

PUBLIC OFFERING STATEMENT OF 5940 MAGAZINE STREET CONDOMINIUM

In compliance with LA. REV. STAT. 9:1124.102 of the Louisiana Condominium Act, the following information regarding 5940 Magazine Street Condominium (“Condominium”) is provided:

1. Prior to the earliest of (i) the fifteenth (15th) day, commencing upon a prospective purchaser’s receipt of this public offering statement and the attached material, or (ii) a closing of the act of sale, a purchaser may cancel any contract to purchase a Unit entered into with Declarant.

2. The following are attached hereto and made a part hereof:

A) Exhibit A: A copy of the Declaration Creating and Establishing a Condominium Regime for 5940 Magazine Street Condominium (“Declaration”), which includes the Articles of Incorporation, By-Laws, and rules and regulations of 5940 Magazine Street Condominium Association, Inc. (“Association”), and diagrams of the floor plans of all Units. The Declaration provides for the establishment of seven residential condominium units. The Association, acting through the Board of Directors of the Association, manages and regulates the Units. Voting at all meetings of the Association shall be on a percentage basis and the percentages of the vote to which each Unit Owner is entitled shall be (except as otherwise specified in the Declaration) the Percentage Interest assigned to the Unit in the Declaration. Each Unit Owner has the obligation to pay his or her portion of the common expenses of the Association. The Board of Directors shall be composed of three persons, all of whom shall be Unit Owners, spouses of Unit Owners, or designees of Declarant. So long as Declarant owns at least two Units, each position on the Board of Directors shall be designated by Declarant. So long as Declarant owns at least one Unit, one position on the Board of Directors shall be designated by Declarant; and

B) Exhibit B: A copy of the estimated operating budget for 5940 Magazine Street Condominium. Assessments are payable monthly and are due on the first day of each month, in advance. Each Unit is required to start paying monthly Association dues upon transfer of title. Declarant, as the agent of the Board of Directors, will collect from each initial purchaser at the time of settlement an “initial capital payment” equivalent to twice the estimated monthly assessment for Common Expenses for such purchaser’s Unit. Declarant will deliver the funds so collected to the Board of Directors to provide the necessary working capital for the Association. Additionally, the dues for the month in which the Unit is sold shall be pro-rated between buyer and seller.

3. The Association holds hazard, property damage, property liability and directors and officers liability insurance policies as required by the Declaration. It is suggested that each Unit Owner obtain his or her own insurance covering property damage to his or her Unit (not covered by the Association policy) and personal property contained therein as well as insurance covering personal liability. You are urged to consult with your insurance agent.

4. There is no predial lease or sublease relating to the Property.

5. Declarant has not and does not currently intend to enter into a contract for the management of all or a portion of the Property.

6. Declarant is not aware of any outstanding notices or incurred violations of building codes or other municipal regulations, or any unsatisfied judgments against the Association.

7. Declarant shall be fully responsible for the full amount of all assessments (including reserve for replacements) applicable to each unsold Unit from the date of the recordation of the Declaration until the date of sale of each Unit.

8. The sale by Declarant of any Unit and its pertinent undivided interest to the common elements in 5940 Magazine Street Condominium shall be on "as is" basis without any warranty whatsoever for either latent or patent defects. All reservation agreements, purchase agreements and acts of sale shall include the following language, which limits the seller's warranty:

Purchaser(s) agree(s) and stipulate(s) that the property, including the improvements located thereon, is conveyed and sold "as- is, where-is" without any warranties whatsoever as to fitness or condition, whether expressed or implied, and Purchaser expressly waives the warranty of fitness and the guarantee against hidden or latent vices (defects in the property sold which render is useless or render its use so inconvenient or imperfect that Purchaser would not have purchased it had he or she known of the vice or defect) provided by law in Louisiana, more specifically, that warranty imposed by Louisiana Civil Code art. 2520, *et seq.* with respect to Seller's warranty against latent or hidden defects of the property sold, or any other applicable law, not even for a return of the purchase price. Purchaser forfeits the right to avoid the sale or reduce the purchase price on account of some hidden or latent vice or defect in the property sold. Seller expressly subrogates Purchaser to all rights, claims and causes of action Seller may have arising from or relating to any hidden or latent defects in the property. This provision has been called to the attention of the Purchaser(s) and fully explained to the Purchaser(s), and the Purchaser(s) acknowledges that he/she has read and understands this waiver of all express or implied warranties and accepts the property without any express or implied warranties. Pursuant to LA. REV. STAT. § 9:3144 (C), the foregoing waiver shall not apply to the New Home Warranty Act, LA. REV. STAT. §§ 9:3141 *et. seq.*

9. Capitalized terms not defined herein shall have the meaning ascribed to them in the Declaration. In the event of any discrepancy or inconsistency between this Public Offering Statement of 5940 Magazine Street Condominium and the Declaration and the exhibits thereto, the Declaration and the exhibits thereto shall control. The foregoing summary is qualified in its entirety by the more detailed information appearing in the exhibits hereto.

RECEIPT OF

5940 MAGAZINE STREET CONDOMINIUM PUBLIC OFFERING STATEMENT

The undersigned does by these presents acknowledge receipt of the following documents:

1. Public Offering Statement for 5940 Magazine Street Condominium.
2. Condominium Declaration for 5940 Magazine Street Condominium.
3. Articles of Incorporation of 5940 Magazine Street Condominium Association, Inc.
4. Bylaws of 5940 Magazine Street Condominium Association, Inc.
5. Diagram of Floor Plans for 5940 Magazine Street Condominium.
6. Initial Rules and Regulations for 5940 Magazine Street Condominium.
7. Estimated Monthly Budget for 5940 Magazine Street Condominium.

Signature: _____

Printed Name: _____

Current Address: _____

Phone: _____

Date: _____

EXHIBIT A

[See attached Declaration, which includes the Articles of Incorporation, By-Laws, Rules and Regulations and diagrams of the floor plans of all Units in the Condominium]

EXHIBIT B
ESTIMATED OPERATING BUDGET

<u>Utilities</u>	<u>Monthly Fees</u>
Water	\$385
Gas	\$315
Garbage	\$168
Common Area Electric	\$100
<u>Insurance</u>	
Director & Officer Insurance	\$125
General & Liability Insurance	\$100
Condominium Insurance	\$1,500
<u>Maintenance</u>	
Landscaping	\$100
<u>Miscellaneous</u>	
Professional Fees, Extermination, Misc.	\$150
10% Reserve Funds	<u>\$300</u>
5940 Magazine Monthly Budget	\$3,293

<u>Condominium Unit</u>	<u>101</u>	<u>102</u>	<u>103</u>	<u>201</u>	<u>202</u>	<u>203</u>	<u>204</u>
Estimated Square Feet	689	747	650	1185	1211	1211	1265
Percentage Ownership	10.0%	11.0%	9.0%	17.0%	17.5%	17.5%	18.0%

The foregoing is only an estimate of the monthly dues and should not and cannot be relied upon by purchaser in deciding whether to purchase a Unit.

525*

RECEIPT FOR FILING

lelepz
10 SK
7 et
PS

Dale N. Atkins
Clerk of Court and Ex-Officio Recorder

For the Parish of Orleans, State of Louisiana
1340 Poydras Street, Suite 500
New Orleans, LA 70112

FISHMAN HAYGOOD PHELPS
WALMSLEY WILLIS & SWANSON, L.L.P.
201 ST. CHARLES AVENUE, 46TH FLOOR
NEW ORLEANS, LOUISIANA 70170-4800
Telephone: (504) 568-8577

Filed By _____

Notary Public who Passed Act: David Logan Schroeder

Instrument Filed: Condo Declaration

NOTARIAL ARCHIVES OF ORLEANS PARISH
NA # 2013-13316 DT 04/09/13
TYPE: CONDO DEC FEE: \$525.00 PG:66



Registered in Conveyance Division (504) 592-9170 Recorded in the Mortgage Division (504) 592-9176

Instrument # _____	STAMPED COPY *** STAMPED COPY
Book _____, Folio _____	NA # <u>17 43316</u>
New Orleans, Louisiana	INST. # <u>531286</u>
Date: _____	TYPE: Decl., Condo, Change of Dom
	Book _____, Folio _____
	AMT: \$990.00
	DATE: 4/9/2013 2:46:30 PM
	DALE New Orleans, Louisiana
	CLERK, CIVIL DISTRICT COURT



DECLARATION CREATING AND	*	UNITED STATES OF AMERICA
ESTABLISHING A CONDOMINIUM	*	
REGIME FOR 5940 MAGAZINE STREET	*	
CONDOMINIUM	*	
	*	STATE OF LOUISIANA
BY	*	
	*	
VIEUX NOUVEAU PROPERTIES, LLC	*	PARISH OF ORLEANS
	*	
	*	

BE IT KNOWN, that on this 8th day of April, 2013, before me, the undersigned Notary Public, personally came and appeared:

VIEUX NOUVEAU PROPERTIES, LLC, a Louisiana limited liability company (Tax ID Number: xx-xxxx224), with a mailing address of 5419 Laurel Street, New Orleans, Louisiana 70115, appearing herein through its Manager, W. Patrick Schindler ("Declarant");

who pursuant to the provisions of the Louisiana Condominium Act La. Rev. Stat. Ann. §§ 9:1121.101 *et seq.* ("Act"), and for the purpose of submitting the Property (as defined in Section 16 of Article I.B) to a condominium property regime declared as follows:

WHEREAS, Declarant is the owner of the Property, which Declarant intends to hereby submit to a condominium property regime known as 5940 Magazine Street Condominium (the "Condominium") under the provisions of the Act;

NOW, THEREFORE, Declarant does hereby submit the Property to this Declaration and does hereby establish 5940 Magazine Street Condominium as a condominium regime under the Act. The Condominium and the Property shall be subject to the provisions of the Act, this Declaration, and to the Condominium By-Laws of 5940 Magazine Street Condominium Association, Inc. ("By-Laws").

Declarant does hereby further declare as follows:

ARTICLE I
NAME: DEFINITIONS

A. Name. The name by which the Condominium is to be identified is as follows: 5940 Magazine Street Condominium.

B. Definitions. As used herein or elsewhere in this Declaration and all exhibits thereto, unless otherwise provided, or unless the context requires otherwise, the following terms shall be defined as provided in this Article.

1. Association. "5940 Magazine Street Condominium Association, Inc." a Louisiana non-profit corporation, or any successor entity, is the governing body composed of all the Unit Owners and the entity responsible for the administration and operation of the Property. The Articles of Incorporation and By-Laws are annexed hereto and made a part hereof as Exhibits "D" and "E," respectively.

2. Board of Directors. The Board of Directors of the Association.

3. Building. The improvements to the subject premises located at 5940 Magazine Street, New Orleans, Louisiana 70115, containing the Units, as described on the Building Plans.

4. Building Plans. The overall site plan and individual plans of each Unit attached hereto as Exhibit "C".

5. Common Assessment. Those funds required for the payment of Common Expenses of the Condominium such as the costs of maintaining, operating, repairing and managing certain designated portions of the Property, which from time to time are assessed by the Association to and paid by the Unit Owners. Each Unit Owner's percentage interest of the Common Expenses or the manner in which such percentage will be established, is set forth in Exhibit "H" unless specifically otherwise provided.

6. Common Elements. All that part of the Property (movable or immovable property) which is not within or a part of Units as the Units are shown on the Building Plans and Plat of Survey. Each Unit's undivided percentage ownership interest in the Common Elements of the Condominium or the manner in which such percentage will be established shall be as set forth in Exhibit "H" attached hereto.

7. Common Expenses. The expenses for which the Unit Owners will be assessed by the Association, which expenses shall include, but are not limited to, the actual or estimated costs of:

(a) ad valorem taxes and other taxes of all kinds which are levied against the Property and which are not levied against an individual Unit or Unit Owner;

(b) maintenance, management, operation, repair and replacements of the Common Elements and those parts of the Units as to which, pursuant to other provisions hereof, it is the responsibility of the Association to maintain, repair and replace;

(c) utilities incurred in operation of the Common Elements not otherwise paid by any individual Unit Owner or Owners, including, without limitation, insurance, water, sewerage, gas, garbage collection, and electricity;

(d) management and administration of the Association including, without limiting the same, any compensation paid by the Association to a managing agent, accountants, attorneys, and other employees;

(e) liability and casualty insurance carried with respect to the Property; and

(f) any other item held by or in accordance with this Declaration or recorded amendment thereto to be a Common Expense.

8. Common Surplus. The excess of all receipts of the Association including but not limited to common assessments, rents, profits and revenues on account of the Common Elements, over the amount of Common Expenses.

9. Condominium Documents or Declarant's Instruments. The Declaration and the Exhibits annexed hereto as the same from time to time may be amended. Said Exhibits are as follows:

Exhibit A	Legal Description of the Submitted Land
Exhibit B	Plat of Survey
Exhibit C	Building Plans
Exhibit D	Articles of Incorporation of "5940 Magazine Street Condominium Association, Inc."
Exhibit E	5940 Magazine Street Condominium Association By-Laws
Exhibit F	Rules and Regulations of "5940 Magazine Street Condominium Association, Inc."
Exhibit G	Schedule of Percentage Obligations for Common Expenses.
Exhibit H	Schedule of Percentage Interest in the Common Elements.
Exhibit I	Parking Spaces

10. Condominium Parcel. An individual unit plus its appurtenant percentage undivided ownership interest in the Common Elements of the Condominium.

11. Declarant. Declarant has the meaning ascribed to it on the first page of this Declaration.

12. Limited Elements. Those areas of the Property which are elements reserved for the exclusive of one of the Unit Owners, as more fully described in Section 9 of Article II.

13. Percentage Interest. A Unit Owner's percentage interest and/or percentage obligation in the common elements as reflected in Exhibits "G" and "H".

14. Person. Any natural individual, firm, corporation, partnership, association, trustee or other legal representative or legal entity capable of holding title to any portion of the Property, including Declarant.

15. Plat of Survey. The plat of survey, dated April 24, 2012, by Gilbert Kelly & Couturie, Inc., attached hereto as Exhibit "B".

16. Property. The land and immovable property located at 5940 Magazine Street, New Orleans, Louisiana 70115 as further described on Exhibit "A" hereto, together all improvements, other constructions, and component parts thereon and all servitudes and rights appurtenant thereto for use in connection with the Condominium.

17. Unit. Any one of those parts of the Condominium, including one or more rooms on one or more floors as separately described on the attached Plat of Survey and Building Plans, as "Unit" followed by a number, provided, however, that no structural components, pipes, drains, wires, conduits, ducts, flues, or shafts contained within the Building or public utility line situated within a Unit and forming part of any system serving one or more other Units or the Common Elements shall be deemed a part of said Unit.

18. Unit Owner. The Person who owns a Unit.

19. Other Definitions. Unless it is plainly evident from the context that a different meaning is intended, all other terms used herein shall have the same meaning they are defined to have in the Act.

ARTICLE II USE OF COMMON ELEMENTS

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

1. Covenant Against Partition. In order to effectuate the intent hereof and to preserve the Condominium and the Condominium method of ownership, the Common Elements shall remain undivided and no Person, irrespective of the nature of his or her interest in the Common Elements, shall bring any action or proceeding for partition or division of the Common Elements or any part thereof until the termination of the condominium regime established by this Declaration in accordance with provisions herein or until the Property is no longer tenantable, whichever first occurs.

2. Rules and Regulations Promulgated by Association. No person shall use the Common Elements or any part thereof in any manner contrary to or not in accordance with such rules and regulations pertaining thereto as from time to time may be promulgated by the Association. The initial Rules and Regulations of the Association are attached hereto as Exhibit "F" ("Rules and Regulations"). Without in any manner intending to limit the generality of the foregoing, the Association shall have the right, but not the obligation, to promulgate rules and regulations limiting the use of the Common Elements to members of the Association and their respective families, guests, invitees and servants.

3. Maintenance. Maintenance, repair, management and operation of the Common Elements shall be the responsibility of the Association, but nothing therein contained shall be construed so as to preclude the Association from delegating to persons or firms of its choice such duties as may be imposed upon the Association by the Board of Directors.

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

5. Use of Common Elements. Subject to the Rules and Regulations from time to time pertaining thereto, all Unit Owners may use the Common Elements in such manner as will not restrict, interfere with or impede the use thereof by other Unit Owners.

