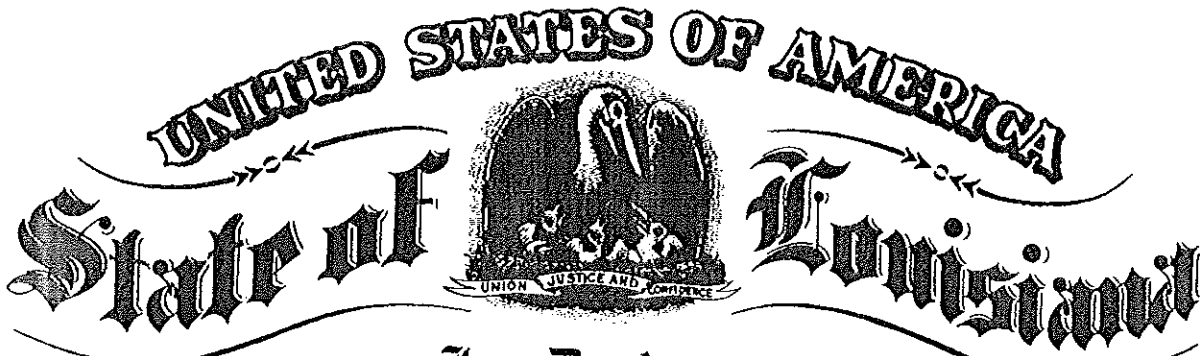




Jay Bardenne
SECRETARY OF STATE

As Secretary of State, of the State of Louisiana, I do hereby Certify that
a copy of the Articles of Incorporation of

DEL SOL HOMEOWNERS ASSOCIATION, INC.

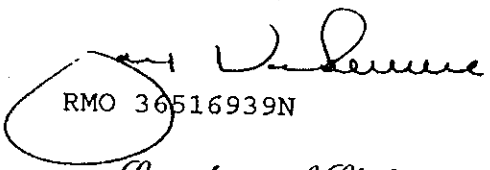
Domiciled at MADISONVILLE, LOUISIANA,

Was filed and recorded in this Office on August 10, 2007,

And all fees having been paid as required by law, the corporation is authorized to transact business in this State, subject to the restrictions imposed by law, including the provisions of R.S. Title 12, Chapter 2.

St. Tammany Parish 20
Instrmnt #: 1641255
Registry #: 1761397
8/22/2007 3:34:00 PM
MB CB MI X UCC

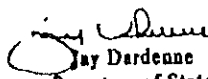
*In testimony whereof, I have hereunto set
my hand and caused the Seal of my Office
to be affixed at the City of Baton Rouge on,
August 10, 2007*


RMO 36516939N

Secretary of State



STATE OF LOUISIANA
Office of the Secretary of State
I hereby certify that this is a true and correct copy,
as taken from the original on file in this office.


Jay Dardenne
Secretary of State
Date: 8-10-07 RM

ARTICLES OF INCORPORATION

UNITED STATES OF AMERICA

OF

STATE OF LOUISIANA

DEL SOL

HOMEOWNERS ASSOCIATION, INC.

PARISH OF ST. TAMMANY

BE IT KNOWN, that on this 10th day of August, in the year of Our Lord, two thousand and seven:

BEFORE ME, the undersigned Notary Public, duly commissioned and qualified in and for the state and parish aforesaid, therein residing, and in the presence of the undersigned competent witnesses:

PERSONALLY CAME AND APPEARED:

LONESOME DEVELOPMENT, L.L.C., a Louisiana Limited Liability Company domiciled in the Parish of St. Tammany, herein represented by its managers, Timothy R. Henning and Don A. McMath, duly authorized by virtue of a Unanimous Consent of the Members recorded as Instrument No. 1288722 of the records of St. Tammany Parish, Louisiana, and having a mailing address of P. O. Box 67, Mandeville, Louisiana, 70470 (referred to hereinafter as "Developer");

who declared to me, in the presence of the undersigned competent witnesses, that availing themselves of the provisions of Louisiana Non-Profit Corporation Law, Chapter 12, Section 201-269 of the Louisiana Revised Statutes, now in effect and as amended; and who do hereby organize a non-profit corporation in pursuance of that law, and in accordance with the following articles of incorporation:

The undersigned do hereby adopt the following as the Articles of Incorporation of **DEL SOL HOMEOWNERS ASSOCIATION, INC.**, for the purpose of forming a corporation under the Louisiana Non-Profit Corporation Law, Chapter 12, Sections 201-269, inclusive, of the Louisiana Revised Statutes now in effect and as amended.

Article I

NAME

The name of the corporation shall be: DEL SOL HOMEOWNERS ASSOCIATION, INC., (hereinafter referred to as the "Association").

