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Condominium Book

DECLARATION CREATING AND ESTABLISHING A
CONDOMINIUM REGIME FOR

THE COTTAGES AT BLUE HERON LAKES

BY

ORIG 649 DNDL 11745

THE COTTAGES AT BLUE HERON LAKES, L.L.C.

STATE OF LOUISIANA
PARISH OF EAST BATON ROUGE

BE IT KNOWN, on this 14th day of July, 2005, before me, a Notary Public duly commissioned and qualified in and for the State and Parish aforesaid, and in the presence of the undersigned competent witnesses, personally came and appeared:

THE COTTAGES AT BLUE HERON LAKES, L.L.C., a Louisiana limited liability company, authorized to and doing business in the State of Louisiana, whose address is declared to be 4000 McHugh Road, Zachary, Louisiana, 70791, represented herein by its Manager, The Business Investment Group, L.L.C., represented herein by its duly authorized Manager, Victor Dagash.

(hereinafter referred to as the "Declarant");

who pursuant to the provisions of the Louisiana Condominium Act La. R.S. 9:1121.101 *et seq.* and for the purpose of submitting the hereinafter described interest in a parcel of improved immovable property (the "Immovable Property") to a Condominium Property Regime declared as follows:

Recitals

WHEREAS, Declarant is the owner of a certain parcel of immovable property located in East Baton Rouge Parish, Louisiana, upon which Declarant intends to build the improvements described herein and which Declarant hereby submits to a Condominium Property Regime known as **The Cottages at Blue Heron Lakes** under the provisions of the Act;

WHEREAS, by virtue of the Articles of Incorporation dated May 12, 2005, the Declarant formed the Association.

NOW THEREFORE, Declarant does hereby submit the Immovable Property and improvements to be constructed thereon to this Declaration and does hereby establish The Cottages at Blue Heron Lakes as a condominium regime under the Act. The immovable property submitted herewith and hereinafter legally described on Exhibit "A" attached hereto and made a part hereof shall hereinafter be subject to the provisions of the Act and this Declaration and to the Condominium Bylaws of The Cottages at Blue Heron Lakes Owner's Association, Inc.

ARTICLE I DEFINITIONS

As used in this Condominium Declaration or elsewhere in the Condominium Documents (as defined below), or unless the context otherwise requires, the following terms shall have the definitions contained in the Louisiana Condominium Act (La. R.S. 9:1121.101, *et seq.*) and as more particularly provided in this Article.

Act. The Louisiana Condominium Act (La. R.S. 9:1121.101, *et seq.*), as it may be amended.

Architect. James C. Dodds, AIA.

Articles. Articles of Incorporation of The Cottages at Blue Heron Lakes Owner's Association, Inc.

Assessment. That portion of funds required for the payment of expenses, such as the cost of maintaining, operating, repairing, repainting, re-roofing and otherwise managing the Condominium Property that from time to time is assessed against and paid by all or some of the Unit Owners, as hereinafter provided.

Association. The Cottages at Blue Heron Lakes Owner's Association, Inc., a Louisiana nonprofit corporation, and its successors, which is the governing body of the Condominium and the entity responsible through its Board of Directors for the administration and operation of the Condominium Property.

Board. The Board of Directors of the Association.

Building or Buildings. The buildings situated upon the Land, together with all additions made thereto, which buildings constitute a portion of the Condominium Property, as shown on the Plat of Survey and Condominium Plan. Whenever such building designations are used in this Condominium Declaration, such designations shall refer to the buildings as shown on the Condominium Plan. There shall be a total of sixteen (16) Buildings.

Bylaws. Bylaws of the Association.

Common Elements. The Condominium Property other than the Units, consisting of both Common Elements, Common Areas, (i) shown on the Condominium Plan and referenced as "Common Areas", (ii) which are described in Article 4 of this Declaration, and (iii) any other portion of the Condominium Property not located in, or forming any part of, any of the Units and either (a) is desirably or rationally of common use or benefit, or (b) is necessary to the existence, maintenance, safety, and security of the Condominium.

Common Expenses. The expenses for the management and maintenance of the Condominium Property, for which the Unit Owners are liable to the Association and which shall include, but are not limited to, the estimated cost of:

- (a) Taxes of all kinds that may be levied against the Association, as well as property taxes and property use or service taxes, except charges levied directly against Unit Owners;
- (b) Insurance, maintenance, management, operation, administration, repair, replacement, repainting and re-roofing of the Common Elements and those parts, if any, of the Units as to which, pursuant to any provisions hereof, the Association has the responsibility of maintenance, repair and replacement;
- (c) Utilities charges and maintenance or service charges incurred in operation or maintenance of the Common Elements and not otherwise required to be paid by individual Unit Owners;
- (d) Premiums for liability and casualty insurance carried by the Association for designated parts of the Condominium Property;
- (e) Costs of management and administration of the Association, including, without limitation, compensation paid by the Association to accountants, attorneys, and other professional firms or employees;
- (f) Reserves for replacement and repair of Common Elements;
- (g) Any other items described as Common Expenses in any of the Condominium Documents or the Act; and
- (h) Any other items the Board approves as Common Expenses.

Common Surplus. Excess of income of the Association over Common Expenses.

Condominium. The condominium created by this Condominium Declaration.

Condominium Declaration or Declaration. This Declaration of Condominium.

Condominium Documents. This Condominium Declaration and the exhibits hereto annexed, the Articles, Bylaws, and Rules and Regulations (if any), as the same from time to time may be amended. Said exhibits which are by this reference made a part of this Condominium Declaration are as follows:

EXHIBIT A	Legal Description of Land
EXHIBIT B	Condominium Plans
EXHIBIT C	Plat of Survey

Condominium Parcel. A Unit together with an undivided interest in the Common Elements as shown on Exhibit "B", which is an inseparable component of each Unit. Condominium Parcel shall also include the heating, ventilation and air conditioning unit and its appurtenances, which serve a Unit, but which are physically located on a Common Element or Limited Common Element.

Condominium Plan. Collectively, the plans of the Condominium Property prepared by the Architect and attached hereto as Exhibit "B". The Condominium Plans include a site plan of the Buildings and Common Areas, floor plans for each Unit, Building Plans, and Elevations.

Condominium Property. All interest in (i) the Land described on Exhibit "A", (ii) the improvements on the Land, including, without limitation, the Building(s), and (iii) all other servitudes and rights appurtenant to any of the foregoing.

Declarant. The Cottages at Blue Heron Lakes, L.L.C., its successors or assigns.

Eligible Mortgage Holder. Those holders of a first mortgage on a Unit that have submitted a written request for the Association to notify them of any proposed action requiring the consent of a specified percentage of eligible mortgage holders.

Emergency. A condition which either (a) requires repair or replacement of any part of the Condominium Property immediately necessary for (i) the preservation or safety of the Condominium Property, (ii) for the safety or health of the Occupants of the Condominium Property, or (iii) required to avoid the suspension of Utility Services to or within the Condominium Property, or (b) constitutes any event or circumstance which imperils the safety or health of the Occupants of the Condominium Property.

Exterior Wall. The exterior masonry walls of the Buildings which are self-supporting.

Floor Plan. The layout of an individual Unit as shown on the Condominium Plan. There shall be a total of four (4) floor plans.

Interior Unit Demising Walls. The interior demising walls separating one Unit from another Unit.

Land. The parcel of land, located on McHugh Road, in the City of Zachary, Louisiana, East Baton Rouge Parish, described on Exhibit "A".

Limited Common Elements. Any of the Common Elements exclusively serving a single Unit or one or more adjoining Units (but less than all of the Units) as an inseparable or essential appurtenance thereto or thereof, the enjoyment, benefit or use of which is reserved exclusively to the lawful occupants of such Unit or Units, subject to any servitudes, restrictions and limitations contained herein or of record, and designated as such (i) in this Condominium Declaration, (ii) on the Plat of Survey, (iii) in the Condominium Plan, or (iv) by the Board to be reserved for the exclusive use of one or more, but less than all, of the Unit Owners. Attic space as shown on the

Condominium Plan shall be available for use by the Unit directly below the attic space subject to the rights of the Association and other Unit Owners for matters which require use in common.

Management Agreement. Any agreement by and between the Association and the Manager or Management Company or any other agreement then in effect, providing for the management of the Condominium Property and/or the Association.

Manager. Any person whom the Association may, from time to time, engage as manager of the Condominium Property, pursuant to which the Association may delegate certain of the duties and powers of the Association respecting management of the Condominium Property and the Association. In the event that at any time no Management Agreement is in effect, all references in the Condominium Documents to the Manager shall be deemed to refer instead to the Board.

Mortgagee. A person or legal entity holding a mortgage note secured by a first mortgage lien affecting a Condominium Parcel owned by a Unit Owner.

Occupant. Person or persons, whether or not a Unit Owner, in possession of all or part of a Unit.

Percentage Interest. A Unit Owner's fractional undivided ownership share of the Common Elements.

Plat of Survey. Survey plat prepared by the Surveyor, showing the Land and the location of the Building and improvements thereon, a copy of which is attached hereto as Exhibit "C".

Rules. The rules and regulations of the Association that may be adopted from time to time by the Board.

Share. The proportion or Percentage Interest attributed to each Unit Owner, as provided in Section 4.8 of this Condominium Declaration for purposes of computing interests in the Common Elements, the liability for Common Expenses and rights to Common Surplus.

Structural Elements. The structural elements of the Building consisting of the foundations and structural components of the Building or any improvements constituting a portion of the Condominium Property, as follows: (i) the roof structures; (ii) the Exterior Walls; and (iii) all floor systems.

Surveyor. Evans-Graves Engineers, Inc.

Unit. Those parts of the Condominium Property which are situated within the Buildings, intended for independent use and occupancy, and subject to individual ownership. The Units are separately indicated in the Condominium Plan. The Units are more specifically described in Article 3 of this Declaration. A Unit shall also include such accessory rights and obligations as are stipulated in this Agreement.

Unit Owner. The record owner or the owners in indivision of a Unit, who may be one or more natural persons, firms, corporations, partnerships, limited liability companies, associations, or other legal entities, including without limitation the Declarant, capable of holding title to immovable property, whether one or more persons.

