.1 Condemnation. If any part of the Common Area shall be taken (or conveyed in lieu of and under threat of condemnation by the Board acting on the written direction of Members representing at least sixty-seven (67%) percent of the total Class "A" votes in the Association and of Developer, as long as Developer owns any portion of the Property) by any authority having the power of condemnation or eminent domain, each Owner shall be entitled to written notice. The award made for such taking shall be payable to the Association as trustee for all Owners to be disbursed as follows:

a. If the taking involves a portion of the Common Area on which Improvements have been constructed, the Association shall restore or replace such Improvements on the remaining land included in the Common Area to the extent available, unless within sixty (60) days after such taking Developer, so long as Developer owns any portion of the Property, and Members representing at least seventy-five (75%) percent of the total Class "A" votes in the Association, shall otherwise agree. Any such construction shall be in accordance with plans approved by the Board. The provisions of Section 11.7 regarding funds for the repair of damage or destruction shall apply.

b. If the taking does not involve any Improvements on the Common Area, or if a decision is made not to repair or restore, or if net funds remain after any such restoration or replacement is complete, then such award or net funds shall be disbursed to the Association and used for such purposes as the Board shall determine.

Section 20.2 Partition. Except as permitted in this Declaration, there shall be no judicial partition of the Common Area. No Person shall seek any judicial partition unless the portion of the Common Area which is the subject of such partition action has been removed from the provisions of this Declaration. This Article shall not prohibit the Board from acquiring and disposing of tangible personal property nor from acquiring and disposing of real property which may or may not be subject to this Declaration.

Section 20.3 Transfer or Dedication of Common Areas. The Association may dedicate portions of its Common Area to the City and/or Parish or to any other local, state, or federal governmental or quasi-governmental entity, subject to such approval as may be required by this Declaration.

ARTICLE 21 AMENDMENT OF THE DECLARATION

Section 21.1 By the Board. The Board may unilaterally amend this Declaration for any purpose, provided the amendment shall not require any Owner to make any material change to the structure of any existing Dwelling.

Section 21.2 Supplemental Declarations. The Association shall always have the right to make Supplemental Declarations without the consent of any Owners, and the rights of the Association set forth in this Section may not be withdrawn or otherwise modified without the consent of the Board. It is expressly stated that any Supplemental Declaration may, without any approval of the Owners, add, modify or otherwise supplement provisions of this Declaration, as originally filed or as same may be subsequently amended, and which will effectively (1) change (whether through increasing, lessening or otherwise) any or all restrictions on use otherwise, which would otherwise be applicable to property added to the Property pursuant to a Supplemental Declaration including without limitation thereto all such restrictions contained in Article 6, but such changes shall only relate to and effect the Lots and other property added to the Property pursuant to the Supplemental Declaration, and (2) change (whether through increasing, lessening or

otherwise) any or all building restrictions and/or other covenants, which would otherwise be applicable to property added to the Property pursuant to a Supplemental Declaration including without limitation all such building restrictions and/or other covenants contained in Article 7 and Article 8, and in the Design Guidelines, but such changes shall only relate to and effect the Lots and other property added to the Property pursuant to the Supplemental Declaration. Notwithstanding any inference herein to the contrary, no Supplemental Declaration shall be deemed to have modified any provisions of this Declaration applicable to Lots included within the Property prior to the filing of said Supplemental Declaration unless the Supplemental Declaration expressly states such intention and unless the Supplemental Declaration also qualifies as an amendment to this Declaration pursuant to this Article.

Section 21.3 Design Guidelines. The ARC shall always have the right to amend and modify the Design Guidelines without the consent of the Members, and the Board shall always have the right to adopt and file amendments to this Declaration which contain modifications of the Design Guidelines adopted by the ARC. The rights of the ARC and the Association set forth in this Section may not be withdrawn or otherwise modified without the consent of the ARC and the Board.