Article II
PURPOSE

The purpose for which the Association is organized is to provide a legal entity which shall obtain rights, privileges and obligations under restrictive covenants for Del Sol Subdivision to be established hereinafter by the Developer and recorded in the official records of St. Tammany Parish, Louisiana, hereinafter referred to as "Restrictive Covenants", for the development, management, regulation, operation and maintenance of the subdivision easements, improvements, green spaces, common areas, entrance features, and other properties of every kind and character, described in the Restrictive Covenants of Del Sol Subdivision.

Article III

DOMICILE

The domicile of this corporation shall be St. Tammany Parish, Louisiana, and its registered office shall be located at located at 381 Highway 21, Suite 201, Madisonville, Louisiana, 70447.

Article IV

POWERS

The Association's powers shall include and be governed by the following provisions:

A. The Association shall have all the powers authorized by the Laws of the State of Louisiana, and in particular the Louisiana Non-Profit Corporation Law as it now exists and as it may be amended from time to time, except in instances where the Non-Profit Corporation Law as aforesaid conflicts with the provisions of these Articles of Incorporation or by the By-Laws executed this date, the Articles and By-Laws shall govern.

B. The Association shall have all of the powers, duties and obligations allowed by law, except as limited by these Articles of Incorporation, the By-Laws of the Association executed in connection with these Articles, and the Restrictive Covenants, as all of these documents may be amended from time to time. The said power shall include, but is not limited to, the following:

1. To make and collect assessments against members in order to pay the costs necessary for the orderly maintenance of Del Sol Subdivision.
2. To use the proceeds of assessments in the exercise of its powers and duties as provided for in the Restrictive Covenants, Articles and By- Laws.
3. To maintain and improve the common areas in Del Sol Subdivision, and to further maintain and improve property owned by the Association.
4. To enact, amend and enforce reasonable rules and regulations for the use of the property within Del Sol Subdivision.
5. To enforce, by all legal means available to the Association, the provisions of the Laws of the State of Louisiana, the Articles, By-Laws, Restrictive Covenants, and Regulations of the Association.
6. To enter into contracts and agreements for the management, maintenance and improvement of the property in Del Sol Subdivision.
7. To borrow monies and open bank accounts in the name of and on behalf of the Association.

C. The ownership of all properties and funds acquired by the Association and the proceeds thereof shall be held and administered in trust by the Officers of the Association, for the benefit of the Association members and the Association property, green spaces and common areas located within Del Sol Subdivision in accordance with the provisions of the Restrictive Covenants, Articles, By-Laws and the Laws of the State of Louisiana relative to Non-Profit Corporations. The Developer, in its sole discretion, may transfer ownership all or any part of the common areas to the Association. Any such transfer of ownership of the common areas is a right and not an obligation of the Developer, and, if said right is exercised, either T. R. Henning or Don A. McMath shall be and is hereby authorized to execute the act of transfer on behalf of the Association.

Article V

MEMBERS

This corporation is to be organized on a non-stock basis. The Association shall have two classes of voting membership:

A. Every person, group of persons, corporation, partnership, trust or other legal entity, or any combination thereof, who becomes a record owner of a fee interest in any Lot which is or becomes subject to this act of dedication shall be a Class A member of the Association as long as said ownership continues. Each class A member of the Association shall be entitled to one (1) vote for each Lot owned by any such firm, person, corporation, trust or other legal entity. However, there shall be only one (1) vote for each Lot to which class A membership is appurtenant, and the vote shall be cast in accordance with the bylaws of the Association.

B. There shall be five hundred (500) class B memberships, all of which shall be issued to the Developer or its nominee or nominees. The class B members shall be entitled to one (1) vote for each class B membership so held, however, each class B membership shall lapse and become a nullity upon the occurrence of any one of the following events:

i) twenty-four (24) months following the date the Developer no longer owns any lots in any phase of the Subdivision; or

ii) Upon written surrender of said class B memberships by the then holders thereof for cancellation on the books of the Association.

Upon the lapse and/or surrender of all the class B memberships, as provided for in this Article, the Developer shall continue to be a class A member of the Association as to each and every Lot in which the Developer holds the interest otherwise required for such class A membership.

Article VI

DIRECTORS

The affairs of the Association shall be managed by a Board of Directors consisting of such number of Directors as shall be determined by the By-Laws, but having not less than three (3) Directors and not more than five (5) Directors. Notwithstanding the foregoing, the original Board shall consist of two (2) persons, and after retirement or resignation of the original Board, the Board shall thereafter consist of three (3) persons. Directors shall be elected at the annual members meeting in the manner provided by the By-Laws. The Directors may be removed and vacancies on the Board filled as provided by the By-Laws. The Directors named herein shall serve until the first election of Directors. The names and addresses of the members of the first Board of Directors are as follows:

The names and addresses of the members of the first Board of Directors are as follows:

Timothy R. Henning
381 Highway 21, Suite 201
Madisonville, La, 70447

Don A. McMath
215 St. Ann Dr., Suite 3
Mandeville, LA 70471

The above named Directors shall hold office until their successors are elected and have qualified or until removed from office.