Utility Facilities. Electricity, natural gas, chilled water, hot water, domestic water, and sewer lines, pipes, conduits, wires, cables, panels, mains, laterals, pumps, meters, systems and facilities; telephone, television, computer, data and communication, fire alarm and security wires, cables, conduits, equipment, systems, panels and facilities or other fixtures; ventilation ducts, chutes, vents, fans, heating and air conditioning pipes, ducts, conduits, wiring, panels, lines and other associated equipment; and all other similar equipment and facilities.

Utility Service. Electricity, natural gas, chilled water, hot water, domestic water, sewage, telephone, and cable or satellite television.

Window. Window frame, hardware, and glazing which constitutes a boundary of a Unit.

ARTICLE 2 DECLARATION CREATING CONDOMINIUM

The Condominium Property is hereby submitted to a condominium regime, pursuant to this Declaration. The Condominium Property shall be and continue to be subject to the Act, and to each and all of the terms hereof, until the Condominium regime is terminated and the Condominium Property withdrawn in accordance with the provisions of the Act and this Condominium Declaration. The Condominium Property shall be known as "The Cottages at Blue Heron Lakes".

ARTICLE 3 UNITS

3.1. Immovable Property. Each Unit, together with an undivided interest in the Common Elements as hereinafter described, and all appurtenances to such Unit, shall for all purposes constitute a separate parcel of immovable property which may be owned, conveyed, transferred, and encumbered in the same manner as any other parcel of immovable property, independently of all other parts of the Condominium Property and subject only to the provisions of this Condominium Declaration.

3.2. Unit Designation. All Units are delineated on the Condominium Plan, and the Unit designations which shall be used to legally describe and identify each Unit shall consist of the numerical designation for the Unit from number "1" through "108" and a numerical designation of the Building from number "1" through "16" (e.g., Unit 1, Building 1). Said Units are more particularly shown on Exhibit "B". Pursuant to this Declaration, the initial Unit Owner of all Units shall be The Cottages at Blue Heron Lakes, L.L.C.

The Unit designations shall be considered the legal designation of the Units for purposes of describing any Unit and shall be so used in any sale, mortgage, or other instrument or act conveying or transferring any interest or right in a Unit.

3.3. Unit Ownership. Ownership of a Unit shall include, and the same shall pass with each Unit as an inseparable component part of Unit ownership, whether or not separately described, conveyed, transferred or encumbered, the following:

(a) An undivided Percentage Interest in the Common Elements, according to the Unit's Share of the Common Elements, subject to adjustments in such Share, all as provided in this Condominium Declaration;

(b) The exclusive right to use certain Limited Common Elements, as provided in this Condominium Declaration;

(c) An obligation to pay a portion of the Common Expenses of the Association, as provided in this Condominium Declaration, and subject to the adjustments in such portion as provided in this Condominium Declaration;

(d) An undivided Percentage Interest in the Common Surplus, subject to adjustments to such undivided Percentage Interest, all as provided in this Condominium Declaration;

(e) Association membership, and all rights, privileges and obligations enuring therefrom, as provided in this Condominium Declaration;

(f) Servitudes, if any, established pursuant to this Condominium Declaration for the benefit of the Unit; and

(g) Such other interests, rights, and obligations as are provided in the Condominium Documents or by the Act.

3.4. Unit Description and Boundaries.

(a) The vertical and horizontal boundaries of each Unit are shown on the Condominium Plan. Each Unit consists of physical portions or spaces of the Condominium ("Unit Floor Space") on single floors of each Building, except those Structural Elements located within the vertical and horizontal boundaries of the Unit Floor Space. The vertical boundaries of each Unit Floor Space shall be from the top of the slab to the face of the ceiling joists. The horizontal boundaries of each Unit Floor Space shall be from the inside of the wall stud face to the inside of each opposite wall stud face. The area, including wall studs in the demising walls, is Limited Common Area.

Each Unit shall be bounded subject to such servitudes and encroachments as are contained in the specific building in which the Unit is situated, whether such servitudes and encroachments exist now or are created by virtue of this Declaration, by construction, settlement,

or movement of such building or by permissible repairs, construction, or alterations. The horizontal and vertical boundaries and approximate measurements of each of the Units are particularly shown, and described graphically on, the Condominium Plan.

(b) Each Unit shall include, and accordingly the Unit Owner shall be responsible for, all space and improvements between the horizontal and vertical boundaries described above and as shown on the Condominium Plan, including, without limitation, interior partitions and interior walls on each floor level, ceilings between floor levels, flooring, and stairways between levels within the same Unit, but the alteration of such elements of the Unit by Unit Owners and occupants thereof shall be subject to the restrictions contained, in this Condominium Declaration.

Each Unit shall also include all electrical, water, telephone, intercom, air-conditioning, heating, and other utility and service equipment contained within the boundaries of such Unit, including the boundaries of the Limited Common Elements contiguous to said Unit, and serving such Unit exclusively.

(c) In interpreting deeds, mortgages and plans, the physical boundaries of a Unit constructed or reconstructed substantially in accordance with the original plans thereof shall be conclusively presumed to be its boundaries, regardless of settling or lateral movement of the Building in which it is situated and regardless of minor variances between the actual boundaries of the Building and the boundaries shown on the Condominium Plan or in any conveyance.

3.5. Floor Plans. The interior layout of each and every individual Unit shall be based upon one of four(4) Floor Plans, designated as Plan A, B, C, and D, as further shown on the Condominium Plan attached as Exhibit B. Initial Unit Owners may have the privilege of choosing the specific floor plan for a Unit.

3.6. Mortgages Affecting Units. Each Unit Owner shall have the right, subject to the provisions, servitudes and restrictions herein, to grant separate mortgages on its respective Unit, together with its Share of the Common Elements. No Unit Owner shall have the right or authority to make, create or cause to be made or created any mortgage or other lien on or affecting the Condominium Property or any part thereof, except on its own Unit and its Share of the Common Elements appurtenant thereto.

3.7. Real Estate Taxes. Declarant shall use its best efforts to ensure that taxes, assessments and other charges of any taxing or assessing authority shall be separately assessed to each Unit Owner for its Unit and its corresponding Share in the Common Elements. If at any time such taxes or assessments shall not be separately assessed to each Unit Owner, but rather, shall be assessed on the Condominium Property as a whole, then each Unit Owner shall pay its proportionate share thereof in accordance with its Share in the Common Elements, and, in such event, such taxes or assessments shall be a Common Expense.

3.8. Utility Services. Each Unit Owner shall pay, when due, all Utility Services, separately metered for, or otherwise billed to, such Unit Owner's Unit. Each Unit Owner shall also pay, as determined by the Association, for all Utility Services billed to the Association and allocable to such Unit Owner's Unit, but not separately metered for, or billed to, any particular Unit. The Association shall bill each Unit Owner for such Owner's applicable portion of such utilities at such intervals as the Association determines, in its discretion. Each Unit Owner shall make such payments for separately metered Utility Service directly to the utility company or companies providing such Utility Service or directly to the Association if such Utility Services are not separately metered for, or billed to, the Units.

To the extent any Utility Service is provided to the Condominium Property for the use of more than one Unit, and separate meters are not provided by the utility company or municipal agency providing such Utility Service, the Declarant or Association may bill each Unit for its proportionate share of such expenses or, at its costs, may install submeters, flow meters, or other devices to measure the consumption of such Utility Service by the affected Units, and invoice the affected Unit Owners for the actual cost of consumption of such services, as indicated by such submeters, flow meters or other devices. If the Unit Owners do not pay such invoice within thirty days, the Association shall pay such invoice, and shall submit an invoice for reimbursement directly to such Unit Owner. The Association shall be entitled to all rights provided by the Act to secure payment of such invoice, including, without limitation, the right to a lien against such Unit.

3.9. Decorating. Each Unit Owner shall furnish and be responsible for, at its own expense, all of the decorating within its own Unit exclusively, including, without limitation, special plumbing and electrical fixtures, painting, sheetrocking, wallpapering, washing, cleaning, paneling, floor covering, draperies, window shades, curtains, lamps, and other furnishings and interior decorating. Similarly, the use and covering of the interior surfaces of windows, whether by draperies, shades or other items visible on the exterior of the Building, shall be subject at all times to the Rules of the Association. Subject to the provisions of this Condominium Declaration, each Unit Owner shall be entitled to the exclusive use of the Interior Unit Demising Walls, and any and all interior surfaces of the perimeter walls, floors and ceilings of its Unit, and such Unit Owner shall maintain said surfaces in good condition at its sole expense, as may be required from time to time. Said maintenance and use of interior surfaces shall be subject to the Rules of the Association, and to any restrictions or servitudes currently of record or imposed hereby. All windows forming a part of a perimeter wall of a Unit shall be cleaned and washed at the expense of the Unit Owner of that Unit.

3.10. Alterations, Additions and Improvements. Any Unit Owner may make alterations, additions and improvements entirely within its own Unit without the prior written approval of the Board, provided it does not (i) make any improvements or alterations to its Unit that impair the structural integrity of the Building in which such Unit is located, the other Unit or any mechanical and/or other system contained therein, including the Utility Facilities, or lessen the structural support of any portion of the Building; (ii) impair the appearance or structure of the Common Elements, or (iii) change the exterior appearance of a Unit or any part of the Building. Any Unit Owner making such alterations shall be responsible for any damage to the other Unit or to the Common Elements as a result of any alterations, additions, or improvements made by such Unit Owner.

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ARTICLE 4 COMMON ELEMENTS

4.1. Description. Common Elements include, without limitation, the following: the Land, the Structural Elements, sewer, storm sewer and any other underground utility service not owned by a utility company.

4.2. Limited Common Elements. Certain portions of the Common Elements are reserved for the exclusive use and enjoyment of respective Units and the Owners or Occupants thereof. Such portions include, without limitation:

a) Those Common Elements designated as Limited Common Elements on the Condominium Plan, benefiting those Units indicated on the Condominium Plan.

b) The structural walls between Units and interior space in the attic of each Building shall be Limited Common Elements

4.3. Ownership and Use of Common Elements. Ownership of each Unit shall include as a part of the Condominium Parcel comprising the Unit, ownership of an undivided Percentage Interest in the Common Elements. The Percentage Interest attributable to each Unit in the Common Elements shall be equal to the share of ownership reflected in Section 4.8.

a) Except as otherwise limited by this Declaration or the Condominium Documents, each Owner shall have the right to use the Common Elements reserved for the use of its Unit for all purposes incident to the use of its Unit and as may otherwise be permitted by the Condominium Documents, which right shall be appurtenant to and an inseparable part of the Unit and pass with transfer of ownership of the Unit.

b) A Unit Owner may not convey, encumber, or transfer, whether voluntarily or involuntarily, any interest in the Common Elements separately from the interest of such Unit Owner in its Unit.

