

HIGHLAND OAKS TOWNHOUSE ASSOCIATION, INC.

BYLAWS, COVENANTS, AND RESTRICTIONS

I. Definitions

Association - Highland Oaks Townhouse Association, Inc., a Louisiana non-profit corporation, owned exclusively by the lot owners, through which the owners manage, maintain, and regulate the townhouses (# 35 through # 50) and administer and enforce the Bylaws, Covenants, and Restrictions of Highland Oaks Townhouse Association, Inc.

Bylaws - the Bylaws, Covenants, and Restrictions of Highland Oaks Townhouse Association, Inc., which govern the administration and operation of the Association. The Bylaws may be amended as necessary. Each owner shall be furnished with a copy of the Bylaws, Covenants, and Restrictions.

Common Properties - those areas of land shown on any recorded subdivision map of the properties, intended to be devoted to the common use and enjoyment of the property owners (streets, sidewalks, landscapes, etc.).

Lot(s) - any townhouse lot or lots shown on any recorded subdivision map of the properties, with the exception of common properties, together with all buildings located on such lot or lots, and all rights, ways, privileges, servitudes, appurtenances, and advantages belonging to the lots or in any way appertaining. All of the lots contained in Highland Oaks Townhouse Association are designated as single family residences and shall not be used for any other purpose. (NOTE: For purposes of this document, the terms *lot(s)* and *unit(s)* are used interchangeably.)

Majority - fifty-one percent of the votes to be cast.

Member - a person or entity who is a record owner of any lot is a member of Highland Oaks Townhouse Association, Inc., and is subject to the Bylaws, Covenants, and Restrictions of Highland Oaks Townhouse Association, Inc., and to collection of monthly dues and special assessments by the Association. An owner of a townhouse, upon becoming an owner, shall become a member of the Association and shall remain a member for the period of his ownership.

Owner - the record owner, whether one or more persons or entities, of fee simple title in full ownership of any lot or lots situated upon the properties.

Properties - all existing properties and additions (land, buildings, improvements, and structures) which are subject to the Bylaws, Covenants, and Restrictions of Highland Oaks Townhouse Association, Inc.

Quorum - the number of (voting) members necessary to be present at a meeting (in person or by proxy): three-fourths of the (voting) members of Highland Oaks Townhouse Association, Inc.

Unit(s) - refer to definition of *lot(s)*.

II. Property Subject to Bylaws, Covenants, and Restrictions

A. Existing Property - The real property which is and shall be held, transferred, sold, conveyed, and occupied subject to the Bylaws, Covenants, and Restrictions, is located in East Baton Rouge Parish, Louisiana, and is described in Exhibit "A", attached. The property is divided into three separate buildings, consisting of a total of sixteen separately designated units (lots). The remaining portion of the premises is owned in common by the owners.

B. Additions - The Association may, by a vote of its members, approve a written request by an adjacent property owner to add property to the original sixteen original units comprising Highland Oaks Townhouse Association. Such property shall be subject to the jurisdiction of the Association.

C. Mergers - If the Association, by a majority vote of the members, merges or consolidates with another association, the properties, rights, and obligations of one of the associations will be transferred to the other association by operation of law, and the surviving or consolidated association may administer the Bylaws, Covenants, and Restrictions, affecting both properties as one scheme. No such merger or consolidation, however, shall affect any of the Bylaws, Covenants, and Restrictions.

III. Voting Rights

A member is an owner as defined in the Bylaws and in the Articles of Incorporation. A member shall be entitled to one vote for each lot in which the member holds the interest required for membership. When more than one person holds such interest or interests in any lot or lots, all such persons shall be members, but only one vote shall be cast with respect to any such lot or lots.

All corporate action shall be determined by a majority vote of the membership present (in person or by proxy) at a meeting in which a quorum is present.

IV. Proxy

Each member of the Association may vote by proxy, which shall be signed and dated by the member and filed with the Secretary.

V. Management and Administration

The Association shall be managed by a Board of Directors, duly elected, pursuant to the terms of the Bylaws. The Association may (by a vote of the members) enter into a management agreement; the management agreement shall be consistent with the Bylaws, Covenants and Restrictions of Highland Oaks Townhouse Association, Inc.

VI. Property Rights; Common Properties; Description of Common Properties

Subject to the provisions of the Bylaws, Covenants, and Restrictions, and to reasonable rules and regulations as may be adopted by the Association, every member shall have the right of servitude and enjoyment in and to the common properties, and the servitude shall be appurtenant to and shall pass with the title to every lot.