Article VII

OFFICERS

The Association's affairs shall be administered by the Officers of the Board of Directors of the association. Such Officers shall serve at the pleasure of the Board of Directors. The initial Officers' names and addresses are:

Timothy R. Henning (President/Treasurer)
381 Highway 21, Suite 201
Madisonville, La, 70447

Don A. McMath (Vice President/Secretary)
215 St. Ann Dr., Suite 3
Mandeville, LA 70471

The above named Officers shall hold office and serve until their successors are designated by the Board of Directors and have qualified or until removed from office.

Article VIII

INDEMNIFICATION

Each Director and each Officer of the Association shall be indemnified by the Association against all liabilities and expenses, including attorney's fees reasonably incurred or imposed on him in connection with any proceeding in which he may be a party, or in which he may become involved, by reason of his being or having been an Officer or Director of the Association, or any settlement thereof, regardless of whether he is an Officer or Director at the time such liabilities and expenses are incurred, unless the Officer or Director is adjudged guilty of willful malfeasance or malfeasance in the performance of his duties. In case of a settlement, the indemnification provided for herein shall apply only when the Board of Directors approves such settlement and reimbursement as being in the Association's best interest. The above described right of indemnification shall not be exclusive of all other rights to which such Director or Officer may be entitled but shall be in addition to such other rights.

Article IX

By-Laws

The Board of Directors shall adopt the first By-Laws of the Association. The said By-Laws may be amended, changed or repealed in the manner provided by said By-Laws.

Article X

AMENDMENTS TO ARTICLES OF INCORPORATION

The Articles of Incorporation may be amended in the following manner:

The notice of any meeting at which a proposed amendment is considered shall include notice of the subject matter of the proposed amendment. Either the Board of Directors or any member of the Association may propose a resolution approving a proposed amendment. An amendment must be approved by a vote or written consent of the members representing fifty one (51%) percent of the total voting power of the Association or may be amended by the Developer, or his assigns, alone without a vote for as long as the Class B memberships are in existence. No amendments shall make any changes in the qualifications for membership nor in the voting rights of the members, without the unanimous approval in writing by all the members or by the Developer, alone. A copy of each amendment shall be certified by the secretary and recorded in the public records of St. Tammany Parish, Louisiana.

Article XI

TERM OF ASSOCIATION

The Association shall continue to exist as long as the Restrictive Covenants are imposed (as they may be amended) upon the property known as Del Sol Subdivision, in St. Tammany Parish, Louisiana, unless the members elect to terminate the Association sooner by two-thirds (2/3) vote of approval of the total voting power of the Association.

Article XII

REGISTERED AGENT

The full name and post office address of the corporation's registered agent is:

Timothy R. Henning
381 Highway 21, Suite 201
Madisonville, La, 70447

Article XIII

INCORPORATOR

Lonesome Development, L.L.C.
P. O. Box 67
Mandeville, Louisiana

THUS DONE AND PASSED in Covington, Louisiana, on the day, month and year herein above first written, in the presence of the undersigned competent witnesses.

WITNESSES:

LONESOME DEVELOPMENT, L.L.C.

BY: HST COMPANY, LLC (Member)

Patricia Brown
Patricia Brown

BY: T. R. Henning
T. R. HENNING, MANAGER

Jason Hymel
Jason Hymel

AND

BY: Don A. McMath
DON A. McMATH
MEMBER/MANAGER

Leland R. Gallspy
LELAND R. GALLSPY
NOTARY PUBLIC
BAR ROLL NO. 21601

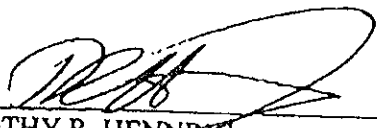
AFFIDAVIT OF ACCEPTANCE OF APPOINTMENT
BY DESIGNATED REGISTERED AGENT
ACT 769 OF 1987

TO: State Corporation Department
State of Louisiana

STATE OF LOUISIANA

PARISH OF ST. TAMMANY

On this 10th day of August, 2007, before me, Notary Public in and for the state and parish aforesaid, personally came and appeared: TIMOTHY R. HENNING, who is to me known to be the person, and who, being duly sworn, acknowledged to me that he does hereby accept appointment as the Registered Agent of DEL SOL HOMEOWNERS ASSOCIATION, INC., which is a corporation authorized to transact business in the State of Louisiana pursuant to the provisions of the Title 12, Chapter 1, 2 and 3.


TIMOTHY R. HENNING
Registered Agent

Sworn to and subscribed before me,
this 10th day of August, 2007.


LELAND R. GALLASPY
NOTARY PUBLIC
BAR ROLL NO. 21601

BY-LAWS**UNITED STATES OF AMERICA****OF****STATE OF LOUISIANA****DEL SOL HOMEOWNERS ASSOCIATION, INC.****PARISH OF ST. TAMMANY**

DEL SOL HOMEOWNERS ASSOCIATION, INC. (hereinafter referred to as the "Association"), a non-profit Louisiana corporation, formed under the laws of the State of Louisiana, having for its purpose the governing of a particular subdivision property known as Del Sol Subdivision, and the Restrictive Covenants of Del Sol Subdivision recorded in the official records of St. Tammany Parish, Louisiana, does hereby adopt the following set of By-Laws which shall assist in governing the Association and Del Sol Subdivision property.