6. Alterations and Improvements. The Association shall have the right to make or cause to be made such alterations and improvements to the Common Elements (which do not prejudice the rights and property of any Unit Owner unless his or her written consent has been obtained), provided the making of such alterations and improvements are first approved by the affirmative vote of 51% of the aggregate Percentage Interest, with each Unit having voting rights in proportion to its Percentage Interest as set forth on Exhibit "H". The costs of such alterations and improvements shall be assessed as Common Expenses, unless in the judgment of not less than 66% of the Board of Directors, the same are exclusively or substantially exclusively for the benefit of less than all of the units, in which case the benefitted Unit Owner(s) shall be assessed therefor in such proportion as they approve jointly and failing such approval, in such proportion as may be equitably determined by the Board of Directors. Notwithstanding anything above to the contrary, the Association shall have the authority to effect improvements to the Property having a cost greater than 10% of the then appraised value of the Condominium improvements only in the event 66% of the aggregate Percentage Interest approve the proposed improvements.

7. Undivided Ownership Interest of Unit Owners in Common Elements.

(a) The Percentage Interest shall be in the respective percentages set forth in Exhibit "H" annexed hereto and may be altered only by amendment executed in form for recording by 66% of the aggregate Percentage Interest. No such alteration shall affect the lien of prior recorded mortgages unless written consent of the holder of such mortgage is obtained and recorded.

(b) Each Unit's Percentage Interest has been determined and fixed by taking the approximate proportion which the square feet in each Unit bears to the total of the square feet in all of the Units. For this purpose, the amount of square feet of space in each Unit shall be measured by the perimetrical boundaries described in Article IV hereof.

8. Common Elements Appurtenant. The undivided share of the Unit Owner in the Common Elements is appurtenant to the Unit owned by him, and inseparable from ownership of the Unit, and shall not be the object of an action for partition or division of the common ownership established by this Declaration.

9. Limited Elements.

(a) The Limited Elements of the Condominium are those elements reserved for the exclusive of one of the Unit Owners. Any area designated on the Building Plans, Plat of Survey or Rules and Regulations as a parking area, patio area, roof deck area, storage area or similar restricted use area shall be considered a Limited Element and be reserved for the

exclusive use of the owner of the Unit to which it is adjacent or to which it is declared to be appurtenant.

(b) Each Unit shall be entitled to the use of its designated parking space as shown on Exhibit "T", which designated parking space shall be considered a Limited Element. Notwithstanding 9(c) below, the Association shall be responsible for the maintenance and upkeep of all parking areas on the Property. The Association may use appropriate marking to indicate for which Unit a parking space is reserved.

(c) Each Limited Element appurtenant to the Unit shall be maintained, repaired and/or replaced if applicable in a timely manner by the Unit Owner. If a Unit Owner has failed to maintain, repair, and replace such Limited Elements (a "Nonmaintaining Unit Owner"), or in any emergency situation, the Association may enter the Nonmaintaining Unit Owner's Unit and perform such maintenance, repair, and replacement at the sole expense of the Nonmaintaining Unit Owner. The Nonmaintaining Unit Owner shall, within thirty (30) days after being billed for the reasonable cost of such maintenance, repair, and replacement by the Association, tender such sum to the Association.

ARTICLE III PHYSICAL MANAGEMENT

1. Management and Common Expenses. The Unit Owners, acting by and through the Board of Directors, shall manage, operate and maintain the Condominium and, for the benefit of the Units and the Unit Owners, shall enforce the provisions hereof and shall pay as Common Expenses the cost of managing, operating and maintaining the Condominium, including, without limitation, the following:

(a) The cost of providing water, sewer, garbage and trash collection and electrical, gas and other necessary utility services for the Common Elements and, to the extent that the same are not separately metered or billed to each Unit, for the Units;

(b) The cost of fire and extended liability insurance on the Condominium and the cost of such other insurance as the Association may maintain;

(c) The cost of the services of a person or firm to manage the Property the extent deemed advisable by the Board of Directors consistent with the provisions of this Declaration, together with the services of such other personnel as the Board of Directors shall consider necessary for the operation of the Condominium;

(d) The cost of providing such legal and accounting services as may be considered necessary by the Board of Directors for the operation of the Condominium;

(e) The cost of repairs, maintenance, service and replacement of the Common Elements of the Condominium, including, without limitation, the cost of all roof repair and the cost of painting, maintaining, replacing, repairing and landscaping the Common Elements and such furnishings and equipment for the Common Elements as the Board of Directors shall determine are necessary and proper; provided, however, that nothing herein contained shall

require the Association to repair or replace the interior of any Unit or any fixtures, appliances, equipment or the like located therein;

(f) The cost of any and all materials, supplies, labor, services, maintenance, repairs, taxes, assessments or the like, which the Association is required to secure or pay for by law, or otherwise, or which in the discretion of the Board of Directors shall be necessary or proper for the operation of the Condominium; provided, however, that if any of the aforementioned are provided or paid for the specific benefit of a particular Unit or Units the cost thereof shall be specially assessed to the Owner or Owners thereof in the manner provided in this Article; and

(g) The cost of the replacement or repair of any Unit or a portion thereof, in the event such maintenance or repair is reasonably necessary in the discretion of the Board of Directors to protect the Common Elements or to preserve the appearance or value of the Condominium or as otherwise in the interest of the general welfare of all of the Unit Owners; provided, however, that, except in cases involving emergencies or manifest danger to safety of person without a resolution by the Board of Directors and not without reasonable written notice to the owner of the Unit proposed to be maintained and, provided further, that the cost thereof shall be assessed against the Unit for which such maintenance or repair is performed, and, when so assessed, a statement for the amount thereof shall be rendered promptly to the then owner of said Unit at which time the assessment shall become due and payable and a continuing obligation of said Unit Owner in all respects as provided in Article IX of this Declaration.

2. Management Agent. The Association may by contract in writing delegate some of its ministerial duties, powers or functions to a management agent. The Association and its Board of Directors shall not be liable for any omission or improper exercise by the management agent of any such duty, power or function so delegated.

3. Maintenance Responsibilities of Unit Owners. Except for maintenance requirements herein imposed upon the Association, the Unit Owner shall, at his or her own expense, repair and maintain the interior of his or her Unit and any and all equipment, appliances or fixtures therein situated, and its other appurtenances and including all mechanical equipment and appurtenances located outside such Unit which are designed, designated or installed to serve only that Unit, in good order, condition and repair, and in a clean and sanitary condition, and shall do all redecorating, painting and the like, which may at any time be necessary to maintain the good appearance of his or her Unit. In addition to the foregoing, the Unit Owner shall, at his or her own expense, maintain, repair and replace any plumbing and electrical fixtures, lighting fixtures, refrigerators, and other equipment that may be in or declared to be appurtenant to such Unit. The Unit Owner shall also, at his or her own expense, keep any other Limited Element which may be appurtenant to such Unit and reserved for his or her exclusive use in a clean, orderly and sanitary condition.

4. Limitation of Liability. The Association shall not be liable for any failure of water supply or other services to be obtained by the Association or paid for as Common Expenses, or for injury or damage to personal property caused by the elements or resulting from electricity or water which may leak or flow from any portion of the Common Elements or from any wire, pipe, drain, conduit, appliance or equipment. The Association shall not be liable to the

Unit Owner for loss or damage, by theft or otherwise, of articles which may be stored upon any of the Common Elements. No diminution or abatement of Common Expense assessments, as herein elsewhere provided, shall be claimed or allowed for inconvenience or discomfort arising from the making of repairs or improvements to the Common Elements, or to any Unit, or from any action taken by the Association to comply with any law or ordinance or with the order or directive of any municipal or other governmental authority.

ARTICLE IV UNITS

1. Building Plans. The Building Plans are attached hereto as Exhibit "C" and made a part of this Declaration.

2. Immovable Property. Each Unit as shown on the Plat of Survey, and the Building Plans (Exhibits "B" and "C" attached hereto) and together with all appurtenances thereto, and particularly its appurtenant Percentage Interest shall, for all purposes, constitute a separate parcel of immovable property, independently of all other parts of the Property, subject only to the provisions of this Declaration.

3. The Units. The general description and number of each Unit in the Condominium, including its perimeters, approximate dimensions, floor area, identifying number, location and such other data as may be sufficient to identify it with reasonable accuracy and certainty, is set forth on the Building Plans and Exhibit "H" to this Declaration. The approximate square footage of each Unit is listed on Exhibit "H" but this approximation is subject to and subordinate to the dimensions as shown on the Building Plans.

4. Unit-Boundaries. The lower boundary of any Unit in the Condominium is a horizontal plane (or planes), the elevation of which coincides with the elevation of the upper surface of the unfinished concrete subfloor. The upper boundary of any Unit in the Condominium is a plane (or planes) the elevation of which coincides with the unexposed surface of the sheet rock drywall ceiling finish material, to exclude all component parts of the roof. The lateral or perimetrical boundaries of any Unit in the Condominium are vertical planes which coincide with the unexposed surfaces of the perimeter drywall material or wood paneling (whichever is used as the wall finish material), to include the perimeter drywall, extended to intersect the upper and lower boundaries thereof and to intersect the other lateral or perimetrical boundaries of the Unit.

Equipment and appurtenances located within or without any Unit and designed to serve only that Unit, such as mechanical equipment, appliances, non-bearing partition walls, flooring material, outlets, fixtures, cabinets and the like, shall be considered a part of the Unit and not a part of the Common Elements.

In interpreting deeds and the Building Plans, the existing physical boundaries of a Unit or of a Unit reconstructed in substantial accordance with the original plans thereof shall be conclusively presumed to be its boundaries rather than the metes and bounds expressed in the deed or Building Plans, regardless of settling or lateral movement of any building or Unit and

regardless of minor variance between boundaries shown on the Plans or in the deed and those of such Building.

5. Common Elements. The Common Elements of the Property, including all parts of the Building other than the Units, include, without limitation, the following:

(a) The land and all foundations, columns, support walls, floor and other structural supports;

(b) All exterior walls of the Building, all walls and partitions separating Units from other Units and from stairs, all concrete flooring and all component roofing material;

(c) All central and appurtenant installations for services such as power, light, hot and cold water, telephone and gas (including all pipes, ducts, wires, cables, and conduits used in connection therewith, whether located in Common Elements or in Units);

(d) All equipment used in common; and

(e) All other parts of the Building and all apparatus and installations existing in the Building or on the Property for common use or necessary or convenient to the existence, maintenance or safety of the Building.

6. Appurtenances. Each Unit shall include and the same shall be transferred with each Unit as an inseparable appurtenance thereto, whether or not separately described, conveyed or encumbered, all of the right, title and interest and obligation of a Unit Owner in and to the Property, which shall include but not be limited to:

(a) An undivided Percentage Interest of the ownership of the Common Elements, as set forth in Exhibit "H";

(b) Servitudes for the benefit of the Unit;

(c) Association membership and a proportionate amount of any Common Surplus or other assets held by the Association for the benefit of the Unit Owners; and

(d) The following servitudes shall exist from each Unit Owner to every other Unit Owners and to the Association:

(i) Ingress and Egress. Servitudes through the Common Elements and those portions of the land which are paved for use as streets, walkways, or sidewalks for ingress and egress for all persons making use of such Common Elements and for ingress and egress to the individual Units in accordance with the terms of this Declaration.

(ii) Maintenance, Repair and Replacement. Servitudes through the Units and Common Elements for maintenance, repair and replacement by the Association of portions of the Units and

Common Elements. Use of these servitudes, however, for access to the individual Units shall be limited to reasonable hours, except that access may be had by agents of the Association at any time in case of emergency.

- (iii) Structural Support. Every tangible portion of a Unit which contributes to the structural support of a Building or other Units shall be burdened with a servitude of structural support for the benefit of the Common Elements and the other Units.
- (iv) Utilities. Servitudes through the Units and Common Elements for all facilities for the furnishing of utility services within a Building, which facilities shall include but not be limited to conduits, ducts, plumbing and wiring.

ARTICLE V USE RESTRICTIONS AND CONDITIONS

In order to provide for a congenial occupation of the Building and Property and to provide for the protection and maintenance of the market value of the Condominium Parcels, the use of the Property shall be restricted in accordance with the following provisions:

1. Use. All Units shall not violate any provision of the City of New Orleans or Orleans Parish ordinances or regulations. Subject to the limited exceptions contained in the Rules and Regulations, all Units shall be single family residential units.

2. Leasing. Any Unit Owner who intends to lease a Unit shall comply with the requirements of this section. Promptly following the execution of any such lease, the Unit Owner shall forward a conformed copy thereof to the Board of Directors. All leases shall be in writing. Any such lease shall contain a provision to the effect that the rights of the tenant to use and occupy the Unit shall be subject and subordinate in all respects to the provisions of this Declaration and to such other reasonable rules and regulations relating to the use of the Common Elements, or other "house rules," as the Board of Directors may from time to time promulgate and shall provide, further, that any failure by the tenant to comply with the provisions of such documents shall be a default under the lease.

3. Common Elements. The Common Elements shall be used for the furnishing of services and facilities for which the same are reasonably intended and for the enjoyment of the Unit Owners and their families, guests and invitees.

4. Prohibited Uses and Nuisances. Except as may be reasonable and necessary in connection with the maintenance, improvement, repair and reconstruction of any portion of the Condominium by Declarant or the Association:

(a) No noxious or offensive activity may be carried on within the Condominium or within any Unit, nor shall anything be done herein or thereon which may be or become an annoyance to the neighborhood or the other Unit Owners. No nuisances shall be

permitted within the Condominium, nor shall any use or practice be permitted which is or becomes a source of annoyance to the Unit Owners or which interferes with the peaceful use and possession thereof by the Unit Owners.

(b) There shall be no obstruction of any of the Common Elements. Nothing shall be stored upon any of the Common Elements, excepting those areas designated for storage of personal property by Unit Owners.

(c) Nothing shall be done or maintained in any Unit or upon any of the Common Elements which will increase the rate of insurance on any Unit or the Common Elements, or result in the cancellation thereof, without the prior written approval of the Board of Directors. Nothing shall be done or maintained in any Unit or upon the Common Elements which would be in violation of any law. No waste shall be committed on any of the Common Elements.

(d) Except for such signs as may be posted by Declarant or the Association for promotional or marketing purposes, no signs of any character shall be erected, posted or displayed upon, in, from or about any Unit or the Common Elements without the prior consent in writing of the Board of Directors and under such conditions as they may establish.

(e) No unreasonable or unsightly accumulation of storage or litter, new or used building materials, or trash of any kind shall be permitted within any Unit or upon any of the Common Elements. Trash and garbage containers shall not be permitted to remain in public view except on days of collection. All refuse shall be deposited, with care in containers for such purpose during such hours as may from time to time be designated by the Board of Directors.

(f) All vehicles must be properly parked in a parking space and shall not be parked upon any of the Property that is not designated as a parking space. Further, no boats, trailers and all-terrain vehicles shall be kept or stored upon the Property, nor shall they be parked in parking spaces without prior approval of the Board of Directors.

5. Lawful Use. No immoral, improper, offensive or unlawful use shall be made of Property nor any part thereof and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. The respective responsibilities of Unit Owners and the Association of complying with the requirements of governmental bodies which requires maintenance, modification or repair of the Property shall be the same as hereinabove provided for the maintenance and repair of that portion of the Property subject to such requirements.

6. Rules and Regulations. Rules and Regulations concerning use of the Property may be promulgated by the Association as hereinabove set forth; provided, however, that copies of such Rules and Regulations are furnished to each Unit Owner prior to the time that the same become effective. The initial Rules and Regulations, which shall be deemed effective until amended by the Association, are annexed hereto and made a part hereof as Exhibit "F." Any amendments thereto shall be recorded in the Office of Conveyances in and for the Parish of Orleans, State of Louisiana as amendments to said Exhibit and shall be effected in accordance with the procedures set forth in the By-Laws.

ARTICLE VI
ADMINISTRATION

The administration of the Property, including, but not limited to, the acts required of the association, shall be governed by the following provisions:

1. The Association shall be organized as a non-profit corporation, the members of which are the Unit Owners with a Board of Directors elected as provided in the By-Laws.

2. The By-Laws are attached as Exhibit "E" and the Rules and Regulations are attached as Exhibit "F".

3. The duties and powers of the Association shall be those set forth in this Declaration and in the By-Laws, together with those reasonably implied to effect the purposes of the Association and this Declaration; provided, however, that if there are conflicts or inconsistencies between this Declaration and the By-Laws, the terms and provisions of this Declaration shall prevail and the Unit Owners hereby covenant to vote in favor of such amendments in the By-Laws as will remove any such conflicts or inconsistencies.