4.4. Covenant Against Partition. In order to effectuate the intent hereof and to preserve the Condominium Property and the condominium method of ownership, the Common Elements shall remain undivided, and no person, irrespective of the nature of its interest in the Common Elements, shall bring an action or proceeding for partition or division of the Common Elements or any part thereof unless and until the Condominium Property is withdrawn from the condominium regime in accordance with the Act and the provisions of Article 17 hereof.

4.5. Rules Promulgated by the Association. The Association, acting through the Board of Directors, may adopt any Rules necessary to ensure proper maintenance of the Common Elements and to ensure the use and enjoyment by Unit Owners of the Common Elements. No person, including any Occupant of a Unit, shall use the Units or the Common Elements in any manner contrary to or not in accordance with such Rules pertaining thereto as may from time to time be promulgated by the Association.

4.6. Expenses of Maintenance. Expenses incurred or to be incurred for the maintenance, repair, and operation of the Common Elements shall be collected from Unit Owners as assessed, in accordance with the provisions of Article 14 hereof.

4.7. Alterations and Improvements. The Association shall have the right to make or cause to be made alterations or improvements to the Common Elements, including alterations or improvements requested by one or more Unit Owners. Such alterations or improvements to the Common Elements must be approved by the Board. The costs of such approved alterations or improvements to the Common Elements shall be included in the Common Expenses and assessed to all Unit Owners in accordance with their percentage of liability for Common Expenses. Notwithstanding the foregoing, the costs of alterations or improvements made solely for the benefit of one or more Units shall be Common Expenses attributable specifically to such Unit(s) and shall be assessed only against the Owner of such Unit(s) in an equitable manner determined by the Board.

4.8. Shares of Unit Owners. The Share of ownership interest of the Unit Owners in the Common Elements, and the Share of the Unit Owners in Common Expenses, shall be determined by a fraction, the numerator of which is the number one (1) and the denominator being the total number of Units in the Condominium of one hundred eight (108).

ARTICLE 5 SERVITUDES

5.1. Reciprocal Servitudes. The following irrevocable servitudes are hereby granted from each Unit Owner to each other Unit Owner and to the Association:

(a) **Maintenance and Repair by Unit Owners.** Each Unit Owner shall have a servitude in common with other Unit Owners to use, install, operate, maintain, alter, repair, rebuild, restore and replace all Utility Facilities and all other Common Elements located in another Unit (or elsewhere on the Condominium) and serving its Unit. Each Unit shall be subject to a servitude in favor of each other Unit to use, install, operate, maintain, alter, repair, rebuild, restore and replace Utility Facilities and all other Common Elements serving such other Unit and located in such Unit.

(b) **Emergencies.** Each Unit Owner shall have, in common with each other Unit Owner, a servitude of ingress and egress through any other Unit for the use of any Limited Common Element reserved to that Unit and to the extent necessitated by an Emergency.

(c) **Maintenance and Repair by Association.** The Association, its agents, contractors and employees shall have a right of access to the Units and to the Common Elements to inspect, maintain or repair or make repairs to the Units to prevent damage to the Common Elements or any other Units, to make repairs to the Common Elements, and to make repairs to any other Unit, provided such right of access shall be exercised in such a manner as will not unreasonably interfere with the normal conduct of business or use of the Occupant of the Unit. Such entry shall be permitted on not less than one (1) day's notice, except that notice will not be necessary in the case of an Emergency.

(d) **Maintenance and Repair of Common Elements.** Each Unit Owner shall have, in common with each other Unit Owner, and each Unit shall be subject to, a servitude (a) to install, operate, maintain, repair, alter, rebuild, restore and replace the Common Elements located in, over, under, through or upon any Unit, or any other Common Elements or elsewhere on the Condominium Property and (b) to maintain any encroachment on any Unit or the Common Elements resulting from the repair, alteration, rebuilding, restoration or replacement of the Units or the Common Elements; provided that access to any Unit or the Common Elements in furtherance of such servitude shall be exercised in such a manner as will not unreasonably interfere with the normal conduct of business or use of the Occupant of the Unit. Such entry shall be permitted on not less than one (1) day's notice, except that no notice will be necessary in the case of an Emergency.

(e) **Utilities.** The Association shall have the right to grant such additional servitudes for Utility Services or relocate any existing Utility Facilities in any portion of a Unit or the Condominium, as the case may be, as the Association shall deem necessary or desirable for the proper operation and maintenance of the Building or any portion thereof, or for the general health or welfare of the Unit Owners and Occupants of the applicable Units, provided that such additional servitudes for Utility Services or the relocation of existing Utility Facilities will not prevent or unreasonably interfere with the normal conduct of business of the Occupants of any Unit or with the use of any Units for their permitted purposes. Any utility company and its employees and agents shall have the right of access to any Unit or the Common Elements in furtherance of such servitude, provided such right of access shall be exercised in such a manner as shall not unreasonably interfere with the normal conduct of business of the tenants and occupants of any Unit or with the use of any Units for their permitted purposes.

(f) **Structural Support.** Each Unit Owner shall have a servitude in common with each other Unit Owner of structural support for the benefit of the Common Elements and the Units and affecting any portion of a Unit which contributes to the structural support of the Building, which servitude of structural support shall prohibit any Unit Owner from performing any work or doing anything which would impair such servitudes.

5.2. Encroachments. In the event that construction, reconstruction, repair, shifting, settlement, or other movement of any portion of any improvement(s) on the Property results either in the Common Elements encroaching on any Unit, or any Unit encroaching on the Common Elements or on another Unit, then in that event, a servitude shall be created for such encroachment and the maintenance of such encroachment, so long as the physical boundaries of the Units after the construction, reconstruction, repairs, etc., will be in substantial accord with the boundaries of such Units as described herein. Such servitude shall exist only for so long as the encroachment exists. Such servitude shall not be used for any purpose other than that purpose stated in this Section 5.2. The servitude created herein shall not be subject to La. Civil Code article 670 regarding compensation for the value of the servitude taken and for any other damage.

5.3. Expenses. Notwithstanding the existence of any servitude established by Section 5.1, all expenses associated with the ownership of such areas burdened by each such servitude, including without limitation, those expenses incurred for cleaning, maintenance, and repair, shall be borne solely by the owner of the Unit burdened by such servitude or by the Association if a Common Element is burdened by a servitude.

5.4. Term. The servitudes established in this Article 5 shall continue in effect until the condominium regime established by this Condominium Declaration is terminated.

5.5. Servitudes Burdening Common Elements. Irrevocable servitudes are hereby granted through the Common Elements in favor of Declarant and the Association to install, maintain, repair, and replace any Utility Facilities serving any of the Units.

5.6. Power of Association and Declarant. Declarant and the Association reserve the right from time to time to create servitudes in, around, under, and across the Condominium Property as may be necessary, required or appropriate in order to provide utilities, water, sewerage service, electricity, gas, cable television, telephone, and similar service, without the necessity of concurrence from any Unit Owner or Mortgagee thereof. The Association is also authorized to execute servitude agreements with suppliers of utility services, which servitude agreements shall contain such terms as the Board, in its sole discretion, deems necessary or appropriate.

The Association is authorized to accept the benefit of any servitudes on behalf of Unit Owners, and in connection therewith, to execute servitude agreements containing such terms as the Board, in its sole discretion, deems necessary or appropriate.

ARTICLE 6 MAINTENANCE AND REPAIR

6.1. Unit Repair and Maintenance. Each Unit Owner shall furnish and be responsible for, at its own expense, all of the maintenance, repairs, and replacements within its own Unit, and including any item located on a Common Element but servicing a Unit and/or owned by a Unit Owner, except to the extent the Board or Association (in its sole discretion) determines to provide maintenance of a Unit for a Unit Owner. In connection with such maintenance, repairs, and replacements, the Unit Owner shall not perform any work in or to the Unit which might impair the structural integrity, mechanical systems, or any Utility Facilities, lessen the support of any portion of the Condominium Property, or impair any servitude in favor of the Association or any Unit or Unit Owner, without first obtaining the written consent of the Board. Unless otherwise required by the Board, all repairs and maintenance to any fixtures, equipment, devices, pipes, conduit, wiring, ductwork, or other similar items that serve or are connected with the plumbing, electrical, HVAC, cable television or telephone or other telecommunications, alarm service, or other similar services or functions serving a Unit, whether located physically within or outside of a Unit, shall be performed by the Unit Owner, at the expense of the Unit Owner but subject at all times to the control of Association, so as to assure uniformity of quality of work and preservation of the Common Elements.

6.2. Common Element Repair and Maintenance. The Association shall furnish maintenance, repair, and replacements of the Common Elements, the cost of which shall be paid by the Association as a Common Expense, subject to the Rules of the Association; provided that maintenance, repairs and replacements of a Limited Common Element benefiting one or more but less than all of the Units shall be furnished by respective Unit Owner(s) having the benefit or use thereof, unless the Board, in its sole discretion, determines otherwise. The maintenance, repair, and replacements of the Common Elements shall be made in a first class condition.

6.3. Work Directed by Association. Whenever the Board shall determine, in its sole discretion, that maintenance, replacement or repair of any Unit is necessary to protect the Common Elements or the appearance or value of the Condominium Property or any other portion of any Building, the Board may cause written notice of the necessity for such maintenance, replacement or repair to be served upon the Unit Owner. If such Unit Owner fails or refuses to perform any such maintenance, replacement or repair within such reasonable time period stated in the notice (or any extension thereof approved by the Board), the Board may maintain, replace or repair or cause such maintenance, replacement and repair to be performed at the expense of the Unit Owner, which expense shall be added to the Assessment against such Unit Owner.