All present or future owners, lessees, invitees, tenants or occupants of Del Sol Subdivision property as more fully set out in the Restrictive Covenants of Del Sol Subdivision (as amended), or any other individual who may use the facilities or come upon Del Sol Subdivision property in any manner are subject to the regulations set forth in these By-Laws, the Articles of Incorporation of the Association and the Restrictive Covenants recorded in the official records of St. Tammany Parish, Louisiana. The ownership, rental, occupancy or presence of any individual, firm, person or corporation, on subdivision property, including common areas, will signify and constitute notification and acceptance of these By-Laws, the Articles of the Association, the Restrictive Covenants and the rules and regulations of Del Sol Subdivision by such owner, occupant, tenant, employee, invitee or any other person.

Article I
OFFICE

The principal office of the Association shall be located at 381 Highway 21, Suite 201, Madisonville, Louisiana, 70447, and such other place or places as the Board of Directors of the Association may designate. The mailing address of the Association shall be P.O. Box 67, Mandeville, Louisiana, 70470.

Article II
MEMBERSHIP MEETINGS

1. All meetings of the members of the Association shall take place at a location within St. Tammany Parish to be designated by the Board of Directors in the notice of the meeting.

2. An annual meeting of the members shall be held between October 1st and December 15th of each year commencing in 2008 for the purpose of electing Directors and for the transaction of such other business as may be properly brought before the meeting of the members.

3. Special meetings of the members, for any purpose, may be called by the President of the Association or the Board of Directors and shall be called by such Officers upon receipt of a written request from any member or members holding in the aggregate one-third (1/3) of the total voting power.

4. Notice of all member meeting, stating the time and place and the purpose for which the meeting is called shall be given by the President or Secretary unless waived in writing by fifty-one percent (51%) of the total voting power of the Association. Such notices shall be in writing to each member at his address as it appears on the books of the Association and shall be mailed not less than ten (10) days, nor more than sixty (60) days, prior to the date of the meeting. Proof of such mailing may be given by affidavit or in the signed minutes of the meetings.

5. The presence, in person or by written proxy, of the holders of a majority of the total voting power shall constitute a quorum.

6. When a quorum is present at any meeting, the holders of fifty-one percent (51%) of the voting rights present or represented by written proxy shall decide any questions brought before the meeting, unless the question is one upon which by expressed provision of the statutes, the Articles of Incorporation, the Restrictive Covenants or these By-Laws a different vote is required, in which case such expressed provision shall govern and control the decision on such a question.

7. In any meeting of members, each Class "A" member of the Association shall be entitled to one (1) vote for each lot owned by any firm, person, corporation, trust or other legal entity. However, there shall be only one (1) vote for each lot to which Class "A" membership is appurtenant, and the vote shall be cast in accordance with these by-laws. Each Class "B" member shall be entitled to one (1) vote for each Class "B" membership so held. If a lot is owned by one person, his right to vote shall be established by the record title of his lot. If a lot is owned by more than one person, the vote shall be divided among the ownership of each lot and fractional votes maybe cast. The ownership of a lot may by written authorization, cast the vote for all of the record owners of the lot, which written authorization shall be filed with the Secretary of the Association. If the lot is owned by a corporation, the person entitled to cast the vote for the lot shall be designated by the President or Vice-President and attested by the Secretary or Assistant Secretary of such corporation and filed with the Secretary of the Association. The certificate shall be valid until revoked, or until a change in the ownership of the lot concerned. If the lot is owned by a Partnership,

the person entitled to cast the vote for the lot shall be a person or persons who would be entitled to convey title to real estate under the terms of the Partnership Agreement. Evidence of authority to represent the Partnership shall be filed with the Secretary of the Association prior to voting. A certificate designating the person entitled to cast the vote may be cast in person or by written proxy. Proxies may be made by any person entitled to vote. They shall be valid only for the particular meeting designated and must be filed with the Secretary before the appointed time of the meeting.

8. If any duly noticed meeting of members cannot be organized because of a lack of quorum, the members who are present, either in person or by proxy, may adjourn the meeting for lack of a quorum. The members present, either in person or by proxy and without any further notice, may then re-open the meeting and, although the members in attendance are less than the specified quorum fixed by this Article, the members present, either in person or by proxy, shall nevertheless constitute a quorum for purposes of electing Directors or transacting any other business specified in the notice to members.

9. The order of business at annual members meetings and as far as practical at all other members meetings, shall be:

- A. At the initial meeting an election of chairman of the meeting;
- B. Calling the roll and certifying proxies or other authority to cast votes by the Secretary or at the initial meeting by the chairman of the meeting so designated;
- C. Proof of notice of meeting or waiver of notice;
- D. Reading and disposal of the minutes;
- E. Reports of Officers;
- F. Reports of committees;
- G. Election of Directors, if necessary;
- H. Unfinished business;
- I. New business;
- J. Adjournment.

