

Lafourche Parish Recording Page

Annette M. Fontana
CLERK OF COURT
PO BOX 818
303 W 3rd St
Thibodaux, LA 70302
(985) 447-4841

First VENDOR

CARO ESTATES OF BAYOU BLUE PHASE 4

First VENDEE

-DECLARATION OF COVENANTS & RESTRICTIONS

Index Type : CONVEYANCE

Inst Number : 1224785

Type of Document : DECLARATION RESTRICTIONS

Book : 2045 **Page :** 80

Recording Pages : 33

Recorded Information

I hereby certify that the attached document was filed for registry and recorded in the Clerk of Court's office for Lafourche Parish, Louisiana

On (Recorded Date) : 08/16/2016

At (Recorded Time) : 1:47:16PM



Doc ID - 032650120033

ORIGINAL
1/1/11

**DECLARATION OF
COVENANTS & RESTRICTIONS
FOR
Caro Estates of Bayou Blue Phase 4
(Hidden Meadows)
LAFOURCHE PARISH, LOUISIANA**

DECLARANT

R.J. Developments, LLC -- Developer

**DECLARATION OF COVENANTS & RESTRICTIONS
FOR**

Caro Estates of Bayou Blue Phase 4

TABLE OF CONTENTS

	<u>Page</u>
<u>DECLARATION OF COVENANTS & RESTRICTIONS FOR</u>	3
<u>ARTICLE 1 DEFINITIONS</u>	4
<u>ARTICLE 2 THE PROPERTY</u>	5
<u>ARTICLE 3 PROPERTY SERVITUDES & RIGHTS</u>	5
<u>ARTICLE 4 COMMON AREA</u>	7
<u>ARTICLE 5 ARCHITECTURAL COVENANTS</u>	7
<u>ARTICLE 6 USE RESTRICTIONS</u>	9
<u>ARTICLE 7 ASSOCIATION OPERATIONS</u>	11
<u>ARTICLE 8 COVENANT FOR ASSESSMENTS</u>	13
<u>ARTICLE 9 ASSESSMENT LIEN</u>	15
<u>ARTICLE 10 ENFORCING THE COMMUNITY DOCUMENTS</u>	16
<u>ARTICLE 11 MAINTENANCE AND REPAIR OBLIGATIONS</u>	17
<u>ARTICLE 12 MORTGAGEE PROTECTION</u>	18
<u>ARTICLE 13 AMENDMENTS</u>	19
<u>ARTICLE 14 DISPUTE RESOLUTION</u>	19
<u>ARTICLE 15 DECLARANT RIGHTS & RESERVATIONS</u>	22
<u>ARTICLE 16 GENERAL PROVISIONS</u>	27
<u>EXECUTION</u>	28
<u>EXHIBIT A DESCRIPTION OF SUBJECT LAND</u>	
<u>EXHIBIT B CONSTRUCTION SPECIFICATIONS</u>	

**DECLARATION OF COVENANTS & RESTRICTIONS
FOR**

**Caro Estates of Bayou Blue
Phase 4**

STATE OF LOUISIANA

PARISH OF LAFOURCHE

PROPERTY LOCATED IN SECTIONS 36 & 37, T16S – R17E

DATE OF SIGNING June 14, 20016

BE IT KNOWN, that on the date set forth above, this Declaration of Covenants & Restrictions for the above-named Property is made by R.J. DEVELOPMENTS, L.L.C.-"**Declarant**"), a Louisiana Limited Liability Company, by and through its duly authorized below-named representative, who did depose and say that Declarant owns certain immovable property located in the above-named Parish and described in Exhibit A attached hereto, together with the improvements thereon (the "**Property**").

WHEREAS, Declarant desires to establish a general plan of development for the Property and to provide for the operation, administration, and maintenance of the Property or portions thereof. Declarant deems it advisable to create a residential planned community on the Property, with a Homeowners association to perform the functions and activities more fully described in this Declaration and the other Community Documents.

NOW THEREFORE, in accordance with La. Civil Code Article 775, et seq., and the Louisiana Homeowners Association Act (La. R.S. 9:1141.1-9:1148), Declarant hereby establishes and imposes the following building, use and subdivision restrictions and restrictive covenants as charges affecting the Property.

ARTICLE 1
DEFINITIONS

- 1.1. "**Act**" means the Louisiana Homeowners Association Act.
- 1.2. "**Architectural Reviewer**" means the entity having jurisdiction over a particular application for architectural approval. During the Development Period, the Architectural Reviewer is Declarant, Declarant's designee, or Declarant's delegate. Thereafter, the Board-appointed Architectural Control Committee is the Architectural Reviewer.
- 1.3. "**Assessment**" means any charge levied against a Lot or Owner by the Association, pursuant to the Community Documents or State law.
- 1.4. "**Association**" means the association of Owners of all Lots in the Property, and serving as the "Homeowners association" defined in Section 1141.2(5) of the Act.
- 1.5. "**Board**" means the Board of Directors of the Association.
- 1.6. "**Common Area**" means portions of immovable property and improvements thereon that are owned and/or maintained by the Association, and as the term is defined in Section 1141.2(2) of the Act.
- 1.7. "**Community Documents**" means, singly or collectively as the case may be, this Declaration, the subdivision Plat, the Bylaws of the Association, the Association's Articles of Incorporation, and any rules of the Association, as any of these may be amended from time to time, and as the term is defined in Section 1141.2(3) of the Act.
- 1.8. "**Declarant**" means R.J. DEVELOPMENTS, L.L.C, a Louisiana Limited Liability Company, which is developing the Property, or the successors and assigns of R.J. DEVELOPMENTS, L.L.C, which is or may be designated as Successor Declarant by R.J. DEVELOPMENTS, L.L.C, or by any such successor and assign, in a recorded document, executed by both Declarant and Successor Declarant in the case of a voluntary assignment. In executing this instrument, Declarant is the appearer.
- 1.9. "**Declaration**" means this document, as it may be amended from time to time, and also has the meaning of "declaration" as defined in Section 1141.2(4) of the Act. This Declaration comes within the meaning of "Building Restrictions" as provided by La. Civil Code Article 775, et seq.
- 1.10. "**Development Period**" is defined in Article 15 of this Declaration.
- 1.11. "**Lot**" means a portion of the Property intended for independent ownership and residential use, as defined in Section 1141.2(6) of the Act. As a defined term, "Lot" does not refer to Common Areas, even if platted and numbered as a lot. Where the context indicates or requires, "Lot" includes all improvements thereon and any portion of a right-of-way that customarily is used exclusively by and in connection with the Lot.
- 1.12. "**Owner**" means a holder of recorded fee simple title to a Lot. Every Owner is a member of the Association.
- 1.13. "**Parish**" means the parish in which the Property is located.

1.14. "**Plat**" means all subdivision plats, singly and collectively, recorded in the conveyance records of the above-named Parish, pertaining to the Property, including all dedications, limitations, restrictions, servitudes, notes, and reservations shown on the plat, as it may be amended from time to time.

1.15. "**Property**" means the land described in Exhibit A of this Declaration, and includes every Lot and any Common Area thereon and all improvements, servitudes, easements, rights, and appurtenances to the land, all of which is subject to this Declaration, and also has the meaning of "Association property" as defined in Section 1141.2(1) of the Act. The Property is a "Residential planned community" within the meaning of Section 1141.2(7) of the Act.

