

DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS

FOR

TERRA BELLA

A

TRADITIONAL NEIGHBORHOOD DEVELOPMENT

IN

ST. TAMMANY PARISH

LOUISIANA

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TABLE OF EXHIBITS

<u>Exhibit</u>	<u>Subject Matter</u>
"A"	Description of Property
"B-1"	Restated Articles of Incorporation of Residential Owner's Association
"B-2"	Restated Articles of Incorporation of Commercial Owner's Association
"C-1"	By-Laws of Residential Association
"C-2"	By-Laws of Commercial Association
"D"	Architectural Standards and Architectural Typologies
Appendix A	Definitions

WITHOUT LIMITING ANYTHING CONTAINED HEREIN, ALL OWNERS AND OCCUPANTS OF LOTS ARE GIVEN NOTICE THAT USE OF THEIR LOTS AS DEFINED HEREIN IS LIMITED BY THE USE RESTRICTIONS AND RULES AS THEY MAY BE CHANGED IN ACCORDANCE WITH THIS DECLARATION. EACH OWNER, BY ACCEPTANCE OF A DEED/ACT OF SALE OR OTHER TRANSFER ACKNOWLEDGES AND AGREES THAT THE USE AND ENJOYMENT AND MARKETABILITY OF HIS OR HER PROPERTY CAN BE AFFECTED BY THE PROVISIONS OF THIS DECLARATION AND THAT THE USE RESTRICTIONS AND RULES MAY CHANGE FROM TIME TO TIME.

DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS

FOR

TERRA BELLA

THIS DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS (“Declaration”) is made this 11th day of November, 2008, by **Terra Bella Group, L.L.C.**, a Louisiana limited liability company (TIN: 20-4330786) (sometimes referred to herein as the “Developer” or the “Declarant”), whose mailing address is declared to be 1405 West Causeway Approach, Mandeville, Louisiana 70471.

PART ONE: INTRODUCTION TO THE COMMUNITY

The purpose of this Declaration is to provide a system of government which is compatible with the operation and purposes of a traditional neighborhood development, including a flexible system of standards and procedures for the development, administration, maintenance and preservation of Terra Bella as a traditional neighborhood development.

ARTICLE 1

PRINCIPLES OF TERRA BELLA

Section 1.1 Fundamentals of New Urbanism. The method in which local ordinances are actualized affects every aspect of our daily lives and, therefore, our human behavior. Terra Bella believes that its environment not only affects the visual aspects of our lives, but allows the patterns and types of choices we make as a result. This direct interdependence to the access of our daily, individual “life essentials” is worthy of monumental consideration. The complexity of healthy town planning requires a thorough and diverse approach to properly address the process of problem identification and appropriate solution orientation.

Section 1.2 Design Principles. The best examples of developments that offer a sense of security, human relevance and comfort to the resident are found in older towns, more specifically, small Southern towns. The way these small towns developed more than one hundred years ago were a matter of what made sense, what best accommodated the daily life of the individual. These towns were not concerned with the demands of the automobile but with the simple needs of the person. Public gathering places, front porches and tree-lined sidewalks emerged not from zoning ordinances but as obvious needs to be fulfilled. There were no case studies or paradigms to guide our fore-fathers in the planning of their communities; they used common sense. They sought to find direct solutions to address the daily life functions of the people as well as to find relief from the

conditions of the region. They then constructed these structures in such a fashion to remain timelessly pleasing to the eye.

Section 1.3 Master Plan

a. **General.** The Master Plan of Terra Bella seeks to define the community by means of strategies, drawings, and covenants. The Master Plan is the framework from which all growth shall be defined and nurtured. The purpose for such documents is to ensure that the original intent of the community is maintained throughout its construction, thereby stabilizing the historical integrity and functional continuity of the town.

b. **Drawings.** The drawings will illustrate the standardized governing architectural styles and scale for the different types of structures. Generous variations will be allowed but only upon review by an architectural Design Review Board. The intent is not to create “cookie cutter” housing by any means, but rather to reflect a regional and historical benchmark. Street Sections and utility requirements will also be addressed in the drawings and in the covenants. Street Sections refer to the spatial relationships of the Buildings to the sidewalk, the trees to the Streets and Common Roads, and ultimately to the pedestrian. Waivers and variances on the typical local Setbacks are adopted to further enhance the character of the community.

c. **Public Places.** Plazas, public Buildings and Parks will be an integral part of the Master Plan. Some plazas will serve as additional parking while other Squares will remain strictly pedestrian. The public Buildings and gathering halls will service social, cultural and religious activities or can be reserved by individuals for private use by the residents. Parks and linear Green space will be woven within the development lending themselves to diversity and security.

Section 1.4 The Design Code.

a. **General.** The Design Code, as a guideline, is intended to outline the requirements for a new traditional neighborhood development, or TND. The applicable planning office will need to coordinate the required variances with its current zoning/planning criteria and with the Design Code and review them with the Town Planner. To the extent the Design Code does not specifically address components or requirements of the zoning and/or land use ordinances of St. Tammany Parish, the existing ordinances shall control. To the extent there is a conflict, the requirements contained in the Design Code shall control, it being understood that these requirements shall be deemed approved if no otherwise conflicting requirements are provided by existing ordinances.

b. **Goal.** The codes adopted for the Traditional Neighborhood Development are specific to the indigenous character of this development ensuring continuity and harmony. Most municipalities have utility and setback regulations based on the old subdivision models of the 1940's and 1950's. These regulating standards will not support the neo-traditional model and must be revised.

Some of the elements that are universally addressed in the master planning phase are the control of Building techniques, materials, on-street parking and utility line placement. Equally as important is the flow of traffic through a network of interconnecting Streets. The idea is to eliminate dead-end Roads and cul-de-sacs which limit access and breed confusion. The disbursement and control of housing types will be of prime consideration. Affordable housing will not be placed in tracts or segregated locations. Instead, alternative options such as garage apartments or Apartments

over retail or office spaces will be allowed. This mixed use code structure will allow for flexibility as well as provide unique opportunities for single income housing.

Section 1.5 Traditional Neighborhood Development ("TND").

a. **Intent.** It is the intent of the TND that the design and development of Terra Bella be encouraged to provide mixed residential, commercial, and planned development.

b. **Purpose.** The TND is designated to ensure the development of land along the lines of traditional neighborhoods. These provisions adopt the urban conventions which were normal in the United States from Colonial times until the 1940's.

c. **Conventions.** The TND shares the following conventions:

The neighborhood is physically understood and limited in scale.

Residences, shops, workplaces and civic Buildings are located in the Neighborhoods all in close proximity.

A hierarchy of Streets serve the needs of pedestrians and automobiles equitably.

Physically defined Squares and Parks provide places for formal social activity and recreation.

Private Buildings on a clear edge delineate the public space and the block interior.

Civic Buildings and Squares reinforce the elements of the Neighborhood becoming symbolic of community identity and providing places of purposeful assembly for social, cultural, and religious activities.

d. **Social Objectives.** TNDs promote social objectives by:

Bringing within walking distances most of the activities of daily living, including dwelling, shopping and working; the elderly and the young gain independence of movement.

Reducing the number and length of automotive trips, minimizing traffic congestion, and limiting infrastructure construction. By organizing appropriate Building densities, public transit becomes a viable alternative to the automobile.

Providing defined public spaces such as Streets and Squares, so that citizens come to know each other and to watch over their collective security.

Providing a full range of housing types and work places, so that age and economic class are integrated and the bonds of an authentic community are formed.

Providing suitable civic Buildings, so that democratic initiatives are encouraged and the balanced evolution of society is secured.

**ARTICLE 2
CREATION OF TRADITIONAL NEIGHBORHOOD DEVELOPMENT**

Section 2.1 Purpose and Intent. Developer owns certain immovable property located in Section 31, Township 6 South, Range 11 East, Section 37, Township 6 South, Range 10 East, Section 45, Township 7 South, Range 10 East, St. Tammany Parish, Louisiana, which includes all of the property acquired by Developer pursuant to the instrument[s] recorded as Conveyance Instrument Numbers 1547649 and 1621744, official records of St. Tammany Parish, Louisiana. The proposed land use for the Property approved by St. Tammany Parish is set forth on a Plat by Architects Southwest dated December 10, 2004, attached to St. Tammany Parish Zoning Ordinance No. ZC-04-10-083 (“**Zoning Plan**”). The property subject of these restrictions is more fully shown and described on a survey prepared by Randall W. Brown & Associates, Inc. dated February 21, 2006; revised April 17, 2006, Survey No. 06102, attached to original instrument no. 1621744 and recorded in Clerk’s Map File No. 4471 and is more fully described on Exhibit “A” attached hereto (hereinafter referred to as the “**Property**”). Developer intends by the recording of this Declaration to create a general plan of development on the Property for the traditional neighborhood development (“**TND**”) known as “**Terra Bella**”. This Declaration provides a flexible and reasonable procedure for the future expansion of Terra Bella to include additional real property as the Developer deems appropriate and provides for the overall development, administration, maintenance and preservation of the real property now and hereafter comprising Terra Bella. An integral part of the development plan is the creation of Terra Bella Residential Association, Inc., an association to be comprised of all owners of residential real property within the Property (the “**Residential Association**”, or as otherwise defined herein), which shall operate and maintain various Common Area and community Improvements and administer and enforce this Declaration and the other Governing Documents referred to in this Declaration. Another integral part of the development plan is the creation of Terra Bella Commercial Association, Inc., an association to be comprised of all owners of commercial real property within the Property (the “**Commercial Association**”, or as otherwise defined herein), which shall operate and maintain various Common Area and community Improvements and administer and enforce this Declaration and the other Governing Documents referred to in this Declaration. In addition, the Residential Association and the Commercial Association establish mechanisms by which to realize the goal of creating a community in which good citizenship and community service are encouraged from all residents. Further, it is Developer’s intent that land development within the TND be planned to encourage and provide mixed residential (both single and multi-family), retail and commercial uses and properties.

This Declaration does not and is not intended to create a condominium within the meaning of the Louisiana Condominium Act, La. R.S. 9:1121.101 et. seq., as amended.

Section 2.2 Additional Property. Developer reserves the right to add Additional Property to this Declaration in furtherance of the TND Community.

Section 2.3 Binding Effect.

a. All of the Property described on Exhibit “A”, and any additional property which is made a part of Terra Bella in the future by the filing of one or more Supplemental Declarations in the official records of St. Tammany Parish, shall be held, owned, leased, occupied, conveyed and used subject to all of the provisions of this Declaration, including without limitation all reservations, servitudes, restrictions, covenants, charges, liens, privileges and conditions contained herein (individually and collectively, the “**Reservations**”), which Reservations shall run with the Property and the title to such Property and which shall inure to the benefit of all Owners. This Declaration and the Reservations shall be binding upon all Persons having any right, title, or interest in any

portion of the Property, including without limitation their respective heirs, successors, successors-in-titles, and assigns, as well as the occupants of any Lot and their lessees, guests and invitees.

b. This Declaration and the Reservations contained herein, shall be enforceable by Developer, the Associations, any Owner, and their respective successors and assigns, and unless terminated as provided in Section 22.10, shall continue to control land use of the Property for the periods set forth in Section 22.10.

Section 2.4 Governing Documents. This Declaration, each Supplemental Declaration, each of the Articles of Incorporation, Restated Articles of Incorporation, Bylaws, the Design Code, the Use Restrictions and Rules, and the Rules and Regulations of the Associations, and the other documents referenced in this Declaration (individually and collectively, the “**Governing Documents**”) create a general plan of development for Terra Bella which may be supplemented by additional covenants, restrictions, and servitudes applicable to particular areas within Terra Bella. In the event of a conflict between or among the Governing Documents and any such additional covenants or servitudes, or the provisions of any other Articles of Incorporation, Restated Articles of Incorporation, Bylaws, rules or policies governing any area within Terra Bella, the Governing Documents shall control. Nothing in this Section shall preclude any Supplemental Declaration or other recorded covenants applicable to any portion of the Property from containing more restrictive provisions than this Declaration.

Section 2.5 Additional Covenants. The Associations shall comply with and shall be entitled to enforce the provisions of such additional covenants as if set forth in this Declaration. In the event Developer delegates its rights to enforce any deed restrictions or other additional covenants to the Associations, the Associations shall enforce such additional covenants as if set forth in this Declaration, and to the extent that such additional covenants are more comprehensive or restrictive than the covenants and restrictions contained in the Governing Documents, such additional covenants and restrictions shall control. Notwithstanding the foregoing, the terms and provisions contained in the Terra Bella Design Code, prepared by Architects Southwest (hereinafter referred to as the “**Design Code**”), as discussed in Section 1.4 and elsewhere in this Declaration, shall, in any event, control over the terms and provisions contained in the Governing Documents and any additional covenants.

Section 2.6 Withdrawal of Property. At any time on or before the date when Developer sells the final Lot in Terra Bella to an Owner, the Developer shall have the absolute and unconditional right to withdraw property from Terra Bella without the consent of any other Owner or Person (other than the Owner of such property, if other than the Developer), except as otherwise expressly provided for herein. The withdrawal of all or any portion of the Property from Terra Bella shall be affected by the Developer recording a written instrument setting forth the legal description of the property being withdrawn. Upon the withdrawal of any property from Terra Bella pursuant to this Section, such property shall no longer be subject to any of the Reservations set forth in this Declaration. If the property withdrawn is Common Area, the applicable Association shall consent to such withdrawal, as provided in its Bylaws, to effect such a withdrawal.

Section 2.7 Disclaimer of Representations. The Developer makes no representations of warranties whatsoever that: (a) Terra Bella will be completed in accordance with the plans for Terra Bella as they exist on the date this Declaration is recorded; (b) any property subject to this Declaration will be committed to or developed for a particular use or for any use; (c) any property not now subject to this Declaration will be subjected to the provisions hereof; or (d) the use of any

property subject to this Declaration will not be changed in the future. Nothing contained in this Declaration and nothing which may be represented to a purchaser by real estate brokers or salespersons representing the Developer or any Builder shall be deemed to create any covenants or restrictions, implied or express, with respect to the use of any property subject to this Declaration.

ARTICLE 3 DEFINITIONS

The terms used in this Declaration shall generally be given their natural, commonly accepted definitions except as otherwise specified. Capitalized terms shall be defined as set forth in **Appendix A** attached hereto and made a part hereof. Additional terms which apply only to one article are defined the first time they appear herein. Any capitalized terms not defined herein shall have the meanings given to those terms in the Design Code, such definitions being incorporated herein by this reference and made a part hereof.

ARTICLE 4 PROPERTY SUBJECT TO THIS DECLARATION

Section 4.1 Property. The immovable property which shall be held, transferred, conveyed and occupied subject to this Declaration consists of that property described on the attached Exhibit A and described according to a survey by Randall W. Brown & Associates, Inc. dated February 21, 2006; revised April 17, 2006, Survey No. 06102, a copy of which is attached to Instrument No. 1621744 and recorded in Clerk's Map File No. 4471.

Section 4.2 Annexation of Additional Property.

a. **Developer.** Developer shall have the right, but not the obligation, for a period of thirty (30) years from this date, from time to time in its sole discretion, to declare that any additional portions of the Developer's property, or any additional property be incorporated within Terra Bella without the consent of the Class A Members. With the approval of the applicable Board, Developer shall also have the right, but not the obligation, for a period of thirty (30) years from this date, from time to time in its sole discretion (but subject to approval of such Board), to declare that property which is not part of the Developer's property and is not additional annexable property, but which Developer believes to have a reasonable relationship with Terra Bella, is annexed to, and included and otherwise incorporated within, Terra Bella. The Reservations contained in this Declaration shall not extend to any such subsequent phase except to the extent expressly declared by Developer in a Supplemental Declaration. It shall be permissible for Developer or its successors and assigns to declare in a juridical act that any subsequent phase is subject to all Reservations in this Declaration subject to any modifications thereof or additions or deletions thereto that are applicable only to the specific subsequent phase in question. It is further expressly declared that any Rules and Regulations of the Associations may differ in their application to each subsequent phase, and the requirements of the Design Code applicable to each subsequent phase may be different, and are expected to differ, from those requirements of the Design Code applicable to the Property. Developer, for so long as Developer may own any portion of the Property, may transfer or assign this right to annex property, provided that the transferee or assignee is the Developer of at least a portion of the real property described in **Exhibit "A"** and such transfer is memorialized in a written, recorded instrument executed by Developer.

b. **Members.** An Association may subject any real property to the provisions of this Declaration with the consent of the owner of such real property and the consent of the Class "B" Member so long as the Class "B" Member owns any portion of the Property or any real property which may become subject to this Declaration. After termination of the Class "B" membership, additional immovable property may also be annexed to, and included and otherwise incorporated within, Terra Bella by a majority vote of the Class "A" Members and the consent of the owner of such additional immovable property.

c. **Supplemental Declaration.** A Supplemental Declaration annexing to, and including and otherwise incorporating within, Terra Bella, additional immovable property shall become effective upon being recorded in the conveyance records of St. Tammany Parish, Louisiana. Such Supplemental Declaration shall describe the property to be annexed and specifically subject it to the terms of this Declaration. No such Supplemental Declaration shall deny use of existing Common Area to those Owners who had such right prior to the recording of the Supplemental Declaration. Any such Supplemental Declaration shall be signed by the President and the Secretary of the Association filing such Supplemental Declaration, and by the owner of the annexed property, and by Developer, if Developer's consent is required.

Section 4.3 Platted Lots. No Lots may be subdivided or separated into smaller lots except by Developer or with the specific consent of the Design Review Board. No portion of any Lot may be separately conveyed, except by Developer or with the specific consent of the Design Review Board. This Section 4.3, however, shall not prohibit the recording of corrective deeds or similar corrective instruments. Developer shall have the right to record a Supplemental Declaration to modify approved subdivision plats of Terra Bella for the purpose of making adjustments to Lot boundary lines with the consent only of those Owners whose Lot boundaries are to be changed by such Supplemental Declaration.

Section 4.4 Additional Covenants and Servitudes. Developer may subject any portion of the property submitted to this Declaration to additional covenants and servitudes, including covenants obligating an Association to maintain and insure such property and authorizing such Association to recover its costs through Assessments. Such additional covenants and servitudes shall be set forth in a Supplemental Declaration filed either concurrently with or after the annexation of the subject property, if applicable, and shall require the written consent of the owner(s) of such property, if other than Developer. Any such Supplemental Declaration may supplement or otherwise modify the terms of this Declaration as it applies to the subject property in order to reflect the different character and intended use of such property. Such additional covenants and servitudes shall be included within the term Reservations.

Section 4.5 Amendment. This Article shall not be amended without the prior written consent of Developer so long as Developer owns any portion of the Property.