10. Whenever, by any provision of law, the Restrictive Covenants of Del Sol Subdivision, the Articles of Incorporation of Del Sol Homeowners Association, Inc., these By-Laws, or the rules and regulations of Del Sol Subdivision, the affirmative vote of members is required to authorize or constitute action by the Association, the written consent of those necessary to decide the particular question shall be sufficient for the purpose, without necessity for a meeting of the members.

11. Whenever the "total voting power" or "entire membership" of the Association is referred to in the Articles or By-Laws of the Association or the Restrictive Covenants of Del Sol Subdivision it includes the total vote of all existing classes of membership.

Article III

DIRECTORS

1. The affairs of the Association shall be managed by a Board of Directors consisting of not less than three (3) and no more than five (5) persons as determined from time to time by the members. Notwithstanding the foregoing, the original Board shall consist of two (2) persons, and after retirement or resignation of the original Board, the Board shall thereafter consist of three (3) persons. Each member of the Board of Directors shall be a lot owner; in the event of a corporate ownership, an Officer or designated agent thereof; in the event of a partnership the member shall be a partner or designated agent of the partnership. In addition to the foregoing, not more than one member from the same residence may serve on the Board of Directors at the same time.

2. Election of Directors.

A. After retirement or resignation of the original Directors, election of Directors shall be conducted at the annual membership meeting. A nominating committee shall be appointed by the Board of Directors at least thirty (30) days prior to the annual members meeting. Additional nominations for Directorships and Directors may be made from the floor. The election shall be by ballot (unless dispensed with by unanimous consent) and by a plurality of the votes cast, each person voting being entitled to cast his votes for each of as many nominees as there are vacancies to be filled. There shall be no cumulative voting.

B. Vacancies in the Board of Directors occurring between annual meetings of members shall be filled by the Board of Directors by majority vote or by the Developer.

C. Any Director may be removed by concurrence of a simple majority (51%) of the votes of the entire membership at a special meeting of the members called for that purpose. The vacancy

in the Board of Directors so created shall be filled by a majority vote of the members of the Association present or represented by proxy at the same meeting.

3. Director's Meeting.

A. The organization meeting of a newly-elected Board of Directors shall be held within ten (10) days of their election at such place and time as shall be fixed by the Directors at the meeting at which time they are elected, and no further notice of the organization meeting shall be necessary, providing a quorum of elected Directors shall be present.

B. Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the Directors. Notice of regular meetings shall be given to each Director, personally or by mail, telephone, telefax or e-mail, at least three (3) days prior to the day named for such meeting, unless such notice is waived, which notice shall state the time, place and purpose of the meeting.

C. Special meetings of the Directors may be called by the President, and must be called by the Secretary at the written or verbal request of one-third (1/3) of the votes of the Board. Not less than three (3) days notice of the meeting shall be given personally or by mail, telephone, telefax or e-mail, which notice shall state the time, place and purpose of the meeting.

D. Any Directors may waive notice of the meeting before, during or after the meeting and such waiver shall be deemed equivalent to the giving of notice.

E. A quorum at Director's meetings shall consist of the Directors entitled to cast a majority of the votes of the entire Board. The acts of the Board approved by fifty-one percent (51%) of the votes present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors, except as specifically otherwise provided by law or in the Restrictive Covenants, Articles of Incorporation, By-Laws or Rules and Regulations of the Association. If at any meeting of the Board of Directors less than a quorum is present, the majority of those present may adjourn the meeting for lack of a quorum (adjourned meeting). If notice of the failure to obtain a quorum at the adjourned meeting is sent to the Directors entitled to vote, stating the purpose or purposes of the meeting and that the previous meeting was not held for lack of a quorum, then any number of Directors, present in person or represented by proxy, although less than the specified quorum fixed by this Article, shall nevertheless constitute a quorum for purposes of electing Directors or transacting any other business specified in the notice to members.

F. The presiding Officer at Director's meetings shall be the President if such an Officer has been elected, and if none, then the Directors present shall designate one of their number to preside.

G. Any action which may be taken at a meeting of the Board of Directors, or at a meeting of any committee, may be taken by a consent in writing, signed by all of the members of the Board of Directors or by all of the members of the committee, as the case may be filed with the records of proceedings of the Board or committee.

4. All of the powers and duties of the Association existing under law, and in accordance with the Restrictive Covenants of Del Sol Subdivision and other documents regarding the Association, By-Laws, Articles of Incorporation, Rules and Regulations of Del Sol Subdivision shall be exercised exclusively by the Board of Directors, its agents, contractors, or employees, however, subject to the approval of the lot owners and the members of the Association when such is specifically required. Notwithstanding the foregoing, a legal action on behalf of the Association to enforce the Restrictive Covenants may be authorized by the Architectural Control Committee while Class B shares are outstanding. A Director may not be an employee of the Association. In addition to the foregoing authority, either member of the initial Board of Directors, Timothy R. Henning or Don A. McMath, is specifically authorized to sign an act of transfer on behalf of the Association accepting transfer of ownership of Common Areas in Del Sol Subdivision without warranty. Said authorization is valid and remains in effect even if Timothy R. Henning and/or Don A. McMath are no longer members of the Board of Directors at the time of the transfer of ownership of said Common Areas.