ARTICLE 2 THE PROPERTY

2.1. **GENERAL PROVISIONS.** The terms of this Declaration constitute building restrictions, covenants and real rights running with the Property, which shall run with title to the Property and shall be binding on the Property and on all parties having or acquiring any right, title, or interest in the Property, their heirs, successors, and assigns, and all parties claiming under them. The Property shall be held, transferred, sold, conveyed, leased, occupied, used, insured, and encumbered subject to this Declaration, even if the Declaration is not specifically referred to in the instrument of sale, transfer, lease or encumbrance.

2.2. **ADDITIONAL PROPERTY.** Additional immovable property may be annexed to the Property and subjected to the Declaration and the jurisdiction of the Association on approval of Owners representing at least two-thirds of the Lots in the Property, or, during the Development Period, by Declarant as permitted in Article 15. Annexation of additional property is accomplished by recording a supplemental declaration, or amendment of annexation, including an amendment of Exhibit A, in the conveyance records of the Parish.

2.3. **ADJACENT LAND USE.** The Association and Declarant make no representation of any kind as to the current or future uses, actual or permitted, of any land that is adjacent to or near the Property, regardless of what the Plat shows as potential uses of adjoining land.

ARTICLE 3 PROPERTY SERVITUDES & RIGHTS

3.1. **DECLARANT RIGHTS.** A number of provisions in the Declaration are modified by Declarant's rights and reservations under the Declaration during the Development Period. These rights and reservations are found in Article 15 of this Declaration, which controls over anything to the contrary elsewhere in this Declaration.

3.2. **OWNER'S RIGHT TO BUILD.** That a Lot remains vacant and unimproved for a period of years, even decades, does not diminish the right of the Owner to construct improvements on the Lot, nor does a vacant Lot enlarge the rights of Owners of neighboring Lots, who may have become so accustomed to the open space that they expect it to remain unimproved forever.

3.3. **ASSOCIATION'S ACCESS SERVITUDE.** Each Owner, by accepting an interest in or title to a Lot, whether or not it is so expressed in the instrument of conveyance, grants to the Association a servitude of access and entry over, across, under, and through the Property, including without limitation all Common Areas and the Owner's Lot and all improvements thereon - for the below-described purposes.

3.3.1. Purposes. Subject to the limitations stated below, the Association may exercise this servitude of access and entry for the following express purposes:

- a. To inspect the property for compliance with maintenance and architectural standards.
- b. To perform maintenance that is permitted or required of the Association by the Community Documents or by applicable law.
- c. To perform maintenance that is permitted or required of the Owner by the Community Documents or by applicable law, if the Owner fails or refuses to perform such maintenance.
- d. To enforce architectural standards.
- e. To enforce use restrictions.
- f. The exercise of self-help remedies permitted by the Community Documents or by applicable law.
- g. To enforce any other provision of the Community Documents.
- h. To respond to emergencies.
- i. To grant servitudes to utility providers as may be necessary to install, maintain, and inspect utilities serving any portion of the Property.
- j. To perform any and all functions or duties of the Association as permitted or required by the Community Documents or by applicable law.

3.3.2. Limitations. If the exercise of this servitude requires entry onto an Owner's Lot, including into an Owner's fenced yard, the entry will be during reasonable hours and after notice to the Owner. This Subsection does not apply to situations that - at time of entry - are deemed to be emergencies that may result in imminent damage to or loss of life or property. In exercising this servitude on an Owner's Lot, the Association is not liable to the Owner for trespass.

3.4. SECURITY. The Association may, but is not obligated to, maintain or support certain activities within the Property designed to improve safety in or on the Property. Each Owner and resident acknowledges and agrees, for himself and his guests, that Declarant, the Association, and their respective directors, officers, committees, agents, and employees are not providers, insurers, or guarantors of security within the Property. Each Owner and resident acknowledges and accepts his sole responsibility to provide security for his own person and property and assumes all risks for loss or damage to the same. Each Owner and resident acknowledges and agrees that Declarant, the Association, and their respective directors, officers, committees, agents, and employees may not be held liable for any loss or damage by reason of failure to provide adequate security or ineffectiveness of security measures undertaken.

ARTICLE 4

COMMON AREA

4.1. OWNERSHIP. The designation of immovable property as a Common Area is determined by the Plat and this Declaration, and not by the ownership of the property. At its expense, Declarant may install, construct, or authorize certain improvements on Common Areas in connection with the initial development of the Property. Thereafter, all costs attributable to Common Areas, such as maintenance, property taxes, insurance, and enhancements, are automatically the responsibility of the Association, regardless of the nature of title to the Common Areas, unless this Declaration elsewhere provides for a different allocation for a specific Common Area.

4.2. ACCEPTANCE. By accepting an interest in or title to a Lot, each Owner is deemed (1) to accept the Common Area of the Property, and any improvement thereon, in its then-existing "as is" condition; (2) to acknowledge the authority of the Association, acting through its Board, for all decisions pertaining to the Common Area; (3) to acknowledge that transfer of a Common Area's title to the Association by or through the Declarant is a ministerial task that does not require acceptance by the Association; and (4) to acknowledge the continuity of maintenance of the Common Area, regardless of changes in the Association's Board or management.

4.3. COMPONENTS. The Common Area of the Property consists of the following components on or adjacent to the Property, even if located on a Lot or a public right-of-way:

- a. All of the Property, save and except the Lots.
- b. Any area shown on the Plat as a Common Area or an area to be maintained by the Association. (Drainage Ponds, Landscaping at Entrance, Tower, Treatment Plant and along Cypress St, median Cypress St at Bayou Bend.)
- c. The entry feature, screening feature, and sign monument - if any.
- d. Any modification, replacement, or addition to any of the above-described areas and improvements.
- e. Movable property owned by the Association, such as books and records, office equipment, and supplies.

4.4. LIMITED COMMON AREA. If it is in the best interest of the Association, a portion of the Common Area may be licensed, leased, or allocated to one or more Lots for their sole and exclusive use, as a limited Common Area ("Limited Common Area"), whether or not the area is so designated on the Plat. Inherent in the limiting of a Common Area, maintenance of the Limited Common Area becomes the responsibility of the Owner, rather than the Association. For example, a Common Area that is difficult to access and maintain except via the adjoining Lot might be a candidate for Limited Common Area.

ARTICLE 5

ARCHITECTURAL COVENANTS

5.1. PURPOSE. Because the Lots are part of a single, unified community, this Declaration creates rights to regulate the design, use, and appearance of the Lots and Common Areas in order to preserve and enhance the Property's value and architectural harmony. One purpose of this Article is to promote and ensure the level of taste, design, quality, and harmony by which the Property is developed and maintained. Another purpose is to prevent improvements and modifications that may be widely considered to be radical, curious, odd, bizarre, or peculiar in comparison to the existing improvements. A

third purpose is to regulate the appearance of every aspect of proposed or existing improvements on a Lot. During the Development Period, a primary purpose of this Article is to reserve and preserve Declarant's right of architectural control.