ARTICLE 5 RIGHTS OF DEVELOPER

Section 5.1 General. The Development Rights contained in this Article 5 are hereby reserved to the Developer to the maximum extent permitted by law, which may be exercised where applicable anywhere within Terra Bella.

Section 5.2 Special Developer Rights. The Developer reserves the following “**Special Developer Rights**”, to the maximum extent permitted by law, which may be exercised, where applicable, anywhere within Terra Bella:

- a. Complete Improvements indicated on the survey and plans filed with this Declaration;
- b. Exercise any Development Right reserved in this Declaration;
- c. Maintain sales offices, model homes, management offices, signs advertising Terra Bella and models;
- d. Use easements throughout the Common Area for the purpose of making Improvements within Terra Bella; and
- e. Appoint or remove any officer of an Association or any Board member for so long as Developer owns any portion of the Property.

Section 5.3 Right to Transfer or Assign Developer Rights. Any Special Developer Rights and all of the special rights and obligations of Developer set forth in this Declaration or the applicable Bylaws may be transferred in whole or in part to other Persons, provided that the transfer shall not reduce any obligation nor enlarge a right beyond that of Developer under this Declaration or such Bylaws. No such transfer shall be effective unless it is in a written instrument signed by Developer and duly recorded in the public records of St. Tammany Parish, Louisiana. The foregoing shall not preclude Developer from permitting other Persons to exercise, on a one (1) time or limited basis, any right reserved to Developer in this Declaration where Developer does not intend to transfer such right in its entirety, and in such case it shall not be necessary to record any written assignment unless necessary to evidence Developer’s consent to such exercise.

Section 5.4 Termination of Responsibility of Developer. In the event Developer shall convey all of its right, title and interest in and to the Property to any successor person or entity, then and only in such event, Developer shall be relieved of the performance of any further duty or obligation hereunder, and such successor Persons or entity shall be obligated to perform all such duties and obligations of the Developer.

Section 5.5 Right to Use Common Area. Developer and its designees may maintain and carry on upon portions of the Common Area such facilities and activities as, in the sole opinion of Developer, may be required, convenient, or incidental to the construction or sale of Lots, including, but not limited to, business offices, signs, model units, and sales offices. Developer and its designees shall have servitudes for access to and use of such facilities. Developer and its designees, during the course of construction on the Property adjacent to any Common Area, may use such Common Area for temporary storage and for facilitating construction on adjacent property. Upon cessation of such use, the user of such Common Area shall restore it to its condition prior to such use. If Developer’s use under this Section results in additional costs to an Association, Developer shall not be obligated to pay any use fees, rent or similar charges for its use of Common Area pursuant to this Section.

Developer and its employees, agents and designees shall also have a right and servitude over and upon all of the Common Area for the purpose of making, constructing and installing such

Improvements to the Common Area as it deems appropriate in its sole discretion.

Section 5.6 Right to Approve Additional Covenants. No Person shall record any declaration of covenants, conditions and restrictions, or declaration of condominium or similar instruments affecting any portion of the Property without Developer's review and written consent so long as Developer owns any portion of the Property. Any attempted recordation without such consent shall result in such instrument being void and of no force and effect unless subsequently approved by Developer and recorded in the official records of St. Tammany Parish, Louisiana.

Section 5.7 Right to Approve Changes in Community Standards. Notwithstanding any contrary provision of this Declaration, no amendment to or modification of any Use Restrictions and Rules or Design Documents shall be effective without prior notice to and the written approval of Developer so long as Developer owns any Developable Land.

Section 5.8 Exclusive Right to Use the Name of the Development. No Person shall use the term "Terra Bella" or any derivative in any printed or promotional material without Developer's prior written consent. However, Owners may use the term "Terra Bella" in printed or promotional material solely to specify that particular property is located within Terra Bella, and the Associations shall be entitled to use the term "Terra Bella" in their names.

Section 5.9 Limitations on Special Developer Rights. Unless terminated earlier by a recorded instrument executed by the Developer, any Special Developer Right may be exercised by the Developer so long as the Developer is obligated under any warranty or obligation, owns any Lots within the Property, or for thirty (30) years after recording of the Declaration, whichever is sooner. Earlier termination of certain rights may occur by statute.

Section 5.10 Developer Personal Property. The Developer reserves the right to retain all personal property and equipment used in sales, management, construction and maintenance of the premises that has not been represented as property of an Association. The Developer reserves the right to remove, within one (1) year after the sale of the last Lot, from the Property any and all goods and Improvements used in development, marketing and construction, whether or not they have become fixtures, provided that Developer shall mitigate any damage to property in its removal of such fixtures, if any.

Section 5.11 Phasing of Development Rights. No assurances are made by the Developer regarding the portions of the areas shown on the Zoning Plan as to the portions where the Developer will exercise its Development Rights or the order in which such portions, or all of the areas, will be developed. The exercise of Development Rights as to some portions will not obligate the Developer to exercise them as to other portions. Specifically, any part of the land subject to this Declaration or any additional land may be declared as Lots or Common Area without declaring the remaining parts as Lots or Common Area. Without obligation to any future Owner or successor Developer, the Developer states that it presently expects to create a series of individual Neighborhoods and/or Villages for various groups of Lots and Building types as the development of Terra Bella progresses. Each Village and/or Neighborhood will be subject to this Declaration.

Section 5.12 Non-Applicability to Special Developer Rights. The provisions of this Article shall not apply to the Developer in the exercise of any Special Developer Right. Further, because of the potential impact of such activities on the marketing of Lots, so long as the Developer owns any Lot or holds any right under this Declaration, the Developer alone has the right, in lieu of the

applicable Board, to exercise the regulatory powers described in this Article with respect to Special Developer Rights.

Section 5.13 Leasing by Developer. The Developer may also enter into short term leases on a day to day basis as a part of providing temporary occupancy to purchasers prior to closing.

Section 5.14 Amendment and Termination of Rights. This Article may not be amended without the written consent of Developer so long as Developer has any rights hereunder. The rights contained in this Article shall terminate upon the earlier of (a) seventy-five (75) years from the date this Declaration is recorded in the public records of St. Tammany Parish, Louisiana, or (b) upon Developer recording a written statement in the public records of St. Tammany Parish, Louisiana that all sales activity has ceased.

PART TWO: CREATION AND MAINTENANCE OF COMMUNITY STANDARDS

Terra Bella imposes standards for use, conduct, maintenance and architecture within the development which give the community its sense of place. This Declaration establishes methods for the promulgation of rules and regulations that allow the community and its standards to progress as the community, technology and surrounding market change.

ARTICLE 6 USE AND CONDUCT IN TERRA BELLA

Section 6.1 Initial Use Restrictions and Rules. The following initial Use Restrictions and Rules shall apply to all of the Property until such time as they are amended, modified, repealed, or limited by rules of the applicable Association adopted pursuant to this Declaration. So long as Developer has the right to unilaterally amend this Declaration under and pursuant to the provisions of Article 22, Developer may unilaterally amend the following Use Restrictions and Rules.

Section 6.2 Owner's Responsibility. Each Owner shall keep all parts of his Lot in good order and repair and free from debris.

Section 6.3 General. The Property shall be a mixed use/traditional neighborhood development and shall be used for those residential, recreational, commercial and related purposes (which may include, without limitation, an information center and/or sales office for any real estate broker retained by Developer to assist in the sale of any portion of the Property, offices for any property manager retained by the Associations, or business offices for Developer or the Associations consistent with this Declaration and any Supplemental Declaration) as set forth in this Article 6. Except as specifically provided in this Article 6, Lots shall be used for single family residential purposes only

Section 6.4 Permitted Uses and Activities.

a. **Lots.** Residential Lots or lots designated for Residential use may not be used for any purpose other than residential, all commercial and industrial activity on Residential Lots is prohibited. The Design Code may permit the building of two (2) or more Dwellings on a Lot. Other

uses, such as certain home occupations which, in the sole discretion of the Design Review Board, do not generate significant traffic, may be permitted by the Design Review Board. An Owner may consolidate not more than two (2) Lots within Terra Bella for the construction of a single Dwelling thereon. Other Lots shall conform to the uses designated in the governing documents for such Lots.

b. **Special Use Parcels.** The Design Code may describe special restrictive covenants and building restrictions for Special Use Parcels, which shall include residential use.

c. **Leasing.** Dwellings may be rented, subject to the Rules and Regulations, as promulgated by the applicable Board which may be modified from time to time. Except as otherwise provided in Section 6.5, subparagraph ff. and Section 6.11, subparagraph f., no rule or regulation may limit the length of leases. In any event, no Dwelling shall be rented to more than one (1) person or for occupancy be more than a Single Family of genetically or lawfully related parties. Except as otherwise provided in Section 6.5, subparagraph ff., Lots and Condominium Units may be leased in their entirety, or a garage apartment that is separate from the primary Dwelling on a Lot may be leased.

d. **Occupancy.** In the absence of written approval of the Board of the Residential Association, all Occupants of a Dwelling must comprise a Single Family Unit. For purposes of this subparagraph d., "**Occupant**" shall mean any Person who stays overnight in a Dwelling for more than seven (7) days (whether or not consecutive) in any one (1) calendar year.

e. **Model Homes.** Any provision of this Declaration which prohibits non-residential use of Residential Lots and regulates parking of vehicles shall not prohibit the construction and maintenance of model homes or other model Lots of any kind (including, without limitation, any used in whole or in part as sales offices) (collectively, "**Models**") by Developer or Builders engaged in the construction of Models within the Property, or parking incidental to the visiting of such Models, so long as the construction, operation and maintenance of such Models and parking otherwise comply with all of the provisions of this Declaration. The Design Review Board may also permit Lots and other areas to be used for parking in connection with the showing of Models. Any homes or other structures constructed as Models shall cease to be used as Models at any time the owner thereof is not actively engaged in the construction and sale of Lots within the Property, and no home or other structure shall be used as a Model for the sale of homes or other structures not located within the Property. This Section shall not apply to model apartment units in an apartment building or apartment complex for which such use is permitted by the declaration recorded with respect to that building or complex. Neither the provisions of this Section nor the provisions of any other Section of this Declaration shall restrict or prohibit the right of the Developer or an affiliate of Developer to construct, operate and maintain Models within the Property.

f. **Home Office.** Except as otherwise provided in Section 6.5, subparagraph e., if allowed by the applicable zoning and land use ordinances and regulations of the Governmental Authorities with jurisdiction over the Lots, each residential Lot may have one (1) home office provided that each of the following conditions is met: (a) no sign, advertisement or notice of any type or nature whatsoever may be erected or displayed on the Lot or on any Building located on the Lot which in any way advertises or provides notice or reference to the business conducted in the home office; (b) the business is not otherwise prohibited by the Rules and Regulations of the Associations; and (c) such home office is not prohibited by the Terra Bella zoning.

g. **Permitted Commercial Uses.** The following shall be permitted uses within the Commercial areas of Terra Bella and shall control land use within the Village Center, to-wit:

residential use of the second floor of a commercial building; professional offices; general retail, restaurants; wine and spirits shops; delicatessen; grocery store; neighborhood bar; drug stores; florists; hair salons, day spas; medical offices, fitness clubs; banks and bicycle shops.

h. **Prohibited Commercial Uses.** The following use and activity is prohibited on the Property, to-wit: lounges; tattoo parlors; commercial dog kennels; automotive service stations; automotive service centers; automotive service sale centers; automotive parts stores; auto body shops; drive-in restaurants; funeral homes and mausoleums; dry cleaning operation, but not excluding a dry cleaning drop location; night clubs; bars; lounges; auto body shops; adult video stores; manufacturing and industrial uses.

i. **Commercial Use Approvals.** All permitted uses within the Property allowed under Section 6.4(9) and not prohibited in Section 6.4(h) shall be located in the Village Center and all such uses must first be approved by the Board of Directors of the Commercial Association for compatibility with the Neighborhood, Community, business infrastructure and Master Plan for this Traditional Neighborhood Development. Due to the limited size of the Village Center, the Board of Directors of the Commercial Association may limit and control the permitted uses, number and size of permitted uses, number of same or similar uses, layout, and design of permitted uses within the Village Center in order to restrict the number of competing businesses, and promote healthy and vibrant business activity within the Village Center. The Board of Directors of the Association shall interpret the intent and meaning of the permitted and prohibited uses under this Section 6.4. The following must occur prior to the operation of any commercial/business use within the Property: (i) an owner shall submit to the Board of Directors of the Commercial Association a business plan for the proposed use setting forth the activity, products, goods and services to be sold or dispensed from the proposed commercial use; (ii) the Board of Directors of the Commercial Association shall review the submittal of the owner and either approve or disapprove the proposed use, with or without comments or modifications of the proposed use. In the event the use proposed by the Owner is approved by the Board of Directors of the Commercial Association, then the use proposed by the Owner is approved for purposes of this Declaration. The decision of the Board of Directors of the Association shall be final.

Section 6.5 Prohibited Uses and Activities. Except for the activities of Developer in connection with the development of Terra Bella and the activities of any permitted grantees hereunder in connection with the construction, installation, repair, alteration and maintenance of water, sewer, drainage, natural gas, electrical, telephone and communications, and cable television lines and facilities within utility and drainage servitudes, the following activities are prohibited within the Property unless expressly authorized by, and then subject to such conditions as may be imposed by, the Boards of Directors in the Rules and Regulations and/or the Design Review Board. The fact that the Boards of Directors and/or the Design Review Board are given the right to grant exceptions to the prohibitions contained in this Section 6.5, shall not mandate that any exceptions be granted. To the extent any inconsistency exists between the provisions of this Section 6.5 and the provisions of the Design Code and Sections 8.5 through 8.12 of this Declaration, the provisions of the Design Code and Sections 8.5 through 8.12 shall control.

a. **Animals** Raising, breeding, or keeping of animals of any kind on any Lot or within any Dwelling constructed on a Lot shall not be permitted, except that no more than three (3) dogs, cats,

or other usual and common household pets may be permitted on any Lot or within any Dwelling constructed on a Lot (provided they are not raised, bred or kept for commercial purposes), subject to such additional Rules and Regulations as may be adopted for the Property or any portion thereof, which rules may prohibit all pets or specific types of animals. The Rules and Regulations may also designate specific areas within the Common Area where pets may be walked, prohibit pets on other areas, require pets to be on leash, and restrict the rights of tenants to keep pets. Any pet that the Board in its sole discretion determines to be a nuisance, after notice to such Member or resident and affording such person an opportunity for a hearing before the Board, shall be removed from the Lot upon request of the Board. If the pet owner fails to honor such request, the Board may remove the pet. The Board may also, in its sole discretion, prohibit the keeping of specific breeds of dogs, cats and other permitted animals within any part of Terra Bella where the Board determines that the keeping of such animals is a safety risk. Each Owner shall be strictly responsible to immediately collect and properly dispose of wastes and litter of any permitted pets. Notwithstanding anything to the contrary contained in this Declaration, this subparagraph shall be applicable only to those Owners who are Members of the Residential Association. Pets shall not be permitted in or on commercial property except those portions of the Property which are veterinarian offices, grooming shops, kennels, or other pet supply stores which, in all cases, are permitted by the Developer, Design Review Board and Board of Directors of the Commercial Association.

b. **Antennas.** Exterior antennas, aerials, satellite dishes, or other apparatus for the transmission or reception of television, radio, satellite, or other signals of any kind are prohibited on any Lot, except that if the Association elects not to provide fiber optic technology or other similar communications systems for the community, then:

an antenna designed to receive direct broadcast satellite services, including direct-to-home satellite services, that is one (1) meter or less in diameter;

an antenna designed to receive video programming services via multipoint distribution services, including multi-channel multipoint distribution services, instructional television fixed services, and local multipoint distribution services, that is one (1) meter or less in diameter or diagonal measurement; or

an antenna that is designed to receive television broadcast signals;(collectively, "Permitted Antennas"), shall be permitted only in rear yards or mounted on the rear of Improvements that have been constructed in accordance with this Declaration; provided, however, that notwithstanding the foregoing, and as a general principle, all Permitted Antennas and related equipment and wiring shall be located so as to (i) prevent the view of a Permitted Antenna from an adjoining courtyard and (ii) minimize their visibility from any street (not including any alley) adjacent to the front or side of any Lot even if such location adversely affects such Permitted Antenna's ability to receive signals. If an Owner needs to install a Permitted Antenna and/or its related equipment and wiring in any side yard, or on the side of any Improvements, or in any front yard, or on the front of any improvements, in order to avoid a diminution in signal reception from such Permitted Antenna or unreasonable costs to install, maintain or use such Permitted Antenna, then, unless prohibited by applicable law, any installation in the front or side yard or on the front or side of any Improvements shall be subject to review and approval by Developer, or, upon delegation of its powers, by the Design Review Board, which review shall be completed, and the resulting requirements communicated to the Owner, within seven (7) days of receipt of the application for review. Developer or the Design Review Board may impose requirements as to location within the front or side yard or on the front or side of any Improvements and the manner

of installation and screening with landscaping or otherwise, in order to minimize the visibility of the Permitted Antennas and related equipment and wiring from adjacent streets and adjacent property, so long as such requirements are not inconsistent with applicable law. If any portion of this subparagraph b. is deemed invalid under applicable law, the balance of the provisions of this subparagraph shall be applied and construed so as to effectuate, to the maximum extent possible, the intent expressed above in this subparagraph b. regarding locating Permitted Antennas in the least visible location on any Lot.

c. **Artificial Vegetation.** No artificial grass, plants or other artificial vegetation shall be placed or maintained upon the exterior portion of any Lot, or any Improvement(s) thereon, unless approved by the Design Review Board.

d. **Basketball Goals; Play Structures.** No basketball goal, backboard or similar structure or device, and no swing sets or other play structures, shall be placed or constructed on any Lot without the prior written approval of the Design Review Board (including, without limitation, approval as to appearance and location). Basketball goals or backboards, if permitted, shall not be mounted directly to the residence, but shall be located on the inside of the Driveway in an area close to the residence, painted to match the color of the residence. Backboards, if permitted, shall be clear glass or colored to match the color of the residence. Driveways shall remain as provided during the original construction for access to Garages only. Driveways shall not be expanded to accommodate sports or play equipment.

e. **Business.** Any business, trade, or similar activity shall not be conducted from any Residential Lot or any Dwelling on any Lot, except as provided in this subparagraph e., and except that an Owner or occupant residing in a Lot may conduct “**discrete business activities**” within the Lot so long as the existence or operation of the business activity is not apparent or detectable by sight, sound, or smell from outside the Lot; the business activity does not involve regular visitation of the Lot or door-to-door solicitation of residents of the Property; and the business activity is consistent with the residential character of the Property and does not violate these Use Restrictions and Rules. Examples of “**discrete business activities**” include, but are not limited to, computer-based telecommunications and literary, artistic, or craft activities. The Board of the Residential Association may restrict any business activities that it determines interfere with the enjoyment or residential purpose of the Property in its sole and absolute discretion.