6.4. Repairs Necessitated by Owner's Act or Neglect. If, due to the act or neglect of a Unit Owner, or of any Occupant, agent, servant, tenant, employee, family member, invitee or licensee of the Unit Owner, damage shall be caused to the Common Elements or to a Unit or Units owned by others, or if, as a result of such act or neglect, maintenance, repairs, or replacements which would otherwise be a Common Expense are required, then the offending or responsible Unit Owner shall be liable and obligated to pay for all such damage, maintenance, repairs or replacements to the extent not covered by insurance obtained by the Association, and the Association shall have a right to lien such Owner's Unit to secure the payment of the same. Such damage for which such Unit Owner shall be responsible shall include any increase in fire or property insurance rates occasioned by use, misuse, occupancy, or abandonment of any Unit or its appurtenances. Nothing herein contained, however, shall be construed to modify any waiver by insurance companies of rights of subrogation.

6.5. Access. Authorized representatives of the Association or Board shall be entitled to reasonable access to the individual Units and Common Elements as may be required in connection with the preservation or protection of any individual Unit or Common Element, or in connection with maintenance, repairs or replacements of Common Elements or of any equipment, facilities or fixtures or other property within the Units, or to make any alteration required by any governmental authority. In order to carry out the intent and purpose of this paragraph, there is specifically granted to the Board, Association, and its authorized representatives, a servitude of passage, ingress and egress and use of, and through each of, the Units and Common Elements for maintenance, repair and/or replacement of all or part of the Units and Common Elements. Use of these servitudes, however, for access to the individual Units shall be limited to reasonable hours, except that, in case of emergency, the Board, Association, and authorized representatives may have access at any time.

ARTICLE 7 USE RESTRICTIONS

In order to provide for harmonious occupation of the Buildings and for the protection of the values of each Unit, the Condominium Property shall be used in accordance with the following provisions:

7.1. Units. All Units shall be used for private residential purposes exclusively. However, nothing in this section, or elsewhere herein, shall be construed to prohibit Declarant from the use of any Unit, or any part of a Unit, that the Declarant owns for promotional or display purposes, as a "model unit", a sales office, or the like for the sole purpose of selling Units in the Condominium.

7.2. Construction Permitted. In addition to the uses specified above, each Unit Owner shall be entitled to construct, or cause the construction of, improvements to the Unit(s) owned by such Unit Owner, of such a character so as to permit operation of such Unit(s) for the purposes permitted by the provisions of this Condominium Declaration, provided each Unit Owner causes reasonably prudent construction practices to be observed during the construction of such improvements. During the entire period of construction of improvements of any of the Units, each Unit Owner and its agents, contractors and subcontractors, and their respective agents, employees, and guests (including, without limitation, prospective purchasers of the Units), shall be entitled to access, ingress to and egress from all Common Elements associated with such Units, as may be required or desired for purposes of construction in any of the Units to permit the uses contemplated by this Article 7. Declarant and its agents, employees, contractors and subcontractors, and their respective agents, employees, and guests, shall be entitled to access, ingress to and egress from the Condominium Property for the purpose of constructing, or improving, the Common Elements as set forth on the Condominium Plan.

7.3. Nuisances. No nuisances shall be allowed on the Condominium Property nor shall any use or practice be allowed which is the source of annoyance to occupants or which interferes with the peaceful possession and proper use of the Condominium Property; provided, however, that reasonably prudent construction activities shall not be deemed a nuisance.

7.4. Lawful Use. No offensive or unlawful use shall be made of the Condominium Property nor any part thereof and all valid laws, zoning ordinances, and regulations of all governmental bodies having jurisdiction thereof shall be observed.

7.5. Rules and Regulations. The Association may promulgate rules and regulations concerning use of the Condominium Property, which rules and regulations shall be binding on all Unit Owners. Copies of such rules and regulations will be furnished to each Unit Owner or Occupants prior to the occupancy of a Unit or as the same become effective. The obligation to provide a copy of the Rules shall not be deemed a resolatory condition for any purpose.

**ARTICLE 8
DEVELOPMENT RIGHTS AND OTHER SPECIAL DECLARANT RIGHTS**

8.1. Reservation of Development Rights; Number of Units. The Condominium shall contain a total of one hundred eight (108) Units to be contained within a total of sixteen (16) Buildings. All such Buildings shall be subject to this Declaration, in its entirety, upon completion of construction, as evidenced by the Certificate of Occupancy issued by the City of Zachary, Parish of East Baton Rouge, State of Louisiana.

8.2. Declarant's Construction Servitude. Declarant reserves the right to perform warranty work, repairs, and construction work, and to store materials in secure areas in Units and in or on Common Elements and to control all such work and repairs and the right of access thereto, until its completion. All work may be performed by Declarant without the consent or approval of the Board. Declarant has such a servitude through the Common Elements as may be reasonably necessary for the purpose of discharging Declarant's obligations.

**ARTICLE 9
LEASES AND CONVEYANCES**

9.1. Leases. Any lease or sublease of a Unit must be in writing. Any such lease or sublease of a Unit shall include a provision that the lessee or sublessee agrees to abide by and comply with all of the terms and restrictions of the Condominium Declaration and the rules and regulations of the Association. An executed counterpart of such lease or sublease shall be delivered to the Association prior to commencement of occupancy by any tenant or subtenant thereunder.

Every lease or sublease of a Unit, and any renewal thereof, is subject to the prior approval of the Association. Such approval will not be unreasonably withheld or delayed. If a tenant has violated any of the rules and regulations of the Association, withholding of approval of any new lease, sublease or renewal with such tenant or subtenant shall be deemed to be reasonable.

9.2. Sale of Units. Any sale of a Unit by a Unit Owner shall be subject to the requirements of the Act and in particular Section 1124.107 thereof. Prior to any such sale or the execution of a contract to sell any such Unit, or otherwise before conveyance, the Unit Owner or other person selling the Unit for such Unit Owner shall submit to the buyer the following information required by law:

- (a) A copy of this Condominium Declaration, with all exhibits and amendments thereto, except for the Plat of Survey and Condominium Plan;
- (b) A copy of the Articles of Incorporation and bylaws of the Association, and all amendments thereto;
- (c) A certificate containing the following:
 - i. A statement setting forth the amount of any current Common Expense Assessments;

- ii. A statement of any capital expenditures already approved by the Association for the current and two next succeeding fiscal years;
- iii. A statement of the amount of any reserves for capital expenditures and of any portions of those reserves designated by the Association for any specified projects;
- iv. The most recent balance sheet and income and expense statement of the Association, if any;
- v. A current operating budget of the Association, if any;
- vi. A statement of any unsatisfied judgments against the Association and the status of any pending suits to which the Association is a party; and,
- vii. A statement describing any insurance coverage provided by the Association.

The Unit Owner may also be required to provide other information in accordance with the Act. The Association shall provide to any such Unit Owner, for such reasonable fees as may be set by the Association, copies of all necessary documents and information which such Unit Owner may need in order to sell its Unit in accordance with the provisions of law.

9.3. Assessments. Except as may otherwise be provided in this Condominium Declaration, no Unit Owner shall voluntarily transfer, sell, convey, mortgage, or lease its Unit unless or until it shall have paid in full any charges assessed against its Unit.

ARTICLE 10 THE ASSOCIATION

10.1. The Declarant. The Board shall assume responsibility for governance of the Condominium Property upon registration of this Condominium Declaration in the records of the Register of Conveyances of the Parish of East Baton Rouge. Notwithstanding the provisions contained herein and in the Articles of the Association, the Declarant shall have such control over the Association and the Condominium as is stated in the Bylaws.

10.2. The Association. Declarant has organized an association of the Unit Owners of the Condominium Property, established in accordance with the provisions of the Act, as the governing body for all of the Unit Owners. As the governing body, the Association is responsible for the administration and operation of the Condominium Property. The Association is a nonprofit corporation organized on a non-stock basis under the Louisiana Nonprofit Corporation law and in accordance with its Articles of Incorporation. The members of the Association shall be the Owners of Units including the Declarant to the extent that the Declarant owns any Units. The initial owner of the Units shall be the Declarant. The aggregate number of votes for all members of the Association shall be equal to the total number of Units. Each Unit, despite the number of Unit Owner(s), is entitled to only one (1) vote, which may be exercised as stated in the Bylaws. The Board of the Association shall be elected by the said Owners in accordance with the Articles of Incorporation and the Bylaws of the Association. Each Unit Owner shall automatically become a member of the Association upon acquisition of such Unit.

A Unit Owner's membership in the Association shall automatically terminate when it ceases to be a Unit Owner.

10.3. Association Bylaws. The Bylaws of the Association shall be adopted by the Board of Directors of the Association.

10.4. Duties and Powers of the Association. The duties and powers of the Association shall be those set forth in the Act, this Condominium Declaration, the Articles and the Bylaws, together with those reasonably implied to effect the purposes of the Association and this Condominium Declaration; provided, however, that if there are conflicts or inconsistencies between this Condominium Declaration, the Articles and the Bylaws, the terms and provisions of this Condominium Declaration shall prevail over both and the Articles shall prevail over the Bylaws. The Unit Owners covenant to vote in favor of such amendments to the Bylaws as will remove such conflicts or inconsistencies.

In the event of any dispute between Unit Owners relating to the Condominium Property, or in the event of any issues respecting the application or interpretation of any of the Condominium Documents, such dispute shall be submitted to the Board for resolution, and the decision of the Board shall be binding on each of such Unit Owners.

The powers and duties of the Association shall be exercised in the manner provided by the Bylaws, and any duties or rights of the Association which are granted by or to be exercised in accordance with the provisions of this Condominium Declaration shall be so exercised.

10.5. Delegation to Manager. To the extent permitted by law, the duties and powers of the Board may be delegated to a Manager pursuant to the terms of a Management Agreement approved and entered into by the Board, except that wherever this Condominium Declaration or the Act specifically requires the act or approval of the Board, such act or approval must be that of the Board done or given in accordance with the Bylaws. Any Management Agreement entered into by the Board must provide that the Management Agreement may be terminated by the Board without penalty upon advance notice of not more than ninety days.

10.6. Notices. All official written notices or demands required by this Condominium Declaration or by the Articles or Bylaws of the Association may be given by the Association to Unit Owners or by Unit Owners to the Association and other Unit Owners, by personal delivery, or by registered or certified mail addressed to the municipal address of the Unit, or the registered office of the Association, or as otherwise directed by a Unit Owner or the Association in writing, delivered in accordance with one of the methods set forth above. Any Unit Owner may designate a different address or addresses for notices to him by given written notice of such address to the Board. Notices addressed as above shall be deemed delivered when mailed by United States registered or certified mail, return receipt requested, or when delivered in person with the written acknowledgement of the receipt thereof.

