

TOWNHOME DECLARATION

STATE OF LOUISIANA

CREATING

PARISH OF ST. TAMMANY

OAK CREST HARBOUR

TOWNHOMES

BE IT KNOWN, that on this 31st day of May, 1990, BEFORE ME, Martha L. Jumonville, a Notary Public, duly commissioned and qualified in and for the Parish and State aforesaid, and in the presence of the undersigned competent witnesses, personally came and appeared:

COLONNADE HOMES CORPORATION, a Louisiana corporation represented herein by Gregory M. Peace, President, authorized by virtue of Resolution of the Board of Directors recorded with the Clerk of Court, St. Tammany Parish at COB 1372, folio 929, its mailing address being: P.O. Box 1075, Mandeville, La. 70470

WHO AFTER BEING DULY SWORN, did declare and state that

WHEREAS, Colonnade Homes Corporation did purchase thirteen (13) condominium units and the undivided interest in the common area attributable thereto, located in Oak Crest Harbour Condominiums, by act recorded on March 27, 1990, with the Clerk of Court, St. Tammany Parish, Louisiana, at COB 1416, folio 581, Instrument Number 745752,

AND WHEREAS, the condominium units so purchased by appeared were created by virtue of declaration of the original developer dated January 15, 1983, recorded with the Clerk of Court, St. Tammany Parish as COB 1086, folio 303, Instrument Number 502348.

AND WHEREAS, the condominium declaration established fifteen (15) units and provided in Article IX of the original declaration that the declaration could be amended by vote or agreement of Unit owners to which at least eight (80%) per cent of the votes of the property owner's association are allocated, AND WHEREAS, appearer herein is the owner of 13/15 of the total votes, or 87%, and thus has, alone, the requisite votes to amend the declaration,

AND WHEREAS, Colonnade Homes Corporation has approved the necessary zoning and resubdivision changes necessary to conversion of the one condominium lot into fifteen townhome lots and one common area (Lot T), by the adoption of Ordinance 90-3, and the approval of the resubdivision map and plat of Fontcuberta Surveys, Incorporated,

AND WHEREAS, appearer herein desires to complete the conversion of the development from condominiums to fee simple

townhomes,

NOW THEREFORE, Colonnade Homes Corporation, appearer herein, does hereby amend and restate the original declaration dated January 15, 1983, and recorded in COB 1086, folio 303, so that the property described in full therein, and as more recently described by reference to the re-subdivision map of Fontcuberta Surveys Incorporated, Map File No. -----' shall be hereafter fee simple townhomes on individual townhome lots created by the said plat, which shall be known as OAK CREST HARBOUR TOWNHOMES, so that every owner therein, including those who own property this date or who hereafter acquire, shall hold, convey, hypothecate, encumber, lease, rent, use, occupy and improve the property subject to the following covenants, conditions, restrictions, uses, limitations and obligations, which shall be deemed to run with the Property in perpetuity.

DEFINITIONS

- 1) "Townhome" is the property regime under which a portion of the immovable property in this development is subject to individual ownership and the remainder (Lot T) is owned in indivision by each townhome owner.
- 2) "Townhome Lot" means each of the fifteen (15) individual lots, together with all improvements thereon, and all servitudes and rights appertaining thereto. The townhome lot is that part of the property under this regime which is subject to individual ownership, and includes such accessory rights and obligations as are stipulated in this declaration.
- 3) "Lot Designation" means the number or other designation which is used to identify a particular townhome lot in this declaration.
- 4) "Common Elements" means that portion of the townhome property which is not a part of any townhome lot but is owned in common by all townhome lot owners, in the percentages given herein. This property is designated as Lot T on the resubdivision map and plat of Fontcuberta Surveys Incorporated, approved by the City of Mandeville, and duly filed with the Clerk of Court as referenced hereinabove.
- 4) "Townhome Association" or "Association" means and refers to The Oak Crest Harbour Townhome Association, Inc. (formerly The Oak Crest Harbour Condominium Association, Inc.), the name of which is being changed to reflect the conversion to townhomes on the official books of the Secretary of State, at the same time this

declaration is being filed. The corporation is and remains a non-profit property owners' association composed of the unit owners and through which the unit owners manage and regulate the townhome property.

5) "Common Expenses" means and includes:

a) Expenses of administration, maintenance, repair, or replacement of the common elements including improvements.

b) Expenses declared to be common expenses in this declaration or the By-Laws of the Association.

c) Expenses agreed upon as common expenses by the requisite vote of the townhome lot owners.

6) "Townhome Documents" include the Townhome Declaration, the Articles of Incorporation and By-Laws of the Association, budgets of the Association, and the like, all as may be amended from time to time.