Section 21.4 Effective Date of Amendments.

a. **General.** Amendments to this Declaration shall become effective upon recordation in the public records of the Parish, unless a later effective date is specified therein. Any procedural challenge to an amendment must be made within six (6) months of its recordation or such amendment shall be presumed to have been validly adopted. In no event shall a change of conditions or circumstances operate to amend any provisions of this Declaration.

b. **Other.** Notwithstanding any inference herein to the contrary, no amendment or modification of this Declaration shall affect or bear on the construction of Buildings within the Property to the extent that such Buildings have been constructed prior to the adoption of such modifications or other amendment to the Design Guidelines; but such modifications and changes shall be effective with respect to any alterations or other additions to Buildings constructed after the date of such amendments or modifications to this Declaration. Amendments and modifications to this Declaration shall be effective with respect to any conduct within the Property, or use of Lots, made after the date of such amendment or modification including without limitation thereto any such conduct or use occurring prior to such amendment or modification, and whether or not such conduct or use is continuing at the time of such amendment or modification. Notwithstanding anything to the contrary contained herein, the ARC or the Board, as applicable, may require an Owner to conform any nonconforming use to current standards and guidelines if the cost of such conformance does not exceed \$5,000.00.

Section 21.5 Effect on Rights or Privileges. No amendment may, directly or indirectly, remove, revoke, or modify the status, or any right or privilege, of Developer without the written consent of Developer (or the assignee of such right or privilege).

**ARTICLE 22
MISCELLANEOUS**

Section 22.1 Interpretation. The provisions of this Declaration shall be liberally construed to effectuate their purpose of creating a uniform and consistent plan for the development and operation of the Property as a residential subdivision. The captions of the various Articles, Sections and provisions in this Declaration are for convenience only and in no way define, limit, or describe the scope of this Declaration, or the intent of any provision hereof. All references to

particular Sections or Articles shall, except as otherwise expressly stated, be deemed to be references to those particular Sections or Articles of this Declaration.

Section 22.2 Use of Materials or Components. The use of any material or components as indicated within the Design Guidelines or this Declaration shall be solely at the risk of the Owner of a Lot and shall import no liability to the Association, Developer or its assigns. The materials listed in the Design Guidelines or in this Declaration are not intended to constitute or otherwise create any representations, guarantees, or warranties to any party in relation to the structural integrity or adequacy when used for any component of Improvements to be built within the Property. It shall be the responsibility of the Owner, or other proposer, when considering usage of any material on any project within the Property to have an independent review and evaluation of the adequacy of any component or element contained herein to assure their acceptability for the intended end uses.

Section 22.3 No Waiver. The waiver by any party of a breach of any provision of this Declaration, the Design Guidelines or the Rules and Regulations of the Association, shall not operate or be construed as a waiver of any subsequent breach of that provision by any party. Failure to enforce any provision of this Declaration, the Design Guidelines or the Rules and Regulations, shall not be deemed a waiver of the right to do so at any time thereafter and shall not operate or be construed as a waiver of the right to enforce such provision at a later date, even if under identical circumstances and even if involving the same parties.

Section 22.4 Notices. Any notice required to be sent to the Owner shall be deemed to have been properly sent when mailed, postage prepaid, or hand delivered to the Lot and, if different, to the last known address of the person who appears as Owner of the Lot as that address is stated on the records of the Association at the time of the mailing. The date of mailing shall be deemed the date of giving of notice, except that the date of actual receipt shall be the date of the giving of any notice of change of address.

Section 22.5 Gender; Number. The use of the masculine gender in this Declaration shall be deemed to include the feminine, or neuter, and the singular shall include the plural, wherever the context so requires.

Section 22.6 Governing Law. This Declaration shall be governed by and construed in accordance with the laws of the State of Louisiana.

Section 22.7 Severability. If any one or more of the provisions (or any part thereof) of this Declaration, the Design Guidelines or of the Rules and Regulations of the Association, shall be held invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions (or any part thereof) shall not in any way be affected or impaired thereby, and the balance of this Declaration, the Design Guidelines and the Rules and Regulations shall remain in full force and effect. If any provision, or subpart of a provision, of this Declaration is for any reason and at any time determined to be invalid, illegal or unenforceable (a) it is expressly stated that such determination shall be applicable only to the parties involved in the arbitration or court proceeding in which such determination has been rendered, and then only to the particular facts and circumstances presented to the arbitrator(s) or court; (b) where a provision is determined to be invalid, illegal or unenforceable because it is determined to be excessively broad, the court or arbitrator(s) making that determination are requested and authorized, where reasonably possible, to reform the subject provision by declaring it limited and reduced to make it compatible with applicable law; and (c) the court or arbitrator(s) making that determination are requested and authorized, where reasonably possible, to declare that provision or subpart reformed so as to eliminate only the portion of same which is determined to be invalid, illegal or otherwise unenforceable, so that the balance of said provision is allowed to remain in full force and effect.