The leasing of a Lot in accordance with these Use Restrictions and Rules shall not be considered a business or trade within the meaning of this subparagraph e. This subparagraph e. shall not apply to any activity conducted by Developer or a Builder approved by Developer with respect to its development and sale of the Property or its use of any Lots which it owns within the Property, including the operation of a timeshare, or similar program.

Notwithstanding anything to the contrary in this Declaration, Developer and any Builder approved by Developer may utilize a Lot as a show house or model home. Furthermore, Developer and any approved Builder may utilize a Lot as a sales office for homes being constructed within the Property.

An occupant residing in the Primary Residence on a Lot may conduct such activities from the Primary Residence or a garage apartment on the Lot, or an occupant residing in a garage apartment may conduct such activities from the garage apartment, all in accordance with this subparagraph e.

f. **Compliance with Law.** No use shall be made of, nor any actions taken on, any Lot which is any violation of any law, ordinance or regulation applicable to the geographical area within which the Lot is located.

g. **Construction Requirements; Landscaping Requirements.** No Improvements shall be constructed nor any landscaping or other Work performed on any Lot, except in strict compliance with this Declaration, the Design Code and the Landscape Code, and except for matters as to which a written variance has been granted by the Design Review Board. Where construction trailers are permitted, the trailer must be attractively landscaped. During construction, no draining of pools on adjacent property or into washes or open spaces is permitted.

h. **Decorations, Equipment, Structures and Personal Property.** Placement of decorations, sports or play equipment or other structures or personal property shall not be permitted on the exterior portions of any Lot; provided, however, a reasonable number of holiday and religious decorations may be displayed on a Lot for up to thirty (30) days prior to the holiday or religious observance and up to fourteen (14) days thereafter without prior approval, subject to the right of Developer (or the Design Review Board, if delegated authority by Developer) to require removal of any such decorations which it deems to (a) be excessive in number, size or brightness, relative to other Lots in the area; (b) draws excessive attention or traffic; or (c) unreasonably interferes with the use and enjoyment of neighboring properties.

i. **Diseases and Insects.** No person shall permit any thing or condition to exist upon any Lot or other property within Terra Bella which shall induce, breed or harbor infectious diseases or noxious insects.

j. **Division of Lots.** No Lot shall be divided or subdivided and no portion of any Lot other than the entire Lot shall be transferred or conveyed for any purpose whatsoever, except by Developer, or with the prior, express, written approval of the Design Review Board if such authority is delegated by Developer. This subparagraph j. shall not be construed to prohibit the granting of any servitude and/or right-of-way to any Governmental Authority, public utility, or to an Association or Developer.

k. **Driveways.** In order to allow sufficient space for landscaping in the front of a Dwelling, only single entry drives (whose width shall be as set forth in the Design Code) shall be constructed to a depth terminating at the front Façade line of the Building nearest to the front property line. Circular drives with two (2) Street entrances will not be permitted, except as set forth in the Lot type diagrams in the Design Code. Driveways, together with Garages, shall be designed to reflect the overall quality of the architecture.

l. **Encroachments.** With the permission of the Design Review Board, Eaves, soffits, Stairs, balconies and Fascia of Buildings are permitted to overhang a Utility Easement or a Street right of way by thirty-six (36") inches, provided that any such encroachment must be no less than ten (10') feet above the finished ground elevation in the area of the encroachment, and further provided that any required consent has been obtained from any Governmental Authority or utility company, whether public or private. With the permission of the Design Review Board, Stoops are permitted to encroach a Utility Easement or a Street right of way by thirty-six (36") inches, provided that any required consent has been obtained from any Governmental Authority or utility company, whether public or private. Roofs are permitted to overhang the Setback by up to thirty six (36") inches (if allowed by the International Building Code), except where the Setback is zero (0') feet;

provided, however, that such exception shall not apply to Townhouses or structures in areas designated as Live/Work, as set forth in the Terra Bella zoning case.

m. **Exterior Lighting.** The number of exterior light fixtures shall be limited. All lighting should be architecturally integrated with attached structures. Sodium vapor lights are prohibited. Landscape lighting and path lighting shall be minimal and used primarily for safety reasons. Security lighting including motion activated floor lights shall at a minimum be located beneath Eave overhangs, and shall be used for emergency purposes only. No colored light bulbs shall be permitted. No lighting shall be installed which is aimed at surrounding properties, or which will intrude on surrounding property. Exterior lights shall be mounted on Building surfaces up to a maximum height of twelve (12') feet. All exterior light sources shall be shielded from view by adjoining properties.

n. **Fences and Garden Walls.** Any Fence or Garden Wall, the design and construction of which has been approved in accordance with the Design Code, shall be kept neat and attractive and in good repair. All ornamental iron or picket Fences shall be maintained in good condition and painted or otherwise finished in accordance with the Design Code. All Fences shall be maintained so as not to detract from the general appearance of Terra Bella. On any Lot having a portion of any perimeter wall constructed by Developer upon the Lot, the Owner(s) of such Lot will be responsible for maintaining that portion of the wall which is upon the Lot in good condition and repair. This provision shall not require that the Design Code or the Design Review Board approve any Fences or that either approve ornamental or picket Fences.

o. **Firearms.** Discharge of firearms shall not be permitted within Terra Bella; provided, the Boards shall have no obligation to take action to prevent or stop such discharge.

p. **Flags.** Subject to the provisions of Sections 8.6 through 8.12 herein, flags of any kind placed on a Lot so as to be visible from outside the Dwelling on the Lot shall not be permitted, except that one country flag not exceeding 48" X 72" in size and one decorative flag not exceeding 36" X 60" in size may be hung from flagpoles not exceeding 72" in length or 2" in diameter, which are mounted within brackets on the exterior facade of the residence at a location approved by the Design Review Board.

q. **Gambling and Gaming.** Conducting, participating in, or holding of any events, functions or programs that involve games of chance, raffles, gambling, wagering, betting, or similar activities where the participants pay money or give other valuable consideration for the opportunity to receive monetary or other valuable consideration shall not be permitted on any Lot or within any Dwelling on any Lot; provided, however, that the foregoing is not intended to bar the occasional use of the interior of a residential Dwelling on the Property for the activities described in this subparagraph so long as such use is either: (1) in conjunction with fundraising activities for a non-profit or charitable organization, or (2) is a private, social, non-commercial activity.

r. **Garage Doors; Openings.** Except as may be expressly allowed by the Design Code as to a Lot which is not bordered by an Alley or as otherwise expressly allowed by the Design Review Board, the doors through which vehicles enter a Garage may not face a Street. Garage doors shall be kept closed, except when vehicles are entering or leaving the Garage. Garage door openings shall be no higher or wider than ten (10') feet.

s. **Garage.** Conversion of any Garage to a use which precludes the parking therein of the number of vehicles for which it was originally designed shall not be permitted. At the time of any

construction of a Building on a Lot, the Owner shall also construct a Garage which, as set forth in the definition, is totally enclosed when all doors (both for vehicles and pedestrians) are closed. All openings, other than windows, must have doors that close easily. No Garage may have an opening (other than a window) which is taller than ten (10) feet above the finished grade of the floor of said Garage.

t. **Garages; Alley-Loaded Lots.** Any Owner of any Alley-Loaded Lot shall cause the foundation for any Garage that is to be constructed on the Lot to be poured contemporaneously with the pouring of the foundation for any Dwelling or other Buildings and/or Improvements to be constructed on the Lot except with the prior consent of the Design Review Board to a different scheduling. Any such Garage shall face and be accessed through the Alley.

u. **Garages; RVs.** No garage built specifically for a recreational vehicle, camper, motor home or similar vehicle shall be permitted in Terra Bella. An Owner may keep a recreational vehicle, camper, motor home or similar vehicle on his Lot only if such vehicle remains in a Garage permitted hereunder with a door opening of no more than ten (10') feet high.

v. **Garage sales, rummage sales, or similar sales.** Garage, rummage or similar sales shall not be permitted on any Lot; provided, however, that Declarant may allow no more than two (2) community garage sales per calendar year in a portion of the Common Area determined by Declarant. The time, place, and method of notice to Owners of a community garage sale shall be at Declarant's sole discretion.

w. **Garbage; Trash Collection.** On scheduled trash collection days, all Owners or occupants of all Lots shall place their garbage in heavy duty garbage bags or trash receptacle furnishing the trash collector approved by the Design Review Board and bring such bags or trash receptacles to the Street curb for pickup by the applicable trash collector. Owners or occupants of all Lots shall not place garbage bags or trash receptacle in public view except on trash collection days. No covered trash containers of any kind shall be permitted in Terra Bella except the trash receptacle or trash containers furnished by the trash collector approved by the Design Review Board. Recyclable products or materials may be placed for collection in containers expressly designed or legally required for such collection. Owners shall use and store trash and garbage containers on days other than scheduled trash collection days in compliance with other provisions contained in this Declaration and any applicable Rules and Regulations of the applicable Association. The Design Code, the Landscape Code and the Associations, through their adoption of their Rules and Regulations, may regulate placement and maintenance of garbage and trash containers, and other matters affecting the attractiveness or safety of Lots.

x. **Golf Carts, "Mini-bikes", "Go-Carts", and "All Terrain Vehicles".** Operation of "mini-bikes", "go-carts", "All Terrain Vehicles" and other similar vehicles shall not be permitted within the Property, except that the use of golf carts by Declarant, Owners, residents, and tenants of Terra Bella, and agents, employees and representatives of the Associations and the Joint Committee shall be permitted and encouraged within the Property to the extent permitted by applicable federal, state and local law. The Associations may adopt Rules and Regulations governing the use of golf carts within the Property at their sole discretion.

y. **Half-way Houses.** No Dwelling or other Improvement on any Lot shall at any time be used as a Half-Way House under supervision of a Supervising Agency. For the purposes of this subparagraph y., the term "**Supervising Agency**" shall mean a Governmental Authority including

without limitation thereto the Sheriff of St. Tammany Parish, the Louisiana Department of Corrections, the United States Department of Justice and the United States Marshal's Service. For the purposes of this subparagraph y., the term "**Half-Way House**" shall mean a place where persons who have been imprisoned or incarcerated for crimes (whether felonies or misdemeanors), or confined for drug or alcohol rehabilitation, are continued under some form of supervision for the primary purpose of aiding said persons in readjusting to society following their imprisonment, incarceration, hospitalization or other form of confinement.

z. **Incinerators.** No incinerator shall be kept or maintained on any Lot.

aa. **Interference with Servitudes and Drainage.** No Improvements other than Driveways, sidewalks, walkways, mailboxes, Fences, walls, retaining walls, and gas and water meters, and no other obstruction shall be placed or permitted to remain upon any Lot which may damage or interfere with any servitude for the installation or maintenance of utilities or passage or drain, or obstruct any drainage ditch or channel. Notwithstanding any inference herein to the contrary, Driveways, sidewalks, walkways, mailboxes, Fences, walls, retaining walls, and gas and water meters may only be constructed and/or installed on a Lot in accordance with the requirements of the Design Code and in compliance with the provisions of Article 7 and Article 8.

bb. **Ingress and Egress.** Except as allowed by the Design Code or as otherwise approved by the Design Review Board, vehicular ingress to and vehicular egress from Lots and Improvements thereon shall be from and to the front of the Lot (i.e., that side which a Dwelling thereon must face as hereafter set forth) and no vehicular access shall be allowed from the sides or rear of any Lot; provided, however, that (a) vehicular ingress and vehicular egress to and from a Garage on each Alley-Loaded Lot shall only be from the rear of the Lot. With respect to each Lot which is bordered on its rear property line by an Alley, there shall be no Driveway or parking area constructed or used on that part of any such Lot between the front wall of the Primary Residence and the front property line where the said Lot fronts on a Street.

cc. **Insurance.** Nothing shall be done or kept on any Lot or the Common Area which will increase the rate of, or resulting cancellation of, insurance for Terra Bella or any other Lot, or the contents thereof, without the prior written consent of the applicable Association. This prohibition shall not prohibit the usual and customary activities associated with residential use of a single family Dwelling.

dd. **Lakes.** Any Lot which shall abut upon any lake, stream, pond, wetland, or other waterway shall be subject to the following additional restrictions:

No pier, dock or other structure or obstruction or any other wall, revetment, rip-rap or any other material shall be built, placed or maintained upon any waterfront Lot or into or upon any waterway on the Property or adjacent thereto except with the specific written approval of the applicable Association. As to any such structure, approval or permits from the United States Army Corp of Engineers or any other such private or governmental agency as may be now or hereafter required must be obtained by the Owner, if permitted by such Association hereunder.

Except with the prior written approval from the Association, no device or material may be constructed, placed or installed upon any Lot which shall in any way alter the course of natural boundaries of any waterway or which shall involve or result in the removal of water from any waterway.

The Owner of each Lot abutting the water's edge shall release and discharge Developer, the Association, the Parish of St. Tammany, from any and all claims for debt or damages sustained by the Owner or a lessee or existing in the Owner's or lessee's property and property rights heretofore or hereafter sustained or to accrue by reason or account of the operation and maintenance of said lakes, streams, ponds, wetlands, and waterways.

All such Lots shall be subject to a perpetual easement in favor and for the use and benefit of the applicable Association for the maintenance of said lakes, streams, ponds, wetlands, and waterways.

ee. **Landscaping.** Landscaping, in accordance with the Landscape Code, is required on any Lot on which Improvements have been constructed, except that no grass, trees, shrubs, hedges or other plants shall be planted or allowed to grow on any Lot except in compliance with the Landscape Code and in compliance with the requirements of Article 8.

ff. **Leasing of Lots.**

Except as otherwise provided in any applicable Supplemental Declaration or other applicable covenants, residential Lots may be leased in their entirety, or a garage apartment that is separate from the primary Dwelling on a residential Lot may be leased; however, no single rooms, except where part of an inn or hotel room, or other fraction or portion of a residential Lot may be leased, nor shall any residential Lot or portion thereof be used for operation of a boarding house, "Bed and Breakfast" establishment, or similar accommodation for transient tenants.

Except for leases of garage apartments or as may otherwise be permitted by any applicable Supplemental Declaration, all leases shall be for an initial term of no less than one (1) year, except with the prior written consent of the applicable Board. Leases of garage apartments shall be for an initial term of no less than three (3) months, and such garage apartments or Lots shall not be leased to more than two (2) separate tenants in any twelve (12) month period. No garage apartment shall be leased or used for any purpose other than residential use, except that the occupant of the primary Dwelling on a residential Lot, or any tenant who has leased a garage apartment and who resides therein, may use the garage apartment for other uses consistent with the Declaration and these Use Restrictions and Rules.

Notice of any lease, together with such additional information as may be required by the applicable Board, shall be given to such Board by the Owner within ten (10) days of execution of the lease. The Owner must make available to the lessee copies of the Declaration, applicable Bylaws, and the Use Restrictions and Rules. There shall be no subleasing or assignment of any lease unless prior written approval is obtained from the applicable Board of Directors or its designated representative or officer. All tenants of Owners occupying any portion of the Property within Terra Bella agree to be bound by the terms and provisions and all Reservations contained in this Declaration.

gg. **Maintenance.** No Lot (whether or not any Dwelling or other Buildings have been constructed on the Lot), and no Dwelling or other Improvements which are located upon a Lot, shall be permitted to fall into disrepair and each such Lot, and all such Dwellings and other Improvements, and all lawns and other landscaped areas, shall be kept neat and maintained in good condition and repair consistent with any requirements set forth in either the Design Code, the Landscape Code or in the Rules and Regulations of the Associations. Each Owner shall keep neat and

maintain in good condition and repair that portion of any Street right-of-way servitude (i.e., that portion of the right-of-way between the edge of the Street curb and the Owner's boundary line(s)) that is immediately adjacent to (whether in front of or alongside) the Owner's Lot. The opinion of the Design Review Board as to the acceptability of such conditions shall be final; the Design Review Board may delegate, in its sole discretion, its authority under this provision.

hh. **Mineral and Mining Activity.** No Lot shall be used for the purpose of boring, mining, quarrying, exploring for, producing or removing oil or other hydrocarbons, minerals, gravel or earth except in the case of soil borings in connection with soil analysis for foundation design; provided, however, that offsite exploration for or production of oil, gas or other minerals lying beneath the surface of a Lot through directional or horizontal drilling methods or otherwise shall be allowed if such directional or horizontal drilling does not penetrate or otherwise disturb any portion of the earth within five hundred (500') feet of the surface of any Lot.

ii. **Modification to Improvements.** Any modifications to existing construction, Improvements, or landscaping, or exterior additions to Lots is not permitted, except in accordance with the Design Documents and with the approval of the Design Review Board.

jj. **Movable Structures and Outbuildings.** No structure of any type, Dwelling or otherwise, shall be moved on to any lot in Terra Bella except as may be expressly approved by the Design Review Board. No structure of a temporary character and no trailer, tent, shack, barn, pen, stable, coop, cage, storage building or shed shall be erected, used or maintained on any Lot at any time without the express, prior, written approval of the Design Review Board, provided, however, the foregoing restriction shall not prohibit the use and maintenance of those temporary structures necessary during the performance of any Work thereon. No such structures, trailers or the like shall be utilized for residence purposes and all such structures, trailers or the like shall be removed from the Lot promptly following the completion of the Work. During art festivals, craft fairs, block parties and other special events, a Board may approve the use of tents, trailers and other temporary buildings on the applicable Common Area or elsewhere within Terra Bella.

kk. **Noise.** No exterior speakers, horns, whistles, bells or other sound transmitting, generating or amplifying devices other than security devices used exclusively for security purposes shall be located, used or placed on any Lot in such manner that the sound emitted therefrom may be heard on any other Lot. No noise shall be permitted to exist or operate upon any Lot that may be a nuisance to any other Owner or resident.

ll. **Noxious Activity; Nuisance; Unlawful Activity.** No noxious odors shall issue or emanate from any Lot. No noxious activity shall be carried on or upon any Lot or within any Dwelling situated upon the Property or at any other place within Terra Bella, nor shall anything be done therein or thereon which may be or become unsafe or hazardous or an annoyance or nuisance to the Neighborhood within which the Lot is located or other Owners or residents of Terra Bella. Any nuisance or immoral, improper, offensive, hazardous or unlawful use or any other activity or condition that interferes with the reasonable enjoyment of any part of the Property or that detracts from the overall appearance of the Property is strictly prohibited. All laws, building codes, orders, rules, regulations or requirements of any governmental agency having jurisdiction shall be complied with, by and at the sole expense of the Owner or the applicable Association, whichever shall have the obligation to maintain or repair the affected portion of Terra Bella.

mm. **Occupancy.** Occupancy of a Lot by more than two (2) persons per bedroom in the Lot is prohibited. For purposes of this provision, “**occupancy**” shall be defined as staying overnight in the Lot more than thirty (30) days in any six (6) month period.

nn. **Parking.**

Parking of vehicles on any portion of a Lot other than the area in a Garage is prohibited. Parking may be permitted on a Driveway, but only with the prior consent of the Design Review Board. Notwithstanding the foregoing, parking of vehicles on that portion of any Driveway located between the front facade of the residence and the Street which the Dwelling faces is prohibited, except temporarily for a period not to exceed twenty-four (24) hours in any forty-eight (48) hour period. In addition, no parking shall be permitted on or over Street curbs.