10.7. Application of Income and Common Surplus. All income received by the Association and all Common Surplus may, in the discretion of the Board, be used to reduce

prospective Common Expenses prior to establishing the annual Assessment for Common Expenses, or to establish such reserves as the Board may determine.

10.8. Security. The Association may, but shall not be obligated to, maintain or support certain activities within the Condominium designed to make the Condominium safer than it otherwise might be. NEITHER THE ASSOCIATION, THE DECLARANT, NOR ANY SUCCESSOR DECLARANT SHALL IN ANY WAY BE CONSIDERED INSURERS OR GUARANTORS OF SECURITY WITHIN THE CONDOMINIUM PROPERTY, NOR SHALL ANY OF THEM BE HELD LIABLE FOR ANY LOSS OR DAMAGE BY REASON OF FAILURE TO PROVIDE ADEQUATE SECURITY OR OF THE EFFECTNESS 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 SYSTEMS OR SECURITY MEASURES UNDERTAKEN WILL IN ALL CASES PREVENT LOSS OR PROVIDE THE DETECTION OR PROTECTION FOR WHICH THE SYSTEM IS DESIGNED OR INTENDED. EACH UNIT OWNER ACKNOWLEDGES, UNDERSTANDS AND COVENANTS TO INFORM ITS EMPLOYEES, AGENTS, INVITEES, GUESTS AND TENANTS THAT THE ASSOCIATION, ITS BOARD OF DIRECTORS AND COMMITTEES, DECLARANT, AND ANY SUCCESSOR DECLARANT ARE NOT INSURERS AND THAT EACH PERSON USING THE CONDOMINIUM ASSUMES ALL RISKS FOR LOSS OR DAMAGE TO PERSONS, TO UNITS AND TO THE CONTENTS OF UNITS RESULTING FROM ACTS OF THIRD PARTIES.

10.9. Power of Attorney. An irrevocable power of attorney is granted by the Unit Owners to the Board, acting on behalf of the Association, to the extent of the powers and rights given to the Board or the Association by the provisions of this Declaration.

ARTICLE 11 INSURANCE

The following provisions shall govern insurance coverage for the Condominium Property:

11.1. Authority to Purchase. Except for Builder's Risk and other insurance furnished by Declarant or any Unit Owner during construction, the Association shall purchase, for the benefit of the Unit Owners and their respective Mortgagees, as their interests may appear, all casualty insurance policies and, if the Board decides to purchase flood insurance, flood insurance policies on the Condominium Property (excluding coverage of additions to, improvements within, and decoration of the Units, unless the Board, in its sole discretion, determines to obtain such coverage). The Association shall provide for the issuance of certificates of insurance to Mortgagees upon request.

11.2. Coverage. The Association shall at all times, to the extent reasonably available, maintain insurance as follows:

(a) The Condominium Property, including the Building, and all other insurable improvements upon the Land (including, without limitation, the Common Elements

and the Units, but not including property supplied or added by Unit Owners to its Unit), and all personal property as may be owned by the Association and used in management of the Condominium (but not personal property of the Unit Owners) shall be insured against casualty loss in an amount (after application of any deductibles) not less than the full value cost of the insured property, exclusive of land, excavations, foundations, and other items normally excluded from such coverage. Such coverage shall afford protection against all risks of direct physical loss commonly insured against including:

- (i) Loss or damage by fire, and other hazards covered by the standard "extended coverage" endorsements;
 - (ii) Loss or damage by flood under standard coverage provided by the National Flood Insurance Program, if the Board, in its discretion, determines such coverage to be necessary;
 - (iii) Such other risks as from time to time customarily shall be covered with respect to buildings similar to the Building in construction, location, and use, including, but not limited to, vandalism, malicious mischief, and windstorm damage.
- (b) Comprehensive general liability insurance, including medical payments insurance, in such form and in such amounts as shall be required by the Board, including, but not limited to, coverage for all occurrences commonly insured against for death, bodily injury, and property damage arising out of or in connection with the use, ownership, or maintenance of the Common Elements. All liability insurance shall contain cross-liability endorsements to cover liabilities of the Unit Owners as a group to a particular Unit Owner.
- (c) Workmen's Compensation Insurance to meet the requirements of law;
- (d) Fidelity insurance or fidelity bond coverage, in such amounts, and containing such provisions, as may be reasonably required, protecting against acts of dishonesty by the Association's officers, directors, and employees responsible for handling funds, regardless of whether such persons are compensated for their services; and
- (e) Insurance covering such other risks and hazards as the Board may from time to time determine is necessary for the benefit of the Condominium Property or Unit Owners.

11.3. Premiums. All premiums upon insurance policies purchased by the Association shall be paid by the Association and shall constitute a portion of Common Expenses.

11.4. Insurance Policies. All insurance policies on the Condominium Property obtained and continued in effect by the Association for the benefit of the Unit Owners, as hereinabove provided, shall be written in the name of the Association, which shall act as trustee

for each individual Unit Owner and its Mortgagee or lien holder, if any. The Unit Owners and their Mortgagees or lien holders shall be beneficiaries, even though not expressly named in the policies, in the Shares in which the Unit Owners have an interest in the Common Elements, as provided in Article 4 hereinabove. Each policy shall contain a Louisiana standard mortgage clause in favor of each Mortgagee of the Units and shall provide that any loss thereunder shall be payable, to such Mortgagees as their interest may appear, subject, however, to general "loss payment" provisions in favor of the Association, as herein provided.

The Association shall be required to make every effort to secure insurance policies providing:

- (a) Waivers of subrogation by the insurer as to any and all claims against the Association, its members, officers or the Board, and any of the Unit Owners and their respective employees, servants, agents, tenants, families, and guests;
- (b) Waivers of defenses based upon co-insurance or acts of the insured (which shall include each Unit Owner);
- (c) That each Unit Owner shall be an insured person under the policy with respect to liability arising out of its ownership of an interest in the Common Elements or membership in the Association;
- (d) That the policies shall not be cancelable, invalidated, suspended, or substantially modified for any reason, including on account of the conduct of the Association, its members or the Board, or any of the Individual Unit Owners, their employees, servants, agents, tenants, families, or guests, without at least thirty (30) days' prior written notice to each named insured, including Mortgagees of the Unit Owners;
- (e) That the policies shall not be cancelable or voidable or that recovery thereunder will not be conditioned by reason of any act or omission of any Unit Owner, unless acting within the scope of its authority on behalf of the Association;
- (f) That a "no other insurance" clause in the policies shall exclude the individual Unit Owners' policies, from consideration; and
- (g) That the insurance coverage provided by the policies obtained by the Association shall be primary and shall not be brought into contribution with other insurance in the name of Unit Owners or their Mortgagees.

11.5. Association as Insurance Trustee. The Association is irrevocably designated as trustee for each of the Unit Owners and their Mortgagees, if any, for purposes of adjusting all claims for losses with the insurance carriers on all Policies obtained and continued in effect by the Association, and for purposes of granting and executing releases upon payment of claims, and the Association, shall have full control of the proceeds of any such policies for purposes of repair and reconstruction, as hereinafter provided in Article 12. All insurance policies purchased

by the Association pursuant to this Article 11 shall provide that all proceeds from such policies shall be payable to the Association, for the benefit of the Unit Owners and Mortgagees, as their interests may appear.

11.6. Insurance Obtained by Unit Owners. Any Unit Owner may obtain for its own benefit or for the benefit of its Mortgagee, and at such Unit Owner's own expense, separate or additional insurance on the interest in its Unit against loss by fire, flood, or other casualty which may or may not be covered by a blanket or master policy obtained and maintained in effect by the Association as hereinabove provided. An individual Unit Owner may also obtain for its own benefit and at its own expense insurance coverage for personal liability in excess of that covered by the blanket or master policies maintained by the Association and for casualty losses of any improvements made by an owner to the immovable property within its Unit, the personal property of the Owner or Occupant situated within the Unit and of other portions of the Condominium Property not covered by the master policy. Such insurance may be of the type of coverage generally referred to as, or similar to, "contents insurance" or "tenant improvements and betterments coverage" and shall contain the waiver of subrogation referred to in Subsection 11.4(a) above.

11.7. Application of Insurance Proceeds. Proceeds of casualty insurance policies received by the Association, as trustee for the Owners and their Mortgagees or lien holders, shall be distributed as provided in Article 12.

ARTICLE 12 RECONSTRUCTION OR REPAIR OF CASUALTY DAMAGE

12.1. Casualty Affecting Common Elements and Units. In the event of destruction or damage to any part of the Units and the Common Elements, reconstruction and repairs shall be made as follows:

(a) If the Board determines that less than two-thirds of the total square footage of all of the Units are rendered uninhabitable as a result of a fire or other casualty that damages or destroys one or more of the Buildings, the Association shall arrange for the prompt repair and restoration thereof unless (i) such reconstruction and replacement will be illegal under state or local health or safety statutes or ordinances, or (ii) the members of the Association, by a majority vote of the votes of the Association, elect not to rebuild. If it is determined that such Building(s) is (are) not to be reconstructed or repaired then that part of the Condominium Property not to be repaired shall be withdrawn from the Condominium regime in accordance with Article 16.

(b) If the Board determines that more than two-thirds of the total square footage of all of the Units are rendered uninhabitable as a result of a fire or other casualty that damages or destroys the Building(s), the Association shall not repair the damage or restore the Building unless (i) the members of the Association, by a majority vote of the votes of the Association, elect to rebuild, and (ii) such reconstruction and replacement would be permitted under state or local health or safety statutes or ordinances. If it is determined that such Building(s) is (are) not to be reconstructed or repaired, then that part of the Condominium

Property not to be repaired shall be withdrawn from the condominium regime in accordance with Article 16.

(c) Any restoration or repair shall be made substantially in accordance with (i) the plans of the original Building(s) so restored or repaired or (ii) plans and specifications approved by the Board and the members of the Association by a majority vote of the votes of the Association.

Repairs and restoration of the Building(s) as provided herein shall include any damaged Units therein to the extent that portions of such Units are covered under the blanket or master fire and casualty policy or policies carried by the Association.