Common properties, described in Exhibit "A", were conveyed on 9/26/93, subject to the Reciprocal Servitude Agreement recorded on 2/10/93 in East Baton Rouge Parish, as Original 211, Bundle 10377.

The right and servitude of enjoyment of each member shall be subject to the following: The Association may dedicate or transfer all or any part of the common properties to any public agency, authority, or utility for purposes subject to conditions as agreed to by the members. No such dedication or transfer shall be effective unless an instrument is signed by a majority of voting members present (in person or by proxy) at a meeting in which a quorum is present, and recorded in the East Baton Rouge Parish Clerk of Court's Office. Written notice of the proposed agreement shall be sent to every member at least thirty days in advance of any meeting held for that purpose.

VII. Board of Directors; Officers; Duties and Powers

Board Members
The Board of Directors shall consist of ^{3 P.V.P.} ~~five~~ members who shall also serve as officers of the Association: President, Vice-Presidents (2), Treasurer, and Secretary. The terms of the offices shall be two years. The Board of Directors shall have control and management of the affairs and business of the corporation.

Reimbursement for reasonable expenses incurred for legitimate business may be approved by the Board of Directors upon receipt of an itemized statement from a member of the Board.

VIII. Board Meetings

The Board of Directors shall meet for the appointment of committees and transaction of other business once a month or as deemed necessary by the President. At all meetings of the Board of Directors, each officer shall have one vote; three votes shall constitute a majority of the Board.

IX. Amendment of Bylaws, Covenants, and Restrictions

The bylaws may be altered, amended, or repealed by a written vote of the majority of the owners.

X. Notices

Any notice required to be sent to any owner shall be deemed to have been properly sent when mailed to the last known address of the person who appears as member or owner on the records of the Association at the time of the mailing. The date of any such notice shall be the postmark. If an owner's address is other than the Highland Oaks address, the owner is responsible for updating his address with the Secretary.

XI. Dues and Assessments

Each owner, by acceptance of a conveyance, whether or not expressed in the deed or other conveyance, shall accept the Bylaws, Covenants, and Restrictions of Highland Oaks Townhouse Association, Inc., and agree to pay to the Association monthly dues and, when necessary, special assessments.

A. Monthly Dues

1. Purpose

The monthly dues levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety, and welfare of the residents of Highland Oaks Townhouse Association and in particular for the improvement and maintenance of the common properties, the private multi-purpose servitude as shown on the subdivision map, and the services and facilities devoted to this purpose and related to the use and enjoyment of common properties. This includes, but is not limited to, maintenance of the exterior of the townhouses; payment of insurance on common properties; repair, replacement, and additions to the common properties; costs of labor, equipment, and materials; management and supervision of common properties; legal, accounting, and management fees; landscape and lawn maintenance; outdoor lighting; security service (if deemed necessary); and creation of a contingency fund.

Water and basic cable television are provided to each townhouse lot by the Association; costs for water and cable television are included in the dues.

2. Amount

The monthly dues per unit shall be recommended by the Board of Directors and approved by a majority vote of the members. The Board may propose an increase or decrease for any year, without approval of the members, not to exceed a 15% increase per year. Any proposed increase in excess of 15% shall be presented by the Board to the owners for a majority vote of the membership present (in person or by proxy) at a meeting at which a quorum is present.

When the Board determines that an increase is necessary (not to exceed 15%), the Board shall notify the members of the date of the Board meeting in which the Board will vote on the increase, and the members may elect to attend the Board meeting.

The Board shall provide written notice of any meeting held to vote on an increase in the monthly dues; the notification shall be delivered (or mailed) to all owners at least thirty days in advance of the meeting, setting forth the purpose of the meeting.

3. Non-Payment of Dues; Liens

Dues shall be paid on or before the first of each month. Dues not paid by the 10th of the month are considered delinquent, and the owner shall be subject to a \$10 late fee. The Board of Directors shall provide to the owner written notice of intent to discontinue water service, to be effective on the first of the following month, unless the delinquent dues and the late fee are received. The Association, through the Board of Directors or the President, may order the discontinuance of water service by any appropriate means. The owner of the lot to which water service is discontinued shall be responsible for all costs, charges, and fees incurred with the discontinuance of the water service, and upon paying the delinquent amounts owed to the Association, shall likewise be responsible for all costs, charges, and fees incurred to reconnect the water service.

The Association, the Board of Directors, and its officers shall not be liable for any claim, demand, loss, or harm claimed to have arisen out of or resulted from the discontinuation of the water service or from any other effort to collect unpaid assessments.