Section 22.8 Duration; Termination. The Reservations and all other terms and provisions contained in this Declaration shall run with and bind the Property and shall inure to the benefit of and be enforceable by Developer, the Association, and all Owners of property within the Property, their respective legal representatives, heirs, successors or assigns for twenty years, and shall be automatically extended for succeeding ten (10) year periods unless an instrument signed by Developer, so long as Developer owns any portion of the Property, and Owners representing ninety (90%) percent of the votes of the Members shall have been recorded agreeing to terminate the Declaration as of a specified date. This Declaration may also be terminated in any of the following ways:

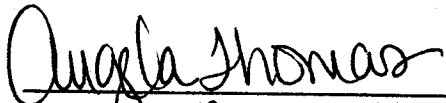
a. **Unanimous Consent.** The Declaration may be terminated at any time by the consent in writing of all Owners and with the consent of Developer, so long as Developer owns any portion of the Property.


b. **Dedication of Common Area.** The Declaration may be terminated by consent in writing by the Members representing two-thirds (2/3) of the votes in the Association and by consent of Developer, so long as Developer owns any portion of the Property, if the Common Area have been accepted for dedication or taken by eminent domain by the appropriate Governmental Authority (except that Alleys or footpaths between two (2) Lots may be divided evenly between the adjacent Owners in accordance with this Declaration).

[signature page follows]

DONE AND SIGNED at Baton Rouge, Louisiana, on December 21, 2006.

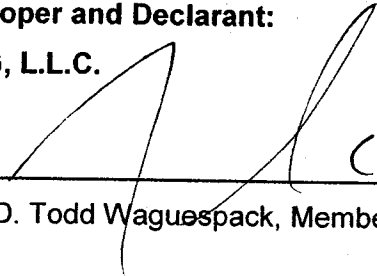
Witnesses to all Signatures:


Print Name: Angela Thomas


Print Name: Sean Rasco

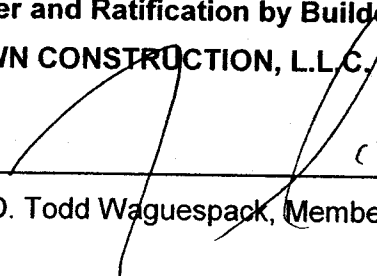
Developer and Declarant:

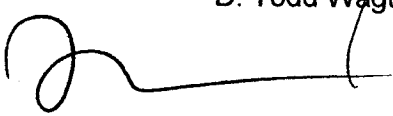
NLDG, L.L.C.

By: 
D. Todd Waguespack, Member

Joinder and Ratification by Builder:

CROWN CONSTRUCTION, L.L.C.

By: 
D. Todd Waguespack, Member



Notary Public
For East Baton Rouge Parish
Printed Name: _____
Notary or Bar Id. No. _____
Commission Expires _____

Michael T. Perry
Notary Public
State of Louisiana
My Commission is for Life
LA Bar Roll No. 10526

EXHIBIT "A"
RULES OF ARBITRATION

1. Claimant shall submit a Claim to arbitration under these Rules by giving written notice to all other Parties stating plainly and concisely the nature of the Claim, the remedy sought and Claimant's desire to submit the Claim to arbitration ("**Arbitration Notice**").
2. Each Party shall select an arbitrator ("**Party Appointed Arbitrator**"). The Party Appointed Arbitrators shall, by agreement, select one of two neutral arbitrators ("**Neutral(s)**") so that the total arbitration panel ("**Panel**") has an odd number of arbitrators. If any Party fails to appoint a Party Appointed Arbitrator within twenty (20) days from the date of the Arbitration Notice, the remaining arbitrators shall conduct the proceedings, selecting a Neutral in place of any missing Party Appointed Arbitrator. The Neutral arbitrator(s) shall select a chairperson ("**Chair**").
3. If the Panel is not selected under Rule 2 within 45 days from the date of the Arbitration Notice Claimant may notify any Louisiana chapter of The Community Associations Institute which shall appoint one Neutral ("**Appointed Neutral**"), notifying the Appointed Neutral and all Parties ("**Arbitrator**"), and any Party Appointed Arbitrators or their designees shall have no further duties involving the arbitration proceedings.
4. No person may serve as a Neutral in any arbitration under these Rules in which that person has any financial or personal interest in the result of the arbitration. Any person designated as a Neutral shall immediately disclose in writing to all Parties any circumstances likely to affect impartiality, including any bias or financial or personal interest in the outcome of the arbitration ("**Bias Disclosure**"). If any Party objects to the service of any Neutral after receipt of that Neutral's Bias Disclosure, such Neutral shall be replaced in the same manner in which that Neutral was selected.
5. The Arbitrator or Chair, as the case may be ("**Arbitrator**") shall fix the date, time and place for the hearing. The place of the hearing shall be within the Properties unless otherwise agreed by the Parties.
6. Any Party may be represented by an attorney or other authorized representative throughout the arbitration proceedings.
7. All persons who, in the judgment of the Arbitrator, have a direct interest in the arbitration are entitled to attend hearings.
8. There shall be no stenographic record of the proceedings.
9. The hearing shall be conducted in whatever manner will, in the Arbitrator's judgment, most fairly and expeditiously permit the full presentation of the evidence and arguments of the Parties.
10. The Parties may offer such evidence as is relevant and material to the Claim, and shall produce such additional evidence as the Arbitrator may deem necessary to an understanding and determination of the Claim. The Arbitrator shall be the sole judge of the relevance and materiality of any evidence offered, and conformity to the legal rules of evidence shall not be necessary. The Arbitrator shall be authorized, but not required, to administer oaths to witnesses.