7) "Survey" or "Plat" means there-subdivision survey of Fontcubert Surveys Incorporated, filed as Map File No. ____

8) "Board of Directors" or "Board" means the Board of Directors of Oak Crest Harbour Townhome Association, Inc.

9) "Townhome Declaration" or "Declaration" is this instrument by which the development herein is changed by title from a condominium development to a fee simple townhome development.

ARTICLE I DESIGNATION OF TOWNHOME LOTS

Each townhome lot established on the re-subdivision survey including all improvements thereon, shall constitute a separate parcel of immovable property which may be owned, conveyed, transferred and encumbered in the same manner as any other parcel of immovable property. Each lot shall have an identifying number and/or letter as shown on said Survey, as follows:

T1 329 Jackson Avenue	T9 303 Jackson Avenue	T2 327
Jackson Avenue	T10 307 Jackson Avenue	T3 317
Jackson Avenue	T11 311 Jackson Avenue	T4 315
Jackson Avenue	T12 319 Jackson Avenue	T5 313
Jackson Avenue	T13 321 Jackson Avenue	T6 309
Jackson Avenue	T14 323 Jackson Avenue	T7 305
Jackson Avenue	T1S 325 Jackson Avenue	T8 301
Jackson Avenue		

OWNERSHIP OF COMMON AREA (LOT T)

Ownership of a townhome lot as described in the preceding paragraph includes the following:

1) An undivided percentage ownership interest in the Common

Elements or Areas, amounting to Six and 67/100 (6.67%) per cent therein.

2) All rights afforded an undivided co-owner to use all Common Elements as provided in this act.

3) An obligation to pay 6.67% of the common expenses of the Association, and should there be any surplus, the same percentage ownership interest therein.

4) All rights, privileges and obligations of the prior Unit or townhome lot owner in the Association.

5) Such other interests or obligations as may be provided by-law or in this Act.

BOUNDARIES

Each townhome lot is created by and therefore has the boundaries as shown on the Fontcuberta Surveys Incorporated Survey which, as approved by the City of Mandeville, and filed with the Clerk of Court, St. Tammany Parish, Map File No.____ subject to any encroachments as are contained in the buildings now or occur by settlement or movement of the buildings, or permissible repairs, reconstruction or alterations.

SERVITUDES FOR ENCROACHMENTS, UTILITIES, ACCESS FOR REPAIRS, AND INGRESS AND EGRESS

If any portion of the Common Element now or hereafter encroaches upon any townhome lot, or if any improvement on any townhome lot now or hereafter encroaches upon any other townhome lot or upon any portion of the Common Elements, as a result of construction, settling, shifting or any other reason, a legal and valid servitude or a valid easement for the encroachment and for the maintenance of the same so long as the encroachment stands, shall exist without further formality. Likewise, any encroachments caused by rebuilding after fire damage shall create a legal and valid servitude or a valid easement so long as that building stands. Such encroachments shall not be construed to be encumbrances affecting the marketability of title to any townhome lot.

Further, each townhome lot does hereby receive and is likewise burdened with servitudes and/or easements in favor of each other townhome lot and the Association for ingress and egress and for

access to any and all utility, water, plumbing, sewerage, electrical systems which may be totally or partially located on one townhome lot but servicing improvements on other townhome lots.

Further, each townhome lot does hereby receive and is likewise burdened with servitudes and/or easements in favor of each other townhome lot and the Association for ingress and egress over and through the Common Elements and over and through each townhome lot, for maintenance, repair and/or replacement of the improvements on any townhome lot or the Common Elements, or for the furnishing of cable television and all other utilities and services and for structural support.

PROHIBITION AGAINST FURTHER SUBDIVISION OF ANY TOWNHOME LOT In no case shall any townhome lot be subdivided or converted into two or more townhome lots.

ARTICLE II COMMON ELEMENTS

The Common Elements shall be used in accordance with and subject to the following provisions: PERCENTAGE OF OWNERSHIP

Each townhome lot owner shall have an undivided interest in the Common Elements, Common Expenses, and if any, Common Surplus of the townhome property equal to 1/15 or 6.67%. This percentage ownership is an inseparable component of ownership and shall not be altered without the consent of all townhome lot owners consenting in writing in an amendment to this

3) Nuisances. No nuisances shall be permitted upon the property nor shall any use or practice be allowed which is the source of annoyance to residents or which interferes with the peaceful possession and proper use of the property by its residents.