Article IV **OFFICERS**

1. The executive officers of the Association shall be President, Secretary and Treasurer, all of whom shall be Directors. All Officers shall be elected annually by the Board of Directors and may be peremptorily removed by vote of the Directors at any meeting thereof. Any person may hold two offices except that the President shall not also be the Secretary. The Board of Directors shall from time to time elect such other Officers and designate their powers and duties as the Board shall find to be required to manage the affairs of the Association.

2. The President shall be the chief executive officer of the Association. He shall have all of the powers and duties which are usually vested in the office of President of an association, including, but not limited to, the power to appoint committees from among the members from time

to time, as he may in his discretion determine appropriate, to assist in the conduct of the affairs of the Association and to preside over the member meetings.

3. The Secretary shall keep the minute book where in the resolutions of all proceedings of the Directors and the members shall be recorded. He shall attend to the giving and serving of all notices to the members and Directors and other notices required by law. He shall keep the records of the Association, except those of the Treasurer, and shall perform all other duties incident to the office of Secretary of an Association and as may be required by the Directors or the President.

4. The Treasurer shall have custody of all property of the Association including funds, securities and evidences of indebtedness. He shall keep the books of the Association in accordance with good accounting practiced and he shall perform all other duties incident to the office of Treasurer. Notwithstanding the foregoing, the Board of Directors, at its discretion, may retain the services of a certified public accountant to perform some or all of the functions of the Treasurer.

Article V ASSESSMENT AND FISCAL MANAGEMENT

1. On or before December 15th of each year, the Board of Directors shall prepare a budget (the "Annual Budget") based on an estimate of the total amount required for the cost of wages, materials, insurance, services and supplies and other Common Expenses which will be required during the ensuing calendar year for the management of the Association and the maintenance of the property of Del Sol Subdivision, together with reasonable amounts considered by the Board to be necessary for the reserves hereinafter established (annual expense). Before the annual meeting, the Board shall give each lot owner a copy of the proposed Annual Budget for the ensuing year together with a written statement of the annual and monthly assessments pertaining to the lot, which assessments shall be fixed in accordance with the provisions of the Restrictive Covenants of Del Sol Subdivision, the Articles and By-Laws of the Association. If the budget, or proposed assessments are amended, a copy of the amended budget or statement of assessments shall be furnished to each lot owner concerned. The Annual Budget shall become effective unless disapproved at the annual meeting by a majority of all votes for the Association (in person or by proxy). If the Annual Budget for the ensuing year is disapproved by the required majority of all Lot Owners, then, in that event, the Annual Budget for the current year, subject only to a percentage increase based on the consumer price index (1967=100), shall remain in effect for the following year(s) until a new Annual Budget is adopted and not disapproved by the Lot Owners.

2. The failure or delay of the Board of Directors to prepare or to transmit to lot owners an Annual Budget or statement of assessments shall not constitute a waiver or release in any manner

or any lot owner's obligation to pay assessments against his lot, whenever the same shall be determined, and in the absence of an Annual Budget or statement of assessments, each lot owner shall continue to pay the existing installments against the assessments established for the previous period subject to any increase as authorized herein.

3. The Annual Budget shall include allocations for, and the funds and expenditures of the Association shall be credited and charged to, accounts under the following classifications as shall be appropriate, all of which expenditures shall be expenses of the Association:

- A. Current operating expenses,
- B. Reserve for alterations and improvements; however capital improvements in excess of \$7,500.00 must be funded by a special assessment,
- C. Working capital, and
- D. Any and all other items identified in Article IX of the Restrictive Covenants.

The Board of Directors in its absolute discretion may establish from time to time such other accounts or budget classifications as it may deem appropriate for the proper administration of the property in Del Sol Subdivision under the management or maintenance of the Association.

The annual assessment shall not be increased in any year by more than 25% from the prior year without approval of a majority of the Class A members or the Developer while he is a Class B member.

4. In addition to the annual assessments authorized above, the Board of Directors may levy in any assessment year special assessments for Common Expenses, such as capital improvements in excess of \$7,500.00, applicable to that year only, provided that any such special assessment shall be approved by:

- (i) the Developer, as long as the Developer is a class B member, or
- (ii) by a majority of the votes of a quorum of Owners who are voting in person or by proxy at a meeting duly called for this purpose in accordance with the provisions herein, subject to approval by the Developer.

The Board of Directors may make such special assessments payable in installments over a period which may, in the Board's discretion, extend in excess of the fiscal year in which adopted. Such special assessments are to be pro-rated among the Lots and Dwellings equally as provided with respect to annual assessments.