11. The Arbitrator shall declare the hearings closed when satisfied the record is complete.
12. There will be no post-hearing briefs.
13. The Award shall be rendered immediately following the close of the hearing, if possible, and no later than fourteen (14) days from the close of the hearing, unless otherwise agreed by the Parties. The Award shall be in writing, shall be signed by the Arbitrator and acknowledged before a notary public. If the Arbitrator believes an opinion is necessary, it shall be in summary form.
14. If there is more than one arbitrator, all decisions of the Panel and the Award shall be by majority vote.
15. Each Party agrees to accept as legal delivery of the Award the deposit of a true copy in the mail addressed to that Party or its attorney at the address communicated to the Arbitrator at the hearing.

EXHIBIT "B"
DESIGN GUIDELINES

c. **Antennas.** Exterior antennas, aerials, satellite dishes, or other apparatus for the transmission or reception of television, radio, satellite, or other signals of any kind shall not be permitted on any Lot, except that:

(1) an antenna designed to receive direct broadcast satellite services, including direct-to-home satellite services, that is one (1) meter or less in diameter;

(2) an antenna designed to receive video programming services via multipoint distribution services, including multi-channel multipoint distribution services, instructional television fixed services, and local multipoint distribution services, that is one (1) meter or less in diameter or diagonal measurement; or

(3) an antenna that is designed to receive television broadcast signals;

(collectively, "**Permitted Antennas**"), shall be permitted only in rear yards or mounted on the rear of Improvements that have been constructed in accordance with this Declaration; provided, however, that notwithstanding the foregoing, and as a general principle, all Permitted Antennas and related equipment and wiring shall be located so as to minimize their visibility from any street adjacent to the front or side of any Lot even if such location adversely affects such Permitted Antenna's ability to receive signals. If an Owner needs to install a Permitted Antenna and/or its related equipment and wiring in any side yard, or on the side of any Improvements, or in any front yard, or on the front of any improvements, in order to avoid a diminution in signal reception from such Permitted Antenna or unreasonable costs to install, maintain or use such Permitted Antenna, then, unless prohibited by applicable law, any installation in the front or side yard or on the front or side of any Improvements shall be subject to review and approval by Developer, or, upon delegation of its powers, by the ARC, which review shall be completed, and the resulting requirements communicated to the Owner, within seven (7) days of receipt of the application for review. Developer or the ARC may impose requirements as to location within the front or side yard or on the front or side of any Improvements and the manner of installation and screening with landscaping or otherwise, in order to minimize the visibility of the Permitted Antennas and related equipment and wiring from adjacent streets and adjacent property, so long as such requirements are not inconsistent with applicable law. If any portion of this subparagraph b. is deemed invalid under applicable law, the balance of the provisions of this subparagraph shall be applied and construed so as to effectuate, to the maximum extent possible, the intent expressed above in this subparagraph b. regarding locating Permitted Antennas in the least visible location on any Lot.

d. **Artificial Vegetation.** No artificial grass, plants or other artificial vegetation shall be placed or maintained upon the exterior portion of any Lot, or any Improvement(s) thereon, unless approved by the ARC.

e. **Awnings and Canopies.** Awnings and canopies are not permitted on the front of any residence. Awnings and canopies may be constructed or installed on the side and/or rear of a residence, subject to the approval of the ARC.