The amount of the delinquent dues, plus interest and any costs of collection, becomes a continuing lien on the lot or lots subject to the collection of dues, to the extent

permitted by law. No townhouse shall be conveyed, mortgaged, or otherwise alienated if the owner is delinquent in the payment of dues unless the purchaser expressly assumes the obligation.

B. Special Assessments

1. Purpose; Due Date

One or more special assessments, applicable only to the current year, may be levied to defray, in whole or in part, the cost of any construction or reconstruction, unexpected repair, or replacement of a capital improvement on the common properties (including necessary fixtures and personal property related to the repair or replacement). A proposed assessment shall be presented by the Board to the owners for a majority vote of the membership present (in person or by proxy) at a meeting in which a quorum is present and which is specifically called for that purpose. The Board shall provide written notice of any meeting held for the purpose of levying an assessment; the notification shall be delivered (or mailed) to all owners at least thirty days in advance of the meeting, setting forth the purpose of the meeting. No business other than that specified in the notice shall be transacted at a meeting called for that purpose.

Assessments for any year are due on the date determined by the Board of Directors. The Board may determine that an assessment may be paid in equal monthly installments until paid in full.

2. Non-Payment of Assessments; Liens

If any owner refuses or fails to pay a special assessment by the date(s) specified by the Board of Directors, the amount of the special assessment shall bear interest from the date of delinquency at the rate of 10 % per annum until the date paid. If it becomes necessary for the Association or the Board of Directors or officers to engage in litigation arising out of attempts to collect unpaid assessments, the owner shall be responsible for the payment of all costs resulting from such litigation, including, but not limited to, court costs, interest, attorneys' fees, etc.

The amount of the delinquent assessment(s), plus interest and any costs of collection, becomes a continuing lien on the lot or lots subject to the assessment, to the extent permitted by law. No townhouse shall be conveyed, mortgaged, or otherwise alienated if the owner is delinquent in the payment of assessments unless the purchaser expressly assumes the obligation.

C. Quorum for Actions Related to Dues and Assessments

In order to increase annual dues or to levy assessments, a quorum of three-fourths of the voting power (in person or by proxy) is required. If there is no quorum at the initial meeting held for that purpose, a second meeting may be called, subject to the same written notice requirements; the required quorum at the second meeting, or any subsequent meeting, shall be one-half of the required quorum at the preceding meeting. A majority vote of the quorum is required.

D. No Exemptions

No owner may exempt himself from liability for his contribution toward the common expenses by waiver of the use and enjoyment of the common elements.

E. Sanctions

The Board shall have the right to suspend the owner's voting rights and rights to use the recreational facilities of an owner during a period in which dues or assessments are unpaid.

F. Records; Audits

The financial records of the Association shall be retained by the Board of Directors and shall be open to inspection by any owner. The Board shall furnish to each owner an annual financial statement of the Association, certified by an officer of the Association, within ninety days following the end of the fiscal year (December 31st).

XII. Party Walls

Each wall built as part of the construction of the townhouses situated upon the properties and placed on the dividing line between lots shall create a **party wall**. The general rules of law regarding party walls and liability for property damage due to negligent or willful acts or omissions are applicable.

The cost of reasonable repair and maintenance of a party wall (due to damage or destruction by fire or other casualty) shall be the responsibility of the owners who share the party wall. Any owner who by negligent or willful act causes the party walls to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements. In the event of any dispute concerning liability for party walls, each party shall select one arbitrator, and the arbitrators shall select one additional arbitrator; the decision of a majority of the selected arbitrators shall be final.

XIII. Leases

No owner shall lease less than an entire unit. Every lease shall be in writing, and a copy of every lease shall be submitted to the Board. Every lease shall provide that (1) the lessee shall be bound by and subject to the Bylaws, Covenants, and Restrictions of Highland Oaks Townhouse Association, Inc., and (2) failure to abide will result in default of the lease.

IX. Architectural Committee

An Architectural Committee, appointed by the Board of Directors and serving concurrent terms, shall review and approve or disapprove requests by owners to construct or replace buildings, fences, walls, patios, or other exterior additions. The Architectural Committee shall be composed of three owners, who reside at Highland Oaks. Requests for landscaping of visible areas, or planting of large shrubs or trees in any area, shall be subject to approval or disapproval by the Committee.

An owner proposing an addition or alteration shall submit a written request to the Architectural Committee, along with plans and specifications showing the nature, type, shape, height, color, materials, location, and any other information deemed essential by the Committee. The Committee will approve or disapprove the request based on the harmony of the external design and location in relation to surrounding structures and topography.