5. At the annual members meeting of each year, the Board of Directors shall provide all lot owners present with a copy of an audit or itemized accounting of the expenses actually incurred and paid for the preceding year by the Association, together with a tabulation of all amounts collected pursuant to assessments levied, and showing the net amount over or short of actual expenditures plus reserves. Any amount accumulated in excess of the amount required for actual expenses and reserve shall be surplus and shall be apportioned among the lot owners accounts as provided for in the Restrictive Covenants or these By-Laws.

6. The Treasurer (or a certified public accountant if one is retained by the Board of Directors) shall keep full and correct books and accounts, including itemized records of all receipts and expenditures, and the same shall be open for inspection by any lot owner, any representative of a lot owner duly authorized in writing or any mortgagee of a lot at such reasonable time or times during normal business hours as may be requested by the lot owner or his representative or mortgagee. The Treasurer shall also maintain a separate account for each lot which shall be kept current at all times and which shall show:

- A. The name and address of the lot owner or owners and the mortgagee of the lot, if any (provided the information has been furnished by the Lot owner);
- B. The amount and due date of all assessments pertaining to the lot;
- C. All amounts paid on account
- D. Any balance due.

Upon written request of a lot owner or his mortgagee, the Treasurer shall promptly furnish a certificate or statement of account setting forth the amount of any unpaid assessments or other charges due and owing by such lot owner.

7. Any installments on assessments shall be payable to the order of Del Sol Homeowners Association, Inc. and shall be paid at the principal office of the Association; or to such other person or entity and in such other places as the Board of Directors may from time to time designate.

Any installment on any assessment authorized hereunder or under the deed restrictions shall be a debt and obligation of the lot and the owner of the lot against which it is levied. In the event of non-payment of an assessment within ten (10) days after it is due, the amount owed shall become delinquent and shall bear interest at the rate of twelve percent (12%) per annum and may also, by resolution of the Board of Directors, subject the member obligated to pay the same to the payment of such other penalty or "late charge" as the Board may fix. In the event of non-payment of an assessment within the ten (10) day period provided above, a lien affidavit setting forth the amount due may be filed against the lot and the lot owner thereof as authorized by and provided for in La. R.S. 9:1145 et seq. The claim of lien shall be signed and verified by affidavit of an Officer or agent of the Association and shall include:

- A. A description of the lot or parcel of land owned by the delinquent Association member and any other information necessary for proper identification;
- B. The name of the record lot owner; and
- C. The nature and amount of the unpaid charges, expenses or dues, all in accordance with La. R.S. 9:1145 et seq.

The Association or its agent shall file the lien in the records of St. Tammany Parish and serve upon the delinquent owner a sworn detailed statement of the claim by certified mail, registered mail or personal delivery.

In the event that payment of the claim of lien is not forthcoming after filing of the claim of lien, the Board of Directors shall take necessary measures to have filed on behalf of the Association a suit on such claim in a civil action in a court of competent jurisdiction in St. Tammany Parish. Any suit and notice of lis pendens must be filed before the expiration of five years after the date of recordation of the inscription of lien is filed with the Clerk of Court for St. Tammany Parish. The Association shall also be entitled to collect the reasonable attorney's fees incurred by it in the enforcement action.

All liens for assessments against lots shall be subordinate in rank to any mortgage or lien on any lot filed for record in the official records of St. Tammany Parish prior to the lien for such assessments.

9. The Association shall, upon demand, furnish to any member liable for any assessment levied pursuant to this act (or any other party legitimately interested in the same) a certificate in writing signed by an Officer of the Association, setting forth the status of the assessment, i.e.,

whether the same is paid or unpaid. Such certificate shall be presumptive evidence of the payment of any assessment therein stated to have been paid. A reasonable charge may be levied in advance by the Association for each certificate so delivered.

Upon default in the payment of any one or more periodic installments of any assessment levied pursuant to this act, or any other installment thereof, the entire balance of said assessment may be accelerated at the option of the Board of Directors and may be declared due and payable in full.

Any recorded first mortgage secured by a lot in Del Sol Subdivision may provide that any default by the mortgagor in the payment of any assessment levied pursuant to this act, or any installment thereof, shall likewise be a default in such mortgage (or the indebtedness secured thereby) but failure to include such a provision in any such mortgage shall not affect the validity of such mortgage (or the indebtedness secured thereby).

10. A mortgagee shall have the right to notify the Secretary of the association of the existence of a mortgage on a lot. The Secretary shall maintain such information in a special book or file. If requested by the mortgagee, the Secretary may report to a mortgagee of a lot any unpaid assessments or other default by the owner of such lot. A copy of every notice of default and claim for delinquent installment or assessment or claim of lien sent by the Association to a lot owner may also be sent to the mortgagee of the lot whose name and address has hereto fore been furnished the Association, however, the failure to send such notice to the mortgagee or the lot owner shall not affect the validity of the lien filed in accordance with law in the official records of St. Tammany Parish, Louisiana.