(d) If damage resulting from a casualty is to be repaired in accordance with the foregoing provisions, after the occurrence of a casualty causing damage to more than one Unit or any portion of both the Common Elements and any one or more of the Units, the Association shall obtain reliable and detailed estimates of the cost of repairs or replacements so as to place the damaged property in a condition as good as that existing before the casualty. The Board, acting as trustee, shall disburse the proceeds of all insurance policies to contractors engaged in such repair and restoration through appropriate progress payments. Any excess of insurance proceeds over the costs of such repairs and restoration shall be distributed to each Unit Owner in accordance with its respective Share, or if there is a mortgagee endorsement, then jointly to each such Unit Owner and Mortgagee of such Unit Owner. Any costs of such repairs and restoration in excess of available insurance proceeds shall constitute a Common Expense, and the Board shall make Assessments against all Unit Owners in sufficient amounts to provide funds to pay the estimated costs of repairs and reconstruction of damaged or destroyed Common Elements. Additional Assessments may be made at any time during or following the completion of construction. All such Assessments shall be divided among the Units in accordance with each Unit Owner's Share.

(e) If the entire Condominium is not repaired or replaced, (i) the insurance proceeds attributable to the damaged Common Elements shall be used to restore the damaged area to a condition compatible with the remainder of the Condominium unless the Condominium is terminated, in which case none of the insurance proceeds shall be applied to restoration, (ii) the insurance proceeds attributable to Units that are not rebuilt shall be distributed to the owners of those Units, and (iii) the remainder of the proceeds shall be distributed to all the Unit Owners in accordance with each Unit Owner's Share. If the Unit Owners vote not to rebuild a particular Unit that Unit's entire Share, votes in the Association, and common expense liability shall be reallocated under Section 1121.107 of the Act as if the Unit had been condemned, and the Association shall prepare, execute, and record an amendment to the Condominium Declaration reflecting such reallocations.

12.2. Casualty Affecting Common Elements Exclusively. If only the Common Elements, or portions thereof, are destroyed or damaged, said portions shall be reconstructed or repaired by the Association, unless it is determined in accordance with Article 16 that the Condominium or part thereof shall be terminated and the Condominium Property or part thereof be withdrawn.

12.3. Casualty Affecting Units Exclusively. If damage or destruction occurs only to those parts of one or more Units for which the responsibility of maintenance and repair is that of the individual Unit Owner, then the Unit Owner shall be responsible for reconstruction and repair or replacement after casualty. If any portion of the insurance proceeds payable to the Association upon occurrence of a casualty covered under the blanket or master policy is payable on account of damages the reconstruction and repair of which is the responsibility of the individual Unit Owner, then the Association shall pay over such portion of any insurance proceeds to the Unit Owner, or if there is a mortgagee endorsement, then to the Unit Owner and Mortgagee jointly, who shall use such proceeds for repair and reconstruction of the damaged or destroyed portions of the Unit substantially in accordance with the original plans and specifications of the Unit or in accordance with such other plans and specifications as may be approved by the Board.

12.4. Loss of Use. Neither Declarant, the Association, nor any Unit Owner shall be obligated to compensate any Unit Owner for loss of use and occupancy of its Unit pending reconstruction or termination of the Condominium.

ARTICLE 13 ASSESSMENTS, COMMON EXPENSES, AND COMMON SURPLUS

13.1. General. Assessments against the Units and the Unit Owners for Common Expenses and the distributions, if any, of Common Surplus shall be made by the Board pursuant to the provisions of this Article and the Bylaws.

13.2. Share of Common Expenses and Common Surplus. Each Unit Owner, effective upon purchase of its Unit, shall share in and be liable for the Common Expenses and be entitled to share in the Common Surplus in accordance with such Owner's Share.

13.3. Non-Proportionate Allocation of Assessments. The Board may, at its discretion, to the extent necessary to accomplish a fair and equitable allocation of those costs of operation of the Condominium which are attributable to services which are enjoyed to a materially disproportionate extent by one or more Units and the occupants thereof, or in the event of repairs or maintenance required on account of misuse, negligence, or violation of applicable rules and regulations on the part of any Unit Owner, allocate certain of the Common Expenses among the Units in a manner other than in proportion to their respective Shares.

13.4. Annual Assessments for Common Expenses. Assessments for Common Expenses shall be determined annually in advance by the Board based on estimated annual Common Expenses and adequate reserves for future Common Expenses, all as more particularly provided in the Bylaws. Such Assessments shall be payable in such installments and on such term and conditions as the Board may provide.

13.5. Assessments for Emergencies. Assessments for Common Expenses for Emergencies may be made by the Board in accordance with the provisions of the Bylaws and shall be due and payable at the time specifically provided by the Board in making such

emergency Assessments but shall otherwise be apportioned and collected in the same manner as annual Assessments for Common Expenses.

13.6. Special Assessments. Any special Assessments levied within the authority granted to the Association or the Board elsewhere in this Condominium Declaration or in any of the Condominium Documents, shall be made, apportioned, and collected in the manner particularly set forth in those provisions of the Condominium Documents authorizing the Assessment or in the action of the Board in making the Assessment, and in lieu thereof in the same manner as annual Assessments for Common Expenses.

13.7. Liability for Assessments. Each purchaser of a Unit from the Declarant shall be liable for all Assessments accruing against its Unit on and subsequent to the date of closing of the act of transfer of such Unit from the Declarant. Any purchase from an individual Unit Owner, except a purchase at a judicial sale, shall cause purchaser to be liable for all Assessments made against such Unit both prior to and subsequent to the acquisition by such purchaser. A purchase at a judicial sale shall cause purchaser to be liable for all Assessments against the purchased Unit accruing after the sale, but shall not be liable for such Unit's unpaid Assessments which accrued prior to the acquisition of title to such Unit by such purchaser, except for any pro-rata reallocation of such Assessments to all Units including the purchased Unit. Each Unit Owner shall be personally liable to the Association for all sums assessed against its Unit for its share of the Common Expenses. Joint owners of Units shall be liable jointly, severally, and in solido for such Assessments. A former Unit Owner shall not be liable for payment of any Assessment for Common Expenses accruing subsequent to a bona fide sale or other transfer of its Unit (made in accordance with Article 9 hereinabove) but shall remain liable jointly, severally, and in solido with the transferee of the Unit for payment of all previously accrued Assessments which were due at the time of transfer of the Unit.

The withdrawal of any Unit from the condominium regime, because of damage or destruction, made in accordance with Article 16, shall release the Owner from the obligation to pay Common Expenses and Assessments accruing after the date of such withdrawal.

13.8. Interest, Penalties and Liens. Assessments and installments thereon, paid on or before ten (10) days after the date when due shall not bear interest, but all sums paid after such period shall bear a late fee in an amount equal to twenty-five (25) percent of the late assessment. Assessments not paid within thirty (30) days after the date when due shall bear interest at the rate of eight (8%) percent per annum from the date when due until paid or as determined by the Board of Directors. All payments upon account shall be first applied to interest and then to the Assessment payment first due. Failure to pay any monthly installment of any Assessment shall, at the option of the Board, mature the entire annual Assessment for Common Expenses and the same shall be due and payable immediately. The Unit Owner agrees to pay reasonable attorney's fees, and costs actually incurred by the Association, in connection with the collection of any Assessments. The Board may assert a lien against such Unit Owner's Unit in accordance with the Act. The lien for unpaid Assessments provided by the Act shall also secure court costs and reasonable attorney's fees incurred by the Association incident to the collection of such Assessment or enforcement of such lien. As provided in the Act, any lien imposed by the Association against a Unit shall be subordinate to the lien of any mortgage against such Unit

duly recorded prior to the date of recordation of such lien in favor of the Association. The lien in favor of the Association shall not be affected by a transfer of the Unit except in connection with foreclosure by a superior lien holder.

13.9. Records and Certificates. The Association shall keep in its offices current copies of the Condominium Documents and shall maintain financial statements and accounting records according to good accounting practices and as provided in the Bylaws of the Association, which accounting records shall include:

- (a) An itemized record of all receipts and expenditures; and
- (b) A separate account for each Unit which shall indicate: (i) the name and address(es) of the Unit Owner, (ii) the amount and due date of each Assessment for Common Expenses pertaining to the Unit, (iii) amounts paid on the account by each Owner, and (iv) any balance due. A Unit Owner and its Mortgagee or a prospective purchaser of a Unit shall have the right to obtain from the Association a certificate showing the amount of unpaid Assessments with respect to the Unit as provided in the Bylaws.

Unit Owners may inspect the Condominium Documents and such financial statements and accounting records at the Association's office during normal business hours.

13.10. Capital Fund. In accordance with the Bylaws, the Declarant shall collect an "initial capital payment" from each purchaser to provide the necessary working capital for the Association. The Declarant, as the Developer of the Property, is prohibited from using the capital funds to defray any of Declarant's expenses, reserve contributions, or construction costs or to make up any budget deficits while Declarant is in control of the Association. However, at such time that any previously unsold Unit is sold the Declarant may reimburse itself for funds it may have paid to the Association for an unsold Unit's share of the capital funds by using funds collected at closing when the Unit is sold.

**ARTICLE 14
COMPLIANCE AND DEFAULT**

14.1. General. Declarant and each Unit Owner shall be governed by and comply with the terms of the Condominium Documents and of the Rules adopted pursuant thereto, as the same may be amended from time to time. In accordance with the Act, all of the provisions hereof shall be deemed to have the force of law as among individual Unit Owners. A default shall entitle the Association or other Unit Owners to the relief set forth below.

14.2. Cure of Default. In the event of default by any Unit Owner, the Board shall have the authority to direct the Association to take whatever action may be necessary, in its discretion, to correct such default. Any expenses incurred by the Association shall be assessed against the defaulting Unit Owner and the Unit owned by such Unit Owner.

14.3. Legal Proceedings. Failure of Unit Owners to comply with any of the terms of the Condominium Documents or any obligations imposed thereby shall be grounds for relief which may include, without intending to limit the same, an action to recover sums due for damages, injunctive relief, foreclosure of lien or any combination thereof or such other remedies as may be provided by law, any of which relief or remedies may be sought by the Association or by an aggrieved Unit Owner. A Unit Owner shall also have the right to proceed against the Association for any remedies provided by law in the event the Association does not perform the duties imposed upon it by the Act and the Condominium Documents.

14.4. Costs and Attorney's Fees. In any proceeding arising because of an alleged default by a Unit Owner, if the Association should be the prevailing party, it shall be entitled to recover the costs of the proceeding and such reasonable attorneys' fees as may be determined by the Court.