The Architectural Committee shall act upon a request within thirty days of receipt of all pertinent information. The decision of the Committee is binding; the Committee has the sole right to approve or disapprove any plans or specifications submitted for consideration by an owner. An owner must submit "before and after" photographs of an approved addition, to serve as documentation for insurance purposes. The Secretary shall maintain all such records.

Any additions submitted to and approved by the Architectural Committee are not considered common property, and are excluded from exterior maintenance provided by the Association (Section XV), and excluded from property insurance on common properties (Section XVII and Section XVIII.).

XV. Exterior Maintenance

In addition to maintenance of the common properties, the Association shall provide exterior maintenance upon each lot, excluding glass contained in any structure on any lot.

Exterior maintenance includes, but is not limited to, the following:

- paint and repairs

- replacement and care of roofs, gutters, downspouts, and exterior building surfaces
- maintenance and replacement of trees, shrubs, and grass (excluding trees, shrubs, grass, and other plants in private patios or courtyards)
- walks and other exterior improvements (excluding those in private patios or courtyards)

Additions submitted to and approved by the Architectural Committee are excluded from these provisions and are the responsibility of the owner.

The obligations of the Association to provide exterior maintenance of each lot shall not extend to damage which is covered by the homeowners' insurance policy in effect.

If an exterior repair or replacement which is the owner's responsibility is necessary, and the owner fails to act in a timely manner, the Board shall have the right to authorize payment, to pay for the work out of the Association's funds, and to bill the owner.

XVI. Rules, Regulations, and Restrictions

The Board of Directors is charged with administering and enforcing the rules, regulations, and restrictions. Owners, guests, and tenants are bound by and subject to the rules, regulations and restrictions.

The Board shall receive, review, respond to, and act upon all written complaints of members, and determine the appropriate action to be taken. The Board has the authority to establish sanctions for violations of rules and regulations.

The Association is not responsible for loss or damage to members' property (or property of guests of members while on Association property).

In addition to the rules, regulations, and restrictions of Highland Oaks Townhouse Association, Inc., all posted signs on the property are to be adhered to at all times (pool, parking, speed limit, etc.)

A. Exterior Appearance

Garage doors are to remain closed except for entering and exiting.

Cars are to be parked in garages or in parking spaces designated for guests. Guests are to park in the common parking areas. Parking parallel to the fences, curbs, or garage doors, or behind other parked cars, is not permitted.

No radio or television antenna or tower may be erected or maintained on the exterior of any structure or on any portion of any lot.

Trash containers are to be stored inside of garages except at pick-up times.

No building materials or equipment of any kind may be placed or stored on any lot, except in the actual course of repairs to townhouses.

B. Pets

Highland Oaks is within the corporate limits of the City of Baton Rouge, and is subject to the ordinances in Title 14 of East Baton Rouge City and Parish Codes.

No animals, livestock, or poultry of any kind may be raised, bred, or kept on any lot. Dogs, cats, or other household pets are allowed, provided they are not kept, bred, or maintained for any commercial purpose or in such numbers or conditions as may be offensive to other owners.

Pets are not allowed to run free on common property. This includes cats as well as dogs. If the animal (dog, cat, or other) is not within the owner's enclosed area, it must be on a leash, and the leash must be held by a person capable of controlling the animal.

Any animals found running at large may be reported to and apprehended by the EBR Parish Animal Control Board. Fees and fines levied against the pet owner by the Animal Control Board are the liability of the pet owner.

Pets on leashes are to be walked only in common areas. The owner of the pet shall be required to use some type of scoop and bag, or other device, to clean up after the pet.

Pets are not allowed in the pool or within the fenced pool area.

Each owner (or guest or tenant of an owner) is absolutely liable to all other owners, guests, and tenants for any damage to person or property caused by his animal.

C. Nuisances

No noxious or offensive activity may be carried on anywhere within the property (including common property), nor may anything be done which is or will become an annoyance to the neighborhood. This includes noise from speakers, vehicles, or other devices.

D. Use and Restrictions of property

No garage apartment may be permitted on any lot, and no garage may be used as living quarters or as a place of business.

No commercial business or other activity which is (or may become) an annoyance or nuisance to the owners may be conducted on any lot.

E. Swimming Pool

The pool is shared by Highland Oaks Condominium Association and Highland Oaks Townhouse Association. Owners and guests are bound by and subject to all rules posted at the pool.

Appropriate clothing is required in the pool (no cut offs, street clothing, etc.).

For sanitary reasons, no children of diaper age are allowed in the pool.