All parts of the property shall be kept in a clean and sanitary condition, and no rubbish, refuse or garbage allowed to accumulate nor any fire hazard allowed to exist. No townhome owner shall permit any use of his townhome or of Common Elements, which will increase the rate of insurance or maintenance upon the townhome property.

4) Pets. No animals, livestock or poultry of any kind shall be raised, bred or kept on any of the properties except that dogs, cats or other household pets may be kept provided that they are for personal and not for commercial purpose, and shall be subject

to the rules of the Association and any governmental ordinances/laws. Dogs shall be leashed at all times when outside the townhome, and shall be confined for excretion, to such areas as the Association may designate from time to time. Pets determined by the Association to be a nuisance may be ordered to be kept indoors or expelled from the property.

5) Prohibited Work. A townhome owner shall not do anything that would jeopardize the soundness or safety of the townhome property, reduce its value or impair any servitude in its favor or the favor of any other townhome lot.

6) Prohibited Vehicles. No commercial vehicles, no commercial trucks and no recreational vehicles shall be stored or parked on the townhome property, unless there for a limited time to provide service to a townhome (such a furniture delivery truck, moving van, plumbers truck, providing services to an owner).

A recreational vehicle shall include motor homes, motor coaches, buses, camping trailers or trailers of any type.

ARTICLE IV

ADMINISTRATION, MAINTENANCE AND REPAIRS OF THE PROPERTIES The original developer caused to be incorporated as a non-profit corporation, Oak Crest Harbour Condominium Association, Inc., the name of which is being changed by Amendment to the Articles of Incorporation, executed at the same time this declaration is executed. The new name, in keeping with the conversion to townhomes herein, is Oak Crest Harbour Townhome Association Inc. The membership of the Association at all times shall consist exclusively of all townhome owners, each of whom shall have one (1) vote in the Association for each townhome owned. The Association is to be the manager of the properties herein known as Oak Crest Harbour Townhomes. Any purchaser of any townhome described herein shall be deemed to have assented to such designation and management, and ratified and approved same.

The Association is granted all of the powers necessary to govern, manage, maintain, repair, administer and regulate the townhome properties and to perform all of the duties required of it. The Association shall be responsible for the maintenance, repair and replacement of all Common Elements except as may be hereinafter provided for as the responsibility of the townhome owners. The Association shall be responsible for grass cutting,

landscaping and other lawn maintenance. The Association shall be responsible for the maintenance and repair of exterior surfaces of the buildings, including without limitation, painting as often as necessary, the replacement of trim and caulking, the maintenance and repair of roofs, the maintenance and repair of other Common Elements, including utility lines, and other improvements or materials located within or used in connection with the Common Elements, including walkways, bulkheads, swimming pool, and docks.

The Association may obtain and pay for the services of any person or entity to manage its affairs, or any part thereof, to the extent it deems advisable, as well as such other personnel as the Association shall determine to be necessary or desirable for the proper operation of the project, whether such personnel or employed directly by the Association or by any person or entity with whom or which it contracts. The Association may obtain and pay for legal and accounting services necessary or desirable in connection with the operation of the project or the enforcement of this Declaration.

The Association shall provide insurance for the townhome property as required by law and as more fully set forth hereinafter in this Declaration.

The Association shall have a reasonable right of entry upon the townhome lot premises to effect emergency or necessary repairs which the owner has failed to perform.

THE RESPONSIBILITY OF THE TOWNHOME OWNER SHALL BE AS FOLLOWS:

a) To maintain, repair, and replace at his expense, all portions of the townhome except that which the Association maintains, repairs and replaces as specified herein.

b) All air conditioning units, compressors, and the like, which are solely for the use of specified individual townhomes, wherever located.

c) To perform his responsibilities in such a manner so as not to unreasonably disturb other persons residing within the development.

d) Not to change the appearance of the townhome or the Common Element insofar as the exterior, or any portion of the townhome or the Common Elements without the permission of the

Association.

e) To promptly report to the Association or its agent if so designated, any defect or need for repairs, the responsibility for the remedying of which is with the Association.

f) Not to make any alterations to the townhome building or to remove any portion thereof or make any additions thereto or do anything which would or might jeopardize or impair the safety or soundness or alter the appearance of the building without first obtaining written permission and consent of the Board of Directors of the Association.

g) To maintain, repair and replace all electrical and plumbing fixtures and installations which service his townhome.

ARTICLE V

ASSESSMENTS

1) Assessments. Each owner, upon transfer of title, agrees to pay the Association: (1) assessments or charges, and (2) special assessments to be fixed, established and collected from time to time as herein provided. Such assessments, together with late fee and or interest, and the cost of collection in the event of delinquency in payment as allowed hereinafter, also shall be the personal obligation of the person who was the owner or the persons jointly and severally who were the owners at the time when the assessment was made. Payment of assessments shall be made by the owners to the Association on a monthly basis.