4. The powers and duties of the Association shall be exercised in the manner provided by the By-Laws, and any duties or rights of the Association which are granted by or to be exercised in accordance with the provisions of this Declaration requires that act or approval of the Board of Directors, such act or approval must be that of the Board of Directors done or given in accordance with the procedures provided in the By-Laws.

5. Notice or demands, for any purpose, shall be given by the Association to Unit Owners and by the Unit Owner to the Association and other Unit Owners in the manner provided for notices to members of the Association contained in the By-Laws.

6. All income received by the Association may, within the discretion of the Board of Directors, be used for the purpose of reducing prospective Common Expenses (prior to establishing the annual assessment for Common Expenses), or to establish such reserves as the Board of Directors may in its discretion determine.

ARTICLE VII
INSURANCE

Insurance shall be governed by the following provisions:

1. Timing. Insurance shall commence not later than the time of the first conveyance of a Unit to a Person other than Declarant.

2. Authority to Purchase. All casualty and public liability insurance policies upon the Property shall be purchased by the Association for the benefit of the Unit Owners and their respective mortgagees as their respective interests may appear and shall provide for the issuance of certificates of mortgage insurance endorsements to the holders of mortgages on the Units or

any of them, and shall provide that the insurer waives its rights of subrogation as to any claims against individual Unit Owners, the Association and their respective servants, agents, and guests. Such policies and endorsements shall be deposited with the Association.

3. Unit Owners. Each Unit Owner may obtain insurance, at his or her own expense, affording additional coverage upon his or her Condominium Parcel and upon his or her personal property and for his or her personal liability and as may be required by law, but all such insurance shall contain the same waiver of subrogation. Unit Owners shall be required to file copies of any such individual Unit Owners policies with the Association within 30 days following purchase of any such policy.

4. Coverage: To the extent reasonably available, the Association shall secure the following coverages:

(a) The Building and Common Elements shall be insured in an amount of not less than eighty percent of the actual cash value of the insured property (exclusive of land, excavation, foundations and other items normally excluded from property polities). Such coverage shall afford protection against such risks and hazards as from time to time as the Board of Directors determines in its sole discretion.

(b) Comprehensive general liability insurance, including medical payments insurance, in such form and in such amounts as shall be required by the Association, covering all occurrences commonly insured against for death, bodily injury, and property damage arising out of or in connection with the use, ownership or maintenance of the Common Elements. All liability insurance shall contain cross-liability endorsements to cover liabilities of the Unit Owners as a group to another Unit Owner.

(c) If the Association has any employees, workers' compensation and employers liability insurance sufficient to meet the requirements of law, providing coverage for all paid or unpaid employees of the Association which must also include subcontractors or other firms who provide personnel to work on or in the project, unless acceptable evidence of current coverage is provided by the subcontractor or firm.

(d) Director's and Officer's Liability Insurance in such form and in such amounts as shall be required by the Association to protect volunteers in the operation of the Association should be obtained, if available.

(e) Unit Owners are responsible for obtaining individual policies covering such Unit within the exterior frame of the Building and the contents and materials located therein, including, without limitation, interior framing, drywall, trim, wall coverings, paint, systems, and finishes.

5. Premiums. Premiums upon insurance policies purchased by the Association shall be paid by the Association and charged to the individual Unit Owners as a Common Expense, in the percentages set forth in Exhibit "G" hereof.

6. Limitations. Any insurance obtained pursuant to the requirements of this Article shall be subject to the following provisions:

(a) Exclusive authority to negotiate losses under said policies shall be vested in the Board of Directors, as a trustee for the Unit Owners, or its authorized representative, including any trustee with which the Board of Directors may enter into any Insurance Trust Agreement, or any successor trustee, each of which shall be herein elsewhere referred to as the "Insurance Trustee."

(b) In no event shall the insurance coverage contained and maintained pursuant to the requirements of this Article be brought into contribution with insurance purchased by the Unit Owners or their mortgagees, as herein permitted, and any "no other insurance" or similar clause in any policy obtained by the Board of Directors pursuant to the requirements of this Article shall exclude such policies from consideration.

(c) Such policies shall contain no provision relieving the insurer from liability because of loss occurring while a hazard is increased in the Building, whether or not in the control or knowledge of the Board of Directors and shall contain no provision relieving the insurer from liability by reason of any breach of warranty or condition caused by the Board of Directors or any Unit Owner, or their respective agents, employees, tenants, mortgagees or invitees or by reason of any act of neglect or negligence on the part of any of them.

(d) All policies shall provide that such policies may not be cancelled or substantially modified (including cancellation for non-payment of premium) without at least thirty (30) days prior written notice to any and all insureds named thereon, including any and all mortgagees of the Units.

(e) All policies shall contain a waiver of subrogation by the insurer as to any and all claims against the Board of Directors, the Unit Owner and their respective agents, employees or tenants, and of any defenses based upon co-insurance or invalidity arising from the acts of the insured.

(f) All policies of casualty insurance shall contain the standard mortgagee clause except that any loss or losses payable to the named mortgagee shall be payable to an insurance trustee designated for that purpose, or to the association, in the manner set forth elsewhere in Section 6 of this Article. Such mortgagee clause shall provide for notice in writing to the mortgagee of any loss paid as aforesaid. Except in the event of a decision not to rebuild the casualty damage in accordance with Section 3 of Article VIII, the insurance proceeds shall be disbursed first for the complete repair or restoration of the damaged Common Elements and units.

(g) In the event a Unit Owner may carry property or liability insurance individually upon his or her interest in the project, which, in case of loss, results in proration of insurance proceeds between the master policy carried by the Association and the individual Unit Owner's insurer, the proceeds available under the Unit Owner's policy shall be payable to the Association or any Insurance Trustee, who is irrevocably designated as Trustee of each insuring Unit Owner for the purpose of reconstruction. Any overplus remaining upon completion of

reconstruction directly affecting any such Unit shall thereupon be paid by the Association or Insurance Trustee to such Unit Owner.

(h) All policies of property insurance must provide that, despite any provisions giving the carrier the right to elect to restore damage in lieu of a cash settlement, such option shall not be exercisable without the prior written approval of the Association (or any Insurance Trustee) or when in conflict with the provisions of any Insurance Trust Agreement to which the Association may be a party, or any requirements of law.

7. Insurance Trustee. In the event the cost of reconstruction or repair (as estimated by the Board of Directors) shall exceed an amount equal to 20% of the full replacement value of the Condominium, as estimated by the Board of Directors and the insurer and the holder or holders of any first mortgages shall so require, all proceeds of insurance shall be paid over to a trust company or bank (the "Insurance Trustee") having trust powers and authorized to engage in trust business in the jurisdiction wherein the Condominium is located, and having a construction loan department, through which such trust funds shall be administered, selected by the Board of Directors with the approval of the said first mortgagees, and shall be paid out from time to time as the reconstruction or repair progresses in accordance with the provisions of an insurance trust agreement satisfactory in form and substance to the first mortgagees which shall contain, inter alia the following provisions:

(a) The reconstruction or repair shall be in the charge of an architect or engineer, who may be an employee of the Board of Directors, satisfactory to the first mortgagees;

(b) Prior to the commencement of the reconstruction or repair, other than such work as may be necessary to protect the Condominium from further damage, the first mortgagees shall have approved the Plans and Specifications for such reconstruction or repair, which approval shall not be unreasonably withheld or delayed.

(c) Unless otherwise required by the first mortgagees, each request for an advance of the proceeds of insurance shall be made to the first mortgagees at least 10 days prior to delivery to the Insurance Trustee and shall be accompanied by a certificate from the architect to the effect that:

- (i) all work completed has been performed in accordance with the Plans and Specifications and all building codes or other similar governmental requirements;
- (ii) the amount requested to be advanced is required to reimburse the Board of Directors or is due to the contractor responsible for the restoration or repair, or to subcontractors, materialmen, laborers, engineers, architects, or to other persons responsible for services or materials in connection with such restoration or repair, or for fees or the like necessarily incurred in connection with the same;

- (iii) when added to amounts previously advanced by the Insurance Trustee, the amount requested to be advanced does not unreasonably exceed the value of the work done and materials delivered to the date of such request; and
 - (iv) funds remaining available to the Insurance Trustee for the purpose are sufficient to complete the reconstruction or repair.
- (d) The fees and expenses of the Insurance Trustee, as agreed upon by the Board of Directors and the Insurance Trustee, shall be paid by the Association as a Common Expense, and such fees and expenses may be deducted from any insurance proceeds in the hands of the Insurance Trustee, pro rata, as the reconstruction or repair progresses.
- (e) Such other provisions not inconsistent with the provisions hereof as the Board of Directors, the Insurance Trustee, or the first mortgagees may reasonably require.

Upon the completion of the reconstruction or repair and payment in full of all amounts due on account thereof, any proceeds of insurance then in the hands of the Insurance Trustee shall be paid to the Association and shall be considered as one fund and shall be divided among the owners of all of the Units in the same proportion as the Unit Owner's Percentage Interest, after first paying out of the share of the Unit Owner, to the extent such payment is required by any lienors and to the extent the same is sufficient for the purpose, all liens upon said Unit in accordance with the priority of interest in each Unit.

ARTICLE VIII CASUALTY DAMAGE – RECONSTRUCTION OR REPAIRS

1. Use of Insurance Proceeds. In the event of damage or destruction to the Condominium by fire or other casualty, the same shall be promptly repaired or reconstructed in substantial conformity with the original plans and specifications for the Condominium with the proceeds of insurance available for that purpose, if any.

2. Proceeds Insufficient. In the event the proceeds of insurance are not sufficient to repair damage or destruction by fire or other casualty, or in the event such damage or destruction is caused by any casualty not insured against, then the repair or reconstruction of the damage shall be accomplished promptly by the Association charging same as a Common Expense to the Individual Unit Owners, pursuant and subject to such conditions and subject to such controls as any Insurance Trustee may require. In the event the proceeds of casualty insurance are paid to any Insurance Trustee, then all funds collected from the Unit Owners of the Units pursuant to this Section 2 shall likewise be paid over to such Insurance Trustee, and shall be disbursed by such Insurance Trustee in accordance with the provisions of Article VII hereof.

3. Restoration Not Required. In the event the Condominium is damaged or destroyed by fire or other casualty to the extent of 75% of the full replacement value of the Condominium, as estimated by the Board of Directors and the insurer, and the Unit Owners resolve not to proceed with repair or reconstruction, then in that event the Condominium shall be deemed to be owned in undivided interest by all Unit Owners in the same proportion as each

Unit Owner's Percentage Interest and the Condominium shall be subject to an action for a partition at the suit of the Unit Owners, in which event the net proceeds of the sale, together with the net proceeds of any insurance paid to the Association or the Unit Owners in common, shall be considered as one fund and shall be divided among all Unit Owners in the same proportion as each Unit Owner's Percentage Interest, after first paying out of the share of the Unit Owner, to the extent such payment is required by any lienors and to the extent such share is sufficient for such purpose, all liens upon said Unit and in accordance with the priority of interest in each Unit.

4. Responsibility. If the casualty damage is only to those parts of a Unit for which the responsibility of maintenance and repair is that of the Unit Owner, then such Unit Owner shall be responsible for reconstruction and repair after casualty. In all other instances, the responsibility of reconstruction and repair after casualty shall be that of the Association.

5. Estimate of Costs. Immediately after a casualty causing damage to the Property for which the Association has the responsibility of maintenance and repair, the Association shall obtain reliable and detailed estimates of the cost to place the damaged improvements in the same condition as that before the casualty. Such costs may include professional fees and premiums for such bonds as the Board of Directors in its discretion requires.

ARTICLE IX ASSESSMENTS

Assessments against the Unit Owners individually shall be made by the Board of Directors and paid by the Unit Owners to the Association in accordance with the following provisions:

1. Percentage Interest of Common Expenses. Each Unit Owner shall be personally liable for his or her Percentage Interest of the Common Expenses and any Common Surplus shall be owned by each Unit Owner in a like share. The amount of the Percentage Interest of Common Expense assessments appurtenant to each Unit has been determined in the same manner as the determination of the percentages of common element ownership appurtenant to each Unit in Article II, Section 7 hereof.

2. Assessments other than Common Expenses. Any assessments, other than assessments for Common Expenses, the authority to levy which is granted to the Association or its Board of Directors by the Declaration, shall be paid by the Unit Owners to the Association in the proportions set forth in the provision of the Declaration authorizing such assessment.

3. Accounts. All sums collected by the Association from assessments (for Common Expenses or otherwise) may be commingled in a single fund but they shall be held for the Unit Owners in the respective shares in which they are paid and shall be credited in individual accounts. Such accounts shall be as follows:

(a) "Common Expense Account" - to which shall be credited all collections of assessments for all Common Expenses as well as payments received for defraying costs for the use of Common Elements, if any;

(b) Alterations and Improvement Account - to which shall be credited all sums collected for alteration and improvement assessments;

(c) Reconstruction and Repair Account - to which shall be credited all sums collected for reconstruction and repair assessments;

(d) Reserve Account - to which shall be credited all sums collected as a reserve for replacement of portions of the Building subject to periodic depreciation.

4. Assessments for Common Expenses. Assessments for Common Expenses shall be made for the calendar year annually in advance on or before the second Monday in December of the year proceeding that year for which the assessments are made and at such other and additional times as in the judgment of the Board of Directors additional Common Expense assessments are required for the proper management, maintenance, and operation of the Property. Such annual assessments shall be due and payable in 12 equal consecutive monthly payments, in advance, on the first day of each month, beginning with January of the year for which the assessments are made. The total of the assessments shall be in the amount of the estimated Common Expense for the year including a reasonable allowance for contingencies and reserves less the amounts of unneeded Common Expense Account balances and less the estimated payments to the Association for defraying the costs of the use of the Common Elements. If an annual assessment is not made as required, a payment in the amount required by the last prior monthly Common Expense assessment shall be due upon each monthly assessment payment date until changed by a new annual assessment.

5. Special Assessments. In addition to the regular assessments authorized by this Article, the Association may levy in any assessment year a special assessment or assessments, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement located upon the Condominium, including the necessary fixtures and personal property related thereto, or for such other purposes the Board of Directors or Association may consider appropriate; provided, however, that any special assessment shall be approved by at least 66% of the aggregate Percentage Interest.

6. Reserve for Replacements. The Association shall establish and maintain a reserve fund for replacements by the allocation and payment monthly to such reserve fund of an amount to be designated from time to time by its Board of Directors. Such fund shall be conclusively deemed to be a Common Expense. Such fund shall be deposited in a special account with a lending institution the accounts of which are insured by an agency of any state or an agency of the United States of America or may, in the discretion of the Board of Directors, be invested in obligations of, or fully guaranteed as to principal by, any state of the United States of America. The reserve for replacements may be expended only for the purpose of effecting the replacement of Common Elements and equipment of the Condominium and for start-up costs and operating contingencies of a non-recurring nature. The proportionate interest of any Unit Owner in any reserve for replacements and any other reserves established by the Association shall be considered an appurtenance of his or her Unit and shall not be separately withdrawn, assigned, or transferred or otherwise separated from the Unit to which it appertains and shall be deemed to be transferred with such Unit.

7. Assessment Roll. The assessments against all Unit Owners shall be set forth upon a roll of the Units which shall be available in the office of the Association for inspection at all reasonable times by the Unit Owners. Such roll shall indicate for each Unit the name and address of the Unit Owner(s), the assessments for all purposes and the amounts of the assessments paid and unpaid.

8. Liability for Assessments. Liability for Common Expense assessments may not be voided by a waiver of the use or enjoyment of any Common Elements or by abandonment of the Unit to which the assessments are made. A purchaser of a Unit at a judicial or foreclosure sale or a first mortgagee who accepts a deed in lieu of foreclosure shall be liable only for assessments coming due after such sale and for that portion of delinquent assessments reassessed to the Unit Owners after the date of any such sale. Such purchaser shall be entitled to the benefit of all prepaid assessments paid beyond the date such purchaser acquired title.

9. Lien for Delinquent Common Expenses. The unpaid portion of a Common Expense assessment which is delinquent shall be secured by a lien upon the Condominium Parcel of the delinquent Unit Owner after filing for record of a claim or lien by the Association in the Office of the Recorder of Mortgages for Orleans Parish, Louisiana. The Association shall not, however, record such a claim of lien until the Common Expense assessment is unpaid for not less than 45 days after it is delinquent. At least 7 days prior to filing such a claim of lien, the Association shall deliver, by registered mail, to the delinquent Unit Owner, a statement setting forth the amount of delinquent Common Expenses, the date such expenses became delinquent, and a statement indicating the Association's intent to file a claim of lien upon his or her Condominium Parcel. Such a claim of lien shall include only Common Expense assessments which are delinquent for the requisite time period prior to the date the claim of lien is filed for record. The lien shall be subordinate to any privileges, mortgages and encumbrances recorded before the recordation of the lien.