(1) All awnings and canopies shall have a minimum five (5) year guarantee.

(2) Bright colors are prohibited, and all awnings and canopies should be of a color and design to compliment the exterior color of the residence.

(3) All discolored awnings and canopies must be promptly replaced.

(4) All designs, patterns and colors of awnings and canopies shall be approved by the ARC.

f. **Basketball Goals; Play Structures.** No basketball goal, backboard or similar structure or device, and no swing sets or other play structures, shall be placed or constructed on any Lot without the prior written approval of the ARC (including, without limitation, approval as to appearance and location). Basketball goals or backboards, if permitted, shall not be mounted directly to the residence, but shall be located on the inside of the Driveway in an area close to the residence, painted to match the color of the residence. Backboards, if permitted, shall be clear glass or colored to match the color of the residence. Driveways shall remain as provided during the original construction for access to Garages and Carports only. Driveways shall not be expanded to accommodate sports or play equipment.

g. **Construction Requirements; Landscaping Requirements.** No Improvements shall be constructed nor any landscaping or other Work performed on any Lot, except in strict compliance with this Declaration and the Design Guidelines, and except for matters as to which a written variance has been granted by the ARC. During construction, no draining of pools on adjacent property or into washes or open spaces is permitted.

h. **Decorations, Equipment, Structures and Personal Property.** Placement of decorations, sports or play equipment or other structures or personal property shall not be permitted on the exterior portions of any Lot; provided, however, a reasonable number of holiday and religious decorations may be displayed on a Lot for up to thirty (30) days prior to the holiday or religious observance and up to fourteen (14) days thereafter without prior approval, subject to the right of Developer (or the ARC, if delegated authority by Developer) to require removal of any such decorations which it deems to (a) be excessive in number, size or brightness, relative to other Lots in the area; (b) draws excessive attention or traffic; or (c) unreasonably interferes with the use and enjoyment of neighboring properties.

i. **Doors and Windows.** All doors and windows shall be consistent with the architectural style chosen for such Improvement. Each front door must make an entry statement of quality, substance and durability. Mirrored or reflective glass is prohibited. All windows facing the Street shall be of a traditional wood frame appearance. Side and rear windows may be wood framed, or wood framed with vinyl or pre-finished aluminum cladding if complimentary in appearance. Metal windows are prohibited. Sheets or other temporary coverings, flags and banners, aluminum foil and all similar materials are prohibited as permanent or temporary window treatments or window coverings.

j. **Driveways.** In order to allow sufficient space for landscaping in the front of a Dwelling, only single entry drives shall be constructed to a depth terminating at the front Fascia of the Building nearest to the front property line. Driveways, together with Garages, shall be designed to reflect the overall quality of the architecture. All Driveways shall be constructed of brick, stone or concrete; the use of colored and/or patterned concrete, stone and similar paving is encouraged, but subject to the approval of the ARC. Asphalt and granular materials such as gravel, crushed stone or dirt are not permitted.

k. **Encroachments.** With the permission of the ARC, Eaves, soffits, Stoops, Stairs, balconies and Fascia of Buildings are permitted to overhang a Utility Easement or a

Street right of way, by thirty-six (36") inches, provided that any such encroachment must be no less than ten (10') feet above the finished ground elevation in the area of the encroachment, and further provided that any required consent has been obtained from any Governmental Authority or utility company, whether public or private. Roofs are permitted to overhang the Setback by thirty-six (36") inches, except where the Setback is zero (0') feet.

l. **Exterior Lighting.** The number of exterior light fixtures shall be limited. All lighting should be architecturally integrated with attached structures. Mercury vapor lights are prohibited. Landscape lighting and path lighting shall be minimal and used primarily for safety reasons. Security lighting including motion activated floor lights shall at a minimum be located beneath Eave overhangs, and shall be used for emergency purposes only. No colored light bulbs shall be permitted. No lighting shall be installed which is aimed at surrounding properties, or which will intrude on surrounding property. Exterior lights shall be mounted on Building surfaces up to a maximum height of twelve (12') feet. All exterior light sources shall be shielded from view by adjoining properties.