The Association shall collect from each owner at the closing when the owner purchases a townhome lot, and from each new owner at each subsequent resale, the first monthly assessment, and such owner's initial capital contribution set forth in Article VI (1.) hereof.

Each townhome owner shall be assessed 6.67% of any and all Regular or special charges or assessments, which charges and assessments shall be made for the purposes described below.

2) Purpose of Assessments. The assessments levied by the Association shall be exclusively for the management and maintenance of the townhome development, for the performance of duties and obligations incurred by the Association pursuant to this Declaration, for repairs, replacement, maintenance and

insurance of the Common Elements, administration expenses, working capital, the hiring of personnel necessary for implementation, and in connection with other duties to be performed under this Declaration or that the Association, in its opinion, shall determine to be necessary and desirable, including the establishment and maintenance of a cash reserve for such repairs, maintenance and other expenses to be incurred as herein specified. In the event repairs are required resulting from negligent acts of a townhome owner, his family, guests, employees, invitees, or lessees, the Association shall be reimbursed forthwith by such owner thereof.

3) Basis of Assessments.

a.) Common Expenses- Each townhome owner shall pay his share of the expense of maintenance, repair, replacement, administration and operation of the properties in accordance with the percentage of ownership and liability as set out herein.

b) Individual Assessments- The Association shall have the right to add to any owner's assessment, as provided in this Article, those amounts expended by the Association for the benefit of any townhome lot and/or the owner or owners thereof, including, but not limited to, insurance as provided herein- after repairs and replacements caused by the negligent or willful acts of any owner, his family, guests, employees, licensees or invitees, and all other expenditures provided for in this Declaration or the By-Laws.

c) Levy of Assessments- The Board shall, during the last month of each calendar year, determine the estimated annual assessment to be made by each owner and payable periodically during the following year provided, however, that said assessments may be adjusted if deemed necessary by the Association but no more than twice in any one year. As soon as practicable after the close of each calendar year actual expenses shall be totaled and a complete financial report presented to the Association at the annual meeting.

d) Nonexemption - No owner shall be exempt or relieved from payment of any assessment or charge by the abandonment or leaving of his townhome.

4) Special Assessments. In addition to the assessments authorized above for maintenance and repairs, the Board may levy special assessments for the purpose of defraying in whole or in part the cost of any construction or reconstruction, unexpected structural repairs, or replacement or capital improvements, including the necessary fixtures and personal property related thereto.

ARTICLE VI

1) Initial Capital Contribution. The Association shall levy and collect from the owners at the closings when the owners purchase or acquire a townhome lot, and from each new owner at each subsequent resale an initial capital contribution of Three Hundred (\$300.00) Dollars, or such amount as the Board shall deem necessary as working capital, and may be used to satisfy any expense of the Association.

2) Nonpayment of Assessments.

a) Assessments and fees shall be due and payable on the first day of each month, and shall become delinquent if not received by the tenth day of that month. All unpaid assessments and fees shall be subject to a late charge for nonpayment as may be determined from time to time by the Board. If such fees or assessments are not paid by the tenth day of the month in which they are due, they shall incur a late fee of \$25 per month of delinquency or any other reasonable rate fixed by the Board and uniformly applied. In the event it shall become necessary for the Board to collect any delinquent assessments or fees, whether by the filing of a lien created by law and by this Declaration, or by other collection methods, the owner who is delinquent, and his townhome lot shall be responsible for late charges and interest as provided herein in addition to the assessment and or fee and all costs of collection, including a reasonable attorney's fee and costs incurred by the Board in enforcing payment against the owner and/or the property owned by him.

b) The Association is hereby granted the right to enforce collection of these monthly or periodic assessments by any legal means including the filing of a lien against the

townhome property of the owner. Said lien shall be duly executed and recorded in accordance with the law of the State of Louisiana. Such lien shall be subject and subordinate to and shall not affect the right of a holder of any prior recorded mortgage, lien or privilege on the lot against which the lien is filed.

c) In the event an owner is in default on any obligation by an encumbrance of his lot, the Board may, at its option, pay the amount due on said obligation and file a lien against the townhome lot in the manner as provided for herein for unpaid assessments or fees.

d) The sale or transfer of any interest by an owner does not affect or release any assessments and/or fees due, nor any lien filed to preserve them.

e) In the case of the conveyance of a townhome lot pursuant to foreclosure proceedings or a dation en paiement, in an arms-length, bona fide, transaction of this type, such transfer of title shall extinguish the lien for all unpaid assessments made by the Association becoming due before the date of transfer of title or date of first possession, whichever comes first. The amount remaining unpaid with respect to which the lien is extinguished shall be deemed a Common Expense collectible from all the owners' as such, without prejudice to the right of the Association to recover such amount from the prior owner who incurred the assessment.