5.2. ARCHITECTURAL CONTROL DURING THE DEVELOPMENT PERIOD. During the Development Period, neither the Association, the Board, nor a committee appointed by the Association or Board (no matter how the committee is named) may involve itself with the approval of new improvements on vacant Lots. During the Development Period, the Architectural Reviewer for new improvements on vacant Lots is the Declarant or its delegates.

5.2.1. Declarant's Rights Reserved. Each Owner, by accepting an interest in or title to a Lot, whether or not it is so expressed in the instrument of conveyance, covenants and agrees that Declarant has a substantial interest in ensuring that the improvements within the Property enhance Declarant's reputation as a community developer and do not impair Declarant's ability to sell homes in the Property. Accordingly, each Owner agrees that - during the Development Period - no improvements will be started or progressed on Owner's Lot without the prior written approval of Declarant, which approval may be granted or withheld at Declarant's sole discretion. In reviewing and acting on an application for approval, Declarant may act solely in its self-interest and owes no duty to any other person or any organization. Declarant may designate one or more persons from time to time to act on its behalf in reviewing and responding to applications.

5.2.2. Delegation by Declarant. During the Development Period, Declarant may from time to time, but is not obligated to, delegate all or a portion of its reserved rights under this Article to (1) a modifications or architectural committee appointed by Declarant or by the Board, (2) a modifications or architectural committee elected by the Owners, or (3) a committee comprised of architects, engineers, or other persons who may or may not be members of the Association. Any such delegation must be in writing and must specify the scope of delegated responsibilities. Any such delegation is at all times subject to the unilateral rights of Declarant (1) to revoke such delegation at any time and reassume jurisdiction over the matters previously delegated and (2) to veto any decision which Declarant in its sole discretion determines to be inappropriate or inadvisable for any reason.

5.3. ARCHITECTURAL CONTROL BY ASSOCIATION. Unless and until such time as Declarant delegates all or a portion of its reserved rights to the Architectural Control Committee (the "ACC"), or the Development Period is terminated or expires, the Association has no jurisdiction over architectural matters. On termination or expiration of the Development Period, or earlier if delegated in writing by Declarant, the Association, acting through the ACC will assume jurisdiction over architectural control.

5.4. LIMITS ON LIABILITY. The Architectural Reviewer has sole discretion with respect to taste, design, and all standards specified by this Article. The Architectural Reviewer and each of its members has no liability for decisions made in good faith by the Architectural Reviewer and which are not arbitrary or capricious. The Architectural Reviewer is not responsible for: (1) errors in or omissions from the plans and specifications submitted to the Architectural Reviewer, (2) supervising construction for the Owner's compliance with approved plans and specifications, or (3) the compliance of the Owner's plans and specifications with governmental codes and ordinances, state and federal laws.

5.5. PROHIBITION OF CONSTRUCTION, ALTERATION & IMPROVEMENT. Without the Architectural Reviewer's prior written approval, a person may not construct a dwelling or make an addition, alteration, improvement, installation, modification, redecoration, or reconstruction of or to the Property, if it will be visible from a street, another Lot, or the Common Area. Any construction, addition, alteration, improvement, installation, modification, redecoration, or reconstruction of or to the Property must be in accordance with the construction specifications described in Exhibit B. The Architectural

Reviewer has the right but not the duty to evaluate every aspect of construction, landscaping, and property use that may adversely affect the general value or appearance of the Property.

5.6. ARCHITECTURAL APPROVAL. To request architectural approval, an Owner must make written application to the Architectural Reviewer and submit 2 identical sets of plans and specifications showing the nature, kind, shape, color, size, materials, and locations of the work to be performed. In support of the application, the Owner may but is not required to submit letters of support or non-opposition from Owners of Lots that may be affected by the proposed change. The application must clearly identify any requirement of this Declaration for which a variance is sought. The Architectural Reviewer will return one set of plans and specifications to the applicant marked with the Architectural Reviewer's response, such as "Approved," "Denied," or "More Information Required." The Architectural Reviewer will retain the other set of plans and specifications, together with the application, for the Architectural Reviewer's files. Verbal approval by an Architectural Reviewer, the Declarant, an Association director or officer, a member of the ACC, or the Association's managing agent does not constitute architectural approval by the appropriate Architectural Reviewer, which must be in writing.

5.6.1. Deemed Approval. The applicant may presume that his request has been approved by the Architectural Reviewer (1) if the applicant has not received the Architectural Reviewer's written response - approving, denying, or requesting additional information - within 60 days after delivering his complete application to the Architectural Reviewer, and (2) if the proposed improvement or modification strictly conforms to requirements and construction specifications contained in this Declaration and in any design guidelines for the Property in effect at the time of application. If those conditions are satisfied, the Owner may proceed with the improvement, provided he adheres to the plans and specifications which accompanied his application, and provided he initiates and completes the improvement in a timely manner. In exercising deemed approval, the burden is on the Owner to document the Architectural Reviewer's actual receipt of the Owner's complete application. Under no circumstance may approval of the Architectural Reviewer be deemed, implied, or presumed for an improvement or modification that would require a variance from the requirements and construction specifications contained in this Declaration and in any design guidelines for the Property in effect at the time of application.

5.6.2. Building Permit. If the application is for work that requires a building permit from a governmental body, the Architectural Reviewer's approval is conditioned on the issuance of the appropriate permit. The Architectural Reviewer's approval of plans and specifications does not mean that they comply with the requirements of the governmental body. Alternatively, governmental approval does not ensure Architectural Reviewer approval.

5.6.3. Declarant Approved. Notwithstanding anything to the contrary in this Declaration, any improvement to the Property made or approved by Declarant during the Development Period is deemed to have been approved by the Architectural Reviewer.

ARTICLE 6

USE RESTRICTIONS

6.1. VARIANCE. The use of the Property is subject to the restrictions contained in this Article, and subject to rules adopted pursuant to this Article. The Declarant, during the Development Period, or the Board, thereafter, may grant a variance or waiver of a restriction or rule on a case-by-case basis when unique circumstances dictate and may limit or condition its grant. To be effective, a variance must be in writing. The grant of a variance does not effect a waiver or estoppel of the right to deny a variance in other circumstances. Approval of a variance or waiver may not be deemed, implied, or presumed under any circumstance.

6.2. LIMITS TO RIGHTS. No right granted to an Owner by this Article or by any provision of the Community Documents is absolute. The Community Documents grant rights with the expectation that the rights will be exercised in ways, places, and times that are customary for the neighborhood. This Article and the Community Documents as a whole do not try to anticipate and address every creative interpretation of the restrictions. The rights granted by this Article and the Community Documents are at all times subject to the Board's determination that a particular interpretation and exercise of a right is significantly inappropriate, unattractive, or otherwise unsuitable for the neighborhood, and thus constitutes a violation of the Community Documents. In other words, the exercise of a right or restriction must comply with the spirit of the restriction as well as with the letter of the restriction.

6.3. ASSOCIATION'S RIGHT TO PROMULGATE RULES. The Association, acting through its Board, is granted the right to adopt, amend, repeal, and enforce reasonable rules, and penalties for infractions thereof, regarding the occupancy, use, disposition, maintenance, appearance, and enjoyment of the Property.