Parking of vehicles on public or private Streets or thoroughfares is encouraged in Terra Bella. Parking of commercial vehicles or equipment, mobile homes, boats, trailers, or stored or inoperable vehicles in places other than enclosed Garages is prohibited. Such restrictions shall not apply to construction vehicles or third party service vehicles while providing services to the Lot on or adjacent to which they are parked.

Only vehicles bearing current license and registration tags, as required by state law, may be parked in Terra Bella.

No vehicle shall be parked so as to create a temporary obstruction to visibility at a Street intersection.

oo. **Pipes, Cables and Lines.** Except for hoses and the like which are reasonably necessary in connection with normal lawn maintenance, no water pipe, sewer pipe, gas pipe, drainage pipe, telephone line, electrical line or cable, television cable or similar transmission line, or the like shall be installed, placed or maintained above the surface of any Lot except where approved by the Design Review Board as reasonably necessary for connection to a Dwelling or Building or for access for repair or maintenance. The Rules and Regulations of the Associations and the Landscape Code may prescribe rules relative to hoses that are authorized for normal lawn maintenance.

pp. **Porches.** The Associations reserve the right to promulgate additional Rules and Regulations concerning, among other things, criteria and requirements relating to what furnishings and other decorative items may be placed on Porches facing any public Street. Without limiting the foregoing, in all events, all furnishings and any other items located on Porches facing public Streets must be designed for outdoor use. Should any plants located on any such Porches die, they shall promptly be removed or replaced with living plants.

qq. **Rooftop HVAC Equipment.** No heating, ventilating, air conditioning or evaporative cooling units or appurtenant equipment may be mounted, installed or maintained on the roof of any Lot or other Building so as to be visible from a neighboring Lot or other Property.

rr. **Sewerage Disposal Systems.** No individual sewage disposal systems shall be permitted. All Dwellings constructed in Terra Bella shall be connected to approved sanitary sewage facilities.

ss. **Signs.** The following restrictions on signs shall apply to all Lots within the Property unless otherwise stated or unless otherwise approved by the applicable Board of Directors. All signs

must meet the guidelines set forth in the Design Code and in Article 8 and any guidelines adopted by such Board of Directors.

Each Lot may have posted, prior to initial occupancy of the Lot, a sign setting forth the name of the architect and Builder of the Lot and, in the case of a Lot owned by Developer or a Builder approved by Developer, a sign indicating that the Lot is available for sale; provided, any such signs shall be removed at the time of initial occupancy. Notwithstanding any language to the contrary herein, Developer shall be permitted to post and display advertising signs, including "for sale" signs, within Terra Bella so long as Developer owns any portion of the Property.

Except as provided in subparagraph ss. (1) above, no "for sale" or "for lease" signs may be posted on a Lot without the prior consent of the Developer or Design Review Board. An "open house" sign indicating that the Owner of the Lot is hosting such an event may be posted on the Lot for a period not to exceed three (3) continuous days.

To the extent permitted by applicable law, signs containing political or similar endorsements are prohibited in Terra Bella.

One sign not exceeding 9" X 12" in size may be mounted in a window or on a stake nor more than 36" above the ground, without prior approval, to identify the Lot as being equipped with a security system and/or monitored by a security service.

Developer may post "model home" or similar signs on a Lot containing model homes open to the public prior to initial occupancy of the Lot.

No other signs (except those required by law), including posters, circulars, for sale signs and billboards, may be posted on any Lot so as to be visible from outside the Lot; provided, however, Developer shall be entitled to post signs without applicable Board approval.

tt. **Single Family Residences.** Except as otherwise specified by the Developer or the Association, each Lot, subject to residential use, may be improved with no more than one (1) single family residential Dwelling and such accessory structures and Improvements consistent with a residential neighborhood as may be permitted pursuant to the Design Documents and in the deed conveying the Lot.

uu. **Solar Collecting Panels or Devices.** The Developer recognizes the benefits to be gained by permitting the use of solar energy as an alternative source of electrical power for residential use. At the same time, the Developer desires to promote and preserve the attractive appearance of the Property and the Improvements thereon, thereby protecting the value generally of the Property and the various portions thereof, and of the various Owners' respective investments therein. Therefore, subject to prior approval of the plans therefor by the Design Review Board, solar collecting panels and devices may be placed, constructed or maintained upon any Lot within the Property so long as such solar collecting panels and devices are placed, constructed and maintained in such location(s) and with such means of screening or concealment as the Design Review Board may reasonably deem appropriate to limit, to the extent possible, the visual impact of such solar collecting panels and devices when viewed from any street or from any other property (whether within or outside the Property). Notwithstanding any other provision of this Declaration to the contrary, the Developer (during the Class "B" Control Period) or the Associations (after the expiration or termination of the Class "B" Control Period) shall have the right, without the consent

or approval of any Owner or other Person, to amend this Section (which amendment may, without limitation, impose additional or different restrictions on solar collecting panels and devices) as the Developer or the applicable Association (as applicable) deems appropriate after the effective date of this Declaration.

vv. **Soliciting.** No soliciting will be allowed at any time within Terra Bella.

ww. **Subdivision of Properties.** The subdivision of a Lot into two (2) or more Lots, or changing the boundary lines of any Lot, after a subdivision plat has been approved and filed in the public records of St. Tammany Parish, Louisiana is prohibited, except that Developer, and any Person or entity expressly authorized in writing by Developer, shall be permitted to subdivide or replat Lots which it owns, subject to the provisions of Section 6.4, subparagraph a. of this Declaration.

xx. **Swimming Pools; Tennis Courts.** Except as provided herein and approved by the design Review Board, no swimming pools or tennis courts shall be constructed on any Lot. Swimming pools may be permitted by the Design Review Board if such pools are screened from view from Streets. Pool Decks should be no closer than three (3') feet from the Lot boundaries. Landscaping between the Deck and the Lot boundaries must be installed. All pool equipment must be screened from view from the Streets and/or surrounding properties. Screening should also be designed to mitigate noise. Slides, diving boards or other pool accessories in public view shall be prohibited. Pools shall not be drained onto adjacent property or open space.

yy. **Tanks.** No tanks of any kind (including tanks for the storage of fuel) shall be erected, placed or maintained on any Lot unless such tanks are buried underground. Nothing herein shall be deemed to prohibit use or storage upon any Lot of an aboveground propane or similar fuel tank with a capacity of ten (10) gallons or less used in connection with a normal residential gas barbecue, grill or fireplace or a spa or "hot tub," so long as any such tank either: (a) has a capacity of ten (10) gallons or less; and (b) is appropriately stored, used and/or screened, as approved by the Design Review Board, so as not to be visible from a neighboring Lot or other Property.

zz. **Timesharing.** Operation of a timesharing, fraction-sharing, or similar program whereby the right to exclusive use, possession or occupancy of a Lot rotates among participants in the program on a fixed or floating time schedule over a period of years shall not be permitted, except that Developer and its assigns may operate such a program with respect to Lots which it owns. Leasing a Building or ownership of a Lot by a corporation, partnership or other entity, or by not more than four (4) individuals or married couples, will not normally be considered timesharing.

aaa. **Tools, Supplies, and other Materials.** Cleaning of tools, supplies and equipment by concrete suppliers, painters or other subcontractors in other than designated areas is prohibited.

bbb. **Trash.** Burning of trash and accumulation or storage of litter, lumber, scrap metals, refuse, bulk materials, waste, new or used building materials, or trash of any other kind is prohibited in Terra Bella; provided, however, that storage of building materials, equipment and scrap materials and waste generated in connection with Work shall be permitted on a Lot during periods of Work on the Lot if stored neatly. Nothing in this subparagraph shall be construed as prohibiting Developer or a Builder from storing of building materials, equipment and other materials used in connection with the development of Terra Bella in the course of its business, if stored neatly.

ccc. **Use of Alleys and Streets During Construction.** Notwithstanding anything to the contrary herein, any and all construction-related activities and/or traffic shall not prevent the flow of traffic on streets and alleyways, including but not limited to the delivery of materials and equipment. Any violation of this subparagraph shall result in the Owner of the Lot as to which the violation occurred being held personally responsible for any and all damages caused by the violation, including but not limited to the cost of repairing any damages caused thereby to the Alley.

ddd. **Vehicles and Other Equipment.** None of the following may be kept or stored within Terra Bella: (a) junk or abandoned vehicles, (b) commercial vehicles other than company automobiles provided for personal use, (c) trailers, (d) tractor-trailers, (e) campers, (f) motor homes and recreational vehicles, (g) camp trucks, (h) house trailers, (i) boats, (j) boat trailers, or (k) other machinery or equipment of any kind or character (except for such equipment as may be reasonable, customary and usual in connection with the use and maintenance of any Dwelling or other Improvements located upon the Property and except for such equipment and/or machinery as the applicable Association may require in connection with the maintenance and operation of such Association's property); provided, however, that campers, motor homes and recreational vehicles may be kept on the Property so long as they are kept within a Garage. No repair, maintenance or restoration of automobiles or other authorized vehicles (except for bona-fide emergencies) may be carried out on any Lot or at any location within Terra Bella unless and except to the extent such repair, maintenance or restoration can be accomplished inside an enclosed Garage with all doors to the said Garage closed. Changing oil in any vehicle or other equipment on the Property is prohibited. This restriction shall not apply to vehicles, trailers, boats, machinery, equipment or the like stored and kept on a Lot within an enclosed Garage.

The applicable Association shall have the right to have any truck, mobile home, travel trailer, tent trailer, trailer, camper shell, detached camper, recreational vehicle, boat, boat trailer or similar equipment or vehicle or any automobile, motorcycle, motorbike, or other motor vehicle which is parked, kept, maintained, constructed, reconstructed or repaired in violation of this Declaration towed away at the sole cost and expense of the owner of the vehicle or equipment. Any expense incurred by such Association in connection with the towing of any vehicle or equipment shall be paid to the Association upon demand by the owner of the vehicle or equipment. If the vehicle or equipment is owned by an Owner, any amounts payable to the Association shall be secured by the Assessment Lien, and such Association may enforce collection of such amounts in the same manner provided for in this Declaration for the collection of Assessments.

eee. **Vending Machines.** No vending machines shall be kept, stored, operated or otherwise located anywhere within Terra Bella. For the purpose of this provision "vending machines" shall include any machines of any nature that are used for the sale of food items, soft drinks, or articles of any nature by the insertion of coins or paper money into said machines, or by the use of any kind of credit or debit card. The Boards may adopt Rules and Regulations granting an exception to this provision, or may grant exceptions on a case by case basis, with respect to a vending machine that will be located inside a Dwelling and is used solely for private use, and is not used to sell food items, soft drinks, or articles of any nature to persons who do not reside in the Dwelling.

fff. **Window Air Conditioning Units.** No window or wall air conditioning units shall be permitted anywhere within Terra Bella.

ggg. **Window Coverings.** Unless Developer (or the Design Review Board, if Developer hereafter elects to delegate such approval responsibility to an Association) otherwise agrees, the only acceptable window coverings that may be affixed to the interior of any window visible from any Street, Alley or other portion of the Property are drapes, blinds, shades, shutters or curtains. The side of such window coverings that is visible from the exterior of any Improvements must be white or off-white in color, except that any window coverings consisting of wooden blinds or shutters may be a natural wood color. Notwithstanding the foregoing, Developer or the Design Review Board may, from time to time, approve additional colors as acceptable for the portions of the window coverings visible from Streets, Alleys, Common Areas or other Lots. In no event shall an Owner or Builder affix a window screen to the exterior of any window which faces a Street frontage.

No window tinting or reflective coating may be affixed to any window that is visible from any Street, Alley or other portion of the Property, without the prior approval of Developer (or the Design Review Board, if Developer hereafter elects to delegate such approval responsibility to an Association). No mirrored coatings will be permitted.

hhh. **Yard Ornaments.** Artificial flamingos, deer, spinners, gazing balls, pirogues and such other tableau are prohibited in front yards. Typical seasonal decorations are permitted within season.

Section 6.6 Rules and Regulations of the Associations . The Boards of Directors may from time to time adopt rules or amend previously adopted Rules and Regulations governing and regulating (a) the operation, use, maintenance, condition, attractiveness, maintenance, and control of, as well as conduct on and within, their Lots, Common Area and any facilities or services made available to the Owners, and (b) any other matters as to which this Declaration authorizes the adoption of Rules and Regulations by the Boards. This right shall include without limitation the right to approve rental agents and other professionals who do business within Terra Bella. The Rules and Regulations of the Associations shall take effect immediately upon approval by their Boards, or at a later date selected by the Boards. If requested by at least ten (10%) percent of the Members, a Community Meeting may be called and any rule or regulation adopted by the applicable Board may be repealed by majority vote of the Members. A copy of the Rules and Regulations of the Associations shall be kept in the registered office of the respective Association and available for review during its normal business hours on each Monday through Friday, except for holidays. Upon acquisition of a Lot or Condominium Unit, each Owner does agree and acknowledge that said Owner has received a copy of the Rules and Regulations of its Association as of the date of acquisition of the Lot or Condominium Unit. As additions, deletions or modifications are adopted with respect to the Rules and Regulations adopted pursuant to this Section 6.6, copies of such additions, deletions or modifications shall be mailed to each Member at the last known address for said member as shown in the records of its Association, as determined in Section 17.6. Additional copies of the Rules and Regulations shall be provided to any Member upon payment by said Member for the cost of reproducing same which is hereby set at \$0.50 per page.

Section 6.7 Framework for Regulation. Developer has established a general plan of development for the Property as a master planned community/traditional neighborhood development in order to enhance all Owners' quality of life and collective interests, the aesthetics and environment within the Property, and the vitality of and sense of community within the Property, all subject to the Board of Directors' and the Members' abilities to respond to changes in circumstances, conditions, needs, and desires within the community. The Property is subject to the land development, architectural, and design provisions described in Article 7 and Article 8, the

other provisions of this Declaration governing individual conduct and uses of or actions upon the Property, and the guidelines, rules and restrictions promulgated pursuant to this Article, all of which establish affirmative and negative covenants, servitudes, and restrictions on the Property.

All provisions of the Governing Documents, including the Use Restrictions and Rules, shall apply to all Owners, tenants, occupants, guests and invitees of any Lot or Condominium Unit. Each Owner shall insert a provision in any lease of its Lot or Condominium Unit informing the lessee and all occupants of the Lot or Condominium Unit of the Governing Documents, all Use Restrictions and Rules affecting the Lot or Condominium Unit, the Common Area and Exclusive Common Area; however, failure to include such a provision in the lease shall not relieve any Person of responsibility for complying with the Governing Documents and all Use Restrictions and Rules affecting such Lot or Condominium Unit.

Section 6.8 Rule Making Authority. Subject to the terms of this Article, the initial Use Restrictions and Rules as set forth in this Article 6 may be modified in whole or in part, repealed or expanded as follows:

a. Subject to the terms of this Article 6 and in accordance with its duty to exercise business judgment on behalf of its Association and its Members, the applicable Board may adopt rules which modify, cancel, limit, create exceptions to, or expand the Use Restrictions and Rules. Such Board shall publish notice of the proposed action in a community newsletter, electronic bulletin board, or by other means which the Board determines will be reasonably effective in disseminating such notice on a community-wide basis, at least thirty (30) days prior to the Board meeting at which such action is to be considered. Members shall have a reasonable opportunity to be heard at a Board meeting prior to such action being taken.

b. Any rule adopted by a Board shall become effective thirty (30) days after a properly called meeting of the Board wherein such rule was adopted, as provided in the applicable Bylaws, unless within such thirty (30) day period it is disapproved at a properly called special meeting, as provided in the Bylaws, by Owners or Voting Members representing a majority of the total Class "A" votes and by the Class "B" Member, if any, as set forth in the Bylaws. At any such meeting of the Owners, Owners may vote by proxy, and proxies may be filed by facsimile or other electronic means so long as they meet the requirements of Louisiana law. The Board shall have no obligation to call a meeting to consider disapproval except upon petition of the Owners or Voting Members as required for special meetings as set forth in the Bylaws.

c. The Voting Members, at a meeting duly called for such purpose as provided in the Bylaws, may adopt rules which modify, cancel, limit, create exceptions to, or expand the Use Restrictions and Rules applicable to all of the Property, by a vote of a majority of the total Class "A" votes in the applicable Association and the approval of the Class "B" Member, if any. In addition, the Voting Members from any Village or the Owners from any Neighborhood, may adopt, modify, repeal and create exceptions to rules applicable only to that Village or Neighborhood, respectively, by a vote of a majority of the total Class "A" votes in such Village or Neighborhood and the approval of the Class "B" Member, if any.

d. Notwithstanding the above, after termination of the Class "B" Membership, no amendment to or modification of any Use Restrictions and Rules shall be effective without prior notice to and the written approval of Developer so long as Developer owns any portion of the Developable Land.

e. At least thirty (30) days prior to the effective date of any action taken under subparagraph a., b., or c. of this Section, the Board shall send notice of the action to each Owner. The applicable Association shall provide, without cost, a copy of the Use Restrictions and Rules then in effect to any requesting Member or Mortgagee.

f. Nothing in this Article shall authorize a Board or the Members to adopt rules conflicting with the Design Code or addressing matters of architectural control, which shall be governed by the Design Code and other architectural controls described in Article 8.

Section 6.9 Owners' Acknowledgment and Notice to Purchasers. All Owners and occupants of Lots or Condominium Units are given notice that use of their Lots or Condominium Units is limited by the Use Restrictions and Rules as they may be changed in accordance with this Declaration. Each Owner, by acceptance of a deed/act of sale or other act of transfer acknowledges and agrees that the use and enjoyment and marketability of his or her property can be affected by this provision and that the Use Restrictions and Rules may change from time to time.