10. Acceleration of Installments. Upon default in the payment of any one or more monthly installments of any assessment levy pursuant to the Declaration, or any other installment thereof, the entire balance of said assessment may be accelerated at the option of the Board of Directors and be declared due and payable in full.

11. Collections.

(a) Delinquent Date; Interest; Application of Payments. Assessments or installments thereof (other than assessments for emergencies which cannot be paid from the Common Expense Account) must be paid within 10 days after the date when due and become immediately delinquent thereafter. Assessments for emergencies must be paid within 30 days after the date when due. All must be paid within the prescribed 10- or 30-day periods, whichever is applicable, and shall bear a penalty of a service charge of \$25 plus 1% of the amount unpaid per month. All penalties so collected shall be credited to the Common Expense Account.

(b) Suit. The Association at its option may enforce collection of delinquent assessments by suit at law or by any other competent proceeding and in either event, the Association shall be entitled to recover in the same action, suit or proceeding all assessments plus penalties which are delinquent at the same time of judgment or decree together with interest

thereon at the rate of 8% per annum, and all costs incident to the collection and the action, suit or proceedings, including, without limiting the same, to reasonable attorney's fees.

12. Additional Rights of Mortgagees - Notice. The Board of Directors shall promptly notify the holder of the first mortgage on any Unit for which any assessment levy pursuant to this Declaration, or any installment thereof, becomes delinquent for a period in excess of 30 days and the Board of Directors shall promptly notify the holder of the first mortgage on any Unit with respect to which any default in the provisions of this Declaration remains uncured for a period in excess of 30 days following the date of such default. Any failure to give any such notice shall not affect the validity of any assessment levy pursuant to the Declaration or the validity of any liens to secure the same.

No suit or other proceeding may be brought to foreclose the lien for any assessment levied pursuant to this Declaration except after 10 days written notice to the holder of the first mortgage on the Unit which is the subject matter of such suit or proceeding.

13. Liability of Declarants for Unsold Units. Declarants shall be fully responsible for full amount of all assessments (including reserve for replacements) applicable to each unsold unit from the date of the recordation of this Declaration until the date of sale of each Unit.

ARTICLE X COMPLIANCE AND DEFAULT

Each Unit Owner shall be governed by and shall comply with the terms of the Declaration and all exhibits thereto, and as they may be amended from time to time. A default shall entitle the Association or other Unit Owners to the following relief:

(a) Violations. Pursuant to the Act, this Declaration and the By-laws have the force of law between the Unit Owners. Failure to comply with any of the terms of the Declaration and Exhibits thereto shall be ground for relief which may include all remedies provided by law, including, without limitation, fines, interruption of the Unit's access to services or use of Common Elements until the violation has ceased, an action to recover sums due for damages, injunctive relief, foreclosure of lien or any combination thereof, and which relief may be sought by the Association.

(b) Negligence. A Unit Owner shall be liable for the expense of any maintenance, repair or replacement rendered necessary by his or her act, neglect or carelessness or by that of his or her invitees, employees, agents, or lessees, as determined by the Board of Directors within its discretion, but only to the extent that such expense is not met by the proceeds of insurance carried by the Association. Such liability shall include any increase in fire insurance rates occasioned by use, misuse, occupancy, or abandonment of any Unit or its appurtenances. Nothing herein contained, however, shall be construed so as to modify any waiver by insurance companies of rights of subrogation.

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

(d) No Waiver of Rights. The failure of the Association or of a Unit Owner to enforce any right, provisions, covenant or condition which may be granted by the Declaration shall not constitute a waiver of the right of the Association or Unit Owner to enforce such right, provision, covenant or condition in the future.

(e) Rights Cumulative. All rights, remedies and privileges granted to the Association or a Unit Owner pursuant to any terms, provisions, covenants or conditions of this Declaration shall be deemed to be cumulative and the exercises of any one or more shall not be deemed to constitute an election of remedies nor shall it preclude the party thus exercising such other and additional rights, remedies or privileges as may be granted to such party by the Condominium Documents or at law or in equity.

ARTICLE XI AMENDMENT

The Declaration and all exhibits thereto may be amended in the following manner:

1. Notice. Notice of the subject matter of the proposed amendment in reasonably detailed form shall be included in the notice of any meeting at which a proposed amendment is considered.

2. Resolution. A resolution adopting a proposed amendment may be proposed by either the Board of Directors or by the Unit Owners meeting as members of the Association and after being proposed by either of such bodies must be approved by the Unit Owners. Owners not present at the meeting considering such amendment may express their approval in writing or by proxy. Any resolution can be approved by the written consent of the appropriate aggregate Percentage Interest as would have been necessary to approve the resolution at a meeting.

3. Recording. A copy of each amendment shall be certified by at least 2 officers of the Association as having been duly adopted and shall be effective when filed for record in the Conveyance Records of Orleans Parish, Louisiana. Copies of same shall be sent to each Unit Owner in the manner elsewhere provided for the giving of notices but the same shall not constitute a condition precedent to the effectiveness of such amendment.

4. Declarant's Right to Amend. Notwithstanding anything herein to the contrary, Declarant, in its sole discretion, shall have the right to amend the Condominium Documents, for any reason, so long as such amendment does not have a material adverse effect upon any mortgage, without the approval from Unit Owners, until Declarant sells more than six (6) Units or Declarant transfers control of the Association to the Unit Owners by calling an election for a new Board of Directors.

ARTICLE XII TERMINATION

The Condominium shall be terminated, if at all, in the following manner:

1. In General. Except in the case of casualty loss where the Unit Owners determine not to reconstruct the casualty damage pursuant to provisions contained elsewhere herein, the termination of the Condominium may be effected by the agreement of 66% of the aggregate Percentage Interest, which agreement shall be evidenced by an instrument or instruments executed in the manner required for conveyance of land. The termination shall become effective when such instrument has been filed for record in the Conveyance Records of Orleans Parish, Louisiana.

2. Shares of Unit Owners After Termination. After termination of the condominium regime as to all or a portion of the Property, the terminating Unit Owners shall own that portion of the Property withdrawn from the condominium regime as owners in indivision and the holders of mortgages and liens against the condominium parcels formerly owned by such Unit Owners shall have mortgages and liens upon the respective undivided shares in the Property of the former Unit Owners. Each such Unit Owner shall own, following termination, an undivided interest in the Property equal to his or her former Percentage Interest. All funds held by the Association and insurance proceeds, if any, shall be and continue to be held jointly for the Unit Owners in proportion to the relative amount of the assessments paid by each Unit Owner, and the proportionate amount of insurance on each respective Unit. The cost incurred by the Association in connection with any termination shall be assessed to such former Unit Owners in the same manner as a Common Expense.

3. Powers After Termination. Following termination, that portion of the Property (or all) removed from the condominium regime may be partitioned and sold upon the application of a withdrawing Unit Owner.

4. Partition Following Termination. The Board of Directors acting collectively as agents for all Unit Owners, shall continue to have such powers as in this Article are granted, notwithstanding the fact that the Association itself may be dissolved upon a termination.

ARTICLE XIII REAL RIGHTS

All provisions of this Declaration shall be construed to be real rights running with the land and with every part thereof and interest therein including, but not limited to, every Condominium Parcel and the appurtenances thereto; and every Unit Owner, and claimant of the Property, or any part thereof or interest therein, and his or her heirs, executors, administrators, successors and assigns shall be bound by all of the provisions of this Declaration.

ARTICLE XIV SEVERABILITY

The invalidity in whole or in part of any covenant or restriction, or any article, section, subsection, sentence, clause, phrase or word, or other provision of this Declaration of Condominium shall not affect the validity of the remaining portions thereof.

ARTICLE XV
CONDEMNATION

In the event of a total or partial taking under the powers of eminent domain, the Unit Owners shall be represented by the Association acting through its Board of Directors. In the event of a partial taking, the award therefore shall be allocated to the respective Unit Owners according to their undivided interest in the Common Elements, except as to such portion or portions of the award which are attributable to direct or consequential damages suffered by a particular Unit, which shall be payable to such Unit Owner or their mortgagees, as their interests may appear. Where, as a result of a partial taking, if any Unit is decreased in size or where the number of Units is decreased by a partial taking, the Board of Directors of the Association shall make such provision for realignment of the Percentage Interest as shall be just and equitable. In the case of a total taking of all Units and the Common Elements, the entire award attributable to the Building shall be payable to the Board of Directors of the Association to be distributed to the Unit Owners or their mortgagees, as their interest may appear, in accordance with their respective Percentage Interest.

ARTICLE XVI
CAPTIONS

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

ARTICLE XVII
SECURITY

None of the Association, the Declarant, nor any successor Declarant, shall in any way be considered insurers or guarantors of security within the Property nor shall any of them be held liable for any loss, claim, damage, or expense by reason of failure to provide adequate security or of the effectiveness of security measures undertaken. No representation of warranty is made that any fire protection system, burglar alarm system or other security system cannot be compromised or circumvented nor that any such systems of security measures undertaken will in all cases prevent loss or provide the detection or protection for which the system is designed or intended. Each Unit Owner acknowledges, understands and covenants to inform its agents, invitees, guests and tenants of this provision.

[Signature on the following page]

THUS DONE AND PASSED, in my office, at New Orleans, Louisiana, on the day and date first hereinabove written, and in the presence of the undersigned competent witnesses who hereunto sign their names with the said Appearer and me, Notary, after reading of the whole.

WITNESSES

Marianne E. Burns
Print Name: Marianne E. Burns
Deborah Stoddard
Print Name: Deborah Stoddard

DECLARANT

VIEUX NOUVEAU PROPERTIES, LLC, a Louisiana limited liability company

By: [Signature]
W. Patrick Schindler
Manager

[Signature]
NOTARY PUBLIC

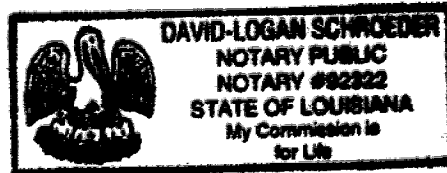


EXHIBIT "A"

LEGAL DESCRIPTION OF PROPERTY

Two Certain Lots of Ground, together with all the buildings and improvements thereon, and all the rights, ways, privileges, servitudes, appurtenances and advantages thereunto belonging or in anywise appertaining, situated in the Sixth District of the City of New Orleans, in Square No. 13, Bloomingdale, bounded by Magazine, Eleonore, Constance and State Streets, designated as Lots 12 and 13 on Survey made by E.L. Eustis C.E., dated April 23, 1943, blue print copy of which is annexed to an act of sale by Daniel Martin to the Equitable-Mutual Homestead Association, passed before Bernard Titche, Jr. Notary Public, on May 1, 1943, according to which said lots adjoin each other and measure each 30 feet front on Magazine Street, by 150 feet in depth between equal and parallel lines. Lot 13 being the lot nearer to the corner of State Street and commences 130 feet from the corner of State Street and Magazine Street.

In accordance with the survey by BFM Corporation, dated December 11, 1993, revised December 22, 1993, a copy of which is attached to act passed before Denise D. Lindsey, Notary Public, dated December 29, 1993, recorded at CIN 80561, N.A. # 94-56293.

Being the same property acquired by Rudolph B. Roessle and his wife, Jacqueline Labadie Roessle from Robert H. Officer, Jr. by act of Credit Sale passed before Denise D. Lindsey, Notary Public, dated December 29, 1993, recorded in the Orleans Parish public records at CIN #80561, NA# 1994-56293.

EXHIBIT "B"

PLAT OF SURVEY

[Attached on the following page]

**SQ. NO. 13, BLOOMINGDALE
SIXTH DISTRICT**

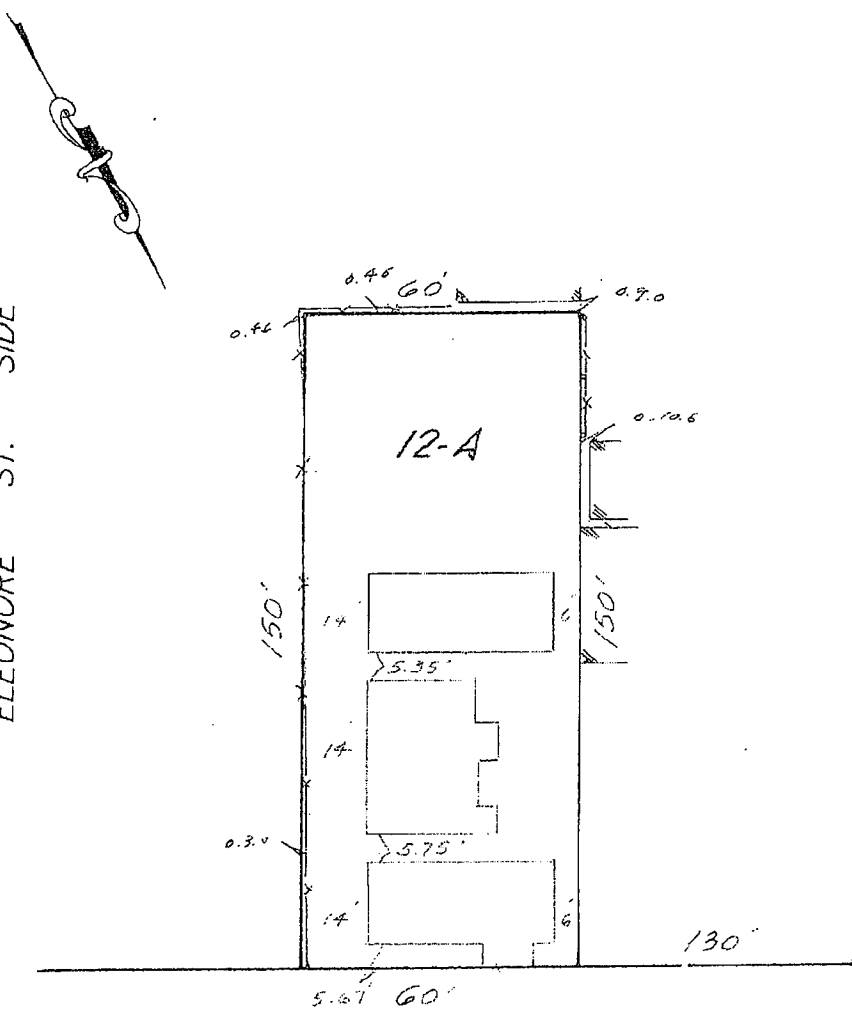
**ORLEANS PARISH
NEW ORLEANS, LA**

A Resubdivision of Lots 12 & 13 into Lot 12-A.

CONSTANCE ST. SIDE

ELEONORE ST. SIDE

STATE ST.



MAGAZINE ST.

Note:
Improvements may not be to scale for clarity.
The dimensions shown prevail over scale.

March 4, 2013. Forms located at 1500 Poydras St. New Orleans, LA 70112
Jan. 15, 2012. Bldg. Code 15-0000

THE SERVITUDES SHOWN ON THIS PLAT ARE LIMITED TO THOSE FURNISHED TO US. THERE IS NO REPRESENTATION THAT ALL APPLICABLE SERVITUDES ARE SHOWN HEREON. THE SURVEYOR HAS MADE NO TITLE SEARCH OR PUBLIC RECORD SEARCH IN COMPILING DATA FOR THIS SURVEY.

THE FEDERAL INSURANCE ADMINISTRATION FLOOD HAZARD BOUNDARY MAP INDICATES THAT THE ABOVE DESCRIBED PROPERTY IS LOCATED IN A FLOOD ZONE.
BRETT V. TREIGLE, JR.
Professional Surveyor
All lot angles 90° as per Column 4359

Date: April 24, 2012

Scale: 1" = 30'
PROFESSIONAL

This plot represents an actual ground survey made by me for under my direct supervision and control and meets the requirements for the State of Louisiana for Boundary Surveys as found in Louisiana Administrative Code Chapter 25 for a Class "C" survey.
Made at the request of Vieux Nouveau Properties.