6.4. ANIMAL RESTRICTIONS. No animal, bird, fish, reptile, or insect of any kind may be kept, maintained, raised, or bred anywhere on the Property for any commercial purpose or for food. The only animals permitted on the Property are customary domesticated household pets, which may be kept subject to rules adopted by the Board. Pets must be kept in a manner that does not disturb the peaceful enjoyment of residents of other Lots.

6.5. ANNOYANCE. No Lot or Common Area may be used in any way that: (1) may reasonably be considered annoying to neighbors; (2) may be calculated to reduce the desirability of the Property as a residential neighborhood; (3) may endanger the health or safety of residents of other Lots; (4) may result in the cancellation of insurance on the Property; or (5) violates any law. The Board has the sole authority to determine what constitutes an annoyance.

6.6. APPEARANCE. Both the Lot and the dwelling must be maintained in a manner so as not to be unsightly when viewed from the street or neighboring Lots. The Architectural Reviewer is the arbitrator of acceptable appearance standards.

6.7. BUSINESS USE. A resident may use a dwelling for business uses, such as telecommuting, personal business, and professional pursuits, provided that: (1) the uses are incidental to the primary use of the dwelling as a residence; (2) the uses conform to applicable governmental ordinances; (3) the uses do not entail visits to the Lot by employees or the public in quantities that materially increase the number of vehicles parked on the street; and (4) the uses do not interfere with the residential use and enjoyment of neighboring Lots by other residents.

6.8. DECLARANT PRIVILEGES. Declarant has reserved a number of rights and privileges to use the Property in ways that are not available to other Owners and residents, as provided in Article 15 of this Declaration. Declarant's exercise of any right granted to it during the Development Period that appears to violate a rule or a use restriction of this Article does not constitute waiver or abandonment of the restriction by the Association as applied to Owners other than Declarant.

6.9. DRAINAGE. No person may interfere with the established drainage pattern over any part of the Property unless an adequate alternative provision for proper drainage has been approved by the Board.

6.10. NOISE & ODOR. A resident must exercise reasonable care to avoid making or permitting to be made loud, disturbing, or objectionable noises or noxious odors that are likely to disturb or annoy residents of neighboring Lots. The rules may prohibit the use of noise-producing security devices.

6.11. OCCUPANCY. Other than the completed principal dwelling, no thing or structure on a Lot may be occupied as a residence at any time by any person. This provision applies, without limitation, to the garage, mobile homes, campers, and storage sheds.

6.12. RESIDENTIAL USE. The use of a house Lot is limited exclusively to residential purposes or any other use permitted by this Declaration, including limited business uses described above. For clarification, only single family use is permitted, which anticipates an adult, his/her spouse and/or significant other and their children constitute single family use, as single family use is no more than two adults, related by marriage and/or as partners, and their direct descendants.

6.13. SCREENING. An Owner may be required to screen anything determined by the Architectural Reviewer to be unsightly or inappropriate for a residential subdivision. Screening may be achieved with fencing or with plant material, such as trees and bushes, or any combination of these. If plant material is used, a reasonable period of time is permitted for the plants to reach maturity as an effective screen. As used in this Section, "screened from view" refers to the view of a person in a passenger vehicle driving on a street or alley, or the view of a person of average height standing in the middle of a yard of an adjoining Lot.

6.14. TELEVISION. Each resident of the Property will avoid doing or permitting anything to be done that may unreasonably interfere with the television, radio, telephonic, electronic, microwave, cable, or satellite reception on the Property. Antennas, satellite or microwave dishes, and receiving or transmitting towers that are visible from a street or from another Lot are prohibited within the Property, except (1) reception-only antennas or satellite dishes designed to receive television broadcast signals, (2) antennas or satellite dishes that are one meter or less in diameter and designed to receive direct broadcast satellite service (DBS), or (3) antennas or satellite dishes that are one meter or less in diameter or diagonal measurement and designed to receive video programming services via multipoint distribution services (MDS) (collectively, the "Antenna") are permitted if located (a) inside the structure (such as in an attic or garage) so as not to be visible from outside the structure, (b) in a fenced yard, or (c) attached to or mounted on the rear wall of a structure below the eaves. If an Owner determines that an Antenna cannot be located in compliance with the above guidelines without precluding reception of an acceptable quality signal, the Owner may install the Antenna in the least conspicuous location on the Lot where an acceptable quality signal can be obtained. The Association may adopt reasonable rules for the location, appearance, camouflaging, installation, maintenance, and use of the Antennas to the extent permitted by public law.

ARTICLE 7

ASSOCIATION OPERATIONS

7.1. THE ASSOCIATION. The existence and legitimacy of the Association is derived from this Declaration and the Bylaws of the Association. The Association must be a nonprofit organization, and may be unincorporated or incorporated, as the Association decides from time to time. If the Association incorporates, the subsequent failure of the Association to maintain its corporate charter from time to time does not affect the existence or legitimacy of the Association. The duties and powers of the Association are those set forth in the Community Documents, together with the general and implied powers of a Homeowners association. Generally, the Association may do any and all things that are lawful and necessary, proper, or desirable in operating for the peace, health, comfort, and general benefit of its members, subject only to the limitations on the exercise of such powers as stated in the Community Documents. The Association comes into existence when this Declaration is publicly recorded in the Parish records and will continue to exist at least as long as this Declaration, as it may be amended, is effective against all or part of the Property.

7.2. BOARD. The Association is governed by the Board. Unless the Association's Bylaws or Articles of Incorporation provide otherwise, the Board will consist of at least 3 persons elected by the members at the annual meeting of the Association, or at a special meeting called for that purpose. Unless the Community Documents expressly reserve a right, action, or decision to the Owners, Declarant, or another party, the Board acts in all instances on behalf of the Association. Unless the context indicates otherwise, references in the Community Documents to the "Association" may be construed to mean "the Association acting through its Board."

7.3. MEMBERSHIP. Each Owner is a member of the Association, ownership of a Lot being the sole qualification for membership. Membership is appurtenant to and may not be separated from ownership of the Lot. The Board may require satisfactory evidence of transfer of ownership before a purported Owner is entitled to vote at meetings of the Association. If a Lot is owned by more than one person or entity, each co-Owner is a member of the Association and may exercise the membership rights appurtenant to the Lot. A member who sells his Lot under a bond for deed may delegate his membership rights to the contract purchaser, provided a written assignment is delivered to the Board. However, the contract seller remains liable for all assessments attributable to his Lot until fee title to the Lot is transferred.

7.4. DECISION-MAKING. Any decision or act of the Association may be made by or at the direction of the Board, unless the Community Documents reserve the decision or act to the members, the Declarant, or any other person or group. Unless the Community Documents or applicable law provide otherwise, any action requiring approval of the members may be approved (1) at a meeting by Owners of at least a majority of the Lots that are represented at the meeting, provided notice of the meeting was given to an Owner of each Lot, or (2) in writing by Owners of at least a majority of all Lots, provided the opportunity to approve or disapprove was given to an Owner of each Lot.

7.5. MANAGING AGENT. The Board may delegate the performance of certain functions to one or more managing agents of the Association. Notwithstanding a delegation of its functions, the Board is ultimately responsible to the members for governance of the Association.