Section 6.10 Enforcement of Use Restrictions and Rules.

a. **Owner's Responsibility.** Each Owner, all family members of Owners and all Owners' guests and tenants shall conform to and abide by the covenants contained in this Declaration and the Rules and Regulations of the Associations. Each Owner shall be responsible for assuring such compliance, and any violation by family members, guests or tenants may be considered to be a violation by the Owner.

b. **Covenants Committee.** The Board of Directors may establish a Covenants Committee to hear any complaints of violations of the covenants and Reservations set forth in this Declaration or the Rules and Regulations of the Associations. Members of the Boards may serve on the Covenants Committee.

c. **Notice, Hearing and Fines.** Each Board, or the Covenants Committee if established by the respective Boards, shall notify any Owner or tenant who is believed to be in violation of this Declaration or the Rules and Regulations of the applicable Association of the violation and provide an opportunity for the Owner or tenant to be heard. After such hearing, the Board or Covenants Committee, as applicable, shall have the right to assess fines, up to a maximum of \$50 for a single violation or \$10 per day for a continuing violation (to be adjusted according to increases in the cost of living) and may restrict the Owner's use of the Common Area for up to sixty (60) days or until remedied, whichever is longer. The primary goal, however, of the Board or Covenants Committee, as applicable, under this Section is not to punish Owners or tenants but to reconcile and resolve problems. The Board or Covenants Committee, as applicable, may suggest or approve dispute resolution agreements and withhold the requirement of paying a fine if the agreement is honored. Fines shall be charged against an Owner's Lot as an Individual Lot Assessment and shall be secured by the Assessment Lien.

d. **Tenant Violations.** If a tenant is believed to be in violation of the covenants set forth in this Declaration or the Rules and Regulations of the applicable Association, the Board or Covenants Committee, as applicable, shall notify the Owner and tenant and provide an opportunity for hearing. If the Board or Covenants Committee, as applicable, determines after notice and opportunity for hearing that a tenant has violated the covenants set forth in this Declaration or the Rules and Regulations of the Association, the Board or Covenants Committee may assess fines

against the Owner as provided in subparagraph c. of this Section. In addition, if the tenant materially violates the covenants set forth in this Declaration or the Rules and Regulations of the Association more than once in any one (1) year period, the Association, by a two-thirds (2/3) vote of the Board, shall have right to evict the tenant. Each Owner by acceptance of a deed irrevocably appoints its Association as its agent and attorney-in-fact in such an eviction action. All costs and attorneys' fees related to such action shall be charged to the Owner as an Individual Lot Assessment. Any Owner whose tenant or tenants (whether under one (1) lease or different leases) violate the covenants set forth in this Declaration or the Rules and Regulations of the Association three (3) times in any one (1) year period may be prohibited from further leasing his Lot for a period of up to one (1) year.

e. **Corrective Action for Lot Maintenance.** If the Board or Covenants Committee, as applicable, determines after notice and hearing that any Owner has failed to maintain any part of the Lot (including the yard and any Garden Wall, Fence, Building, Garden Structure or other structure) in a clean and attractive manner, in accordance with the provisions of this Declaration, the Design Code, the Landscape Code and applicable Rules and Regulations of the applicable Association, such Board or Covenants Committee, as applicable, shall notify the Owner of its findings and may assess fines as provided in subparagraph c. of this Section. If the violation continues for ten (10) days after notice to the Owner of the Board's or Committee's findings, the Association, by a two-thirds (2/3) vote of the Board, shall have the right without liability to enter upon such Lot to correct, repair, restore, pain and maintain any part of such Lot and to have any objectionable items removed from the Lot. The Board may reduce or eliminate the time for notice if it believes the condition creates a hazard to the Property or a risk to the safety of Persons. All costs related to such action shall be assessed to the Owner as an Individual Lot Assessment and shall be secured by the Assessment Lien.

f. **Pets.** After notice and hearing, as more fully set forth in Section 6.5, subparagraph a. of this Declaration, the Board or Covenants Committee, as applicable, may require that an Owner or the tenant of an Owner permanently remove from Terra Bella any pet which violates this Declaration or the Rules and Regulations of its Association, or which creates disturbances or annoyances to the reasonable displeasure of other Owners. Nothing in this provision shall prevent the applicable Association from requiring removal of any animal that presents an actual threat to the health or safety of residents or from requiring abatement of any nuisance or unreasonable source of annoyance to other Persons and Owners.

g. **Additional Remedies.** All remedies listed in this Section are non-exclusive and may be applied cumulatively. The Associations shall also have the right to bring suit to enforce the covenants and its Rules and Regulations, as described in this Article 6.

Section 6.11 Protection of Owners and Others. Neither the Boards nor the Members may adopt any rule in violation of the following provisions:

a. **Equal Treatment.** Similarly situated Owners and occupants shall be treated similarly; provided, the Use Restrictions and Rules may vary from one (1) portion of the Property to another depending upon housing type, and by Neighborhood and by Village.

b. **Signs and Displays.** The rights of Owners to display religious and holiday signs, symbols, and decorations on their Lots or Condominium Units of the kinds normally displayed in or outside of residences located in single-family residential neighborhoods shall not be abridged, except that the Association may adopt reasonable time, place, and manner restrictions (including design criteria) for the purpose of minimizing damage and disturbance to other Owners and

occupants. No rules shall regulate the content of political signs; however, rules may reasonably regulate the time, place and manner (including design criteria) of posting such signs.

c. **Household Composition.** No rule shall interfere with the freedom of occupants of Lots or Condominium Units to determine the composition of their households, except that the Residential Association shall have the power to require that all occupants be members of a single housekeeping unit and to limit the total number of occupants permitted in each Lot on the basis of the size and facilities of the Lot and its fair use of the Common Area.

d. **Activities Within Lot.** No rule shall interfere with the activities carried on within the confines of structures on Lots, except that the Residential Association may prohibit activities not normally associated with property restricted to residential or home office use, and it may restrict or prohibit any activities that create monetary costs for the Residential Association or other Owners, that create a danger to the health or safety of occupants of other Lots, that generate excessive noise or traffic, that create unsightly conditions visible outside the Lot, that block the views from other Lots, or that create an unreasonable source of annoyance to other Persons and Owners.

e. **Allocation of Burdens and Benefits.** The initial allocation of financial burdens and rights to use Common Areas among the various Lots or Condominium Units shall not be changed to the detriment of any Owner over that Owner's objection expressed in writing to the applicable Association. Nothing in this provision shall prevent such Association from changing the Common Area available, from adopting generally applicable rules for use of Common Area, or from denying use privileges to those who abuse the Common Area, violate the Governing Documents, or fail to pay Assessments. This provision does not affect the right to increase the amount of Assessments as provided in Article 12.

f. **Alienation.** No rule shall prohibit leasing or transfer of any Lot or Condominium Unit, or require consent of the applicable Association or Board for transfer or leasing of any Lot or Condominium Unit for a period of one (1) year or longer. Such Association shall not by rule impose any fee on the transfer of any Lot or Condominium Unit greater than an amount based on the costs to the Association of the transfer; however, this provision shall not preclude imposition of transfer or similar fees for the benefit of the Association or other entities pursuant to other recorded covenants.

g. **Abridging Existing Rights.** If any rule would otherwise require Owners or occupants of Lots or Condominium Units to dispose of personal property which they maintained in or on the Lot prior to the effective date of such rule, and in compliance with all rules in force at that time, such rule shall not apply to any such Owners without their written consent unless the rules were in effect at the time such Owners or occupants acquired their interest in the Lots or Condominium Units.

h. **Reasonable Rights to Develop.** No rule or action by an Association or Board shall impede Developer's right to develop the Property.

Nothing herein shall be construed as a limitation on amendments adopted in accordance with Article 22.

ARTICLE 7 URBAN REGULATING STANDARDS AND BUILDING RESTRICTIONS

Section 7.1 General.

a. Article 7 sets forth specific building restrictions and other covenants relating to the construction of Improvements on each Lot. It is expressly noted that the section in the Design Code titled Urban Regulating Standards also addresses such requirements. In the event of any inconsistency between a provision contained in this Article 7 and a provision contained in the Urban Regulating Standards, the provision contained in the Urban Regulating Standards of the Design Code shall control. The Urban Regulating Standards consist of the Urban Regulations and Frontage Standards, the Building Type Guidelines, the Phasing Plan, and the Open Space Network.

b. All Dwellings and other Buildings and Improvements constructed on each Lot shall be designed and constructed in accordance with the requirements applicable to the Building type designation assigned to that particular Lot in the Design Code, in addition to such other requirements as are provided in this Declaration and elsewhere in the Design Code. Height restrictions, use restrictions, allowed Building typology, placement requirements, parking requirements, Setback requirements, requirements concerning Porches, Fences and/or Garden Walls, and other building restrictions are all set forth in the Design Code and incorporated in this Article 7.

Section 7.2 The Transect and Its Components. The Design Code is developed around *The Transect*, a system of land classifications described in *The Lexicon of the New Urbanism*, which incorporates a fine-grained network of Lot distinctions. These characteristics follow the natural internal structure of an authentic Neighborhood and serve to create the structure of the community of Terra Bella. This structure is expressed in three (3) urban zones, called Village Zones: Village Center, Village General, and Village Edge. In addition, the Design Code creates an additional type of division within each of the Village Zones. For example, in Village Center, there is Village Center I, Village Center II and Village Center III. The same sub-division applies to Village General and Village Edge.

a. **Village Center.** Village Center is the focus of the Neighborhoods' civic Buildings and social activity, incorporating retail, workplaces, more dense residential structures and connecting directly to other parts of the Neighborhood through a network of carefully articulated vehicular and pedestrian thoroughfares. As such, it is the densest graining of land subdivision in the Neighborhood. The Streets are generally designed with formalized on-street parking characterized by Avenues and Main Streets. Buildings placed either at or near the right-of-way line further reinforce the Street Edge and public character. There is no minimum square footage for Buildings within Village Center. Example uses in Village Center I and III include coffee shops; restaurants; retail shops; drugstores; florists; hardware, grocer, furniture, and video stores; barber shops/salons; insurance/travel agencies; dry cleaners (pick-up only); medical/dental offices; professional offices; banks; day cares; surgical centers; health clubs; garden centers; home accessories; hotels, and residential uses. Example uses in Village Center II include multi-family for rent (Apartments and assisted living) and for sale (condominiums and townhouses).

b. **Village General.** Village General is the element of The Transect which focuses principally on residential use with a minimum of other potential uses and constitutes the majority of the type of the land uses in Terra Bella. Streets and Boulevards generally characterize the thoroughfare makeup within the Village General. Example uses in Village General include multi-family Dwellings, single-family detached Dwellings and civic Buildings.

c. **Village Edge.** Village Edge is the least dense, purely residential Village Zone characterized principally by its rural character. Generally, more luxurious Setbacks at its frontage, sides, and rear result in Blocks of low-density edge yard treatment. The Streets are generally less formal being characterized by Roads instead of Streets and Parkways instead of Avenues. Example uses in Village Edge include single-family detached Dwellings and civic Buildings.

Section 7.3 Permitted Building Types in Village Center.

a. The permitted Building types in Village Center I are:

Commercial. A general category of Building use which includes office, retail and manufacturing uses but excludes residential, lodging, and civic uses.

Live/Work; A fully residential/commercial mixed-use Building type with one (1) Dwelling above or behind the commercial space; and

Civic. Premises used by organizations considered to support the common good and therefore accorded special treatment within TNDs. Civic Uses include educational, cultural, social, service, and religious not-for-profit organizations.

b. The permitted Building types in Village Center II are:

Commercial; A general category of Building use which includes office, retail and manufacturing uses but excludes residential, lodging, and civic uses.

Live/Work. A fully residential/commercial mixed-use Building type with one (1) Dwelling above or behind the commercial space;

Courtyard Apartments. A pedestrian-oriented equivalent to conventional garden Apartments, either for rent or for sale. A Courtyard Apartment Building is three (3) or more stories, and can be combined with non-residential uses on the ground floor. The Building can be configured in a U-shape or open square, with parking integral to the Building, below grade, or in an open Lot to the rear. The Courtyard Apartment Building has a relatively shallow Setback from the Street; in the town center or urban locations, the structure is built to the sidewalk edge and, to provide privacy and a sense of security, the first living floor is elevated significantly above grade.

Lofts. A multi unit building with units available for either residential or commercial use. Units may be for rent or for sale in condominium or cooperative ownership. Target market is younger singles and couples without children and to a lesser degree the empty nesters.

Townhouses. A residential Dwelling attached to a similar Dwelling; and

Civic. Premises used by organizations considered to support the common good and therefore accorded special treatment within TNDs. Civic Uses include educational, cultural, social, service, and religious not-for-profit organizations.

c. The permitted Building types in Village Center III are:

Commercial. A general category of Building use which includes office, retail and manufacturing uses but excludes residential, lodging, and civic uses; and

Civic. Premises used by organizations considered to support the common good and therefore accorded special treatment within TNDs. Civic Uses include educational, cultural, social, service, and religious not-for-profit organizations.

Section 7.4 Permitted Building Types in Village General. The permitted Building types in Village General I, Village General II, and Village General III are:

- a. **Cottage Houses.** A relatively small one-or one-and-a-half Story single-family detached house on a small lot, usually with rear-loaded parking. Cottage houses can be grouped, facing a mews, small Common Area or Green in a court. A cottage court is often, but not always, arranged in a U-shape. Lots are separated from the Common Area only by a sidewalk, path or non-vehicular way. Parking is from rear lanes, alleys, or in a common, rear-loaded Lot.
- b. **Village Houses.** A one-and-a-half (1½) or two (2) story single-family detached house on a small Lot, often with rear-loaded parking. Parking must be rear-loaded on Lots narrower than fifty (50') feet.
- c. **Neighborhood Houses.** A single-family detached house relatively close to the Street with attached, detached, or open parking, whether rear-loaded or not, set well back from the façade; and
- d. **Civic.** Premises used by organizations considered to support the common good and therefore accorded special treatment within TNDs. Civic Uses include educational, cultural, social, service, and religious not-for-profit organizations.

Section 7.5 Permitted Building Types in Village Edge.

- a. The permitted Building types in Village Edge I and Village Edge II are:

Neighborhood Houses. A two-story single-family detached house relatively close to the Street with attached, detached, or open parking, whether rear-loaded or not, set well back from the façade;

Civic. Premises used by organizations considered to support the common good and therefore accorded special treatment within TNDs. Civic Uses include educational, cultural, social, service, and religious not-for-profit organizations.

- b. The permitted Building types in Village Edge III are:

Edge Houses. A large single-family detached house designed for an edge or Boulevard condition, often with front loaded parking. The Garage, attached or detached, is set well back from the front façade.

Manor Houses. A large single-family detached house designed for an edge or Boulevard condition, often with front loaded parking. The Garage, attached or detached, is set well back from the front façade; and

Civic. Premises used by organizations considered to support the common good and therefore accorded special treatment within TNDs. Civic Uses include educational, cultural, social, service, and religious not-for-profit organizations.

Section 7.6 Setbacks and Build to Lines Applicable to Building Types in Village Center.

- a. **Commercial; Village Center I; Front.** Build to lot line.
- b. **Commercial; Village Center I; Left.** Zero (0') feet.
- c. **Commercial; Village Center I; Right.** Zero (0') feet.
- d. **Commercial; Village Center I; Rear.** Ten (10') feet.
- e. **Commercial; Village Center II; Front.** Ten (10') feet mandatory
- f. **Commercial; Village Center II; Left.** Zero (0') feet.
- g. **Commercial; Village Center II; Right.** Zero (0') feet.
- h. **Commercial; Village Center II; Rear.** Ten (10') feet.
- i. **Commercial; Village Center III; Front.** Ten (10') feet mandatory
- j. **Commercial; Village Center III; Left.** Five (5') feet.
- k. **Commercial; Village Center III; Right.** Five (5') feet.
- l. **Commercial; Village Center III; Rear.** Ten (10') feet.
- m. **Live/Work; Village Center I; Front.** Build to lot line.
- n. **Live/Work; Village Center I; Left.** Zero (0') feet.
- o. **Live/Work; Village Center I; Right.** Zero (0') feet.
- p. **Live/Work; Village Center I; Rear.** Ten (10') feet.
- q. **Live/Work; Village Center II; Front.** Ten (10') feet mandatory
- r. **Live/Work; Village Center II; Left.** Zero (0') feet.
- s. **Live/Work; Village Center II; Right.** Zero (0') feet.
- t. **Live/Work; Village Center II; Rear.** Ten (10') feet.
- u. **Courtyard Apartments; Village Center II; Front.** Ten (10') feet mandatory
- v. **Courtyard Apartments; Village Center II; Left.** Five (5') feet.

- w. **Courtyard Apartments; Village Center II; Right.** Five (5') feet.
- x. **Lofts; Village Center II; Front.** Ten (10') feet mandatory
- y. **Lofts; Village Center II; Left.** Five (5') feet.
- z. **Lofts; Village Center II; Right.** Five (5') feet.
- aa. **Townhouses; Village Center II; Front.** Three (3') feet mandatory
- bb. **Townhouses; Village Center II; Left.** Zero (0') feet.
- cc. **Townhouses; Village Center II; Right.** Zero (0') feet.

Section 7.7 Setbacks Applicable to Building Types in Village General.

- a. **Cottage House; Village General I; Front.** Mandatory seven and one-half (7.5') feet.
- b. **Cottage House; Village General II; Front.** Mandatory ten (10') feet.
- c. **Cottage House; Village General III; Front.** Mandatory fifteen (15') feet.
- d. **Cottage House; Village General I, II, and III; Left.** Minimum five (5') feet.
- e. **Cottage House; Village General I, II, and III; Right.** Minimum five (5') feet.
- f. **Cottage House; Village General I, II, and III; Rear at Non-Alley Load.** Minimum ten (10') feet.
- g. **Cottage House; Village General I, II, and III, Rear at Alley Load.** Zero (0') feet mandatory.
- h. **Cottage House; Village General I, II, and III, Rear at Alley Load at Back Out Parking.** Minimum Zero (0') feet; Maximum Five (5') off rear property line
- i. **Village House; Village General I; Front.** Mandatory seven and one-half (7.5') feet.
- j. **Village House; Village General II; Front.** Mandatory ten (10') feet.
- k. **Village House; Village General III; Front.** Mandatory fifteen (15') feet.
- l. **Village House; Village General I, II, and III; Left.** Minimum five (5') feet.
- m. **Village House; Village General I, II, and III; Right.** Minimum five (5') feet.
- n. **Village House; Village General I, II, and III; Rear at Non-Alley Load.** Minimum ten (10') feet.