m. **Exterior Materials.** The exterior material of any residence erected, placed or altered shall not be imitation brick, stone, or aluminum or vinyl siding, and not more than forty percent (40%) of the exterior may be wood or similar Building material. All painted exteriors must have at least two (2) coats of paint. Outside wall materials shall be beveled wood siding, wood shingles, old brick, stucco covered masonry, or any combination thereof.

n. **Fences and Garden Walls.** All Fences, Garden Walls and gates (collectively, the "Fences") shall be designed to compliment the character and style of the Dwelling. The design and specifications of each Fence must be approved in writing by the ARC; the drawings, specifications and details of acceptable fences shall be available to Owners. Approved materials include pre-cast concrete blocks and caps-"dac art" or equal, brick, stone, wrought iron and stucco covered masonry. No chain link, cinder block (without exterior finishing material, such as stucco), or split rail Fences are allowed. All Fences shall be maintained so as not to detract from the general appearance of the Subdivision. On any Lot having a portion of any perimeter wall constructed by Developer upon the Lot, the Owner(s) of such Lot will be responsible for maintaining that portion of the wall which is upon the Lot in good condition and repair. Rear and side yard Fences shall be permitted. All rear yard Fences shall be constructed on the rear property line of the Lot, except for the Lake Lots. The design and specifications of all rear yard Fences to be constructed on the Lake Lots shall be subject to the strict scrutiny of the ARC, which may accept or reject the plans for any rear yard Fence in its sole discretion. Front yard Fences may be permitted, such as wood picket fences, subject to the strict scrutiny of the ARC, which may accept or reject the plans for any front yard Fence in its sole discretion. The height of Fences shall be subject to the discretion of the ARC.

o. **Fill to Lot.** No Owner shall add fill to a Lot which adversely affects the drainage of a contiguous Lot or which increases the cost of installing foundation footings on any contiguous Lot.

p. **Fireplaces Material.** Uncovered galvanized metal fireplace flues and chimneys are not permitted. Any metal chimney flue must be screened from view with brick or stucco. The top of the chimney must be covered by a chimney cap made of stucco, brick, slate or copper. An exposed spark arrester on a manufactured fireplace flue is not acceptable.

q. **Garage Doors; Openings.** Except as may be expressly allowed by the Design Guidelines as to a Lot which is not bordered by an Alley or as otherwise expressly allowed by

the , the doors through which vehicles enter a Garage may not face a Street. Garage doors shall be kept closed, except when vehicles are entering or leaving the Garage. Garage door openings shall be no higher than ten (10') feet.

r. **Garage or Carport.** Conversion of any Garage or Carport to a use which precludes the parking therein of the number of vehicles for which it was originally designed shall not be permitted. At the time of any construction of a Building on a Lot, the Owner shall also construct a Garage which, as set forth in the definition, is totally enclosed when all doors (both for vehicles and pedestrians) are closed. All openings, other than windows, must have doors that close easily. With the prior approval of the ARC, in its sole discretion, Owner may construct a Carport instead of a Garage. No Garage or Carport may have an opening (other than a window) which is taller than ten (10) feet above the finished grade of the floor of the said Garage or Carport. Carports shall be no more than one (1) Story in height.

s. **Garages; RVs.** No garage built specifically for a recreational vehicle, camper, motorhome or similar vehicle shall be permitted in the Subdivision. An Owner may keep a recreational vehicle, camper, motorhome or similar vehicle on his Lot only if such vehicle remains in a Garage permitted hereunder with a door opening of no more than ten (10') feet high.

t. **Grading.** Grading with a minimum of 4:1 slopes and a maximum three feet (3') in height is permitted. Smooth slope transitions are encouraged where grading is necessary. All grading shall be contained inside the property line with no overlaps, unless approved by the ARC. If retaining walls are necessary, the walls should be of a material and color to match the contiguous or connected Buildings.

u. **Landscaping.** Landscaping, in accordance with the provisions of this Declaration and the Design Guidelines, is required on any Lot on which Improvements have been constructed, except that no grass, trees, shrubs, hedges or other plants shall be planted or allowed to grow on any Lot except in compliance with the Design Guidelines and in compliance with the requirements of Article 8.

v. **Modification to Improvements.** Any modifications to existing construction, Improvements, or landscaping, or exterior additions to Lots is not permitted, except in accordance with the Design Guidelines and with the approval of the .