7.6. VOTING. One indivisible vote is appurtenant to each Lot. The total number of votes equals the total number of Lots in the Property. If additional property is made subject to this Declaration, the total number of votes will be increased automatically by the number of additional Lots. Each vote is uniform and equal to the vote appurtenant to every other Lot, except during the Development Period as permitted in Article 15. Cumulative voting is not allowed. Votes may be cast by written proxy, according to the requirements of the Association's Bylaws.

7.7. INDEMNIFICATION. Indemnified expenses include, without limitation, reasonable attorney's fees, whether or not a lawsuit is filed, and costs at all court levels, including expenses incurred by a person in establishing the right to be indemnified, defended, and held harmless pursuant to this Declaration. The Association may maintain general liability and directors and officers liability insurance to fund this obligation.

7.7.1. Association Leaders. The Association indemnifies every present and former officer, director, committee chair, and committee member (for purposes of this Section, "Leaders") against expenses, including attorney's fees, reasonably incurred by or imposed on the Leader in connection with an action, suit, or proceeding to which the Leader is a party by reason of being or having been a Leader. A Leader is not liable for a mistake of judgment, negligent or otherwise. A Leader is liable for his willful misfeasance, malfeasance, misconduct, or bad faith. This right to indemnification does not exclude any other rights to which present or former Leaders may be entitled. Additionally, the Association may indemnify a person who is or was an employee, trustee, agent, or attorney of the Association, against any liability asserted against him and incurred by him

in that capacity and arising out of that capacity.

7.7.2. Indemnity for Common Area Operations. The Association indemnifies, defends, and holds harmless Declarant against any loss, claim, demand, damage, cost, and expense relating to or arising out of the management and operation of the Association, including without limitation, the collection of assessments, the enforcement of the Community Documents, and the operation and maintenance of the Property's Common Areas.

ARTICLE 8

COVENANT FOR ASSESSMENTS

8.1. PURPOSE OF ASSESSMENTS. The Association will use assessments for the purposes of preserving and enhancing the Property, and for the common benefit of Owners and residents, including but not limited to maintenance of immovable and movable property, management and operation of the Association, and any expense reasonably related to the purposes for which the Property was developed. If made in good faith, the Board's decision with respect to the use of assessments is final.

8.2. PERSONAL OBLIGATION. An Owner is obligated to pay assessments levied by the Board against the Owner or his Lot. An Owner makes payment to the Association at its principal office or at any other place the Board directs. Payments must be made in full regardless of whether an Owner has a dispute with the Association, another Owner, or any other person or entity regarding any matter to which this Declaration pertains. No Owner may exempt himself from his assessment liability by waiver of the use or enjoyment of the Common Area or by abandonment of his Lot. An Owner's obligation is not subject to offset by the Owner, nor is it contingent on the Association's performance of the Association's duties. Payment of assessments is both a continuing affirmative covenant personal to the Owner and a continuing covenant running with the Lot.

8.3. TYPES OF ASSESSMENTS. There are 3 types of assessments: Regular, Special, and Individual.

8.3.1. Regular Assessments. Regular assessments are based on the annual budget. Each Lot is liable for its equal share of the annual budget. If the Board fails to determine new regular assessments for any year, Owners will continue to pay the regular assessment as last determined. If during the course of a year the Board determines that regular assessments are insufficient to cover the estimated common expenses for the remainder of the year, the Board may increase regular assessments for the remainder of the fiscal year in an amount that covers the estimated deficiency. Regular assessments are used for common expenses related to the reoccurring, periodic, and anticipated responsibilities of the Association, including but not limited to:

- a. Maintenance, repair, and replacement, of the Common Area.
- b. Utilities and services billed to the Association.
- c. Taxes on property owned by the Association and the Association's income taxes.
- d. Management, legal, accounting and professional fees for services to the Association.
- e. Operating expenses.
- f. Premiums and deductibles on insurance policies and bonds deemed by the Board to be necessary or desirable for the benefit of the Association.

- g. Contributions to the reserve funds.
- h. Any other expense which the Association is required by law or the Community Documents to pay, or which in the opinion of the Board is necessary or proper for the operation and maintenance of the Property or for enforcement of the Community Documents.

8.3.2. Special Assessments. In addition to regular assessments, the Board may levy one or more special assessments against all Lots for the purpose of defraying, in whole or in part, common expenses not anticipated by the annual budget or reserve funds. Special assessments do not require the approval of the Owners, except that special assessments for the following purposes must be approved by Owners of at least a majority of the Lots: (1) acquisition of immovable property, other than the purchase of a Lot at the sale foreclosing the Association's lien against the Lot; (2) construction of additional improvements within the Property, but not replacement of original improvements; and (3) any expenditure that may reasonably be expected to significantly increase the Association's responsibility and financial obligation for operations, insurance, maintenance, repairs, or replacement.

8.3.3. Individual Assessments. In addition to regular and special assessments, the Board may levy an individual assessment against a Lot and Its Owner. Individual assessments may include, but are not limited to: interest, late charges, and collection costs on delinquent assessments; reimbursement for costs incurred in bringing an Owner or his Lot into compliance with the Community Documents; fines for violations of the Community Documents; fees or charges by the managing agent of the Association for services provided to, or for the benefit of, one Lot; common expenses that benefit fewer than all of the Lots, which may be assessed according to benefit received; fees or charges levied against the Association on a per-Lot basis; and "pass through" expenses for services to Lots provided through the Association and which are equitably paid by each Lot according to benefit received.

8.4. BASIS & RATE OF ASSESSMENTS. The share of liability for common expenses allocated to each Lot is uniform for all Lots; subject, however, to an exemption for Declarant provided in Article 15.

8.5. ANNUAL BUDGET. The Board will prepare and approve an estimated annual budget for each fiscal year.

8.6. DUE DATE. The Board may levy regular assessments on any periodic basis - annually, semi-annually, quarterly, or monthly. Regular assessments are due on the first day of the period for which levied. Special and individual assessments are due on the date stated in the notice of assessment or, if no date is stated, within 10 days after notice of the assessment is given. Assessments are delinquent if not received by the Association on or before the due date.

8.7. RESERVE FUNDS. The Association may establish, maintain, and accumulate reserves for operations and for replacement and repair of Common Area improvements. Declarant is not required to fund reserves.

8.8. ASSOCIATION'S RIGHT TO BORROW MONEY. The Association is granted the right to borrow money, subject to the consent of Owners of at least a majority of Lots and the ability of the Association to repay the borrowed funds from assessments. To assist its ability to borrow, the Association is granted the right to encumber, mortgage, or pledge any of its immovable or movable property, and the right to assign its right to future income, as security for money borrowed or debts incurred, provided that the rights of the lender in the pledged property are subordinate and inferior to the rights of the Owners hereunder.

8.9. LIMITATIONS OF INTEREST. Notwithstanding anything to the contrary in the Community Documents or any other document or agreement executed or made in connection with the Association's collection of assessments, the Association will not in any event be entitled to receive or collect, as interest, a sum greater than the maximum amount permitted by applicable law.

8.10. EFFECT OF NONPAYMENT OF ASSESSMENTS. An assessment is delinquent if the Association does not receive payment in full by the assessment's due date. The Association, acting through the Board, is responsible for taking action to collect delinquent assessments. From time to time, the Association may delegate some or all of the collection procedures and remedies, as the Board in its sole discretion deems appropriate, to the Association's managing agent, an attorney, or a debt collector. Neither the Board nor the Association, however, is liable to an Owner or other person for its failure or inability to collect or attempt to collect an assessment. The following remedies are in addition to and not in substitution for all other rights and remedies which the Association has.