- o. **Village House; Village General I, II, and III; Rear at Alley Load.** Zero (0') feet mandatory.
- p. **Village House; Village General I, II, and III; Rear at Alley Load at Back Out Parking.** Minimum Zero (0') feet; Maximum Five (5') off rear property line
- q. **Neighborhood House; Village General I; Front.** Mandatory seven and one-half (7.5') feet.
- r. **Neighborhood House; Village General II; Front.** Mandatory ten (10') feet.
- s. **Neighborhood House; Village General III; Front.** Mandatory fifteen (15') feet.
- t. **Neighborhood House; Village General I, II, and III; Left.** Minimum five (5') feet.
- u. **Neighborhood House; Village General I, II, and III; Right.** Minimum five (5') feet.
- v. **Neighborhood House; Village General I, II, and III; Rear at Non-Alley Load.** Minimum ten (10') feet.
- w. **Neighborhood House; Village General I, II, and III; Rear at Alley Load.** Zero (0') feet Mandatory.
- x. **Neighborhood House; Village General I, II, and III; Rear at Alley Load at Back Out Parking.** Minimum Zero (0') feet; Maximum Five (5') off rear property line
- y. **Edge House; Village General III; Front.** Mandatory fifteen (15) feet.
- z. **Edge House; Village General III; Left.** Minimum five (5') feet.
- aa. **Edge House; Village General III; Right.** Minimum five (5') feet.
- bb. **Edge House; Village General III; Rear at Non-Alley Load.** Minimum ten (10') feet.
- cc. **Edge House; Village General III; Rear at Alley Load.** Zero (0') feet mandatory.
- dd. **Edge House; Village General III; Rear at Alley Load at Back Out Parking.** Minimum Zero (0') feet; Maximum Five (5') off rear property line

Section 7.8 Setbacks Applicable to Building Types in Village Edge.

- a. **Neighborhood House; Village Edge I; Front.** Mandatory fifteen (15') feet.
- b. **Neighborhood House; Village Edge I; Left.** Minimum seven and one-half (7.5') feet.
- c. **Neighborhood House; Village Edge I; Right.** Minimum seven and one-half (7.5') feet.
- d. **Neighborhood House; Village Edge I; Rear at Non-Alley Load.** Minimum ten (10') feet.

- e. **Neighborhood House; Village Edge I; Rear at Alley Load.** Zero (0') feet mandatory.
- f. **Neighborhood House; Village Edge I; Rear at Alley Load at Back Out Parking.** Minimum Zero (0') feet; Maximum Five (5') feet off rear property line.
- g. **Neighborhood House; Village Edge II; Front.** Mandatory twenty (20') feet.
- h. **Neighborhood House; Village Edge II; Left.** Minimum ten (10') feet.
- i. **Neighborhood House; Village Edge II; Right.** Minimum ten (10') feet.
- j. **Neighborhood House; Village Edge II; Rear at Non-Alley Load.** Minimum ten (10') feet.
- k. **Neighborhood House; Village Edge II; Rear at Alley Load.** Zero (0') feet Mandatory.
- l. **Neighborhood House; Village Edge II; Rear at Alley Load at Back Out Parking.** Minimum Zero (0') feet; Maximum Five (5') off rear property line
- m. **Large Neighborhood House; Village Edge I; Front.** Mandatory fifteen (15') feet.
- n. **Large Neighborhood House; Village Edge I; Left.** Minimum seven and one-half (7.5') feet.
- o. **Large Neighborhood House; Village Edge I; Right.** Minimum seven and one-half (7.5') feet.
- p. **Large Neighborhood House; Village Edge I; Rear at Non-Alley Load.** Minimum ten (10') feet.
- q. **Large Neighborhood House; Village Edge I; Rear at Alley Load.** Zero (0') feet Mandatory.
- r. **Large Neighborhood House; Village Edge I; Rear at Alley Load at Back Out Parking.** Minimum Zero (0') feet; Maximum Five (5') feet off rear property line.
- s. **Large Neighborhood House; Village Edge II; Front.** Mandatory twenty (20') feet.
- t. **Large Neighborhood House; Village Edge II; Left.** Minimum ten (10') feet.
- u. **Large Neighborhood House; Village Edge II; Right.** Minimum ten (10') feet.
- v. **Large Neighborhood House; Village Edge II; Rear at Non-Alley Load.** Minimum ten (10') feet.
- w. **Large Neighborhood House; Village Edge II; Rear at Alley Load.** Minimum Zero (0') Mandatory.
- x. **Large Neighborhood House; Village Edge II; Rear at Alley Load at Back Out Parking.** Minimum Zero (0') feet; Maximum Five (5') off rear property line

- y. **Edge House; Village Edge III; Front.** Mandatory thirty (30') feet.
- z. **Edge House; Village Edge III; Left.** Minimum ten (10') feet.
- aa. **Edge House; Village Edge III; Right.** Minimum ten (10') feet.
- bb. **Edge House; Village Edge III; Rear at Non-Alley Load.** Minimum twenty (20') feet.
- cc. **Edge House; Village Edge III; Rear at Alley Load.** Zero (0') feet Mandatory.
- dd. **Edge House; Village Edge III; Rear at Alley Load at Back Out Parking.** Minimum Zero (0') feet; Maximum Five (5') feet off rear property line.
- ee. **Manor House; Village Edge III; Front.** Mandatory thirty (30') feet.
- ff. **Manor House; Village Edge III; Left.** Minimum ten (10') feet.
- gg. **Manor House; Village Edge III; Right.** Minimum ten (10') feet.
- hh. **Manor House; Village Edge III; Rear at Non-Alley Load.** Minimum twenty (20') feet.
- ii. **Manor House; Village Edge III; Rear at Alley Load.** Zero (0') feet Mandatory.
- jj. **Manor House; Village Edge III; Rear at Alley Load at Back Out Parking.** Minimum Zero (0') feet; Maximum Five (5') off rear property line

Section 7.9 General Instructions for Building Types in Village Center, Village General, and Village Edge. Specific area shall be reserved for civic Buildings as shown in the Urban Regulating Master Plan prepared by Architects Southwest or as later deemed appropriate by the Design Review Board. Buildings occurring on corner Lots shall show primary facades to both frontages. The headings in this Section 7 shall describe the location in Terra Bella for the regulations in each following Subsection.

Section 7.10 General Instructions for Building Types in Village Center.

- a. **Building Use.** All Building types shall permit commercial use at the first Story level and residential or Office use at all Stories above the first level.
- b. **Outbuildings.** Outbuildings are allowed only at townhouses in Village Center. Outbuildings shall permit living and limited Office use (maximum size of 500 square feet).
- c. **Parking.** Automobile storage of adequate size and access is provided in the Village Center in accordance with the St. Tammany Parish Planning and Zoning Ordinance. Each Lot in the Village Center is allocated the following parking spaces for purposes of permitting, including a Building Permit with St. Tammany Parish. Any permitted zoning use on a Lot which requires additional parking according to the Rules and Regulations of the Developer or St. Tammany Parish must be allocated and assigned additional parking allocation by the Developer to the Lot owner for such price payable to the Developer as shall be set and determined by the Developer. All Lot owners recognize that certain uses such as "medical" or "food and beverages" may require the purchase of

additional parking spaces from the Developer prior to obtaining a Building Permit from St. Tammany Parish. The allocation of parking spaces to Lots within the Village Center is as follows:

Lot 701	23 Parking Spaces
Lot 702	22 Parking Spaces
Lot 703	30 Parking Spaces
Lot 704	44 Parking Spaces
Lot 705	9 Parking Spaces
Lot 706	9 Parking Spaces
Lot 707	9 Parking Spaces
Lot 708	9 Parking Spaces
Lot 709	9 Parking Spaces
Lot 710	9 Parking Spaces
Lot 711	9 Parking Spaces
Lot 712	14 Parking Spaces
Lot 713	8 Parking Spaces
Lot 714	7 Parking Spaces
Lot 715	7 Parking Spaces
Lot 716	7 Parking Spaces
Lot 717	7 Parking Spaces
Lot 718	35 Parking Spaces
Lot 719	81 Parking Spaces
Lot 720	23 Parking Spaces
Lot 721	27 Parking Spaces
Lot 722	14 Parking Spaces
Lot 723	14 Parking Spaces
Lot 724	22 Parking Spaces

Lot 728	9 Parking Spaces
Lot 729	15 Parking Spaces
Lot 730	15 Parking Spaces
Lot 731	17 Parking Spaces

d. **Maximum Building Size.** The owner of a commercial Lot hereinafter set forth agrees that the heated and cooled square footage of the building constructed on a Lot designated below shall not exceed the following maximum square footage of heated and cooled building area without the prior consent and approval of the Design Review Board, to-wit:

Lot 701	11,295 square feet
Lot 702	10,117 square feet
Lot 703	15,542 square feet
Lot 704	22,368 square feet
Lot 705	2,778 square feet
Lot 706	2,774 square feet
Lot 707	2,772 square feet
Lot 708	2,770 square feet
Lot 709	2,768 square feet
Lot 710	2,766 square feet
Lot 711	2,922 square feet
Lot 712	4,006 square feet
Lot 713	2,070 square feet
Lot 714	2,070 square feet
Lot 715	2,070 square feet
Lot 716	2,070 square feet
Lot 717	2,070 square feet
Lot 718	16,607 square feet
Lot 719	41,818 square feet

Lot 720	10,065 square feet
Lot 721	11,687 square feet
Lot 722	7,384 square feet
Lot 723	7,454 square feet
Lot 724	11,470 square feet
Lot 728	4,050 square feet
Lot 729	5,400 square feet
Lot 730	5,400 square feet
Lot 731	5,400 square feet

Section 7.11 General Instructions for Building Types in Village General.

- a. **Building Use.** All Building Types shall permit residential use at all Stories of the principal structure.
- b. **Outbuildings.** Outbuildings shall permit living and limited Office use (maximum size of 500 square feet).
- c. **Parking.** Automobile Storage of adequate size and access shall be provided within the Lots in Village General at the minimum ratio of one (1) place per Dwelling but not more than three (3) covered spaces. Access to parking off primary Streets may be frontal or side in the configurations delineated on the Building type plans in the Design Code. Additional uncovered parking on Alleys may be constructed of brick, stone or grasscrete.

Section 7.12 General Instructions for Building Types in Village Edge.

- a. **Building Use.** All Building Types shall permit residential use at all Stories of the principal structure.
- b. **Outbuildings.** Outbuildings shall permit living and limited Office use (maximum size of 500 square feet).
- c. **Parking.** Horseshoe drives are allowed only on the Lot frontages of Edge and Manor Lots which are non-Alley Loaded Lots.

Section 7.13 Horizontal Placement Instructions for Village Center.

- a. **Façade.** The placement of the façade at the principal frontage shall be mandatory unless otherwise shown, showing no more than two (2) corners to the frontage.

b. **Fences and Garden Walls.** In the absence of Buildings, Garden Walls and gates shall be built from 0.8' in accordance with setback criteria.

c. **Corner Lots.** Placement of Corner Lots shall be coordinated with the St. Tammany Parish Line of Site Studies.

d. **Parking.** Parking should be located in the center of the Block. The parking and sidewalk system shall be landscaped to provide shade and shelter and a Street Wall buffer. It shall provide through-Block connectors to provide accessibility between parking and Building frontages at intervals not to exceed one hundred fifty (150') feet.

Section 7.14 Horizontal Placement Instructions for Village General.

a. **Façade.** The placement of the façade at the front Setback shall be mandatory unless otherwise shown. Buildings should show no more than three (3) corners to the frontage. Buildings on Corner Lots shall present primary facades to both Streets.

b. **Fences and Garden Walls.** Where provided, Fences and gates shall be built on the primary Frontage Line only. Garden Walls and gates shall not be built on the Frontage Line but may be built on the front Setback line. Buildings on Corner Lots may have a Garden Wall and gates at only one (1) of its Frontage Lines when approved by the Design Review Board in advance.

c. **Corner Lots.** Buildings on Corner Lots shall hold clear a view triangle, defined by two (2) points thirty (30') feet from the intersection of the curbs extended.

d. **Parking.** Garages shall be entered from the rear Alley or lane, if provided. See Placement Diagrams, prepared by Architects Southwest, for Alley-Loaded Lot parking accommodations.

Section 7.15 Horizontal Placement Instructions for Village Edge.

a. **Façade.** The placement of the façade at the front Setback shall be mandatory unless otherwise shown. Buildings should show no more than four (4) corners to the frontage. Buildings on Corner Lots shall present primary facades to both Streets.

b. **Fences and Garden Walls.** Where provided, Fences and gates shall be built on the primary Frontage Line only. Garden Walls and gates shall not be built on the Frontage Line but may be built on the front Setback line. Buildings on Corner Lots may have a Garden Wall and gates at only one (1) of its Frontage Lines when approved by the Design Review Board in advance.

c. **Corner Lots.** Buildings on Corner Lots shall hold clear a view triangle, defined by two (2) points thirty (30') feet from the intersection of the curbs extended.

d. **Parking.** Garages shall be entered from the rear Alley or lane, if provided. Where Lots are not Alley-Loaded, parking placement shall be a minimum of thirty (30') feet behind the façade with a maximum of a single width Driveway not exceeding twelve (12') feet from the frontage to the façade line.

Section 7.16 Vertical Placement Instructions for Village Center.

- a. **Porches, Balconies, and Stoops.** Porches, balconies, and Stoops shall be provided in any one of the combinations shown in the Placement Diagrams, prepared by Architects Southwest.
- b. **Main Floor.** The first floor level shall be elevated above the grade at the porch or stoop a minimum of 2' 6", except that commercial shall be at or near sidewalk grade.
- c. **Main Floor Height.** The first story interior clear height shall be no less than twelve (12') feet nor more than fourteen (14') feet; provided, however, that the first Story interior clear height of Townhouses shall be no less than ten (10') feet nor more than twelve (12') feet.
- d. **Maximum Building Height.** The maximum Building height shall be two and one-half (2 ½) Stories.

Section 7.17 Vertical Placement Instructions for Village General and Village Edge.

- a. **Porches, Balconies, and Stoops.** Porches, balconies, and Stoops shall be provided in any one of the combinations shown on the Architectural Typologies, as set forth in Design Code.
- b. **Main Floor.** The first floor level shall be elevated above the grade at the porch or stoop a minimum of 2' 6".
- c. **Main Floor Height.** The first Story interior clear height shall be no less than ten (10') feet nor more than twelve (12') feet.
- d. **Maximum Building Height.** The maximum Building height shall be two and one-half (2 ½) Stories.

**ARTICLE 8
ARCHITECTURAL AND LANDSCAPING STANDARDS**

Section 8.1 Applicability. If Developer has reserved rights of architectural or design review and control over any portion of the Property pursuant to any contract, deed, covenant or other recorded instrument outside of this Declaration, then the provisions of such instrument shall control as to any matter within the scope of this Article, and approval by Developer pursuant to such instrument of any matter within the scope of this Article shall be deemed full compliance with this Article unless, and except to the extent that:

- a. Developer has assigned in writing any or all of its reserved rights under such instrument to the Design Review Board established pursuant to this Article; or
- b. Developer has recorded an instrument in the public records of St. Tammany Parish, Louisiana declaring its intent that this Declaration thereafter control as to any matter within the scope of this Article.

Section 8.2 General.

- a. Except as otherwise provided above, no structure shall be constructed, placed, erected or installed upon any portion of the Property and no Improvements (including staking,

clearing, excavation, grading, and other site work, exterior alteration of existing Improvements, and plantings or removal of landscaping materials) shall take place within the Property except in compliance with this Article and the Design Code. The Architectural Standards and Architectural Typologies referred to and defined herein shall be set forth on Exhibit "D" attached hereto and made a part hereof. In the event of any inconsistency between the provisions of this Declaration and the provisions and information contained in Exhibit "D", the provisions and information contained in Exhibit "D" shall control.

b. This Article shall not apply to the activities of Developer during the Class "B" Control Period.

c. This Article may not be amended without the written consent of Developer so long as Developer owns any land subject to this Declaration or subject to annexation to this Declaration.

Section 8.3 Evaluation of Proposed Improvements. Plans for proposed Improvements will be evaluated as to whether the Improvements:

- a. integrate, and harmonize with Developer's natural setting and distinct architectural traditions;
- b. are compatible with neighboring Improvements;
- c. are highly functional, of high quality and distinctive in appearance;
- d. promote interaction among the residents of Terra Bella; and
- e. meet or exceed standard expectations for warmth, substance and durability.

If it is determined that particular Improvements will not adequately satisfy the design philosophy of Developer, approval may be withheld, even though the plans comply with the specific requirements and prohibitions contained in the Design Documents.

Section 8.4 Architectural and Design Review.

a. **Function of Design Review Process.** The function of design review is to encourage the architectural harmony of Terra Bella.

b. **Developer Review.** Each Owner, by accepting a deed or other act of sale or transfer, or other instrument conveying any interest in any portion of the Property, acknowledges that, as the Developer of the Property and as an Owner of significant portions of the Property, it has a substantial interest in ensuring that the Improvements within the Property enhance Developer's reputation as a community developer and do not impair Developer's ability to market, sell, or lease its property. Therefore, each Owner agrees that no Work shall be commenced on the Owner's Lot unless and until Developer, along with the prior approval of the Design Review Board pursuant to Section 8.4, subparagraph c., has given its prior written approval for such Work, which approval may be granted or withheld in Developer's sole discretion. In reviewing and acting upon any request for approval, Developer shall be acting in its own interest and shall owe no duty to any other Person. The rights reserved to Developer under this Article shall continue so long as Developer owns any portion of the Property or any immovable property subject to annexation pursuant to this

Declaration, unless earlier termination in a written instrument executed by Developer and recorded in the public records of St. Tammany Parish, Louisiana.

c. Design Review Board.

The Design Review Board is an agency, department or division of the Residential Association and the Commercial Association, and has the right to exercise control over all construction within the Property and review all modifications to structures and Improvements, including but not limited to painting, renovations, and landscaping. Initially, the Design Review Board shall be appointed by the Developer and shall consist of three (3) members. Until such time as Developer has sold all of the Lots in Terra Bella or no longer wishes to appoint members of the Design Review Board, the Design Review Board shall be appointed as follows: one member appointed by the Board of the Residential Association; and one member appointed by the Board of the Commercial Association; and one (1) member appointed by the Commercial and Residential Association; and shall consist of three (3) members. Should such Board wish to declare that there be an increase in the number of members serving on the Design Review Board, it may do so at a regularly called meeting of the Board of Directors, except that during the Class "B" Control Period, no change in the members of the Design Review Board may be made by the Board without the approval of the Developer. The members of the Design Review Board need not be Members of an Association or representatives of Members, and may, but need not, include architects, engineers or similar professionals, whose compensation, if any, shall be established from time to time by the Boards. The Boards may establish and charge reasonable fees for review of applications hereunder and may require such fees to be paid in full prior to review of any application. In addition, the Design Review Board may, with the prior approval of the Boards, retain architects, engineers or other professionals to assist in the review of any application and the Association may charge any fees incurred for such assistance to the applicant. The Design Review Board may also establish a Modifications Committee, with the approval of the Boards, to review and approve any proposed modifications of Property which are submitted at least two (2) years after a Certificate of Substantial Conformance is issued in accordance with Section 8.14, subparagraph f.