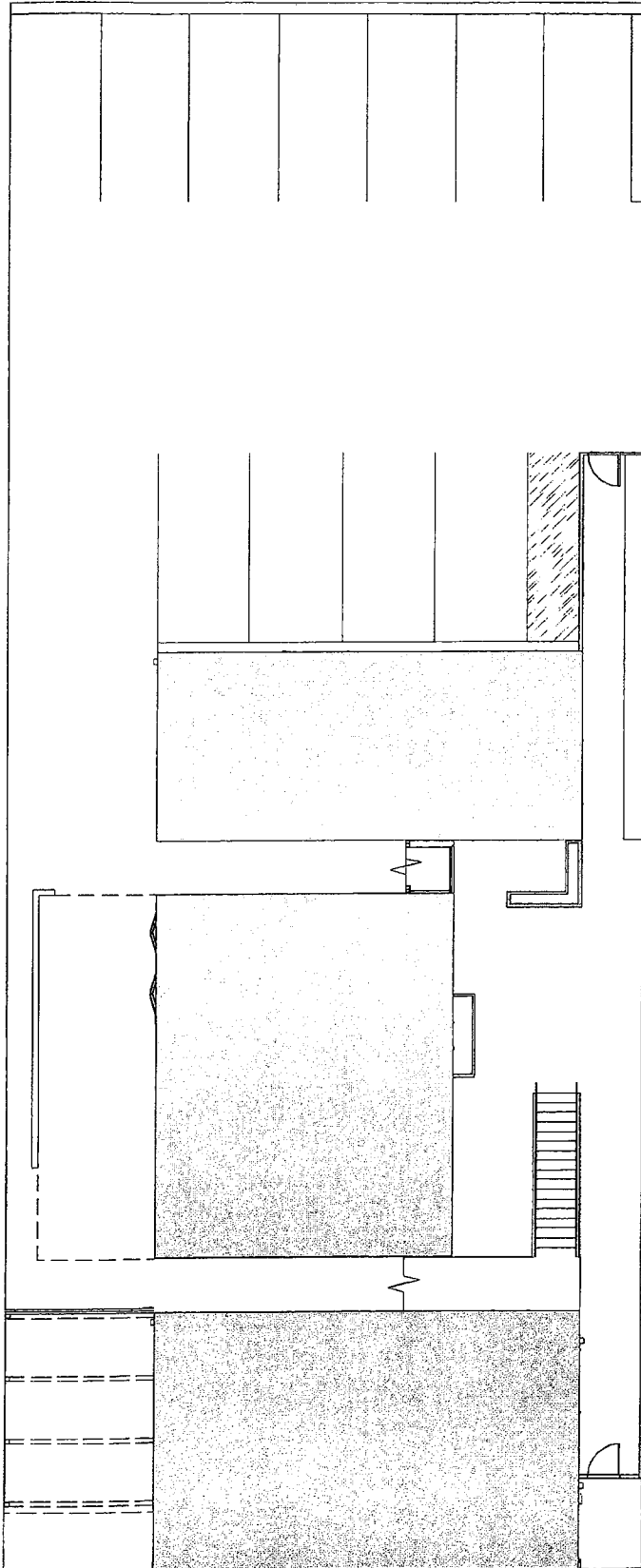
Gilbert, Kelly & Couturie, Inc., Surveying & Engineering
2121 N. Causeway Blvd., Metairie LA 70001 (504) 836-2121

EXHIBIT "C"

BUILDING PLANS

[Attached on the following pages]

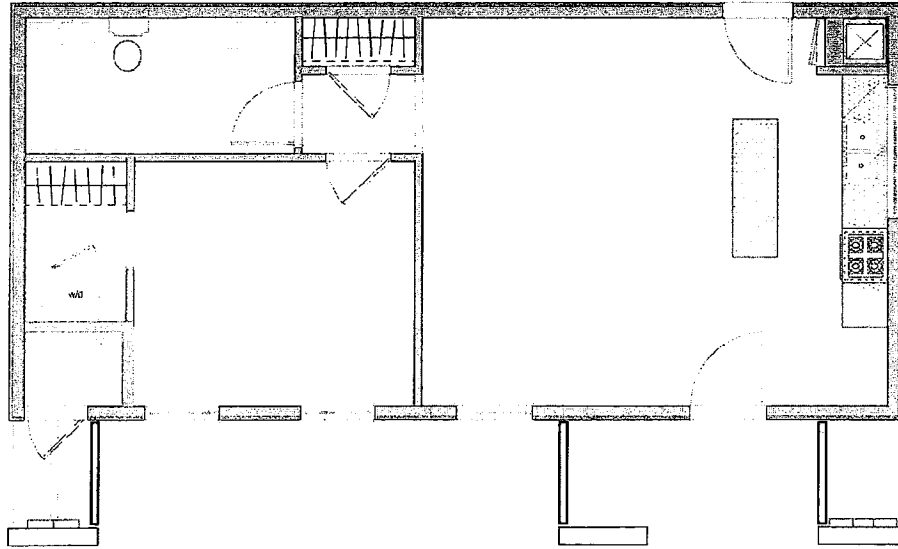
EXHIBIT C



SITE PLAN (1/16"= 1'-0")

PARKING AREA	= 3335 SF
DRIVEWAY	= 1507 SF
COURTYARD	= 810 SF
PEDESTRIAN WALKWAYS	= 425 SF
STAIRS	= 230 SF
MAGAZINE PLANTER	= 100 SF
UTILITY ROOM	= 40 SF
MAILBOXES	= 22 SF
TOTAL SQAURE FEET	=6469 SF

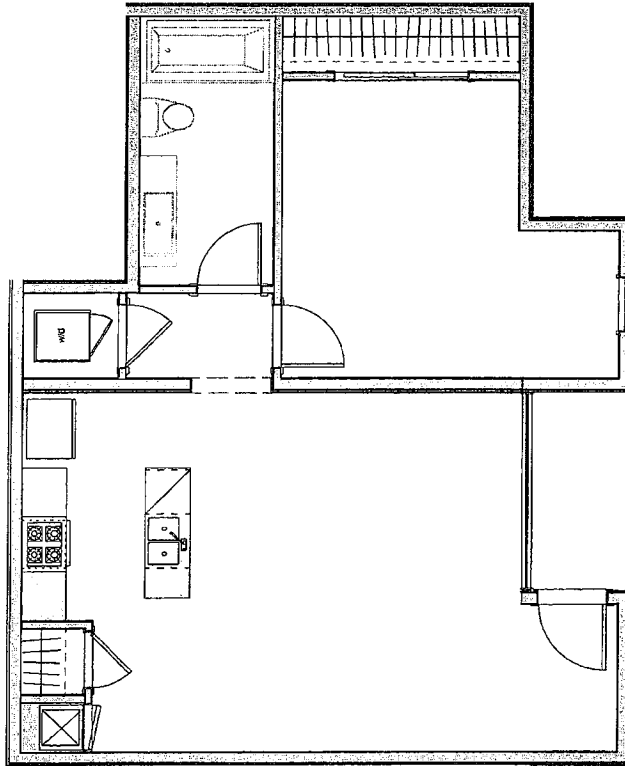
EXHIBIT C



UNIT 101 (1/8"=1'-0")

1 BEDROOM / 1 BATHROOM
UNIT AREA = 689 SF
PATIO AREA = 61 SF

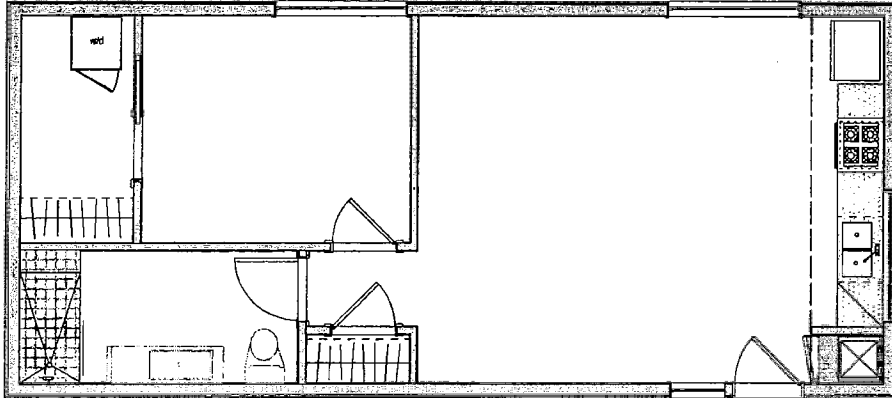
EXHIBIT C



UNIT 102 (1/8"=1'-0")

1 BEDROOM / 1 BATHROOM
UNIT AREA = 747 SF
PATIO AREA = 42 SF

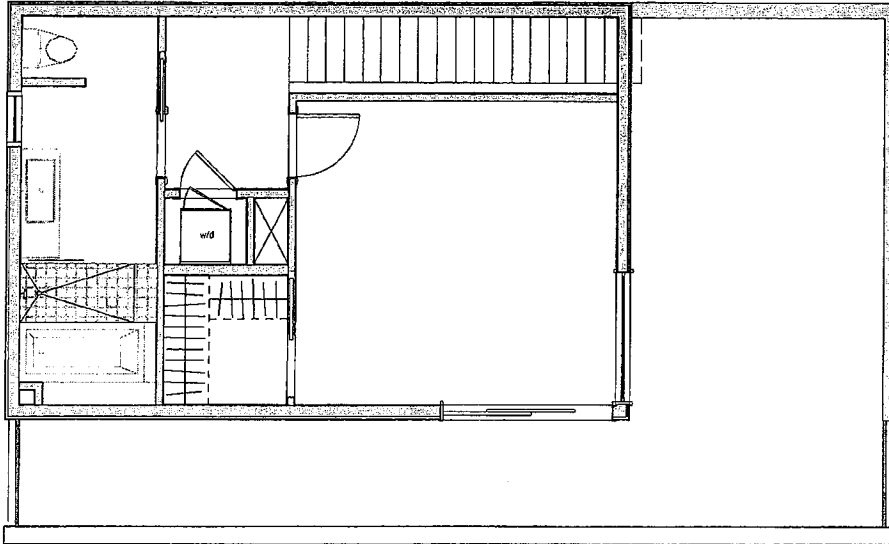
EXHIBIT C



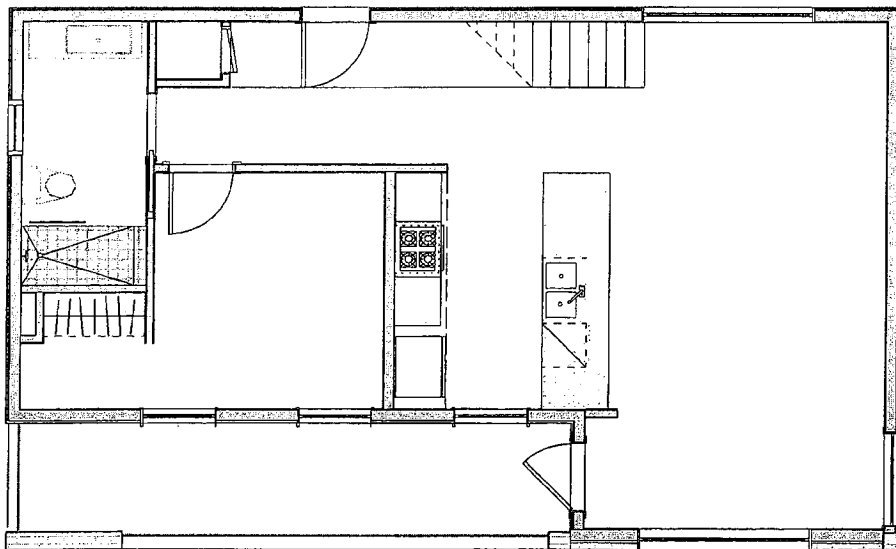
UNIT 103 (1/8"=1'-0")

1 BEDROOM / 1 BATHROOM
UNIT AREA = 650

EXHIBIT C



Second Level = 423 sf

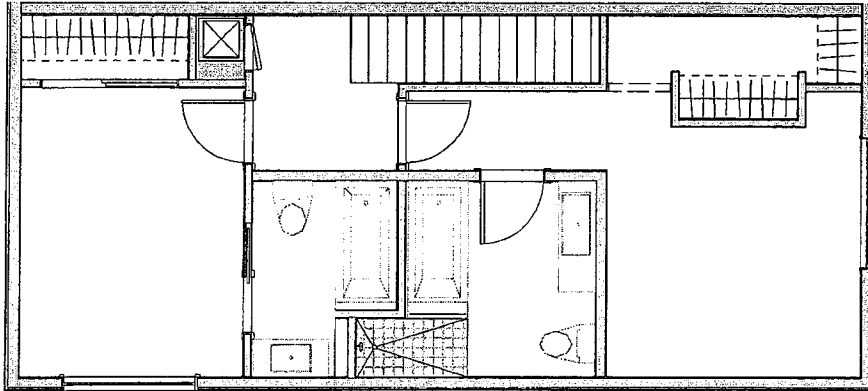


First Level = 762 sf

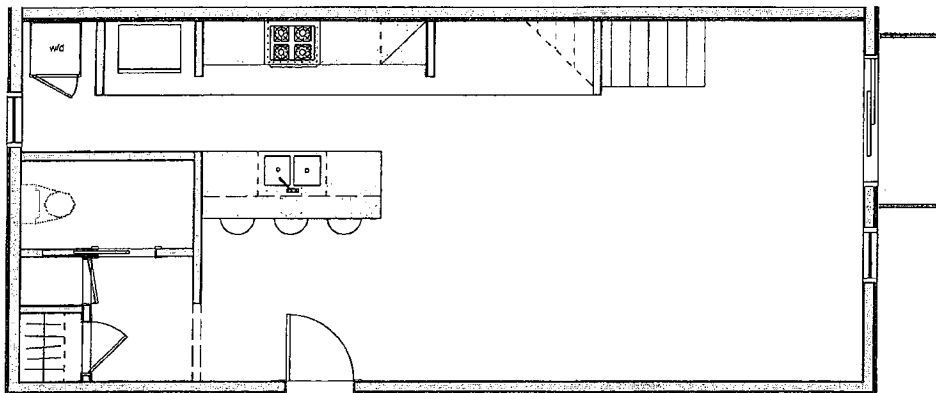
UNIT 201 (1/8" = 1'-0")

2 BEDROOM / 2 BATHROOM
UNIT AREA = 1185 SF
BALCONY AREA = 120 SF
ROOF DECK AREA = 400 SF

EXHIBIT C



Second Level = 588 sf

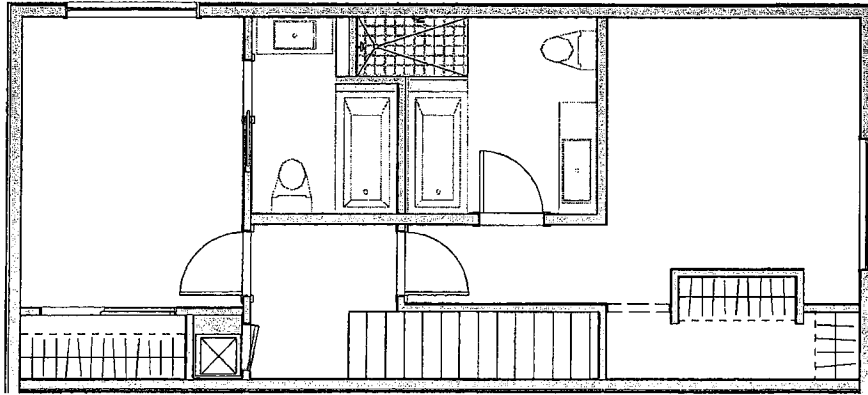


First Level = 623 sf

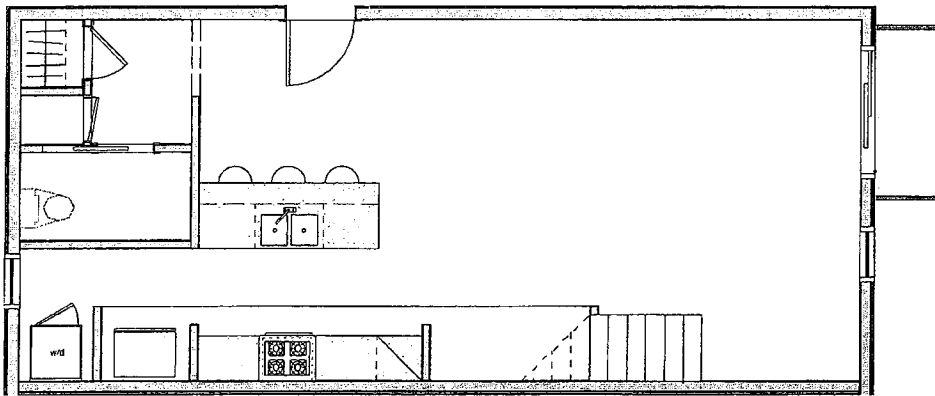
UNIT 202 (1/8" = 1'-0")