- a. Delinquent assessments bear interest from the date due until paid, at a rate to be determined by the Board from time to time, not to exceed ten (10%) percent per annum, and reasonable late fees, at a rate to be determined by the Board from time to time.
- b. If an assessment is being paid in installments, the Association may accelerate the remaining installments.
- c. The Owner who has not paid the assessment is liable to the Association for reimbursement of reasonable costs incurred by the Association to collect the delinquent assessments, such as attorney's fees.
- d. If the delinquent assessment is more than thirty (30) days past due, the Association may suspend the right to vote appurtenant to the Lot.
- e. The Association may file suit seeking a money judgment against the Owner, without foreclosing or waiving the Association's lien for assessments, may notify and communicate with the holder of any lien against a Lot regarding the Owner's default and payment of assessments and may foreclose its lien against the Lot by judicial or non-judicial means.

ARTICLE 9 **ASSESSMENT LIEN**

9.1. ASSESSMENT LIEN. Each Owner, by accepting an interest in or title to a Lot, whether or not it is so expressed in the instrument of conveyance, covenants and agrees to pay assessments to the Association. Each assessment is a charge on the Lot and is secured by a continuing lien on the Lot. Each Owner, and each prospective Owner, is placed on notice that his title may be subject to the continuing lien for assessments attributable to a period prior to the date he purchased his Lot.

9.2. SUPERIORITY OF MORTGAGE LIEN. The assessment lien on a Lot is subordinate and inferior to (1) a recorded mortgage securing a loan for construction of the original dwelling, (2) a first or senior purchase money vendor's lien or mortgage and any renewal, modification or refinancing thereof, (3) a home equity or reverse mortgage which is a renewal, extension, or refinance of a first or senior purchase money vendor's lien or mortgage recorded before the date on which the delinquent assessment became due, and (4) an FHA-insured or VA-guaranteed mortgage.

9.3. EFFECT OF MORTGAGEE'S FORECLOSURE. Foreclosure of a superior lien extinguishes the Association's claim against the Lot for unpaid assessments that became due before the sale, but does not

extinguish the Association's claim against the former Owner. The purchaser at the foreclosure sale of a superior lien is liable for assessments coming due from and after the date of the sale, and for the Owner's pro rata share of the pre-foreclosure deficiency as an Association expense.

9.4. NOTICE AND RELEASE OF NOTICE. The Association's lien for assessments is created by recordation of a sworn detailed statement in accordance with the requirements of La.R.S. 9:1145-9:1148, which constitutes record notice and perfection of the lien.

9.5. FORECLOSURE OF LIEN. The assessment lien may be enforced by judicial or non-judicial foreclosure. In any foreclosure, the Owner is required to pay the Association's costs and expenses for the proceedings, including reasonable attorney's fees. The Association has the power to bid on the Lot at foreclosure sale and to acquire, hold, lease, mortgage, and convey same.

ARTICLE 10

ENFORCING THE COMMUNITY DOCUMENTS

10.1. NOTICE AND HEARING. Before the Association may exercise certain of its remedies for a violation of the Community Documents or damage to the Property, the Association must give an Owner written notice and an opportunity for a hearing, according to the requirements and procedures in the Bylaws and in applicable law. Notices are also required before an Owner is liable to the Association for certain charges, including reimbursement of attorney's fees incurred by the Association.

10.2. REMEDIES. The remedies provided in this Article for breach of the Community Documents are cumulative and not exclusive. In addition to other rights and remedies provided by the Community Documents and by applicable law, the Association has the following rights to enforce the Community Documents, subject to applicable notice and hearing requirements (if any):

10.2.1. Fine. The Association may levy fines for each act of violation or for each day a violation continues.

10.2.2. Suspension. The Association may suspend the right of Owners and residents to use Common Areas for any period during which the Owner or resident, or the Owner or resident's family, guests, employees, agents, or contractors violate the Community Documents.

10.2.3. Self-Help. The Association has the right to enter any part of the Property, including Lots, to abate or remove, using force as may reasonably be necessary, any improvement, thing, animal, person, vehicle, or condition that violates the Community Documents. In exercising this right, the Board is not trespassing and is not liable for damages related to the abatement. The Board may levy its costs of abatement against the Lot and Owner as an individual assessment. The Board will make reasonable efforts to give the violating Owner prior notice of its intent to exercise self-help. The notice may be given in any manner likely to be received by the Owner. Prior notice is not required (1) in the case of emergencies, (2) to remove violative signs, (3) to remove violative debris, or (4) to remove any other violative item or to abate any other violative condition that is easily removed or abated and that is considered a nuisance, dangerous, or an eyesore to the neighborhood.

10.2.4. Suit. Failure to comply with the Community Documents will be grounds for an action to recover damages or for injunctive relief to cause any such violation to be remedied, or both.

10.3. BOARD DISCRETION. The Board may use its sole discretion in determining whether to pursue a violation of the Community Documents, provided the Board does not act in an arbitrary or

capricious manner. In evaluating a particular violation, the Board may determine that under the particular circumstances (1) the Association's position is not sufficiently strong to justify taking any further action; (2) the provision being enforced is or may be construed as inconsistent with applicable law; (3) although a technical violation may exist, it is not of such a material nature as to be objectionable to a reasonable person or to justify expending the Association's resources; or (4) that enforcement is not in the Association's best interest, based on hardship, expense, or other reasonable criteria.

10.4. NO WAIVER. The Association and every Owner has the right to enforce all restrictions, conditions, covenants, liens, and charges now or hereafter imposed by the Community Documents. Failure by the Association or by any Owner to enforce a provision of the Community Documents is not a waiver of the right to do so thereafter. If the Association does waive the right to enforce a provision, that waiver does not impair the Association's right to enforce any other part of the Community Documents at any future time. No officer, director, or member of the Association is liable to any Owner for the failure to enforce any of the Community Documents at any time.

10.5. RECOVERY OF COSTS. The costs of curing or abating a violation are at the expense of the Owner or other person responsible for the violation. If legal assistance is obtained to enforce any provision of the Community Documents, or in any legal proceeding (whether or not suit is brought) for damages or for the enforcement of the Community Documents or the restraint of violations of the Community Documents, the prevailing party is entitled to recover from the non-prevailing party all reasonable and necessary costs incurred by it in such action, including reasonable attorney's fees.

ARTICLE 11

MAINTENANCE AND REPAIR OBLIGATIONS

11.1. ASSOCIATION MAINTAINS. The Association's maintenance obligations will be discharged when and how the Board deems appropriate. The Association maintains, repairs, and replaces, as a common expense, the portions of the Property listed below, regardless of whether the portions are on Lots or Common Areas.

- a. The Common Areas.
- b. Any immovable and movable property owned by the Association but which is not a Common Area, such as a Lot owned by the Association.
- c. Any property adjacent to the Property if maintenance of same is deemed to be in the best interests of the Association, and if not prohibited by the owner or operator of said property.
- d. Drainage ponds that are located within the Development are to be maintained by the Association.
- e. Landscaping at Entrance, around Tower, Treatment Plant and along Cypress Street are to be maintained by the Association.
- f. Any area, item, servitude, or service - the maintenance of which is assigned to the Association by this Declaration, by the Parish, or by the Plat.