No pets are allowed in the pool or in the pool area.

The pool cannot be reserved for private parties. The number of guests permitted is limited, as posted on the sign at the pool.

F. Signs; Soliciting

No signs of any kind may be displayed to public view on any lot or in the streets of the subdivision, other than a real estate sign ("For Sale" or "For Lease"). A real estate sign may be placed in a window inside of the residence.

No signs may be placed on the servitude between the iron fence and Highland Road with the following exception: Real Estate signs, not to exceed 2' by 3', may be placed in the servitude area on weekends from 8:00 a.m. Saturday until 5:00 p.m. Sunday. Signs which are not removed timely will be disposed of.

Outside solicitors and distribution of handbills are not allowed within Highland Oaks.

Political signs and garage sale signs are not permitted.

G. Speed Limit; Parking

The speed limit within Highland Oaks is 10 MPH. Posted STOP signs must be adhered to.

Guest parking spaces are located toward the front of the property; parking parallel to the

fences, curbs, or garage doors, or behind other parked cars, is not permitted.

Parking spaces are for parking only; vehicles may not be maintained or worked on in parking areas or in other common areas.

No owner may park, store, or keep (except within his closed garage) any inoperable vehicle in common parking spaces or anywhere within Highland Oaks property (including Highland Oaks Condominium property).

No owner may park, store, or keep (except within his closed garage) commercial vehicles, recreational vehicles, boats, canoes, buses, trailers, campers, or other similar vehicles.

XVII. Insurance

The Association shall at all times maintain a Master Condominium Policy, which shall provide coverage for the entire buildings, including both interior and exterior walls. The policy shall provide coverage for fixtures, improvements, and alterations that are part of the buildings or structures, and for appliances, such as those used for refrigerating, ventilating, cooking, dishwashing, laundering, security, or housekeeping.

The Master Condominium Policy shall also provide general liability coverage for the common areas of the condominium/townhouse association, and liability coverage for the officers and directors of the Association.

Each owner may obtain additional insurance at his own expense for his own benefit. Each owner is specifically responsible for insurance coverage on furnishings and other items of personal property belonging to an owner, and for casualty and public liability coverage within the owner's unit.

The Master Condominium Policy (and endorsements) shall be maintained by the Secretary with the official documents of the Association.

XVIII. Damage or Destruction

If the improvements to any lot should be destroyed or damaged, in whole or in part, the owner shall be responsible for the repair, reconstruction, or rebuilding of the improvements thereon within sixty days from the date of the damage or destruction and in accordance with the plans and specifications approved by the Architectural Committee, and shall pursue the repair, reconstruction, or rebuilding with due diligence and prompt completion. If this provision is violated, the Association or its designee shall have the right to purchase the lot and any remaining improvements for a price to be determined by three expert real estate appraisers, one to be appointed by the Association or its designee, one to be appointed by the lot owner, and the third appraiser to be appointed by the first two appraisers. Should the lot

owner fail or refuse to appoint an appraiser, then the price shall be determined solely by the Association or its designee. The act of sale shall be passed within thirty days after written notification by the Association, or its designee, of its election to purchase for cash under the terms of the law.

XIX. General Provisions

The Bylaws, Covenants, and Restrictions of Highland Oaks Townhouse Association, Inc. shall run with and bind the properties, and shall inure to the benefit of and be enforceable by the Association, or the owner of any lot subject to the Bylaws, the respective legal representatives, heirs, successors, or assignees, for a term of 35 years from the date of the Incorporation of Highland Oaks Townhouse Association, after which time the Bylaws, Covenants, and Restrictions shall be automatically extended for successive periods of ten years each, unless an instrument signed by the then owners of two-thirds of the lots has been recorded, agreeing to change the Bylaws, Covenants, and Restrictions in whole or in part; however, no such agreement to change shall be effective unless made and recorded one year in advance of the effective date of the change.

XX. Enforcement

Enforcement of the Bylaws, Covenants, and Restrictions shall be by any proceeding at law or in equity against any person or persons violating or attempting to recover damages, and against the owners lot or lots to enforce any lien created by the Bylaws, Covenants, and Restrictions. Failure by the Association or any owner to enforce any Bylaw, Covenant, or Restriction shall in no event be deemed a waiver of the right to do so thereafter.

XXI. Severability

Invalidation of any one of the Bylaws, Covenants, and Restrictions by judgment, court order, or applicable legislation shall in no way affect any other provisions of the Bylaws, Covenants, and Restrictions, which shall remain in full force and effect.

12/16/98
Effective 1/1/99