w. **Movable Structures and Outbuildings.** No structure of any type, Dwelling or otherwise, shall be moved on to any lot in the Subdivision except as may be expressly approved by the ARC. No structure of a temporary character and no trailer, tent, shack, barn, pen, stable, coop, cage, storage building or shed shall be erected, used or maintained on any Lot at any time without the express, prior, written approval of the ARC, provided, however, the foregoing restriction shall not prohibit the use and maintenance of those temporary structures necessary during the performance of any Work thereon. No such structures, trailers or the like shall be utilized for residence purposes and all such structures, trailers or the like shall be removed from the Lot promptly following the completion of the Work. During art festivals, craft fairs, block parties and other special events, the Board may approve the use of tents, trailers and other temporary buildings on the applicable Common Area or elsewhere within the Subdivision.

x. **Other Building Features.**

(1) Masonry columns shall be a minimum of twelve inches (12") wide, and shall be made of stucco or brick masonry.

(2) Wood columns, where permitted, should be a minimum of six inches by six inches (6" x 6"), or eight inches (8") in diameter.

(3) Wood trellises are permitted, and should be a minimum of three inches by three inches (3" x 3").

(4) Storage areas and storage sheds, where permitted, should be screened from view from the street and neighboring Lots.

y. **Patios and Gazebos.** Covered Patios shall be architecturally integrated with the design of the residence. Covered Patios shall be supported by wood or masonry columns. Any roofing material used shall be the same as used for the roof of the residence, except that copper may also be used. Gazebos shall be located at least fifteen feet (15') from yard walls, and shall not exceed four feet (4') above a six foot (6') wall.

z. **Permitted Buildings and Height.** No Dwelling shall be erected, altered, placed or permitted to remain on any Lot other than one (1) detached single family Dwelling, not to exceed three (3) stories in height; accessories incidental to residential use of the Lot, such as swimming pools, bathhouses and/or gazebos may be erected, altered, placed or permitted in accordance with this Declaration and as approved by the ARC. The ARC may prohibit any structure appearing excessive in height when viewed from a Street or surrounding property. Variety in building height is encouraged.

aa. **Pipes, Cables and Lines.** Except for hoses and the like which are reasonably necessary in connection with normal lawn maintenance, no water pipe, sewer pipe, gas pipe, drainage pipe, telephone line, electrical line or cable, television cable or similar transmission line, or the like shall be installed, placed or maintained above the surface of any Lot except where approved by the ARC as reasonably necessary for connection to a Dwelling or Building or for access for repair or maintenance. The Rules and Regulations of the Association and the Design Guidelines may prescribe rules relative to hoses that are authorized for normal lawn maintenance.

bb. **Porches.** The Association reserve the right to promulgate additional Rules and Regulations concerning, among other things, criteria and requirements relating to what furnishings and other decorative items may be placed on Porches facing any public Street. Without limiting the foregoing, in all events, all furnishings and any other items located on Porches facing public Streets must be designed for outdoor use. Should any plants located on any such Porches die, they shall promptly be removed or replaced with living plants.

cc. **Roofs.**

(1) The minimum roof pitch shall be 7/12. Lower pitches for minor areas may be considered by the ARC.

(2) Permitted roofing materials shall consist of architectural grade composition shingles, tile and slate and shall be subject to the approval of the ARC. Standing seam copper roofing is permitted, subject to the approval of the ARC. When concealed from view by cornices or parapets, sheet roofing may be employed.

(3) Roofing colors shall be muted, and must be within the range of colors indicated on any Color Palette adopted by the ARC.

(4) Skylights must be flat or low-domed and all one color, with flashing matching the roof color. No skylights or roof mounted mechanical equipment are permissible, if visible from the Street or surrounding property.

(5) All roof accessories should be painted to match the roof color.

(6) Soffits shall be finished in wood or stucco finishes.

(7) Exposed gutters and down spouts shall be copper, half-round for gutters and full-round for down spouts.

(8) Mansard roofs are prohibited. Flat roofs are prohibited. Any approved mechanical equipment must be adequately screened from public view.