11.2. OWNER RESPONSIBILITY. Every Owner has the following responsibilities and obligations for the maintenance, repair, and replacement of the Property, subject to the architectural control requirements:

11.2.1. House Maintenance. Each Owner, at the Owner's expense, must maintain all improvements on said Lot. Maintenance includes preventative maintenance, repair as needed, and replacement as needed. Each Owner is expected to maintain his Lot's improvements at a level, to

a standard, and with an appearance that is commensurate with the neighborhood. Specifically, each Owner must repair and replace worn, rotten, deteriorated, and unattractive materials, and must regularly repaint all painted surfaces.

11.2.2. Yard Maintenance. Each Owner, at the Owner's expense, must maintain the yards on his Lot at a level, to a standard, and with an appearance that is commensurate with the neighborhood. "**Yards**" means all parts of the Lot other than the dwelling, including fenced and unfenced portions of the Lot.

11.3. OWNER'S DEFAULT IN MAINTENANCE. If the Board determines that an Owner has failed to properly discharge his obligation to maintain, repair, and replace items for which the Owner is responsible, the Board may give the Owner written notice of the Association's intent to provide the necessary maintenance at Owner's expense. The notice must state, with reasonable particularity, the maintenance deemed necessary and a reasonable period of time in which to complete the work. If the Owner fails or refuses to timely perform the maintenance, the Association may do so at Owner's expense, which is an individual assessment against the Owner and his Lot. In case of an emergency, however, the Board's responsibility to give the Owner written notice may be waived and the Board may take any action it deems necessary to protect persons or property, the cost of the action being the Owner's expense.

ARTICLE 12 **MORTGAGEE PROTECTION**

12.1. PURCHASE MONEY MORTGAGEE RIGHTS. As used in this Article, "**Purchase Money Mortgagee**" means a holder, insurer, or guarantor of a purchase money mortgage secured by a recorded senior or first mortgage against a Lot, or any renewal, modification, or refinancing thereof. The Purchase Money Mortgagee has the following rights:

- a. Its lien against the Lot is superior to the Association's lien for assessments.
- b. An action to terminate the legal status of the Property after substantial destruction or condemnation must be approved by a majority of the Purchase Money Mortgagees, in addition to the required consents of Owners.
- c. An action to terminate the legal status for reasons other than substantial destruction or condemnation must be approved by at least two-thirds of the Purchase Money Mortgagees.
- d. A Purchase Money Mortgagee may inspect the Association's books and records, by appointment, during normal business hours.
- e. A Purchase Money Mortgagee may have an audited statement prepared at its own expense.
- f. A Purchase Money Mortgagee is exempt from any right of first refusal imposed by the Association with respect to a lease, sale, or transfer of a Lot.
- g. A Purchase Money Mortgagee may attend and address any meeting of the Association which an Owner may attend.

12.2 COMMUNICATIONS WITH MORTGAGEE. If the Community Documents or public law require the consent of Purchase Money Mortgagees for an act, decision or amendment by the Association, the approval of a Purchase Money Mortgagee is implied when the Purchase Money Mortgagee fails to respond within thirty (30) days after receiving the Association's written request for approval of a proposed amendment, provided the Association's request was delivered by certified or registered mail,

return receipt requested.

ARTICLE 13 AMENDMENTS

13.1. **CONSENTS REQUIRED.** As permitted by this Declaration, certain amendments of this Declaration may be approved by Declarant alone, or by the Board alone. Otherwise, amendments to this Declaration must be approved by Owners of at least a majority of the Lots. Approval of Owners does not require that the amendment be signed by the consenting Owners, or that consents be executed and acknowledged by the approving Owners.

13.2. **EFFECTIVE.** To be effective, an amendment must be in the form of a written instrument (1) referencing the name of the Property, the name of the Association, and the recording data of this Declaration and any amendments hereto, (2) reciting the authority by which approved, and (3) recorded in the conveyance records of the parish in which the Property is located.

13.4 **DECLARANT PROVISIONS.** Declarant has an exclusive right to unilaterally amend this Declaration for the purposes stated in Article 15. No amendment may affect Declarant's rights under this Declaration without Declarant's written and acknowledged consent, which must be part of the recorded amendment instrument. This Section may not be amended without the Declarant's written and acknowledged consent.

13.5. **MERGER.** Merger or consolidation of the Association with another association must be evidenced by an amendment to this Declaration. During the Development Period, the amendment must be approved by Declarant. After the Development Period, the amendment must be approved by Owners of at least a majority of the Lots.

ARTICLE 14 DISPUTE RESOLUTION

14.1. **INTRODUCTION & DEFINITIONS.** The Association, the Owners, Declarant, all persons subject to this Declaration, and any person not otherwise subject to this Declaration who agrees to submit to this Article (collectively, the "**Parties**") agree to encourage the amicable resolution of disputes involving the Property and to avoid the emotional and financial costs of litigation if at all possible. Accordingly, each Party hereby covenants and agrees that this Article applies to all claims as hereafter defined. As used in this Article only, the following words, when capitalized, have the following specified meanings:

14.1.1. "**Claim**" means any claim, grievance, or dispute between Parties involving the Property, except Exempt Claims, as defined below, and including without limitation (1) claims arising out of or relating to the interpretation, application or enforcement of the Community Documents, (2) claims related to the rights and/or duties of Declarant as Declarant under the Community Documents, and (3) claims relating to the design, construction, or maintenance of the Property.

14.1.2. "**Claimant**" means any Party having a Claim against any other Party.

14.1.3. "**Exempt Claims**" means the following claims or actions, which are exempt from this Article:

- a. The Association's claim for assessments, and any action by the Association to collect assessments.

- b. An action by a Party to obtain a temporary restraining order or equivalent emergency equitable relief, and such other ancillary relief as the court deems necessary to maintain the status quo and preserve the Party's ability to enforce the provisions of this Declaration.
- c. Enforcement of the servitudes, architectural control, maintenance, and use restrictions of this Declaration.
- d. A suit to which an applicable statute of limitations would expire within the notice period of this Article, unless a Party against whom the Claim is made agrees to toll the statute of limitations as to the Claim for the period reasonably necessary to comply with this Article.

14.1.4. "**Respondent**" means the Party against whom the Claimant has a Claim.

14.2. MANDATORY PROCEDURES. Claimant may not file suit in any court or initiate any proceeding before any administrative tribunal seeking redress or resolution of its Claim until Claimant has complied with the procedures of this Article.

14.3. NOTICE. Claimant must notify Respondent in writing of the Claim (the "**Notice**"), stating plainly and concisely: (1) the nature of the Claim, including date, time, location, persons involved, and Respondent's role in the Claim; (2) the basis of the Claim (i.e., the provision of the Community Documents or other authority out of which the Claim arises); (3) what Claimant wants Respondent to do or not do to resolve the Claim; and (4) that the Notice is given pursuant to this Section.