Developer may from time to time, but shall not be obligated to, delegate all or a portion of its reserved rights under this Article or other recorded instruments to the Design Review Board appointed by the Board of Directors, subject to (i) the right of Developer to revoke such delegation at any time and reassume jurisdiction over the matters previously delegated and (ii) the right of Developer to veto any decision of the Design Review Board which Developer determines, in its sole discretion, to be inappropriate or inadvisable for any reason. So long as Developer has any rights under this Article, the jurisdiction of the Design Review Board shall be limited to such matters as are specifically delegated to it by Developer.

Upon expiration or termination of Developer's rights under this Article, the Associations shall assume jurisdiction over architectural matters hereunder and the Associations, acting through the Design Review Board, shall be entitled to exercise all powers previously reserved to Developer under this Article; provided, however, in exercising the discretion previously reserved to Developer, the Associations and the Design Review Board shall act in the interest of the Members of the Associations.

The Town Planner and other professionals and staff assisting the Design Review Board may be paid reasonable compensation for service on the Design Review Board, as determined from time to time by the Board. All members of the Design Review Board shall be reimbursed by the

Associations for their respective expenses incurred in furtherance of the authorized activities of the Design Review Board, subject to review and approval by the Board. All members of the Design Review Board, in addition to the Town Planner, may be paid compensation for their time and efforts in serving on the Design Review Board if such compensation is approved and authorized by the Board.

The Associations shall be responsible for all reasonable costs of operation of the Design Review Board. Each Owner submitting plans for the construction or modification of Improvements on any Lot shall submit with such plans a payment of \$300.00 as a nonrefundable "Review Fee", more particularly described in Section 8.14, subparagraph g., and that payment shall be made to the applicable Association. The Review Fee shall be used by the Associations to defray the costs and expenses incurred by the Design Review Board and the fees and compensation paid, if any, to the Town Planner, staff, other professionals and members of the Design Review Board. The Board, in its sole discretion, may increase the amount of the Review Fee, but in no event shall the Review Fee charged in any one (1) calendar year exceed 110% of the Review Fee charged during the preceding calendar year.

The Design Review Board may employ personnel or contract with individuals or companies as necessary to assist in the review process, as authorized pursuant to the budget for the Design Review Board, as established by the Board. All such personnel, individuals and/or companies employed or contracted with by the Design Review Board shall be considered as employees and/or independent contractors of the Associations.

The Design Review Board is authorized to adopt rules and procedures and to adopt, from time to time, amendments to said rules and procedures for the conduct of its business, consistent with the provisions of this Declaration. Any Owner shall be provided with a copy of such rules and procedures within fifteen (15) days of submission of a written request to the Board.

d. **Town Planner.** The Town Planner is initially selected by Developer and may be replaced with another Town Planner, at any time, in the sole discretion of Developer. While Developer owns at least one (1) Lot or hold any property within Terra Bella for sale in the normal course of business, Developer may select any successor or replacement, unless Developer permanently waives that right in writing. When Developer no longer selects the Town Planner, the Board shall select the Town Planner. The Town Planner shall be a licensed architect or shall have a masters degree in new urbanist design from an accredited university, or shall have comparable qualifications. The Town Planner does not, however, need to be licensed to practice in Louisiana unless required by the State of Louisiana.

Section 8.5 Architectural Standards; General. Developer hereby establishes the following initial design and construction guidelines and review procedures contained in Sections 8.6 through 8.12 and as set forth on **Exhibit "D"** attached hereto (the "**Architectural Standards**") to provide guidance to Owners and Builders regarding matters of particular concern to Developer in considering applications for architectural approval and in construction of Dwellings. The Architectural Standards shall not be the exclusive basis for decisions hereunder and compliance with the Architectural Standards shall not guarantee approval of an application. The initial Architectural Standards, and any supplemental Architectural Standards may contain general provisions applicable to all of the Property, as well as specific provisions which vary from one portion of the Property to another depending upon the location, type of construction or use, and unique characteristics of the Property.

a. **Modification of Design Code, Architectural Standards, or Landscape Code.** The Design Review Board may, subject to any applicable zoning requirements and subject to the approval of the Developer during the Class "B" Control Period, revise any part of the Design Code, Architectural Standards and/or the Landscape Code, and supplement all or any of the Design Code, Architectural Standards and the Landscape Code, from time to time for any of the following reasons (the Design Code, Architectural Standards, and Landscape Code are collectively referred to in this Declaration as the "**Design Documents**"):

To make changes which the Design Review Board believes will better accomplish the objectives set forth in this Declaration;

To adjust for market conditions so as to improve the value of all or some of the Dwellings;

To recognize changing land use conditions over time, both from within and outside Terra Bella; or

To establish the plan for the development of additional immovable property annexed to, and included and incorporated within, Terra Bella pursuant to a Supplemental Declaration, which plan shall be implemented through the regulation of land use, architecture, environment and landscaping with said additional immovable property in accordance with Article 4 herein.

While Developer owns at least one (1) Lot or hold any property within Terra Bella for sale in the normal course of business, no modification or amendment may be made to the Design Documents without the express written consent of Developer. Subject to the preceding sentence, on request of the Design Review Board, the Board shall, without the consent of the Members, file any amendments to this Declaration at any time which add to, change or otherwise modify the Design Documents. Modifications and changes to the Design Documents shall not affect or bear on the construction of Buildings within Terra Bella to the extent such Buildings have been constructed prior to the adoption of such modification or other amendment to the Design Documents; but such modifications and changes shall be effective with respect to any alterations or other additions to Buildings constructed after the date of such amendments or modifications to the Design Documents. Developer and the Associations, whenever filing Supplemental Declarations, shall file supplements to the Design Documents which contain specific requirements for any property added to Terra Bella pursuant to any such Supplemental Declaration, including without limitation thereto, in the filing party's sole discretion, additional designations of Building types, additional Architectural Typologies authorized for each new Building type, architectural characteristics and historical details for each such additional Building type, and such further requirements and restrictions with respect to construction on Lots as are contained in the Design Documents as filed originally with this Declaration. There shall be no limitation on the scope of amendments to the Design Documents; amendments may remove requirements previously imposed or otherwise make the Design Documents more or less restrictive in whole or in part, in accordance with the provisions of this subparagraph a.

b. **Copies.** The Design Documents, together with all changes to same adopted by the Design Review Board, shall be available for review in the registered office of each Association during normal business hours. Any Owner wishing to have a copy of the Design Documents, together with all changes to same adopted by the Design Review Board, shall pay the cost of reproducing same to its Association which shall be calculated on the basis of \$0.50 per page; provided, however, there shall be no charge for the first copy of each Design Document with respect to each Lot; and provided

that only certain portions of the Design Documents shall be available for copying, including the title sheet, table of contents and synopsis, flow chart, principles, definitions, town plan, and such other documents except blow-up diagrams of districts, zones, open space network, phasing plan and thoroughfare standards. Developer shall determine the availability of copying of portions of the Design Documents in his sole discretion.

Section 8.6 Allowed Architectural Typologies.

a. The Dwelling and all other Improvements constructed on each Lot shall be designed in accordance with one (1) of the Allowed Architectural Typologies (as defined in the Design Code) for that particular Lot. The Allowed Architectural Typologies for each Lot are listed in the Synopsis of the Design Code, described in the Architectural Regulations in the Design Code and listed as follows:

French (with sub-categories, Acadian and Creole);

Classical;

Northshore; and

Bungalow.

b. The Design Code contains design requirements and/or restrictions for each of the various Allowed Architectural Typologies (as noted above) for the various Building types. Such requirements and restrictions are also set forth in Sections 8.6 through 8.11.

c. For each Allowed Architectural Typology, there are corresponding “**Historical Details**” that must also be complied with and otherwise followed in the design and construction of the Dwellings and Buildings. The Historical Details are intended to typify each such Architectural Typology, but it is acknowledged there are many other characteristics and details of each approved Architectural Typology, and those other characteristics and details may also be used; it is the function of the Design Review Board, through the review process, to verify that the plans for the design of Buildings proposed for construction on a Lot are consistent with the characteristics and details of the Architectural Typology chosen by the Owner presenting plans for review. Certain Historical Details are set forth in the Design Code.

Section 8.7 Architectural Regulations Applicable to all Architectural Typologies. The following architectural regulations shall apply to the configuration and techniques of the construction of Improvements of all Architectural Typologies within Terra Bella as they relate to Building walls.

a. Building walls may be built of no more than two (2) materials and shall only change material along a horizontal line (i.e., brick may be combined with wood siding when the material change occurs horizontally (typically at a floor line)), with the heavier material below the lighter material.

b. Walls of a single Building must be built in a consistent configuration.

c. Wood clapboard shall be horizontal.

Section 8.8 French Architectural Typology. The following additional architectural regulations shall apply to the structures and Improvements of the French Architectural Typology within Terra Bella.

a. **Materials.** The following regulations of materials used in the construction of Improvements as they relate to building walls, building elements, roofs, windows, and doors shall apply:

Building Walls.

(a) **Prohibited Types.** Vinyl and metal siding and prefabricated or modular construction and exterior insulation finish systems are prohibited.

(b) **Wood. Exterior Woodwork.** Exterior architectural wood, including but not limited to siding, trim, columns, Balustrades, Porch Decks, Decks, fascias and shutters, must be capable of withstanding the elements and be resistant to rot. Examples include cedar, redwood, mahogany or cement board, wood clapboard, or cement board, board and batten, all of which must be sealed with paint or stain. Horizontally applied boards (beveled or drop siding) and wooden shingles are permitted. Plywood and diagonal siding are not permitted.

(c) **Cement Plaster (Stucco).** Stucco is allowed over wood frame or masonry construction. Stucco must have a smooth trowel applied and sand finish. Sprayed applications and swirl or other heavily textured patterns are prohibited. Portland cement plaster shall consist of three coat work over metal lath. A factory-prepared integrally colored synthetic finish coat shall be considered acceptable for use; however, adherence to color palette by painting, if required, shall remain. As an alternative to a three coat system, international building code approved woodwork (as defined in the Design Code) and hard coat synthetic plaster are permitted; however, the use of exterior polystyrene sheet board is not permitted.

(d) **Unit Masonry.** Foundation walls and piers shall be parged block brick, smooth finished poured concrete or stucco. Retaining walls shall be masonry or stuccoed. Building walls shall be finished in stucco with smooth sand finish. Brick unit masonry shall be chosen from the palettes of brick selections pre-approved for use by the Design Review Board. Concrete masonry units shall not be considered acceptable for exposed applications.

Building Elements.

(e) Chimneys shall be finished with stucco, brick or wood.

(f) Piers and arches shall be stucco or brick.

(g) Porch railings shall be made of wood while Porch floors and posts may be wood or masonry. Porches may be enclosed with glass or screens. However, glass enclosures are not permitted at frontages. Porch ceilings may be enclosed with painted wood; exposed joists shall be painted or stained.

(h) Stoops shall be made of wood, brick or concrete. If concrete, a Stoop shall have brick, tile, stucco walls or parged concrete.

(i) Decks shall be located only in rear yards and where not easily visible from Streets or paths, elevated a maximum of eighteen (18") inches above grade and painted or stained.

(j) Metal elements shall be natural-colored galvanized steel, anodized or ESP aluminum, copper, or marine-grade aluminum.

(k) Pickets, poles and boards shall be made of wood or P.T. wood and painted or stained. Fences shall be made of wood or P.T. wood and may have stucco piers or brick piers.

(l) Driveways can be concrete, brick chosen from a pre-approved palette, or concrete pavers.

Roofs.

(m) Roofs shall be clad in one of the following materials: in its natural color; wood shingles; dark gray shingles in either slate or synthetic slate; asphalt, concrete; galvanized steel, 5V crimp or standing seam; or copper.

(n) Gutters and downspouts, when used, shall be made of galvanized steel, copper (not copper-coated), or anodized or ESP aluminum. Downspouts shall be placed at the corner of the Building that is least visible from nearby Streets. Splash blocks shall be made of concrete, brick or gravel.

(o) Copper roofs, flashing, gutters and downspouts shall be allowed to age naturally and shall not be painted or sealed.

(p) Asphalt roof ridges shall be clad in a like asphalt shingle or terra cotta, concrete, slate or stone.

Windows and Doors.

(q) Windows and doors shall be wood or cladwood. Garage doors shall be wood or aluminum. Doors shall be painted or stained.

(r) Shutters shall be wood.

(s) Security doors and window grilles must be approved by the Design Review Board.

(t) Windows not visible from the Street may be of other material and configuration, as approved by the Design Review Board.

b. **Configuration and Techniques.** The following regulations apply to the configuration and techniques of the construction of Improvements as they relate to building walls, building elements, roofs, windows, and doors:

Building Walls.

(a) Building Walls may be built of no more than two materials and shall only change material along a horizontal line, i.e. brick may be combined with wood siding when the material change occurs horizontally (typically at a floor line), with the heavier material below the light. Walls of a single building must be built in a consistent configuration. Wood clapboard shall be horizontal.

(b) Undercrofts may be skirted. Horizontal wood boards or framed wood may be installed with spaces between members not larger than one and one-half (1.5") inches or smaller than 0.75 inches. Lattice (horizontal or vertical only) may be installed between wood piers and pilings, and brick screens may be installed between concrete piers and pilings.

(c) Garden Walls shall generally be constructed of the same material as the first floor of the primary Building. Masonry piers with wood pickets may replace solid masonry walls. Wood may replace masonry at the rear property line. Masonry walls shall be made of stuccoed concrete while gates shall be wood or steel. Walls may be perforated.

(d) Siding shall be horizontal, at a maximum of four (4") to six (6") inches to the weather.

(e) Stucco or plaster coating may be applied to concrete block or poured concrete. Stucco shall be steel troweled.

(f) Trim shall not exceed six (6") inches in width at corners and four (4") inches in width around openings, except at the front door.

(g) Where a wall or Fence on one property meets a taller or shorter wall or Fence on another property, it is the responsibility of the second designer to transition their wall or Fence to the height of the first.

Building Elements.

(h) Chimneys shall be a minimum of 1:1 or 1:2 proportion in plan and capped to conceal spark arresters. Flues shall be no taller than required by the applicable building code regulations, or allowed by architectural standards. Fireplace enclosures and chimneys shall extend to the ground.

(i) Piers shall be no less than twelve (12") inches by twelve (12") inches.

(j) Arcades and breezeways should have vertically proportioned openings.

(k) Posts shall be no less than six (6") inches by six (6") inches.

(l) Railings shall have top and bottom rails. Wood top rails shall be eased and bottom rails shall have a vertical section. Top and bottom rails shall be centered on the boards or pickets. The openings between the members shall be a minimum of one (1") inch and a maximum of four (4") inches.

(m) Balconies shall be structurally supported by brackets, tapered beams, or columns.

(n) Driveways constructed of material other than concrete shall allow the public concrete sidewalk to run continuously without disruption through the Driveway area.

(o) Fences shall have no more than a two (2") inch gap between pickets.

(p) Fences on adjacent Lots shall have different designs, subject to the approval of the Design Review Board. Where a Fence on one property meets a taller or shorter Fence on another property, it is the responsibility of the second designer to transition their fence to the height of the first.

Roofs.

(q) The principal roof on all freestanding Buildings shall be a symmetrical hip or gable with a slope of 8:12 to 10:12. Gabled hips, hipped gables, and flared hips are permitted. Where gables meet in a Party Wall condition, gabled ends are permitted.

(r) Ancillary roofs (attached to walls or roofs) may be sheds sloped no less than 3:12.

(s) Eaves shall be continuous, unless overhanging a balcony or Porch. Eaves shall have an overhang from sixteen (16") inches to thirty-two (32") inches. Overhanging Eaves may have exposed rafters.

(t) Gutters and downspouts shall be round or ogee.

(u) No through-roof penetration for mechanical or electrical devices shall be permitted to penetrate the roof at the Building frontage(s). Penetrations of such devices shall be at locations approved by the Design Review Board and shall be a color matching the roof.

Windows and Doors.

(v) Windows shall be rectangular, vertically proportioned and operable. Transoms may be oriented horizontally with panes which match other configurations. Multiple windows in the same rough opening shall be separated by a four (4") inch minimum post. The window sash shall be located interior to the centerline of the wall.

Window sills in masonry construction shall project a minimum of one (1") inch from the face of the Building.

(w) All vertical superimposed openings shall be centered along the vertical axis.

(x) Window Muntins are encouraged and shall be true divided light or fixed on the interior and exterior surfaces, and shall create panels of square or vertical proportion.

(y) Non-Alley Garage doors on front load Lots shall be a maximum of ten (10') feet in width. Garage doors shall be painted or stained. Overhead Garage doors shall be permitted, but at front load Lots, shall be clad with planks to resemble swinging doors.

(z) Shutters when used shall be operable and sized and shaped to match the openings. Shutters in accordance with specific Architectural Typologies are encouraged.

(aa) There may be no more than one (1) circular or hexagonal window on any principal elevation.

(bb) Rectangular windows shall be operable encasement or single hung. Circular and hexagonal windows may be fixed.

(cc) Driveway Gates shall be in-swinging and have a maximum opening width of twelve (12') feet.

c. **Amenities.** The following regulations apply to the amenities of Improvements as they relate to building walls, building elements, roofs, windows, and doors.

Building Walls.

(a) Variances to the Architectural Regulations may be granted on the basis of architectural merit by the Design Review Board.

(b) Building walls shall be one (1) color per material used. Colors of stucco shall be warm in tone, subject to approval of the Design Review Board. Paints for masonry applications shall have a flat finish. All exterior wood siding shall be painted or stained, preferably on both sides. Trim (balcony and Porch posts, rails, window trim, rafter tails, etc.) shall be painted to compliment the columns and overall value of the Building. An accent color for items such as the front door, pickets, trim and shutters may be used subject to approval of the Design Review Board. Walls and Fences shall be in a range of colors approved for their respective materials. Other colors may be added to the list after consultation with the Design Review Board. Please refer to the current listing for pre-approved colors listed under the Martin Senour Authentic Colonial Colors Series on file with the Design Review Board.

Building Elements.

(c) Trim (balcony and Porch posts, rails, window trim, rafter tails, etc.) shall be painted or stained to compliment the columns and overall value of the Building. An accent color for items such as the front door, pickets, trim and shutters may be used subject to approval of the Design Review Board.

(d) Garage aprons shall be of square or rectangular pervious concrete pavers, brick or concrete. Pavers must contrast drastically with the Street surface color.