2 BEDROOM / 2 BATHROOM
UNIT AREA = 1211 SF
BALCONY AREA = 24 SF

EXHIBIT C



Second Level = 588 sf

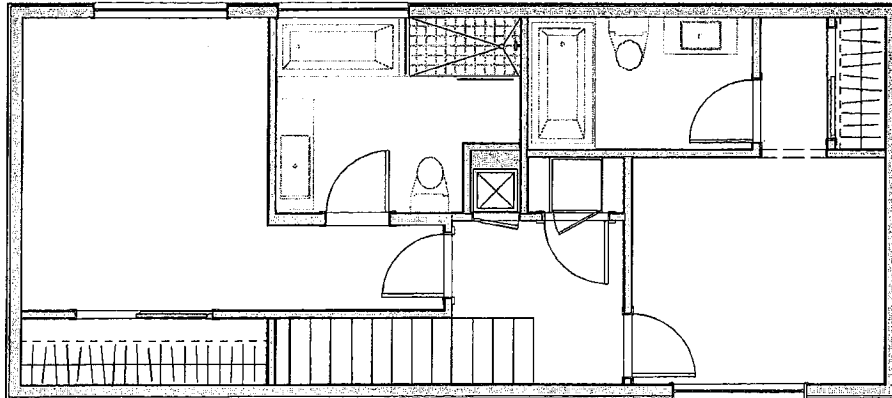


First Level = 623 sf

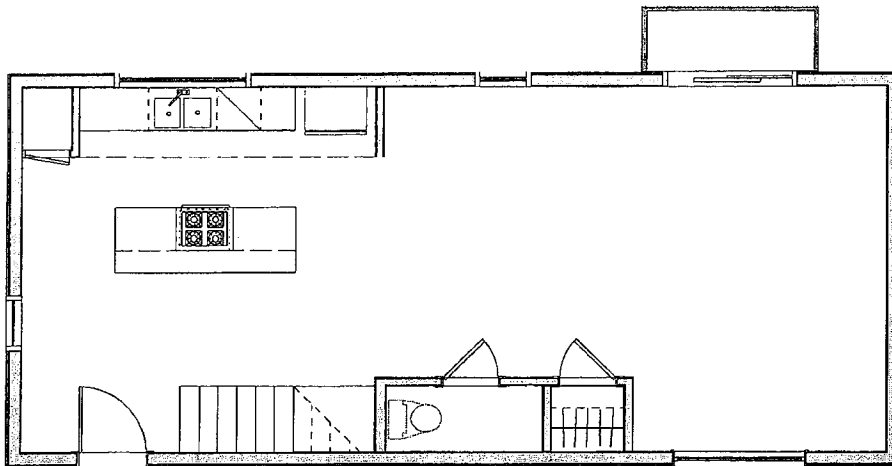
UNIT 203 (1/8" = 1'-0")

2 BEDROOM / 2 BATHROOM
UNIT AREA = 1211 SF
BALCONY AREA = 24 SF

EXHIBIT C



Second Level = 615 sf



First Level = 650 sf

UNIT 204 (1/8" = 1'-0")

2 BEDROOM / 2 BATHROOM
UNIT AREA = 1265 SF
BALCONY AREA = 24 SF

EXHIBIT "D"

ARTICLES OF INCORPORATION OF
5940 MAGAZINE STREET CONDOMINIUM ASSOCIATION, INC.

The undersigned hereby associate themselves for the purpose of forming a corporation not-for-profit under Chapter 12, Sections 201-269 and conforming to Title 9, Sections 1121.101 et seq., Laws of the State of Louisiana, and certify as follows:

ARTICLE I
NAME

The name of the corporation shall be 5940 MAGAZINE STREET CONDOMINIUM ASSOCIATION, INC., hereinafter, for convenience, referred to as the "Association."

ARTICLE II
PURPOSE

The purpose for which the Association is organized is to provide an entity pursuant to the Louisiana Condominium Act, LA. REV. STAT. 9:1121.101 *et seq.* ("Act"), for the operation and administration of 5940 Magazine Street Condominium ("Condominium"), a condominium located on all or part of the following described immovable property described hereinafter:

Two Certain Lots of Ground, together with all the buildings and improvements thereon, and all the rights, ways, privileges, servitudes, appurtenances and advantages thereunto belonging or in anywise appertaining, situated in the Sixth District of the City of New Orleans, in Square No. 13, Bloomingdale, bounded by Magazine, Eleonore, Constance and State Streets, designated as Lots 12 and 13 on Survey made by E.L. Eustis C.E., dated April 23, 1943, blue print copy of which is annexed to an act of sale by Daniel Martin to the Equitable-Mutual Homestead Association, passed before Bernard Titche, Jr. Notary Public, on May 1, 1943, according to which said lots adjoin each other and measure each 30 feet front on Magazine Street, by 150 feet in depth between equal and parallel lines. Lot 13 being the lot nearer to the corner of State Street and commences 130 feet from the corner of State Street and Magazine Street.

In accordance with the survey by BFM Corporation, dated December 11, 1993, revised December 22, 1993, a copy of which is attached to act passed before Denise D. Lindsey, Notary Public, dated December 29, 1993, recorded at C1N 80561, N.A. # 94-56293.

Being the same property acquired by Rudolph B. Roesslc and his wife, Jacqueline Labadie Roessle from Robert H. Officer, Jr. by act of Credit Sale passed before Denise D. Lindsey, Notary Public, dated December 29, 1993, recorded in the Orleans Parish public records at CIN #80561, NA# 1994-56293.

ARTICLE III
NONPROFIT

The corporation shall be a non-profit corporation.

ARTICLE IV
DOMICILE

The domicile of this corporation shall be Orleans Parish, State of Louisiana, and the location and the post office address of its registered office shall be 1470 Urania Street, New Orleans, Louisiana 70130.

ARTICLE V
POWERS

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

A. The Association shall have all the common law and statutory powers of a corporation not-for-profit except those which conflict with the provisions of these Articles.

B. The Association shall have all the powers and duties set forth in the Act except to the extent that they are limited by these Articles and the Declaration Creating and Establishing a Condominium Regime ("Declaration") and all the powers and duties reasonably necessary to operate the Condominium as set forth in the Declaration and as it may be amended from time to time. The powers shall include but are not limited to the following powers;

(1) To make and collect assessments against members in order to defray the Condominium's costs, expenses and losses.

(2) To use the proceeds of assessments in the exercise of its powers and duties.

(3) To repair, replace, maintain and operate the Property.

(4) To purchase insurance on the Property and insurance for the protection of the Association and its members.

(5) To reconstruct improvements after casualty and to further improve the property.

(6) To make and amend reasonable regulations as to the use of property in the Condominium subject to the approval of not less than 66% of the aggregate Percentage Interests, before such regulations or amendments shall become effective.

(7) To enforce, by legal means, the provisions of the Act, the Declaration, these Articles, the By-laws of the Association, and the regulations for the use of Property.

(8) To contract for the management of the Condominium and to delegate to the contractor all the powers and duties of the Association except those powers and duties which were specifically required by the Declaration to be approved by the Board of Directors or the members of the Association.

(9) To contract for the management or operation of portions of the common elements susceptible to separate management or operation, and to lease such portions.

(10) To employ personnel to perform the services required for the proper operation of the Condominium.

C. All funds acquired by the Association and the proceeds thereof shall be held in trust for the Condominium members according to the provisions of the Declaration, these Articles, and By-laws of the Association.

D. The powers of the Association shall be subject, and shall be exercised, according to the provisions of the Declaration and the By-laws.

ARTICLE VI MEMBERS

This corporation is to be organized on a non-stock basis. There shall be only one class of membership. The members of the Association shall consist of all the record owners of units in the Condominium. Membership in the Association shall be established by recordation in the conveyance records of Orleans Parish, State of Louisiana, of a deed or other instrument translative of title establishing a record title to a unit in the Condominium and the delivery to the Association of a certified copy of such instrument, the owner designated by such instrument thereby automatically becoming a member of the Association. The percentage interest of a member in the funds and assets of the Association cannot be assigned, hypothecated, or transferred in any manner except as an appurtenance to his or her unit. The exact number of votes to be cast by record owners of units and the manner of exercising voting rights shall be set forth in the By-laws of the Association.

ARTICLE VII DIRECTORS

The affairs of the Association shall be managed by a Board of Directors consisting of such number of directors as shall be determined by the By-laws. Directors shall be elected and removed in accordance with the By-Laws. The names and mailing addresses of the members of the first Board of Directors are as follows:

- (1) W. Patrick Schindler
1470 Urania Street
New Orleans, Louisiana 70130
- (2) Thomas Winingder
1470 Urania Street

New Orleans, Louisiana 70130

- (3) Claudette Blanchard
1470 Urania Street
New Orleans, Louisiana 70130

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

ARTICLE VIII OFFICERS

The Association's affairs shall be administered by officers elected at the first meeting of the Board of Directors following the annual members' meeting. Such officers shall serve for one year or until their successors are selected and have qualified or until removed from office. The initial officers' names and addresses are:

- (1) President:
W. Patrick Schindler
1470 Urania Street
New Orleans, Louisiana 70130
- (2) Treasurer:
Thomas Winingder
1470 Urania Street
New Orleans, Louisiana 70130
- (3) Secretary:
Claudette Blanchard
1470 Urania Street
New Orleans, Louisiana 70130

ARTICLE IX INDEMNIFICATION

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

ARTICLE X
BY-LAWS

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

ARTICLE XI
AMENDMENTS TO ARTICLES OF INCORPORATION

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

The notice of any meeting at which a proposed amendment is considered shall include notice of the subject matter of the proposed amendment. Either the Board of Directors or the members of the Association may propose a resolution approving a proposed amendment. Members and directors who are not present either in person or by proxy at the meeting at which the proposed amendment is under consideration may express their approval in writing provided their approval is delivered to the secretary at or before the meeting.

An amendment must be approved by not less than 66% of the Board of Directors and by not less than 66% of the aggregate Percentage Interest. No amendment shall make any changes in the qualifications for membership or in the voting rights of the members without the unanimous approval by all the members.

ARTICLE XII
ACCOUNTING RECORDS

The Association shall maintain accounting records according to good accounting practices. Such records shall be available for inspection by Unit Owners at reasonable times designated by the Association. Such records shall include:

- (1) An itemized record of all receipts and expenditures; and
- (2) A separate account for each unit which shall indicate the name and address of the unit owner, the amount of each assessment for common expenses, the date on which the assessment becomes due, amounts paid on the account and any balance due thereon.

ARTICLE XIII
TERM OF ASSOCIATION

The Association shall continue to exist for the life of the Condominium unless the members terminate the Association sooner by a vote of 66% of the aggregate Percentage Interest. The termination of this Condominium in accordance with the provisions of the Declaration shall terminate the Association.

ARTICLE XIV
REGISTERED AGENT

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

Steven C. Serio
201 St. Charles Avenue, Suite 4600
New Orleans, Louisiana 70170

ARTICLE XV
INCORPORATOR

The name and post office address of the Incorporator of this corporation is:

W. Patrick Schindler
1470 Urania Street
New Orleans, Louisiana 70130

IN WITNESS WHEREOF, I have hereunto set my hand this 8th day of April, 2013.

INCORPORATOR

W. Patrick Schindler

ACKNOWLEDGEMENT

STATE OF LOUISIANA

PARISH OF ORLEANS

BEFORE ME, the undersigned Notary Public, in and for the Parish and State aforesaid, on this 8th day of April, 2013, personally came and appeared W. Patrick Schindler, who declared and acknowledged to me, Notary, in the presence of the undersigned competent witnesses, that he is the identical person who executed the foregoing instrument in writing, that his signature hereof is his own true and genuine signature and that he executed said instrument of his own free will and accord, and for the uses, purposes and consideration therein expressed.

THUS DONE AND PASSED, on the day and date hereinabove written, in the presence of the undersigned competent witnesses, who have hereunto subscribed their names, together with said appearer, and before me, Notary, after reading of the whole.

WITNESSES

Print Name: _____

W. Patrick Schindler

Print Name: _____

NOTARY PUBLIC

INITIAL REPORT OF CONDOMINIUM ASSOCIATION

STATE OF LOUISIANA

PARISH OF ORLEANS

In accordance with the provisions of La. Rev. Stat. Ann. § 12:101, 5940 Magazine Street Condominium Association, Inc., a corporation organized under the laws of this state and created by an act before David-Logan Schroeder, Notary Public, dated April 8th, 2013, makes this, its initial report:

(1) The location of the corporation's registered office is 1470 Urania Street New Orleans, Louisiana 70130, which shall remain the registered office until changed by the Board of Directors in the manner required by law.

(2) The names and addresses of the registered agent for this corporation is:

Steven C. Serio
201 St. Charles Avenue, Suite 4600
New Orleans, Louisiana 70170

(3) The names of the only directors of this corporation at the time the filing of the Initial Report are:

- (1) W. Patrick Schindler
- (2) Thomas Winingder
- (3) Claudette Blanchard

(4) The names of the officers of this corporation are:

- (1) President: W. Patrick Schindler
- (2) Treasurer: Thomas Winingder
- (3) Secretary: Claudette Blanchard

Dated April 8th, 2013.

Orleans Parish, Louisiana

INCORPORATOR:

W. Patrick Schindler

EXHIBIT "E"

5940 MAGAZINE STREET CONDOMINIUM ASSOCIATION, INC. BY-LAWS

ARTICLE I
Plan of Unit Ownership

1. Applicability. These By-Laws provide for the governance of 5940 Magazine Street Condominium Association, Inc. ("Association") pursuant to the requirements of LA. REV. STAT. ANN. § 9:1123.106. The Property, as more particularly described in the Declaration Creating And Establishing A Condominium Regime for 5940 Magazine Street Condominium ("Declaration"), has been submitted to the provisions of the Louisiana Condominium Act La. Rev. Stat. Ann. §§ 9:1121.101 *et seq.* ("Act"), by recordation simultaneously herewith of the Declaration in the conveyance records of Orleans Parish, Louisiana.

2. Compliance. Pursuant to the provisions of LA. REV. STAT. ANN. § 9:1124.115, every Unit Owner and all those entitled to occupy a Unit shall comply with these By-Laws.

3. Defined Terms. Capitalized Terms not defined herein shall have the meaning ascribed to them in the Declaration.

4. Office. The office of the Condominium, the Association, and the Board of Directors shall be located at the Property or at such other place as may be designated from time to time by the Board of Directors.

ARTICLE II
Association

1. Composition. The Association shall consist of all of the Unit Owners acting as a group in accordance with the Act pursuant to the Declaration and these By-Laws. For all purposes the Association shall act merely as an agent for the Unit Owners as a group. The Association shall have the responsibility of administering the Condominium, establishing the means and methods of collecting assessments and charges, arranging for the management of the Condominium and performing all of the other acts that may be required or permitted to be performed by the Association by the Act and the Declaration. Except as to those matters which the Act specifically requires to be performed by the vote of the Association, the foregoing responsibilities shall be performed by the Board of Directors as more particularly set forth in Article III of these By-Laws.

2. Annual Meetings. The annual meetings of the Association shall be held each year within 30 days before the beginning of the fiscal year. At such annual meetings the Board of Directors shall be elected by ballot of the Unit Owners in accordance with the requirements of Section 4 of Article III of these By-Laws. So long as Declarant owns at least two Units, Declarant is entitled to designate all Board of Directors. So long as Declarant owns one Unit, Declarant is entitled to designate one member of the Board of Directors.

3. Place of Meetings. Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the Unit Owners as may be designated by the Board of Directors.

4. Special Meetings. The President shall call a special meeting of the Association if so directed by resolution of the Board of Directors or upon a petition signed and presented to the Secretary of not less than 51% of the aggregate Percentage Interests. The notice of any special meeting shall state the time, place and purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

5. Notice of Meetings. The Secretary shall mail to each Unit Owner a notice of each annual or regularly-scheduled meeting of the Unit Owners at least 21 but not more than 30 days, and of each special meeting of the Unit Owners at least 7 but not more than 30 days, prior to such meeting, stating the time, place and purpose thereof. The mailing of a notice of meeting in the manner provided in this Section and Section 1 of Article XI of the By-Laws shall be considered service of notice.

6. Adjournment of Meetings. If at any meeting of the Association a quorum is not present, Unit Owners of a majority of the Percentage Interests who are present at such meeting in person or by proxy may adjourn the meeting to a time not less than 48 hours after the time the original meeting was called.