(9) Exterior chimneys may be stucco or masonry to match the exterior finish(es) of the residence.

dd. **Rooftop HVAC Equipment.** No heating, ventilating, air conditioning or evaporative cooling units or appurtenant equipment may be mounted, installed or maintained on the roof of any Lot or other Building so as to be visible from a neighboring Lot or other Property.

ee. **Sewerage Disposal Systems.** No individual sewage disposal systems shall be permitted. All Dwellings constructed in the Property shall be connected to approved sanitary sewage facilities.

ff. **Single Family Residences.** Each Lot, subject to residential use, may be improved with no more than one (1) single family residential Dwelling and such accessory structures and Improvements consistent with a residential neighborhood as may be permitted pursuant to the Design Guidelines and in the deed conveying the Lot.

gg. **Solar Collecting Panels or Devices.** Developer recognizes the benefits to be gained by permitting the use of solar energy as an alternative source of electrical power for residential use. At the same time, Developer desires to promote and preserve the attractive appearance of the Property and the Improvements thereon, thereby protecting the value generally of the Property and the various portions thereof, and of the various Owners' respective investments therein. Therefore, subject to prior approval of the plans therefor by the ARC, solar collecting panels and devices may be placed, constructed or maintained upon any Lot within the Property so long as such solar collecting panels and devices are placed, constructed and maintained in such location(s) and with such means of screening or concealment as the ARC may reasonably deem appropriate to limit, to the extent possible, the visual impact of such solar collecting panels and devices when viewed from any street or from any other property (whether within or outside the Property). Notwithstanding any other provision of this Declaration to the contrary, Developer (during the Class "B" Control Period) or the Association (after the expiration or termination of the Class "B" Control Period) shall have the right, without the consent or approval of any Owner or other Person, to amend this Section (which amendment may, without limitation, impose additional or different restrictions on solar collecting panels and devices) as Developer or the Association (as applicable) deems appropriate after the effective date of this Declaration.

hh. **Subdivision of Properties.** The subdivision of a Lot into two (2) or more Lots, or changing the boundary lines of any Lot, after a subdivision plat has been approved and filed in the public records of the Parish is prohibited, except that Developer, and any Person or entity

expressly authorized in writing by Developer, shall be permitted to subdivide or replat Lots which it owns, subject to the provisions of Section 6.4, subparagraph a..

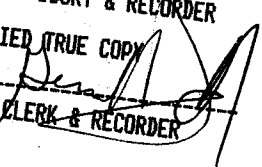
ii. **Swimming Pools; Tennis Courts.** No swimming pools or tennis courts shall be constructed on any Lot. However, swimming pools may be permitted by the ARC if such pools are screened from view from Streets. Pool Decks should be no closer than three (3') to four (4') feet from the Lot boundaries. Landscaping between the Deck and the Lot boundaries must be installed. All pool equipment must be screened from view from the Streets and/or surrounding properties. Screening should also be designed to mitigate noise. Slides, diving boards or other pool accessories in public view shall be prohibited. Pools shall not be drained onto adjacent property or open space.

jj. **Tanks.** No tanks of any kind (including tanks for the storage of fuel) shall be erected, placed or maintained on any Lot unless such tanks are buried underground. Nothing herein shall be deemed to prohibit use or storage upon any Lot of an aboveground propane or similar fuel tank with a capacity of ten (10) gallons or less used in connection with a normal residential gas barbecue, grill or fireplace or a spa or "hot tub," so long as any such tank either: (a) has a capacity of ten (10) gallons or less; and (b) is appropriately stored, used and/or screened, as approved by the ARC, so as not to be visible from a neighboring Lot or other Property.

kk. **Window Air Conditioning Units.** No window or wall air conditioning units shall be permitted anywhere within the Property.

ll. **Window Coverings.** Unless Developer (or the ARC, if Developer hereafter elects to delegate such approval responsibility to the Association) otherwise agrees, the only acceptable window coverings that may be affixed to the interior of any window visible from any Street, Alley or other portion of the Property are drapes, blinds, shades, shutters or curtains. The side of such window coverings that is visible from the exterior of any Improvements must be white or off-white in color, except that any window coverings consisting of wooden blinds or shutters may be a natural wood color. Notwithstanding the foregoing, Developer or the ARC may, from time to time, approve additional colors as acceptable for the portions of the window coverings visible from Streets, Alleys, Common Areas or other Lots. In no event shall an Owner or Builder affix a window screen to the exterior of any window which faces a Street frontage.

No window tinting or reflective coating may be affixed to any window that is visible from any Street, Alley or other portion of the Property, without the prior approval of Developer (or the ARC, if Developer hereafter elects to delegate such approval responsibility to the Association). No mirrored coatings will be permitted.

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