7) Subordination of Lien to Encumbrances.

The lien provided herein shall be subordinate to any prior recorded lien or mortgage now or hereafter placed on any owner's interest in a townhome lot.

ARTICLE VII.

INSURANCE

The Association shall maintain, to the extent reasonably available:

1) Property insurance on the Common Elements and townhome lots exclusive of improvements and betterments installed inside the townhomes by the individual owners, insuring against all risks of direct physical loss commonly insured against. The total amount of insurance after application of any deductible shall be not less

than eighty (80%) per cent of the actual cash value of the insured property, exclusive of land, excavations, foundations and other items normally excluded from such policies.

2) Comprehensive general liability insurance, including medical payments, insurance in an amount determined by the Association, but not less than \$1,000,000.00, covering all occurrences commonly insured or in connection with the use, ownership, or maintenance of the Common Elements.

3) The Board shall purchase and maintain Workmen's Compensation Insurance to the extent that the same shall be required by law respecting employees of the Association.

4) Flood insurance is to be provided by the Association in the form of a current standard policy. The minimum amount of flood insurance shall be one hundred (100%) per cent of the value of the insurable improvements normally insured by such policies.

Each lot owner shall obtain insurance, at his own expense, and with an insurer of his choice, affording coverage upon his personal property and for his personal liability.

Premiums for insurance policies purchased by the Association shall be paid by the Association and charged as either a common expense or a special assessment, as may be determined by the Board thereof.

ARTICLE VIII.

RECONSTRUCTION AND REPAIR

Any portion of the townhome property damaged or destroyed must be repaired or replaced promptly by the Association unless: (1) The townhome regime is terminated as provided herein; (2) Repair or replacement would be illegal under any state or city health or safety statute, code or ordinance, or (3) Eighty (80%) per cent of the townhome owners vote not to rebuild the development. The cost of repair or replacement in excess of Insurance proceeds and reserves is a Common Expense. Because of the nature of this development, which is composed of fifteen (15) small townhome lots and one common area, it is unlikely that the project owners would ever agree to partially rebuild fewer townhomes than now exist, as such a decision would leave a vacant townhome lot. In the event such a decision is made by the vote of eighty (80%) per cent of the owners, then the Association must negotiate a

price for the lot(s) left unimproved, which shall thereafter constitute Common Element and in that event the interest in the Common Element, votes in the Association, and Common Expense liability are automatically reallocated equally to the remaining owners, and the Association shall promptly prepare, execute and record an amendment to this Declaration reflecting the reallocations.

Any loss covered by the property insurance required on the Common Elements by law shall be adjusted by the insurer directly with the Association, but the insurance proceeds for such loss shall be payable to the Association and not to any mortgagee or individual owner of a townhome. The Association shall hold any insurance proceeds in trust for lot owners and lien holders as their interest may appear. Subject to the provisions contained in the preceding paragraph, the proceeds shall be disbursed first for the repair or restoration of the damaged Common Elements and the individual townhome owners are not entitled to receive any portion thereof unless there is surplus after the Common Elements have been completely repaired or restored, or the townhome regime established herein is terminated.

ARTICLE IX

AMENDMENT AND WITHDRAWAL

This declaration may be amended only by vote or agreement of the townhome owners who have at least eight (80%) per cent of the votes of the Association. Except for abandonment or termination provided by law in the case of substantial destruction by fire or other casualty or in the case of expropriation, the townhome property or a portion thereof, may be withdrawn from the provisions of townhome regime by not less than a unanimous vote of all townhome owners.

ARTICLE X COMPLIANCE WITH PROVISIONS

Each owner shall comply strictly with the provisions of this Declaration, the Articles of Incorporation, By-Laws, rules, regulations, resolutions, contracts and other official acts of the Association as is in force from time to time. Failure to do so shall be grounds for a cause of action in favor of the Association

and/or any aggrieved townhome owner for recovery of sums due for damages or injunctive relief or both, together with reasonable attorney's fees and court costs.

THUS DONE AND PASSED, in my office in Covington, Louisiana, on the day, month, and year in the preamble to this act, in the presence of me, Notary, and that of the undersigned competent witnesses, after reading the whole.

WITNESSES:

COLONNADE HOMES CORPORATION

BY: Gregory M. PEACE, PRES

NOTARY PUBLIC