14.5. No Waiver of Rights. The failure of the Association or Unit Owner to enforce any right, provision, covenant, or condition which may be granted by the Condominium Documents shall not constitute a waiver of the right of the Association or Unit Owner to enforce such right provision, covenant, or condition.

14.6. Commutation of Rights. All rights, remedies, and privileges granted to the Association or a Unit Owner pursuant to any terms, provisions, covenants, or conditions of the Condominium Documents shall be deemed to be cumulative, and the exercise of any one or more shall not be deemed to constitute an election of remedies, nor shall it preclude the exercise of such other and additional rights, remedies, or privileges as may be granted to such party by the Condominium Documents or by law.

**ARTICLE 15
AMENDMENT**

The Condominium Documents may be amended in the following manner:

15.1. Amendments to Condominium Declaration by Declarant. Each Unit Owner hereby grants to Declarant the irrevocable power to execute, on behalf of each Unit Owner, any of the amendments to the Condominium Declaration described below, containing such additional terms as the Declarant, in its sole discretion, deems necessary or advisable, which amendments shall be effective upon registration in the records of the Register of Conveyances of East Baton Rouge Parish:

(a) Any amendment that alters the dimensions of, or creates additional Units or Common Elements out of, any Units owned by the Declarant, provided that such alteration does not affect the dimensions of any Unit(s) previously sold by the Declarant;

(b) Any amendment to this Condominium Declaration containing a revised Condominium Plan, in the event the actual horizontal and vertical boundaries and measurements of any Unit as built, differ from that shown on the Condominium Plan attached hereto;

(c) Any amendment that changes the designation of any of the Units, before any of the Units are sold by the Declarant to third parties;

(d) Any amendment that clarifies any apparently conflicting provisions within this Declaration, any provisions which conflict with the Act, and/or to correct any mistakes or errors of a clerical nature;

(e) Any amendment that modifies the provisions of this Declaration in order to comply with the requirements of the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Department of Housing and Urban Development, the Federal Housing Administration, or any other governmental agency or any other public, quasi-public, or private entity which performs, or in the future performs, functions similar to those now performed by such entities, and/or to induce any of such agencies or entities or other lenders to make, purchase, sell, insure, or guarantee any mortgages affecting any of the Units; provided, however, that none of the amendments described above shall affect or impair the lien of any mortgage then of record upon a Unit or any representations or warranties made by a Unit Owner in connection with the making, purchase, insurance, or guarantee of any mortgage then of record on any Unit.

Upon termination of Declarant control, as provided for in the Bylaws, the right to make the amendments noted herein and any other amendments to the Declaration shall devolve to the Association and may be amended in accordance with the provisions in Section 15.3.

15.2. Withdrawal, Redesignation, Subdivision.

(a) Amendments to withdraw any portion of the Condominium Property for any reason, including destruction that will not be repaired, shall be prepared, executed, and recorded in the records of the Register of Conveyances of East Baton Rouge Parish by the Association upon due authorization for such withdrawal as provided in Article 16 hereinafter and at the expense of the Owners of Condominium Property to be withdrawn. Any such amendment shall contain a legally sufficient description of the Condominium Property to be withdrawn and shall reallocate the Shares attributable to such withdrawn Unit(s) in proportion to the respective Shares of the remaining Units.

(b) Amendments to redesignate boundaries between adjoining Units shall be prepared, executed and recorded by the Association upon the written request and at the expense of the reallocating Unit Owners. Any such amendment shall specify the method of reallocation between adjoining Units of their Shares, and shall identify the Units involved, shall be executed by the reallocating Unit Owners, shall contain words of conveyance between them, and shall be accompanied by plats or plans showing the altered unit boundaries, dimensions, and identifying numbers and/or letters.

(c) Nothing herein shall be construed to eliminate the need for a vote of the members of the Association according to the terms set forth in Section 15.3, before any amendment made in accordance with this Section 15.2 is implemented.

15.3. Other Amendments. All amendments to the Condominium Declaration, other than those described in Section 15.1 above, may be effected only by the vote or agreement of the Unit Owners as follows:

(a) A detailed description of the subject matter of any proposed amendment shall be included in the Notice of any meeting of the membership of the Association at which a proposed amendment is to be considered.

(b) A resolution for adoption of a proposed amendment may be proposed by either the Board or by Unit Owners holding at least a majority of the voting power of the Association. Directors and Unit Owners not present at the meeting considering such amendment may express their approval by written consent or by proxy and no meeting need be held if a written consent to an amendment is signed by the necessary members, all as provided in the Association Bylaws. Approval by at least a majority of the votes of the Association shall be required for any such amendment except as otherwise provided herein.

(c) The adopted amendment shall be effective when registered in the Conveyance Office of East Baton Rouge Parish, Louisiana. Copies of the amendment shall be delivered to each Unit Owner but such delivery shall not be a condition precedent to the effectiveness of such amendment.

15.4. Association Articles of Incorporation and by-Laws. The Articles of Incorporation and Bylaws of the Association may be amended in the manner provided therein.

**ARTICLE 16
WITHDRAWAL OF PROPERTY
AND TERMINATION OF THE CONDOMINIUM**

The Condominium Property or any part thereof may be withdrawn from the condominium regime, and the Condominium terminated with respect thereto in the following manner.

16.1. Voluntary Withdrawal. The Condominium Property, or a part thereof, may be withdrawn from the Condominium regime by unanimous agreement of Unit Owners, which agreement shall be evidenced by an instrument or instruments executed in the manner required for conveyance of real property. In addition, any withdrawal of any portion of the Condominium Property must also be approved by Eligible Mortgage Holders that represent at least 51% of the votes of the Unit estates that are subject to mortgages held by Eligible Mortgage Holders. The withdrawal of Condominium Property and termination of the condominium regime with respect thereto shall become effective when an amendment to the Condominium Declaration authorizing such withdrawal has been registered in the Conveyance Office of East Baton Rouge Parish.

16.2. Destruction. If it is determined in the manner elsewhere provided that any portion of the Condominium Property, which has been destroyed or damaged as a result of casualty, shall not be reconstructed, such portion of the property will be withdrawn from the Condominium regime and the Condominium regime terminated with respect thereto in accordance with Section 15.2. If only a portion of the Condominium Property is being withdrawn, the amendment shall reallocate the Share(s) attributable to the withdrawn Unit(s) to any Unit(s) remaining in the Condominium in proportion to the respective Share(s) of those remaining Unit(s).

16.3. Status of Property After Withdrawal. Upon withdrawal of the Condominium Property or any part thereof from the Condominium regime pursuant hereto, the part so withdrawn shall be deemed to be owned in in-division by the Owners of Units of the Condominium Property so withdrawn. The percentage of undivided ownership of a Unit Owner in the withdrawn Condominium Property shall be equal to its former Share, divided by the aggregate Share in such Common Elements of all Unit Owners whose Units are withdrawn. Liens upon individual Units withdrawn shall, following their withdrawal, be upon the respective undivided share of the Unit Owners in the withdrawn property.

16.4. Partition of Condominium Property. Following withdrawal of the Condominium Property or any part thereof including Common Elements, such Condominium Property shall be subject to partition by the action of any owner of the withdrawn Condominium Property. In the event of a sale of the withdrawn Condominium Property by the co-owners, upon consummation of such sale the proceeds therefrom shall be paid to the Unit Owners in proportion to their respective undivided interests in the Condominium Property, after all claims secured by liens on the Unit(s) or Common Elements have been satisfied.

16.5. Disposition of Assets. All funds held by the Association and insurance proceeds, if any, shall be held jointly for the former Unit Owners in proportion to the Share of each Unit Owner. All costs incurred by the Association in connection with the termination of the condominium regime and withdrawal of the Condominium Property shall be a part of the Common Expenses. Any surplus remaining after complete disposal of the withdrawn property shall be distributed to the former Unit Owners in proportion to their respective Share.

ARTICLE 17 COVENANTS RUNNING WITH THE LAND

All provisions of the Condominium Documents shall be construed to be covenants running with the land and with every part thereof and interest therein, including, but not limited to, every Unit and appurtenances thereto, and every Unit Owner and person having an interest in the Condominium Property, or any part thereof, and its heirs, executors, administrators, successors, grantees, and assigns shall be bound by all of the provisions of the Condominium Documents.

ARTICLE 18 LIENS

18.1. Protection of Property. All liens against a Unit other than for mortgages, taxes, or special assessments imposed by a governmental authority shall be satisfied or otherwise removed within thirty (30) days from the date the lien attaches. All taxes and such special assessments upon a Unit shall be paid before becoming delinquent.

18.2. Notice of Lien. A Unit Owner shall give notice to the Association of every lien upon its Unit, other than for mortgages, taxes, and special governmental assessments, within five (5) days after the attachment of such lien.

18.3. Notice of Suit. A Unit Owner shall give notice to the Association of every suit or other proceeding which will or may affect the title of its Unit or any other part of the Condominium Property, such notice to be given within five (5) days after the Unit Owner receives notice thereof.

18.4. Judicial Sales. Failure to comply with this Article concerning liens will not affect the validity of any judicial sale, but the purchaser at any such judicial sale shall take the property subject to the provisions of the Condominium Declaration and the Condominium Documents in the same manner as any other Unit Owner.

ARTICLE 19 MORTGAGE PROTECTION

19.1. Right of, and Notice to Mortgagees. Holders of a first mortgage on a Unit may submit a written request to the Association for the purpose of being notified of any proposed action requiring the consent of a specified percentage of Eligible Mortgage Holders. The written

request must include the designation of the mortgaged Unit and an address to be used for providing notice to the Mortgagee. It is the sole responsibility of the Mortgagee to notify the Association of any address change. Further, Eligible Mortgage Holders shall

- (a) be entitled to written notice of
 - (i) Any condemnation loss or any casualty loss which affects a material portion of the Condominium Property or any Unit on which the Mortgagee has an interest;
 - (ii) Any default by a Unit Owner who owns a Unit subject to a mortgage held by a Mortgagee, in the performance of such Unit Owner's obligations as set forth in the Condominium Documents (including, without limitation, delinquency in the payment of Assessments or charges owed by such Unit Owner), which default remains uncured for a period of sixty (60) days;
 - (iii) Any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association; and
- (b) have the right to:
 - (i) Inspect the books, records, and financial statements of the Association, and current copies of the Condominium Documents, during normal business hours, all of which documentation shall be maintained by the Association in its offices;
 - (ii) Receive an annual financial statement of the Association within one hundred twenty (120) days following the end of any fiscal year of the Association;
 - (iii) Prepare audited financial statements of the Association, at the expense of the Mortgagee;
 - (iv) Receive written notice of all meetings of the Association and be permitted to designate a representative to attend all such meetings; and
 - (v) Receive a copy of all notices permitted or required by this Condominium Declaration to be given to the Unit Owner whose Unit is encumbered by the mortgage held by such Mortgagee.