14.4. NEGOTIATION. Claimant and Respondent will make every reasonable effort to meet in person to resolve the Claim by good faith negotiation. Within 60 days after Respondent's receipt of the Notice, Respondent and Claimant will meet at a mutually-acceptable place and time to discuss the Claim. At such meeting or at some other mutually-agreeable time, Respondent and Respondent's representatives will have full access to the property that is subject to the Claim for the purposes of inspecting the property. If Respondent elects to take corrective action, Claimant will provide Respondent and Respondent's representatives and agents with full access to the property to take and complete corrective action.

14.5. MEDIATION. If the parties negotiate but do not resolve the Claim through negotiation within 120 days from the date of the Notice (or within such other period as may be agreed on by the parties), Claimant will have 30 additional days within which to submit the Claim to mediation by a mediator on which the parties mutually agree. If Claimant does not submit the Claim to mediation within the 30-day period, Claimant is deemed to have waived the Claim, and Respondent is released and discharged from any and all liability to Claimant on account of the Claim.

14.6. TERMINATION OF MEDIATION. If the Parties do not settle the Claim within 30 days after submission to mediation, the mediator will issue a notice of termination of the mediation proceedings indicating that the Parties are at an impasse and the date that mediation was terminated. Thereafter, Claimant may file suit or initiate administrative proceedings on the Claim, as appropriate.

14.7. ALLOCATION OF COSTS. Except as otherwise provided in this Section, each Party bears all of its own costs incurred prior to and during the proceedings described in the Notice, Negotiation, and Mediation sections above, including its attorney's fees. Respondent and Claimant will equally divide all expenses and fees charged by the mediator.

14.8. ENFORCEMENT OF RESOLUTION. Any settlement of the Claim through negotiation or mediation will be documented in writing and signed by the Parties. If any Party thereafter fails to abide by the terms of the agreement, then the other Party may file suit or initiate administrative proceedings to enforce the agreement without the need to again comply with the procedures set forth in this Article. In that event, the Party taking action to enforce the agreement is entitled to recover from the non-complying Party all costs incurred in enforcing the agreement, including, without limitation, attorney's fees and court costs.

14.9. LITIGATION APPROVAL & SETTLEMENT. The initiation of any judicial or administrative proceeding by the Association is subject to the following conditions in addition to the above alternate dispute resolution procedures. Each Owner, by accepting an interest in or title to a Lot, whether or not it is so expressed in the instrument of conveyance, covenants and agrees to be bound by this Section. This Section may not be amended without the approval of Owners of at least 75 percent of the Lots.

14.9.1. Owner Approval. The Association may not initiate any judicial or administrative proceeding without the prior approval of Owners of at least a majority of the Lots, except that no such approval is required (1) to enforce provisions of this Declaration, including collection of assessments; (2) to challenge condemnation proceedings; (3) to enforce a contract against a contractor, vendor, or supplier of goods or services to the Association; (4) to defend claims filed against the Association or to assert counterclaims in a proceedings instituted against the Association; or (5) to obtain a temporary restraining order or equivalent emergency equitable relief when circumstances do not provide sufficient time to obtain the prior consents of Owners in order to preserve the status quo.

14.9.2. Higher Approval of Certain Suits. Also, the Association may not initiate any judicial or administrative proceeding against Declarant, a builder, Association officers and directors, or the managing agent of the Association without the approval of Owners representing at least 75 percent of the Lots.

14.9.3. Funding Litigation. Except in the case of a temporary restraining order or equivalent emergency equitable relief when circumstances do not provide sufficient time to levy a special assessment, the Association must levy a special assessment to fund the estimated costs of litigation prior to initiating a judicial or administrative proceeding. The Association may not use its annual operating income, reserve funds, or savings to fund litigation, unless the Association's annual budget or a savings account was established and funded from its inception as a litigation reserve fund.

14.9.4. Settlement. The Board, on behalf of the Association and without the consent of Owners, is hereby authorized to negotiate settlement of litigation, and may execute any document related thereto, such as settlement agreements and waiver or release of claims.

ARTICLE 15

DECLARANT RIGHTS & RESERVATIONS

15.1. GENERAL PROVISIONS.

15.1.1. General Reservation & Construction. Notwithstanding other provisions of the Community Documents to the contrary, nothing contained therein may be construed to, nor may any mortgagee, other Owner, or the Association, prevent or interfere with the rights contained in this Article which Declarant hereby reserves exclusively unto itself and its successors and assigns. In case of conflict between this Article and any other Community Document, this Article controls. This Article may not be amended without the prior written consent of Declarant. The terms and

provisions of this Article must be construed liberally to give effect to Declarant's intent to protect Declarant's interests in the Property.

15.1.2. Purpose of Development Period. This Article gives Declarant certain rights during the Development Period to ensure a complete and orderly build out and sellout of the Property, which is ultimately for the benefit and protection of Owners and mortgagees.

15.1.3. Intent to Build. Declarant, in its own name or through its affiliates, intends to construct dwellings on the Lots in connection with the sale of the Lots. However, Declarant may, without notice, sell some or all of the Lots to individuals or builders to improve the Lots with dwellings to be sold and occupied. In that event, Declarant may be expected to amend this Declaration to add provisions addressing the role of a builder in the Property. The Declarant shall have the power to determine that any builder or construction tradesman is unsuitable for construction work on the Property and to prohibit the builder or tradesman from working on any project in the subdivision or on any lot.

15.1.4 Right of First Refusal. Declarant reserves the right to buy back any lot that was previously purchased by any individual or home builder.

15.2. DEFINITIONS. As used in this Article and elsewhere in the Community Documents, the following words and phrases have the following specified meanings:

15.2.1. **"Additional Land"** means immovable property which may be added to the Property and subjected to this Declaration by Declarant, as described in Section 15.5.2.

15.2.2. **"Development Period"** means that period of time during which Declarant has certain rights pursuant to this Article, such as rights relating to governance, architectural control, development, construction, expansion, and marketing of the Property. The Development Period is for a term of years and does not require that Declarant own land described in Exhibit A. The duration of the Development Period will be from the date this Declaration is recorded until the later of (1) 20 years after this Declaration is recorded, or (2) 60 days after title to 100 percent of the Lots that may be created in the Property and on the Additional Land have been improved with dwellings and conveyed to Owners other than Declarant, affiliates of Declarant, or builders. Notwithstanding the foregoing, Declarant may voluntarily terminate the Development Period with a written notice executed by Declarant and recorded in the conveyance records of the Parish.

15.2.3. **"Unilaterally"** means that the Declarant may take the authorized action without the consent, approval, vote, or joinder of any other person, such as Owners, mortgagees, and the Association.

15.3. DEVELOPMENT PERIOD RESERVATIONS - GOVERNANCE. Declarant reserves the following powers, rights, and duties during the Development Period:

15.3.1. Incorporation of Association. Declarant will incorporate the Association as a Louisiana nonprofit corporation before the end of the Development Period.

15.3.2. Officers & Directors. During the Development Period, the Board may consist of 3 persons. During the Development Period, Declarant may appoint, remove, and replace any officer or director of the Association, none of whom need be members or Owners, and each of whom is indemnified by the Association as a "Leader." Declarant's unilateral right to remove and replace officers and directors applies to officers and directors who were elected or designated by Owners other than Declarant, as well as to Declarant's appointees.