11. The depository of the Association shall be such bank or banks as shall be designated from time to time by the Board of Directors. Withdrawals of money from such accounts shall be only by check signed by persons authorized by resolution of the Board of Directors. All funds collected by the Association from assessments may be commingled in a single fund but they shall be held for the lot owners and credited to accounts from which shall be paid the expenses for which the respective assessments were made. The records of the Association shall be maintained to evidence the amount due by each lot and lot owner to the Association.

12. Any obligation of the Association or any of its Officers contained in this Article may be assigned or delegated to an agent of the Association pursuant to an agreement entered into between the Association and the firm, person or corporation designated by the Association.

Article VI
EXTENT OF LEGAL ACTION

Notwithstanding any other authority granted to the Board of Directors herein, the Board of Directors shall take no legal action against any firm, person or corporation in the name of and on behalf of Del Sol Homeowners Association, Inc., except for the following suits or actions:

1. A suit to enforce any lien and/or seeking collection of monies due as provided herein;
and
2. A suit to enforce the Restrictive Covenants, Articles, ByLaws or Rules and Regulations of Del Sol Subdivision.

Subject to the foregoing limitations, legal action may also be filed on behalf of the Association if authorized by the Architectural Control Committee while Class B shares are outstanding.

No other suits, demands or claims in law or in equity shall be filed in any court.

Article VII
NOTICES

1. Any notice required by the Restrictive Covenants, Articles or By-Laws of Del Sol Subdivision or by law to be given in writing by any lot owner to another lot owner or the Association or its Board of Directors or by the Association or its Board of Directors to any lot owner, Association member or other person or entity shall be deemed sufficient if delivered personally, deposited in the United States mail, or delivered electronically by e-mail to the address listed in the records of the Association. All proof of mailing shall be by the affidavit of the person mailing and the affidavit shall be prima facia proof that notice has been given, addressed to the registered office of the Association, as filed with the Louisiana Secretary of State, with respect to the Association, and to the last address of such lot owner, Association member or other person appearing in the records of the Association.

2. A written waiver of any required notice, executed by the person or persons entitled to such notice, whether executed before or after the required time for the notice, shall be deemed equivalent to the required notice.

Article VIII
PARLIAMENTARY RULES

Roberts Rules of Order (latest edition) shall govern the conduct of Association proceedings when not in conflict with the Restrictive Covenants, Articles of Incorporation or these By-Laws or with the Laws of the State of Louisiana.

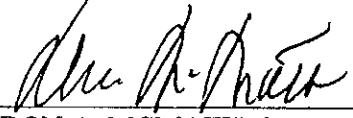
Article IX
AMENDMENTS

Amendments to the By-Laws shall be proposed and adopted in the following manner:

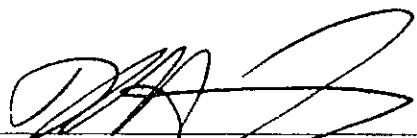
1. A resolution adopting a proposed amendment must receive approval by (a) a vote or by written consent of fifty one (51%) percent of a quorum present at a meeting with the approval of the Developer while it is a Class B member, or (b) by the Developer alone without a vote as long as the Developer is a Class B member. Until the first election of Directors by the members at an annual meeting, By-Laws may be amended and/or adopted by the unanimous vote of the Directors or by the Developer.
2. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is considered for any amendment by the Members. Neither notice nor a meeting is required for an amendment by the Developer.
3. An amendment may be proposed by the Board of Directors, by any member of the Association, or by the Developer.
4. An amendment when adopted as set forth in this Article shall become effective only after a copy of the same, certified by the President and Secretary as having been duly adopted, is recorded with the Clerk of Court of St. Tammany Parish, Louisiana, in the same manner as recordation of the original Restrictive Covenants to which the original Articles of Incorporation and By-Laws are annexed as an exhibit.
5. These By-Laws may be amended by a majority vote of the Board of Directors, if necessary to make the same consistent with the provisions of the Articles of Incorporation and the Restrictive Covenants and as required by law.
6. No amendment shall discriminate against any lot owner (including the Developer) or against any lot or class or group of lots unless the lot owner so affected shall consent.

7. No amendment to these By-Laws shall operate to change any lot owner's share of the total expenses of the Association, or change the voting rights of its members, unless the record owner of the lot concerned and all mortgagees who have duly recorded instruments in the records of St. Tammany Parish and whose mortgage is registered with the Secretary of this Association shall join in the execution of the amendment.

I, Don A. McMath, Secretary of Del Sol Homeowners Association, Inc., herein referred to as the Association, do hereby certify that the above and foregoing is a true and correct copy of the By-Laws of the Association adopted by the Board of Directors of the Association in accordance with the articles and in accordance with law on the 10th day of August, 2007.


DON A. MCMATH, Secretary

ATTEST:


TIMOTHY R. HENNING, President