19.2. Prior Mortgage Approval. To the extent permitted by the Act, and except for Amendments by Declarant as provided in Section 15 hereon, Mortgagees shall be afforded the following rights:

- (a) Any election to terminate the legal status of the Condominium after substantial destruction or a substantial taking in condemnation must have the approval of

Eligible Mortgage Holders that represent at least 51% of the votes of the Unit estates that are subject to mortgages held by Eligible Mortgage Holders.

(b) Any election to terminate the legal status of the Condominium for a purpose other than substantial destruction or condemnation of the Condominium Property, must have the approval of Eligible Mortgage Holders that represent at least 67% of the votes of the mortgaged Units.

(c) Any amendment to this Declaration of a material nature, as described in Section 15.3.d. hereof, must be approved by Eligible Mortgage Holders that represent at least 51% of the votes of the Unit estates that are subject to mortgages held by Eligible Mortgage Holders.

19.3. Tacit Consent. Provided that the Association shall have given written notice, by certified mail, return receipt requested to a Mortgagee entitled to notice of an action requiring its consent, that Mortgagee shall be deemed to have consented to such action unless the Association shall have received a response from the Mortgagee to the Association's written notice within thirty (30) days after the date the Association's notice was deposited in the United States mail, postage prepaid.

ARTICLE 20 EMINENT DOMAIN

20.1. General Provisions. If all or any part of the Condominium Property is taken or threatened to be taken by eminent domain or by power in the nature of eminent domain (whether permanent or temporary), the Association exclusively shall be entitled to participate in proceedings incident thereto, on behalf of the Unit Owners. Each Unit Owner appoints the Association as such Unit Owner's attorney-in-fact for such purpose. The Association shall give timely written notice of the existence of such proceedings to all Unit Owners and to all Mortgagees known to the Association to have an interest in any Unit. The expense of participation in such proceedings by the Association shall be borne by the Association, and charged as a Common Expense. The Association is specifically authorized to obtain and pay for such assistance from attorneys, appraisers, architects, engineers, expert witnesses and other persons as the Association in its discretion deems necessary or advisable to aid or advise it in matters relating to such proceedings. All damages or awards for such taking shall be deposited with the Association and such damages or awards shall be applied, as determined by the Board, to defend or resist any such proceeding, to make any settlement with respect thereto, or to convey such property to the condemning authority in lieu of such condemnation proceedings.

20.2. Taking of Common Elements Exclusively. With respect to any taking of the Common Elements exclusively, all damages and awards shall be determined for such taking as a whole and not for each Unit Owners interest therein. After the damages or awards for such taking are determined, such damages or awards shall be paid to the account of each Unit Owner, unless the Board determines to restore the Common Elements. If it deems advisable, the Board may call a meeting of the Unit Owners, at which meeting the Unit Owners, by a majority of the

voting power of the Association, shall decide whether or not to replace or restore the Common Elements so taken or damaged.

20.3. Taking of Less Than Twenty-Five (25%) Percent. In the event such eminent domain proceeding results in the taking of or damage to less than twenty-five (25%) percent of the total square footage of all of the Units, then the damages and awards for such taking shall be determined for each Unit and the following shall apply:

(a) The Association shall determine which of the Units damaged by such taking may be made usable for the purposes set forth in this Condominium Declaration, taking into account the nature of the Condominium and the reduced size of each Unit so damaged.

(b) The Association shall determine whether it is reasonably practical to operate the remaining Units of the Condominium including those damaged Units which may be occupied as a condominium in the manner provided in this Condominium Declaration.

(c) In the event the Association determines it is not reasonably practical to operate the undamaged Units and the damaged Units which can be made usable, then the Condominium shall terminate and the Condominium Property shall thenceforth be owned by all Unit Owners, as owners in in-division, in the percentage ownership interest previously owned by each Unit Owner. The Association shall promptly file with the Register of Conveyances of the Parish of East Baton Rouge such documents as may be necessary to terminate the condominium regime.

(d) In the event the Association determines it will be reasonably practical to operate the undamaged Units and the damaged Units which can be made usable then the damages and awards made with respect to each Unit which has been determined to be capable of being made usable shall be applied to repair and to reconstruct such Unit so that it is made usable. If the cost of such work exceeds the amount of the award, the additional funds required shall be assessed against those Units which are made usable. With respect to those Units or portions thereof which may not be usable, the award made shall be paid in accordance with the Share of each Unit Owner of such nonusable Unit or portion thereof, and the remaining portion of such Units, if any, shall become a part of the Common Elements. Upon payment of such award for the account of such Unit Owner as provided herein, such Unit shall no longer be susceptible of independent ownership as a part of the Condominium Property and the percentage ownership interest in the Common Elements appurtenant to each remaining Unit which shall continue as a part of the Condominium Property shall be allocated to the remaining Units in the same proportion that the Shares of the remaining Unit owners bear among themselves.

20.4. Taking of More Than Twenty-Five (25%) Percent. If the entire Condominium Property is taken, or more than twenty-five (25%) percent of the total square footage of all of the Units are taken or damaged by such taking, all damages and awards shall be paid to or for the accounts of all of the Unit Owners in proportion to their respective Share; and this condominium regime shall terminate upon such payment. Upon such termination, the Condominium Property shall be owned in in-division by all Unit owners in the same proportions as previously owned by each Unit Owner in the Common Elements.

Any damages or awards provided in the Article shall be paid to or for the account of any Unit Owner and Mortgagee, if any, as their interests may appear.

ARTICLE 21 GENERAL PROVISIONS

21.1. Rights and Obligations. Each purchaser or a Unit, by the acceptance of an act of conveyance, accepts such conveyance subject to all restrictions, privileges, servitudes, conditions, covenants, reservations, liens and charges, and the jurisdiction, rights, and powers created or reserved by this Condominium Declaration and in the other Condominium Documents. All rights, benefits, and privileges of every character hereby granted, created, reserved or declared, and all impositions and obligations hereby imposed shall be deemed and taken to be covenants running with the land, and shall bind any person having at any time any interest in the Condominium, and shall inure to the benefit of such person in like manner as though the provisions of this Condominium Declaration were cited and stipulated at length in each and every act of conveyance. Reference in the respective acts of conveyance, or any mortgage or other evidence of obligation, to the servitudes and rights described in this Condominium Declaration or the other Condominium Documents shall be sufficient to create and reserve such rights to the respective purchasers and grantees of any Unit, and Mortgagees holding mortgages, encumbering such Units, as fully and completely as if such rights were recited fully and set forth in their entirety in such documents.

21.2. Power of Declarant. Until such time as Declarant Control is terminated, in accordance with the Bylaws of the Association, the Declarant shall exercise any of the powers, rights, duties and functions of the Board and the Association, provided for herein. Unless otherwise specifically provided to the contrary in any of the Condominium Documents, the Declarant, for so long as Declarant owns a Unit, shall be entitled to all of the rights contained herein, subject to all of the obligations of a Unit Owner respecting such Unit.

21.3. Access to and from Units. Notwithstanding any other provision hereof to the contrary, for as long as the Condominium Property is subject to a condominium regime, each Unit Owner shall have an unrestricted right of access through the Common Elements to and from the Unit owned by such Unit Owner.

21.4. No Waiver. No covenants, restrictions, conditions, obligations or provisions contained in this Condominium Declaration shall be deemed to have been waived, by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

21.5. Liberal Construction. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the operation of a first class condominium development.

21.6. Exculpation and Indemnity. The members of the Board, the officers of the Association, the Declarant and its officers, directors and shareholders shall not be liable to the Unit Owners for any mistake of judgment, or any acts or omissions made in good faith, of such

members or officers. The Unit Owners shall defend, indemnify and hold harmless each of the above noted persons against all contractual liability to others arising out of contracts made by them on behalf of the Unit Owners or the Association unless such contracts shall have been made in bad faith or contrary to the provisions of this Declaration. The liability of any Unit Owner arising out of the aforesaid indemnity shall be limited to a percentage of the total liability equal to its Share.

21.7. Severability. If any term, covenant, provision, phrase, or other element of the Condominium Documents is held to be invalid or unenforceable for any reason whatsoever, such holding shall not be deemed to affect, alter, modify, or impair in any manner whatsoever any other term, provision, covenant, or element of the Condominium Documents. If any provision of this Condominium Declaration, or any section, sentence, clause, phrase, or word or the application thereof in any circumstances is judicially held to be in conflict with the laws of the State of Louisiana, then said laws shall be deemed controlling and the validity of the remainder of this Condominium Declaration, and the application of any such provision, section, sentence, clause, phrase, or word in other circumstances, shall not be affected thereby.

21.8. Captions. Captions used in the Condominium Documents are inserted solely as a matter of convenience and shall not be relied upon or used in construing the effect or meaning of any part of the text of the Condominium Documents.

21.9. Number and Gender. Whenever the context so permits, the use of the plural shall include the singular, the singular shall include the plural, and any gender used shall be deemed to include all genders.

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THUS DONE, SIGNED, AND PASSED in multiple originals in the City of Baton Rouge, Louisiana, on the date first written above, in the presence of the undersigned competent witnesses, who have hereunto signed their names, together with the said Appearer and me, Notary, after reading of the whole.

WITNESSES:

Jane Ann Gorch
Printed Name: MARK K. RUSSELL
Printed Name:

THE COTTAGES AT BLUE HERON LAKES, L.L.C.
by: The Business Investment Group, its Manager

By: Victor Dagash
Victor Dagash, its duly authorized Agent

Cindy N. Shotwell
NOTARY PUBLIC

Printed Name: _____

Number: _____

Cindy N. Shotwell, Notary Public
Notary Number: 10934
Commissioned For East Feliciana Parish
Qualified to act in East Baton Rouge Parish
My Commission is for Life