7. Order of Business. The order of business at all meetings of the Association shall be as follows:

- (a) Roll call.
- (b) Proof of notice of meeting.
- (c) Reading of minutes of preceding meeting.
- (d) Reports of officers.
- (e) Reports of Board of Directors.
- (f) Reports of committees.
- (g) Election or appointment of inspectors of election (when so required).
- (h) Unfinished business.
- (i) New business.

8. Title to Units. Title to a Unit may be taken in the name of one or more Persons, in any manner permitted by law. The Association may require, hold and transfer full legal title to one or more Units in the Condominium in its own name, but only upon the concurrence of 66% aggregate Percentage Interest.

9. Voting. Voting at all meetings of the Association shall be on a percentage basis and the percentages of the vote to which each Unit Owner is entitled shall be (except as otherwise specified in the Declaration) the Percentage Interest assigned to the Unit in the Declaration. Where the ownership of a Unit is in more than one person, the person who shall be entitled to cast the vote of such Unit shall be the person named in a certificate executed by all of the owners of such Unit and filed with the Secretary or, in the absence of such named person from the meeting, the person who shall be entitled to cast the vote of such Unit shall be the person owning such Unit who is present. If more than one person owning such Units is present then such vote shall be cast only in accordance with their unanimous agreement. Such certificate shall be valid until revoked by a subsequent certificate similarly executed. Wherever the approval or disapproval of a Unit Owner is required by the Act, the Declaration or these By-Laws, such approval or disapproval shall be made only by the person who would be entitled to cast the vote of such Unit at any meeting of the Association. Except where a greater number is required by the Act, the Declaration or these By-Laws, the owners of not less than 51% of the aggregate Percentage Interests voting in person or by proxy at one time at a duly convened meeting at which a quorum is present (“Majority of Percentage Interest”) is required to adopt decisions at any meeting of the Association. Any specified percentage of the Unit Owners means the Unit Owners owning such Percentage Interests in the aggregate. If Declarant owns or holds title to one or more Units, Declarant shall have the right at any meeting of the Association to cast the votes to which such Unit or Units are entitled. No Unit Owner may vote at any meeting of the Association or be elected to or serve on the Board of Directors if the Association has perfected a privilege against his or her Unit and the amount necessary to release such privilege has not been paid at the time of such meeting or election.

10. Proxies. A vote may be cast in person or by proxy. Such proxy may be granted by any Unit Owner in favor of only another Unit Owner, a mortgagee or Declarant. Proxies shall be duly executed in writing, shall be valid only for the particular meeting designated therein and must be filed with the Secretary before the appointed time of the meeting. Such proxy shall be deemed revoked only upon actual receipt by the person presiding over the meeting of notice of revocation from any of the persons owning such Unit. Except with respect to proxies in favor of a mortgagee, no proxy shall in any event be valid for a period in excess of 180 days after the execution thereof.

11. Quorum. Except as otherwise provided in these By-Laws, the presence in person or by proxy of Unit Owners of not less than 51% of the aggregate Percentage Interests shall constitute a quorum at all meetings of the Association.

12. Conduct of Meetings. The President shall preside over all meetings of the Association and the Secretary shall keep the minutes of the meeting and record in a minute book all resolutions adopted at the meeting as well as a record of all transactions occurring thereat. The President may appoint a person to serve as parliamentarian at any meeting of the Association. All votes shall be tallied by the President or other officer presiding over the meeting.

13. Action Without Meeting. Any act by the Association required or permitted to be taken at any meeting may be taken without a meeting if the appropriate aggregate Percentage Interest as would have been necessary to approve the resolution at a meeting consent in writing

to such action. Any such written consent shall be filed with the minutes of the proceedings of the Association.

ARTICLE III
Board of Directors

1. Number and Qualification. The affairs of the Association shall be governed by a Board of Directors. The Board of Directors shall be composed of three persons, all of whom shall be Unit Owners, spouses of Unit Owners, or designees of Declarant. Anything in these By-Laws to the contrary notwithstanding, so long as Declarant owns at least two Units, each position on the Board of Directors shall be designated by Declarant. Anything in these By-Laws to the contrary notwithstanding, so long as Declarant owns at least one Unit, one position on the Board of Directors shall be designated by Declarant. Declarant shall have the right in its sole discretion to replace such Directors as may be so designated, and to designate their successors.

2. Powers and Duties. The Board of Directors shall have all of the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things as are not by the Act, the Declaration or by these By-Laws required to be exercised and done by the Association. The Board of Directors shall have the power from time to time to adopt any Rules and Regulations deemed necessary for the benefit and enjoyment of the Condominium; provided, however, that such Rules and Regulations shall not be in conflict with the Act, the Declaration or these By-Laws. In addition to the duties imposed by these By-Laws or by any resolution of the Association that may hereafter be adopted, the Board of Directors shall on behalf of the Association:

(a) Prepare an annual budget, in which there shall be established the assessments of each Unit Owner for the Common Expenses.

(b) Make assessments against Unit Owners to defray the costs and expenses of the Condominium, establish the means and methods of collecting such assessments from the Unit Owners and establish the period of the installment payment of the annual assessment for Common Expenses. Unless otherwise determined by the Board of Directors, the annual assessment against each Unit Owner for his or her proportionate share of the Common Expenses shall be payable in equal monthly installments, each such installment to be due and payable in advance on the first day of each month for such month.

(c) Provide for the operation, care, upkeep and maintenance of all the Property and services of the Condominium.

(d) Designate, hire and dismiss the personnel necessary for maintenance, operation, repair and replacement of the Common Elements and provide service for the Property and, where appropriate, provide for the compensation of such personnel and for the purchase of equipment, supplies and material to be used by such personnel in the performance of their duties, which supplies and equipment shall be deemed part of the Property.

(e) Collect the assessments against the Unit Owners, deposit the proceeds thereof in Bank depositories designated by the Board of Directors and use the proceeds to carry out the administration of the Property.

(f) Make and amend the Rules and Regulations.

(g) Open bank accounts on behalf of the Association and designate the signatories thereon.

(h) Make, or contract for the making of, repairs, additions and improvements to or alterations of the Property, and repairs to and restoration of the Property, in accordance with these By-Laws, after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings.

(i) Enforce by legal means the provisions of the Declaration, these By-Laws and the Rules and Regulations and on behalf of the Unit Owners with respect to all matters arising out of any eminent domain proceeding.

(j) Obtain and carry insurance against casualties and liabilities, as provided in Article VII of the Declaration, pay the premiums therefor and adjust and settle any claims thereunder.

(k) Pay the cost of all authorized services rendered to the Association and not billed to Unit Owners of individual Units or otherwise provided for in Article V, Sections 1 and 2 of these By-Laws.

(l) Keep books with detailed accounts in chronological order of the receipts and expenditures affecting the Property, and the administration of the Condominium specifying the expenses of maintenance and repair of the Common Elements and any other expenses incurred. Such books and vouchers accrediting the entries thereupon shall be available for examination by the Unit Owners, their duly authorized agents or attorneys, during general business hours on working days at the times and in the manner set and announced by the Board of Directors for the general knowledge of the Unit Owners. All books and records shall be kept in accordance with good and accepted accounting practices, and the same shall be audited at least once each year by an independent accountant retained by the Board of Directors who shall not be a resident of the Condominium or a Unit Owner. The cost of such audit shall be a Common Expense.

(m) Notify a mortgagee of any default hereunder by the Unit Owner or the Unit subject to such Mortgage, in the event such default continues for a period exceeding 30 days.

(n) Borrow money on behalf of the Condominium when required in connection with any one instance relating to the operation, care, upkeep and maintenance of the Common Elements, provided, however, that the consent of at least 66% of the aggregate Percentage Interest, obtained at a meeting duly called and held for such purpose in accordance with the provisions of these By-Laws, shall be required to borrow any sum in excess of \$10,000.

(o) Furnish a "Certificate of Resale" within 10 days after the receipt of a written request therefor from any Unit Owner substantially in the form set forth on Exhibit "A" to these By-Laws and designated "Certificate for Resale."

(p) Do such other things and acts not inconsistent with the Act, the Declaration, the Articles of Incorporation or these By-Laws which the Board of Directors may be authorized to do by a resolution of the Association.

3. Election and Term of Office.

(a) The term of office of the Board of Directors shall be fixed at two years. The Board of Directors shall hold office until their respective successors have been elected by the Association.

(b) Persons qualified to be Board of Directors may be nominated for election only as follows:

- (1) Any Unit Owner may submit to the Secretary at least 30 days before the meeting at which the election is to be held a nominating petition signed by a Unit Owner and a statement that the person nominated is willing to serve on the Board of Directors. The Secretary shall mail or hand-deliver the submitted items to every Unit Owner along with the notice of such meeting; or
- (2) Nomination may be submitted from the floor at the meeting at which the election is held for each vacancy on the Board of Directors for which no more than one person has been nominated by petition.

4. Removal or Resignation of Board of Directors. Except with respect to directors designated by Declarant, at any regular or special meeting duly called, any one or more of the Board of Directors may be removed with or without cause by a Majority of Percentage Interest and a successor may then and there be elected to fill the vacancy thus created. Any director whose removal has been proposed by the Unit Owners shall be given at least seven days' notice of the time, place and purpose of the meeting and shall be given an opportunity to be heard at the meeting. A member of the Board of Directors may resign at any time and shall be deemed to have resigned upon disposition of his or her Unit.

5. Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a director by a vote of the Association shall be filled by a vote of a majority of the remaining Directors at a special meeting of the Board of Directors held for such purpose promptly after the occurrence of any such vacancy, even though the directors present at such meeting may constitute less than a quorum. Each person so elected shall be a member of the Board of Directors for the remainder of the term of the member being replaced and until a successor shall be elected at the next annual meeting of the Association. Notwithstanding anything to the contrary in this Section or in the preceding Section 4, so long as Declarant owns

at least one Unit, Declarant shall designate the successor to any resigned or removed member previously designated by Declarant.

6. Organization Meeting. The first meeting of the Board of Directors following the annual meeting of the Association shall be held within 30 days thereafter at such time and place as shall be fixed by the Association at the meeting at which such Board of Directors shall have been elected, and no notice shall be necessary to the newly elected Board of Directors in order legally to constitute such meeting, providing a majority of the whole Board of Directors shall be present thereat.

7. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the directors, but such meetings shall be held at least once every six months during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each director, by mail or telegraph, at least three business days prior to the day named for such meeting.

8. Special Meetings. Special meetings of the Board of Directors may be called by the President on three business days' notice to each director, given by mail or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of at least two directors.

9. Waiver of Notice. Any director may at any time, in writing, waive notice of any meeting of the Board of Directors, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the Board of Directors shall constitute a waiver of notice by him of the time, place and purpose of such meeting. If all directors are present at any meeting of the Board of Directors, no notice shall be required and any business may be transacted at such meeting.

10. Quorum of Board of Directors. At all meetings of the Board of Directors a majority of the directors shall constitute a quorum for the transaction of business, and the votes of a majority of the directors present at a meeting at which a quorum is present shall constitute the decision of the Board of Directors. If at any meeting of the Board of Directors there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

11. Fidelity Bonds. The Board of Directors shall obtain and maintain adequate fidelity bonds in an amount not less than an amount equal to the lesser of \$1,000,000 or the amount of reserve balances of the Association plus one-fourth of the aggregate annual assessment of the Association (in such form and such greater amounts as may be required by the mortgagees) to protect against the dishonest acts on the part of the officers, directors, and employees of the Association, handling or responsible for Condominium funds. Notwithstanding the foregoing, the minimum coverage amount shall be at least \$10,000. The premiums on such bonds shall constitute a Common Expense. Such fidelity bonds shall: (i) name the Unit Owner's Association as an obligee; and (ii) contain waivers of any defense based upon the exclusion of persons who serve without compensation from any definition of

“employee” or similar expression; and (iii) shall provide that they may not be cancelled or substantially modified (including cancellation for non-payment of premium) without at least 30 days prior written notice to the mortgagees.

12. Compensation. No director shall receive any compensation from the Condominium for acting as such.

13. Conduct of Meetings. The President shall preside over all meetings of the Board of Directors and the Secretary shall keep a minute book of the Board of Directors recording therein all resolutions adopted by the Board of Directors and a record of all transactions and proceedings occurring at such meetings.

14. Action Without Meeting. Any act by the Board of Directors required or permitted to be taken at any meeting may be taken without a meeting if all of the Board of Directors shall individually or collectively consent in writing to such action. Any such written consent shall be filed with the minutes of the proceedings of the Board of Directors.

15. Liability of the Board of Directors, Officers, Unit Owners and Association.

(a) The officers and Board of Directors shall not be liable to the Association for any mistake of judgment, negligence or otherwise, except for their own individual willful misconduct or bad faith. The Association shall indemnify and hold harmless each of the officers and directors from and against all contractual liability to others arising out of contracts made by the officers of the Board of Directors on behalf of the Association unless any such contract shall have been made in bad faith or contrary to the provisions of the Act, the Declaration or these By-Laws, except to the extent that such liability is covered by directors and officers liability insurance. Officers and Board of Directors shall have no personal liability with respect to any contract made by them on behalf of the Association. The liability of any Unit Owner (only as it relates to all other Unit Owners in the Condominium) arising out of any contract made by the officers or Board of Directors, or out of the aforesaid indemnity in favor of the Board of Directors or officers, or for damages as a result of injuries arising in connection with the Common Elements solely by virtue of his or her ownership of a Percentage Interest therein or for liabilities incurred by the Association, shall be limited to the total liability multiplied by his or her Percentage Interest. Every agreement made by the officers, the Board of Directors or the Managing Agent on behalf of the Association shall, if obtainable, provide that the officers, the Board of Directors or the Managing Agent, as the case may be, are acting only as agents for the Unit Owners' Association and shall have no personal liability thereunder (except as Unit Owners), and that each Unit Owner's liability thereunder shall be limited to the total liability thereunder multiplied by his or her Percentage Interest.

(b) The Association shall not be liable for any failure of water supply or other services to be obtained by the Association or paid for as a Common Expense, or for injury or damage to person or property caused by the elements or by the Unit Owner, or any other person, or resulting from electricity, water, snow or ice which may leak or flow from any portion of the Common Elements or from any pipe, drain, conduit, appliance or equipment. The Association shall not be liable to any Unit Owner for loss or damage, by theft or otherwise, of articles which may be stored upon any of the Common Elements. No diminution or abatement of any

assessments, as herein elsewhere provided, shall be claimed or allowed for inconvenience or discomfort, arising from the making of repairs or improvements to the Common Elements or from any action taken by the Association to comply with any law, ordinance or with the order or directive of any municipal or other governmental authority.

16. Common or Interested Directors. Each member of the Board of Directors shall exercise his or her powers and duties in good faith and with a view to the interests of the Condominium. No contract or other transaction between the Association and any of its directors, or between the Association and any corporation, firm or association (including Declarant) in which any of the directors of the Association are directors or officers or are pecuniarily or otherwise interested, is either void or voidable because any such director is present at the meeting of the Board of Directors or any committee thereof which authorizes or approves the contract or transaction, or because his or her vote is counted for such purpose, if any of the conditions specified in any of the following subparagraphs exists:

(a) The fact of the common directorate or interest is disclosed or known to the Board of Directors or a majority thereof or noted in the minutes, and the Board of Directors authorizes, approves or ratifies such contract or transaction in good faith by a vote sufficient for the purpose; or

(b) The fact of the common directorate or interest is disclosed or known to at least a Majority of Percentage Interest, and the Unit Owners approve or ratify the contract or transaction in good faith by a vote sufficient for the purpose; or

(c) The contract or transaction is commercially reasonable to the Association at the time it is authorized, ratified, approved or executed.

Any common or interested directors may be counted in determining the presence of a quorum of any meeting of the Board of Directors or committee thereof which authorizes, approves or ratifies any contract or transaction, and may vote thereat to authorize any contract or transaction with like force and effect as if such director were not such director or officer of such Association or not so interested.

ARTICLE IV Officers

1. Designation. The principal officers of the Association shall be the President, the Secretary and the Treasurer, all of whom shall be elected by the Board of Directors. The Board of Directors may appoint such other officers as in its judgment may be necessary. The President shall be a member of the Board of Directors.

2. Election of Officers. The officers of the Association shall be elected annually by the Board of Directors at the organization meeting of each new Board of Directors and shall hold office at the pleasure of the Board of Directors.

3. Removal of Officers. Upon the affirmative vote of a majority of all Board of Directors any officer may be removed, either with or without cause, and a successor may be

elected at any regular meeting of the Board of Directors or at any special meeting of the Board of Directors called for such purpose.

4. President. The President shall: be the chief executive officer of the Association; preside at all meetings of the Association and of the Board of Directors; and have all of the general powers and duties which are incident to the office of president of a not-for-profit corporation organized under the Louisiana Not-For-Profit Corporation Act including without limitation the power to appoint committees from among the Unit Owners from time to time as the President may in his or her discretion decide is appropriate to assist in the conduct of the affairs of the Association.

5. Secretary. The Secretary shall keep the minutes of all meetings of the Association and the Board of Directors; have charge of such books and papers as the Board of Directors may direct; maintain a register setting forth the place to which all notices to Unit Owners and mortgagees hereunder shall be delivered; and, in general, perform all the duties incident to the office of secretary of a non-profit corporation organized under the Louisiana Not-For-Profit Corporation Act.

6. Treasurer. The Treasurer shall have the responsibility for Association funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements, and for the preparation of all required financial data; and be responsible for the deposit of all monies and other valuable effects in the name of the Board of Directors, the Association or the Managing Agent, in such depositories as may from time to time be designated by the Board of Directors, and, in general, perform all the duties incident to the office of treasurer of a non-profit corporation organized under the Louisiana Not-For-Profit Corporation Act.

7. Execution of Documents. All agreements, contracts, deeds, leases, checks and other instruments of the Association for expenditures or obligations in excess of \$10,000 shall be executed by any two persons designated by the Board of Directors. All such instruments for expenditures or obligations of \$10,000 or less may be executed by any one person designated by the Board of Directors.

8. Compensation of Officers. No officer who is also a director shall receive any compensation from the Association for acting as such officer.

ARTICLE V Operation of the Property

1. Determination of Common Expenses and Assessments Against Unit Owners.

(a) Fiscal Year. The fiscal year of the Association shall be the calendar year unless otherwise determined by the Board of Directors.

(b) Preparation and Approval of Budget.

- (1) At least 45 days before the beginning of the fiscal year, the Board of Directors shall adopt a budget for the Association containing an estimate of the total amount considered necessary to pay the cost of maintenance, management, operation, repair and replacement of the Common Elements and those parts of the Units as to which it is the responsibility of the Board of Directors to maintain, repair and replace, and the cost of wages, materials, insurance premiums, services, supplies and other expenses that may be declared to be Common Expenses by the Act, the Declaration, these By-Laws or a resolution of the Association and which will be required during the ensuing fiscal year for the administration, operation, maintenance and repair of the Property and the rendering to the Unit Owners of all related services.
- (2) Such budget shall also include such reasonable amounts as the Board of Directors considers necessary to provide working capital, a general operating reserve and reserves for contingencies and replacements. At least 30 days before the beginning of the fiscal year, the Board of Directors shall send to each Unit Owner a copy of the budget in a reasonably itemized form which sets forth the amount the Common Elements and any special assessment payable by each Unit Owner. Such budget shall constitute the basis for determining each Unit Owner's assessment for the Common Elements of the Association.

(c) Assessment and Payment of Common Expenses. Subject to the provisions of Article IX of the Declaration, the total amount of the estimated funds required for the operation of the Property set forth in the budget adopted by the Board of Directors shall be assessed against each Unit Owner in proportion to his or her respective Percentage Interest and shall be a lien against each Unit Owner's Unit as provided in Article IX of the Declaration. On or before the first day of each fiscal year, and the first day of each of the succeeding eleven months, in such fiscal year, each Unit Owner shall be obligated to pay to the Board of Directors or the Managing Agent (as determined by the Board of Directors), 1/12 of such assessment. Within 90 days after the end of each fiscal year, the Board of Directors shall supply to all Unit Owners an itemized accounting of the Common Expenses for such fiscal year actually incurred and paid, together with a tabulation of the amounts collected pursuant to the budget adopted by the Board of Directors for such fiscal year, and showing the net amount over or short of the actual expenditures plus reserves. Any amount accumulated in excess of the amount required for actual expenses and reserves shall, if the Board of Directors deems it advisable, be credited according to each Unit Owner's Percentage Interest to the next monthly installments due from Unit Owners under the current fiscal year's budget, until exhausted. Any net shortage shall be assessed promptly against the Unit Owners in accordance with their Percentage Interests and shall be payable either: (1) in full with payment of the next monthly assessment due; (2) in not more than six equal monthly installments, as the Board of Directors may determine.

(d) Reserves. The Board of Directors shall build up and maintain reasonable reserves for working capital, operations, contingencies and replacements. Extraordinary expenditures not originally included in the annual budget which may become necessary during the year shall be charged first against such reserves. If the reserves are inadequate for any reason, including non-payment of any Unit Owner's assessment, the Board of Directors may at any time levy a further assessment, which shall be assessed against the Unit Owners according to their respective Percentage interests, and which may be payable in a lump sum or in installments as the Board of Directors may determine. The Board of Directors shall serve notice of any such further assessment on all Unit Owners by a statement in writing giving the amount and reasons therefor, and such further assessment shall, unless otherwise specified in the notice, become effective with the next monthly payment which is due more than 10 days after the delivery of such notice of further assessment. All Unit Owners shall be obligated to pay the adjusted monthly amount or, if such further assessment is not payable in installments, the amount of such assessment. Such assessment shall be a lien as of the effective date as set forth in the preceding paragraph (c).

(e) Initial Capital Payment.

- (1) Upon taking office, the first Board of Directors elected or designated pursuant to these By-Laws, shall determine the budget, as defined in this Section, for the period commencing 30 days after such election and ending on the last day of the fiscal year in which such election occurs. Assessments shall be levied and become a lien against the Unit Owners during such period as provided in paragraph (c) of this Section.
- (2) Declarant, as the agent of the Board of Directors, will collect from each initial purchaser at the time of settlement an "initial capital payment" equivalent to twice the estimated monthly assessment for Common Expenses for such purchaser's Unit. Declarant will deliver the funds so collected to the Board of Directors to provide the necessary working capital for the Association.

(f) Effect of Failure to Prepare or Adopt Budget. The failure or delay of the Board of Directors to prepare or adopt a budget for any fiscal year shall not constitute a waiver or release in any manner of a Unit Owner's obligation to pay his or her allocable share of the Common Expenses as herein provided whenever the same shall be determined and, in the absence of any annual budget or adjusted budget, each Unit Owner shall continue to pay each monthly installment at the monthly rate established for the previous fiscal year until notice of the monthly payment which is due more than 10 days after such new annual or adjusted budget shall have been delivered.

2. Collection of Assessments. The Board of Directors, or the Managing Agent at the request of the Board of Directors, shall take prompt action to collect any assessments for Common Expenses due from any Unit Owner which remains unpaid for more than 30 days from the due date for payment thereof.

3. Statement of Common Expenses. The Board of Directors shall promptly provide any Unit Owner, contract purchaser or mortgagee so requesting the same in writing with a written statement of all unpaid assessments for Common Expenses due from such Unit Owner. The Board of Directors may impose a reasonable charge for the preparation of such statement to cover the cost of preparation to the extent permitted by the Act.

ARTICLE VI Mortgages

1. Notice to Board of Directors. A Unit Owner who mortgages his or her Unit shall notify the Board of Directors of the name and address of his or her mortgagee and shall file a conformed copy of the note and mortgage with the Board of Directors.

2. Notice of Default, Casualty or Condemnation. The Board of Directors when giving notice to any Unit Owner of a default in paying an assessment for Common Expenses or any other default, shall simultaneously send a copy of such notice to the mortgagee of such Unit. Each mortgagee shall also be promptly notified of any casualty giving rise to a possible claim under any insurance purchased by the Association of all actions taken under Article VIII of the Declaration with respect to reconstruction or repair of casualty damages and of any taking in condemnation or by expropriation and actions of the Association with respect thereto.

ARTICLE VII Miscellaneous

1. Notices. All notices, demands, bills, statements or other communications under these By-Laws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by registered or certified mail, return receipt requested, postage prepaid (or otherwise as the Act may permit), (i) if to a Unit Owner, at the address which the Unit Owner shall designate in writing and file with the Secretary or, if no such address is designated, at the address of the Unit or such Unit Owner, or (ii) if to the Association, the Board of Directors or to the Managing Agent, at the principal office of the Managing Agent or at such other address as shall be designated by notice in writing to the Unit Owners pursuant to this Section. If a Unit is owned by more than one person, each such Person who so designates an address in writing to the Secretary shall be entitled to receive all notices hereunder.

2. Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these By-Laws or the intent of any provision thereof.

3. Gender. The use of the masculine gender in these By-Laws shall be deemed to include the feminine and neuter genders and the use of the singular shall be deemed to include the plural, and vice versa, whenever the context so requires.

4. Construction. These Condominium Instruments are intended to comply with all of the applicable provisions of the Act and shall be so interpreted and applied.

5. Signature. Pursuant to L.A. REV. STAT. ANN. § 12:28, no signature is required to effectuate the provisions herein, as these By-Laws have been adopted by the Board of Directors.

EXHIBIT "A" TO BY-LAWS

5940 MAGAZINE STREET CONDOMINIUM CERTIFICATE OF RESALE

TO: _____
FROM: _____
RE: Unit No. _____ at 5940 Magazine Street, New Orleans, Louisiana.

Pursuant to Section 1124.107 of the Act, we hereby certify that as of the date hereof, except as herein stated:

A. The status of assessments with respect to the Unit is as follows:

Current assessment due _____ \$ _____
Assessment in arrears _____ \$ _____
TOTAL DUE \$ _____

B. The Condominium Instruments do not create any rights of first refusal or other restraints on free alienability of any of the Units.

C. The following, if any, is a list of all capital expenditures anticipated by the Association within the current or succeeding two fiscal years: _____.

D. As of the date of this Certificate, there is an outstanding booked balance in the reserve for replacement fund of approximately \$ _____. Of that balance, the following amounts, if any, have been designated by the Board of Directors for the following specific projects: _____.

E. Attached to this Certificate is a copy of the statement of financial condition of the Association for the year ended _____[month], _____[year], the last fiscal year for which such statement is available.

F. There are no unsatisfied judgments against the Association nor any pending suits in which the Association is a party except as follows: _____.

G. The Association holds hazard, property damage and liability insurance policies as required by the Declaration. It is suggested that each Unit Owner obtain his or her own insurance covering property damage to his or her Unit (not covered by the Association policy) and personal property contained therein as well as insurance covering personal liability. You are urged to consult with your insurance agent.

H. Improvements and alterations, if any, made to the Unit or the Limited Elements assigned thereto are not in violation of the Condominium Instruments except as follows: _____.

The information contained in this Certificate for Resale, issued pursuant to Section 1124.107 of the Act, as amended, based on the best knowledge and belief of the Association, is current as of the date hereof.

The name and address of the President of the Association is:

The Association may charge a fee for the preparation of this Certificate for Resale as allowed by law.

Dated this _____ day of _____.

5940 MAGAZINE STREET CONDOMINIUM
ASSOCIATION, INC.

By: _____

Name: _____

Title: Officer

EXHIBIT "F"

RULES AND REGULATIONS OF
5940 MAGAZINE STREET CONDOMINIUM ASSOCIATION, INC.

1. No part of the Property shall be used for any purpose except housing and the common recreational purposes for which the Property was designed. Each Unit shall generally be used as a residence for a single-family, its servants and guests. Subject to Section 5 below and all applicable laws, ordinances and regulatory schemes, a portion of any Unit may be used for professional services such as legal services, consulting services, real estate services, architectural services and art and design services shall be permitted. Except as set forth above, no portion or all of any Unit may be used as a professional office whether or not accessory to a residential use, except with the express written consent of all the Unit Owners and the Board of Directors of the Association.

2. There shall be no obstruction of the Common Elements nor shall anything be stored in the Common Elements without prior consent of the Board of Directors except as herein or in the By-Laws expressly provided. Each Unit Owner shall be obligated to maintain and keep in good order and repair his or her own Unit in accordance with the provisions of the Declaration.

3. Nothing shall be done or kept in any Unit or in the Common Elements that will increase the rate of insurance on that portion of the Property insured by the Association, without the prior written consent of the Board of Directors of the Association. No Unit Owner shall permit anything to be done, or kept in his or her Unit, or in the Common Elements which will result in the cancellation of any such insurance, or which would be in violation of any law. No waste shall be permitted in the Common Elements except where provision is made.

4. No animals or reptiles of any kind shall be raised, bred, or kept in any Unit or in the Common Elements, except for dogs, cats or other common household pets, not to exceed two (2) per Unit without the approval of the Board of Directors, may be kept in the Units, subject to the rules and regulations adopted by the Board of Directors provided they are not kept, bred or maintained for any commercial purposes; and provided further that any such pet causing or creating a nuisance or unreasonable disturbance or noise shall be permanently removed from the Property upon three days written notice from the Board of Directors. In no event shall any dog be permitted in any portion of the Common Elements unless on a leash.

5. No noxious or offensive activity shall be carried on in any Unit, or in the Common Elements, nor shall anything be done therein, either willfully or negligently, which may become an annoyance or nuisance to the other Unit Owners or occupants. No Unit Owner shall make or permit any disturbing noises in his or her individual units by himself, herself, family, servants, employees, agents, visitors and licensees, nor do or permit anything by such persons that will interfere with the rights, comforts or convenience of other Unit Owners.

6. Nothing shall be done in, on, or to the Common Elements which will impair the structural integrity of any Unit or which would structurally change any of the Units.

7. The Common Elements shall be kept free and clear of rubbish, debris and other unsightly materials.

8. Except as specifically set for in Section 1 above, no industry, business, trade, occupation or profession of any kind, commercial, religious, educational or otherwise, designated for profit, altruism, or otherwise, shall be conducted, maintained or permitted on any part of the Property and accessory structure, nor shall any Unit be used or rented for transient, hotel or motel purposes. The right is reserved by the Developer and the Board of Directors of its agent, to place "For Sale," "For Rent," or "For Lease" signs on any unsold or unoccupied Units, and the right is hereby given to any mortgagee, who may become the owner of any Unit, to place such signs on any Unit owned by such mortgagee, but in no event will any sign be larger than one foot by two feet. (1' x 2').

9. Nothing shall be altered or constructed in or removed from the Common Elements, except upon the written consent of the Board of Directors.

10. Each Unit Owner shall keep his or her Unit in a good state of preservation and cleanliness and shall not sweep or throw or permit to be swept or thrown therefrom, or from the doors, windows, or balconies thereof, any dirt or other substance.

11. All radio, television or other electrical equipment of any kind or nature installed or used in each Unit shall fully comply with all rules, regulations, requirements or recommendations of the Board of Fire Underwriters and the public authorities having jurisdiction, and the Unit Owner alone shall be liable for any damage or injury caused by any radio, television or other electrical equipment in such Unit.

12. Any consent or approval given under these Rules and Regulations may be added to, amended or repealed at any time by resolution of the Board of Directors.

13. Any Unit Owner wishing to plant flowers, trees or shrubs within the Common Elements must obtain written permission from the Board of Directors before doing so.

14. Complaints regarding the management of the Common Elements or regarding actions of other Unit Owners shall be made in writing to the Board of Directors.

[Remainder of page intentionally blank]

EXHIBIT "G"

5940 MAGAZINE STREET CONDOMINIUM SCHEDULE OF
PERCENTAGE OBLIGATION FOR COMMON EXPENSES

Unit Designation	Square Feet	Percentage Obligation for Common Expenses
101	689	10%
102	747	11%
103	650	9%
201	1185	17%
202	1211	17.5%
203	1211	17.5%
204	1265	18%
TOTALS:	6958	100%

The foregoing Percentage Obligation for the Common Expense has been determined by taking the approximate square footage of each Unit to the total square footage of all Units in the Condominium. The approximate square footage of each Unit is based on approximate measurements from the inside of the exterior perimeter stud walls.

EXHIBIT "H"

5940 MAGAZINE STREET CONDOMINIUM SCHEDULE OF
PERCENTAGE INTEREST IN COMMON ELEMENTS

Unit Designation	Square Feet	Percentage Interest In Common Elements
101	689	10%
102	747	11%
103	650	9%
201	1185	17%
202	1211	17.5%
203	1211	17.5%
204	1265	18%
TOTALS:	6958	100%

The foregoing Percentage Interest in the Common Elements has been determined by taking the approximate square footage of each Unit to the total square footage of all Units in the Condominium. The approximate square footage of each Unit is based on approximate measurements from the inside of the exterior perimeter stud walls.

EXHIBIT "T"

PARKING SPACES

[Attached on the following page]

END OF EXHIBITS

EXHIBIT I