(e) Mail boxes shall be as manufactured by the manufacturer selected by the Design Review Board. The model shall be selected by the Owner and painted white.

(f) Brick, mortar colors, colors and patterns, Fence designs and exterior light fixtures shall be subject to approval of the Design Review Board.

(g) The following shall be permitted in rear yards and where not easily visible from the street or paths: HVAC equipment ("silent" models preferred), utility meters, satellite dishes (to the extent prohibited by law), permanent grills, permanent play equipment, hot tubs (those at ground level must be covered), and garbage collection equipment shall be permitted only in rear yards and where not easily visible from Streets or paths.

(h) In-ground swimming pools shall be permitted but will be considered a hard surface to be included in the total allowable Footprint.

(i) The following shall not be permitted: Panelized wall materials, quoins, stucco covered foam moldings, curved windows, window air-conditioning units, exterior fluorescent lights, exterior flood lights, above-ground pools (except those of the inflatable variety), antennas, flags and flagpoles (except official flags of countries, states, parishes, cities or other association-sanctioned flags flown from six (6') foot poles mounted at a forty-five (45) degree angle to Building Walls), signs (on private property), direct vent fireplaces, external alarm systems, and skylights.

(j) Carports are allowed in lieu of garages on alley loaded Lots only.

Roofs. The following shall not be permitted: Metal finishes in any color other than those permitted herein or in the Design Code.

Windows. Curved windows are not permitted.

Section 8.9 Classical Architectural Typology. The following additional architectural regulations shall apply to the structures and Improvements of the Classical Architectural Typology within Terra Bella.

a. **Materials.** The following regulations of materials used in the construction of Improvements as they relate to building walls, roofs, building elements, windows, and doors shall apply:

Building Walls.

(a) Prohibited Types. Vinyl and metal siding and prefabricated or modular construction and exterior insulation finish systems are prohibited.

(b) Exterior Architectural Woodwork. Exterior architectural woodwork shall be limited to custom or premium grades of woodwork and shall include, but not be limited to, exterior standing and running trim, exterior ornamental work, pediment heads, pilasters, cupolas, railings, columns, exterior frames and jambs, and exterior shutters. Species of wood for exterior woodwork shall include Honduras mahogany, clear all heart redwood, all heart western red cedar, clear all heart red cypress, Spanish cedar, or treated southern pine as suitable for retaining painted finish coating, high density polymer molded products, fiber-cement board "hardi-plank" and "clear-lam" engineered products or an approved equal.

(c) Exterior Siding. Exterior siding shall consist of 1 x 6 or 1 x 8 wood or cement board.

(d) Cement Plaster (Stucco). Portland cement plaster shall consist of three coat work over metal lath. A factory-prepared integrally colored synthetic finish coat shall be considered acceptable for use; however, adherence to color palette by painting, if required, shall remain. As an alternative to a three coat system, international building code approved woodwork (as defined in the Design Code) and hard coat synthetic plaster are permitted; however, the use of exterior polystyrene sheet board is not permitted.

(e) Unit Masonry. Brick unit masonry shall be chosen from the palettes of brick selections pre-approved for use by the Design Review Board. Concrete masonry units shall not be considered acceptable for exposed applications.

Building Elements.

(f) Chimneys shall be finished with stucco, brick, or wood.

(g) Piers and arches shall be stucco or brick.

(h) Porch railings shall be made of wood while Porch floors and posts may be wood or masonry. Porches may be enclosed with glass or screens; however, glass enclosures are not permitted at frontages. Porch ceilings may be enclosed with painted wood. Exposed joists shall be painted or stained.

(i) Columns shall be made of wood, fiberglass, composite, concrete or stucco, in true architectural grade. Aluminum columns are not permitted.

(j) Stoops shall be made of wood, brick or concrete. If concrete, a Stoop shall have brick, tile, stucco walls, or parged concrete.

(k) Decks shall be located only in rear yards and where not easily visible from Streets or paths, elevated a maximum of eighteen (18") inches above grade and painted or stained.

(l) Metal elements shall be natural-colored galvanized steel, anodized or ESP aluminum, or marine-grade aluminum.

(m) Pickets, poles and boards shall be made of wood or P.T. wood and painted or stained. Fences shall be made of wood or P.T. wood and may have stucco piers or brick piers.

(n) Driveways may be of concrete, pre-approved palette of brick, or concrete pavers.

Roofs.

(o) Roofs shall be clad in one of the following materials: in its natural color; wood shingles; dark gray shingles in either slate or synthetic slate; asphalt, concrete; galvanized steel, 5V crimp or standing seam; or copper.

(p) Gutters and downspouts, when used, shall be made of galvanized steel, copper (not copper-coated), or anodized or ESP aluminum. Downspouts shall be placed at the corner of the Building least visible from nearby Streets. Splash blocks shall be made of concrete, brick or gravel.

(q) Copper roofs, flashing, gutters and downspouts shall be allowed to age naturally (not painted or sealed).

(r) Asphalt roof ridges shall be clad in a light asphalt shingle, terra cotta, concrete, slate or stone.

Windows and Doors.

(s) Garage doors shall be wood or aluminum. Doors shall be painted or stained.

(t) Shutters shall be wood.

(u) Security doors and window grills must be approved by the Design Review Board.

(v) Windows at Frontage Line. Wood window units shall be limited to primed wood window units for field painting, aluminum clad window units, and vinyl clad window units, as approved by the Design Review Board. All window units shall have divided lights with authentic wood Muntins and mullions in the styles and configurations as set forth in the Design Code. Insulated glazing shall be allowed for use; however, tint and reflectivity shall be limited to a maximum of ten (10%) percent.

(w) Windows at Non-Frontage Lines. Windows at elevations not contributing to the quality public domain may be other types as approved by

the Design Review Board, namely, pure vinyl, aluminum and wood. True divided lights are not required. Muntins however, shall not be flat. There shall be no tinting requirements on these windows.

b. **Configuration and Techniques.** The following regulations apply to the configuration and techniques of the construction of Improvements as they relate to building walls, building elements, roofs, windows, and doors:

Building Walls.

(a) Horizontally applied boards (beveled or drop siding) and wooden shingles are permitted. Plywood and diagonal siding are not permitted.

(b) Stucco is allowed over wood frame or masonry construction. Stucco must have a smooth, trowel applied and sand finish. Sprayed applications and swirl or other heavily textured patterns are prohibited.

(c) Foundation walls and piers shall be parged block, brick, smooth-finished poured concrete or stucco. Retaining walls shall be masonry or stuccoed.

(d) Building walls shall be finished in stucco with smooth sand finish, and brick from a pre-approved palette.

(e) Undercrofts shall be skirted. Horizontal wood boards or framed wood may be installed with spaces between members not larger than one and one-half (1.5") inches or smaller than 0.75 inches. Lattice may be horizontal or vertical only. Lattice may be installed between wood piers and pilings, and brick screens may be installed between concrete piers and pilings.

(f) Garden Walls shall generally be constructed of the same material as the first floor of the primary Building. Masonry piers with wood pickets may replace solid masonry walls. Wood may replace masonry at the rear property line. Masonry walls shall be made of stuccoed concrete while gates shall be wood or steel. Walls may be perforated.

(g) Building Walls may be built of no more than two materials and shall only change material along a horizontal line, i.e. brick may be combined with wood siding when the material change occurs horizontally (typically at a floor line), with the heavier material below the light. Walls of a single building must be built in a consistent configuration. Wood clapboard shall be horizontal.

(h) Siding shall be horizontal, at a maximum of four (4") to six (6") inches to the weather.

(i) Stucco or plaster coating may be applied to concrete block or poured concrete. Stucco shall be steel troweled.

(j) Trim shall not exceed six (6") inches in width at corners and four (4") inches in width around openings, except at the front door.

(k) Where a wall or Fence on one property meets a taller or shorter wall or Fence on another property, it is the responsibility of the second designer to transition their wall or Fence to the height of the first.

Building Elements.

(l) Chimneys shall be a minimum of 2:1 proportion in plan and capped to conceal spark arresters. Flues shall be no taller than required by the applicable building code regulations. Fireplace enclosures and chimneys shall extend to the ground.

(m) Piers shall be no less than twenty-four (24") inches by twelve (12") inches.

(n) Arcades and breezeways should have vertically proportioned openings.

(o) Columns shall include architectural taper and authentic cap and base detail.

(p) Railings shall have top and bottom rails. Wood top rails shall be eased and on the boards or pickets. The openings between the members shall be a minimum of one (1") inch and a maximum of four (4") inches.

(q) Balconies shall be structurally supported by columns.

(r) Driveways constructed of material other than concrete shall allow the public concrete sidewalk to run continuously without disruption through the Driveway area.

(s) Fences shall have no more than a two (2") inch gap between pickets.

(t) Fences on adjacent Lots shall have different designs, subject to the approval of the Design Review Board. Where a Fence on one property meets a taller or shorter Fence on another property, it is the responsibility of the second designer to transition their fence to the height of the first.

(u) Cornices shall have boxed eaves of twelve (12") to eighteen (18") inches. A wide Freeze band is occasionally found beneath the Cornice.

(v) Particular importance is the proportion of the Doric or Tuscan columns and the depth and detailing of the entablature above. Columns on the classical Portico shall be of Corinthian, Tuscan, Doric, or Ionic orders.

Roofs.

(w) The principal roof on all freestanding Buildings shall be a symmetrical hip or gable with a slope of 8:12 to 10:12. Where Garages meet in a Party Wall condition, gabled ends are allowed.

(x) Temple fronts may be 6:12 to 10:12.

(y) Eaves shall be continuous, unless overhanging a balcony or Porch. Eaves shall have an overhang from sixteen (16") inches to thirty-two (32") inches. Overhanging eaves may have exposed rafters.

(z) Gutters and downspouts shall be round or ogee.

(aa) No through-roof penetration for mechanical or electrical devices shall be permitted to penetrate the roof at the Building frontage(s). Penetrations of such devices at locations approved by the Design Review Board shall be a color matching the roof.

Windows and Doors.

(bb) Windows shall be rectangular, vertically proportioned and operable. Transoms may be oriented horizontally with panes which match other configurations. Multiple windows in the same rough opening shall be separated by a four (4") inch minimum post. The window sash shall be located interior to the centerline of the wall. Window sills in masonry construction shall project a minimum of one (1") inch from the face of the Building.

(cc) Window proportion shall be six (6) over nine (9) on the first floor and six (6) over six (6) on the second floor, or nine (9) over nine (9) on the first floor and six (6) over nine (9) on the second floor.

(dd) All vertical superimposed openings shall be centered along the vertical axis.

(ee) Window Muntins are encouraged and shall be true divided light or fixed on the interior and exterior surfaces, and shall create panels of square or vertical proportion.

(ff) Non-Alley Garage doors on front load Lots shall be a maximum of ten (10') feet in width. Garage doors shall be painted or stained. Overhead Garage doors shall be permitted, but at front load Lots, shall be clad with planks to resemble swinging doors.

(gg) Frontage Lines. Shutters, when used, shall be operable, sized and shaped to match the openings. Shutters in accordance with specific Architectural Typologies are encouraged.

(hh) Non-Frontage Lines. Shutters, when used, may be operable or fixed, sized and shaped to match the openings. Shutters in accordance with specific Architectural Typologies are encouraged.

(ii) Driveway gates shall be in-swinging and have a maximum opening width of twelve (12') feet.

(jj) Doors commonly have elaborate decorative surrounds.

c. **Amenities.** The following regulations apply to the amenities of Improvements as they relate to building walls, building elements, roofs, windows, and doors.

Building Walls.

(a) Variances to the Architectural Regulations may be granted on the basis of architectural merit by the Design Review Board.

(b) Building walls shall be one (1) color per material used. Colors of stucco shall be warm in tone, subject to approval of the Design Review Board. Paints for masonry applications shall have a flat finish. All exterior wood siding shall be painted or stained, preferably on both sides. Trim (balcony and Porch posts, rails, window trim, rafter tails, etc.) shall be painted to compliment the columns and overall value of the Building. An accent color for items such as the front door, pickets, trim and shutters may be used subject to approval of the Design Review Board. Walls and Fences shall be in a range of colors approved for their respective materials. Other colors may be added to the list after consultation with the Design Review Board. Please refer to the current listing for pre-approved colors under the Martin Senour Authentic Colonial Colors Series on file with the Design Review Board.

Building Elements.

(c) Trim (balcony and Porch posts, rails, window trim, rafter tails, etc.) shall be painted or stained to compliment the columns and overall value of the Building. An accent color for items such as the front door, pickets, trim and shutters may be used subject to approval of the Design Review Board.

(d) Garage aprons shall be of square or rectangular pervious concrete pavers, brick or concrete. Pavers must contrast drastically with the Street surface color.

(e) Mail boxes shall be as manufactured by the manufacturer selected by the Design Review Board. The model shall be selected by the Owner and painted white or a color approved by the Design Review Board.

(f) Brick, mortar colors, colors and patterns, Fence designs and exterior light fixtures shall be subject to approval of the Design Review Board.

(g) The following shall be permitted only in the rear yards and where not easily visible from streets or paths: HVAC equipment ("silent" models preferred), utility meters, satellite dishes (to the extent prohibited by law), permanent grills, permanent play equipment, hot tubs (those at ground level must be covered), and garbage collection equipment.

(h) In-ground swimming pools shall be permitted but will be considered a hard surface to be included in the total allowable Footprint.

(i) The following shall not be permitted: Panelized wall materials, quoins, stucco covered foam moldings, curved windows, window air-conditioning units, exterior fluorescent lights, exterior flood lights, above-ground pools (except those of the inflatable variety), antennas, flags and flagpoles (except official flags of countries, states, parishes, cities or other association-sanctioned flags flown from six (6') foot poles mounted at a forty-five (45) degree angle to Building Walls), signs (on private property), direct vent fireplaces, external alarm systems, and skylights.

(j) Carports are allowed in lieu of garages on alley loaded Lots only.

Roofs. Metal finishes in any color other than those permitted in herein or in the Design Code are not permitted.

Windows. Curved windows are not permitted.

Section 8.10 Northshore Architectural Typology. The following additional architectural regulations shall apply to the structures and Improvements of the Northshore Architectural Typology within Terra Bella.

a. **Materials.** The following regulations of materials used in the construction of Improvements as they relate to building walls, roof, building elements, windows, and doors shall apply:

Building Walls.

(a) **Prohibited Types.** Vinyl and metal siding and prefabricated or modular construction and exterior insulation finish systems are prohibited.

(b) **Exterior Architectural Woodwork.** Exterior architectural woodwork shall be limited to custom or premium grades of woodworking and shall include, but not be limited to, exterior standing and running trim, exterior ornamental work, pediment heads, pilasters, cupolas, railings, columns, exterior frames and jambs, and exterior shutters. Species of wood for exterior woodwork shall include Honduras mahogany, clear all heart redwood, all heart western red cedar, clear all heart red cypress, Spanish cedar, or treated southern pine as suitable for retaining painted finish coating, high density polymer molded products, fiber-cement board "hardi-plank" and "clear-lam" engineered products or an approved equal.

(c) **Exterior Siding.** Exterior siding shall consist of 1 x 6 or 1 x 8 wood or cement board.

(d) **Cement Plaster (Stucco).** Portland cement plaster shall consist of three coat work over metal lath. A factory-prepared integrally colored synthetic finish coat shall be considered acceptable for use; however, adherence to color palette by painting, if required, shall remain. As an alternative to a three coat system, international building code approved woodwork (as defined in the Design Code) and hard

coat synthetic plaster are permitted; however, the use of exterior polystyrene sheet board is not permitted.

(e) Unit Masonry. Brick unit masonry shall be chosen from the palettes of wire cut brick selections pre-approved for use by the Design Review Board. Concrete masonry units shall not be considered acceptable for exposed applications.

Building Elements.

(f) Chimneys shall be finished with brick.

(g) Piers and arches shall be brick.

(h) Porch railings shall be made of wood while Porch floors and posts may be wood or masonry. Porches may be enclosed with glass or screens; however, glass enclosures are not permitted at frontages. Porch ceilings may be enclosed with painted wood. Exposed joists shall be painted or stained.

(i) Stoops shall be made of wood, brick or concrete. If concrete, a Stoop shall have brick, tile or stucco walls.

(j) Decks shall be located only in rear yards and where not easily visible from Streets or paths, elevated a maximum of eighteen (18") inches above grade and painted or stained.

(k) Metal elements shall be natural-colored galvanized steel, anodized or ESP aluminum, copper, or marine-grade aluminum.

(l) Pickets, poles and boards shall be made of wood or P.T. wood and painted or stained. Fences shall be made of wood or P.T. wood and may have stucco piers or brick piers.

(m) Driveways may be of concrete, pre-approved palette of brick, or concrete pavers.

Roofs.

(n) Roofs shall be clad in one of the following materials: in its natural color; wood shingles; dark gray shingles in either slate or synthetic slate; asphalt, concrete; galvanized steel, 5V crimp or standing seam; or copper.

(o) Gutters and downspouts, when used, shall be made of galvanized steel, copper (not copper-coated), or anodized or ESP aluminum. Downspouts shall be placed at the corner of the Building least visible from nearby Streets. Splash blocks shall be made of concrete, brick or gravel.

(p) Copper roofs, flashing, gutters and downspouts shall be allowed to age naturally (not painted or sealed).

(q) Asphalt roof ridges shall be clad in a light asphalt shingle or terra cotta, concrete, slate or stone.

Windows and Doors.

(r) Garage doors shall be wood or aluminum. Doors shall be painted or stained.

(s) Shutters shall be wood.

(t) Security doors and window grills must be approved by the Design Review Board.

(u) Windows at Frontage Line. Wood window units shall be limited to primed wood window units for field painting, aluminum clad window units, and vinyl clad window units, as approved by the Design Review Board. All window units shall have divided lights with authentic wood Muntins and mullions in the styles and configurations as set forth in the Design Code. Insulated glazing shall be allowed for use; however, tint and reflectivity shall be limited to a maximum of ten (10%) percent.

(v) Windows at Non-Frontage Lines. Windows at elevations not contributing to the quality public domain may be other types as approved by the Design Review Board, namely, pure vinyl, aluminum and wood. True divided lights are not required. Muntins, however, shall not be flat. There shall be no tinting requirements on these windows.

b. **Configuration and Techniques.** The following regulations apply to the configuration and techniques of the construction of Improvements as they relate to building walls, building elements, roofs, windows, and doors:

Building Walls.

(a) Horizontally applied boards (beveled or drop siding) and wooden shingles are permitted. Plywood and diagonal siding are not permitted.

(b) Stucco is allowed over wood frame or masonry construction. Stucco must have a smooth, trowel applied and sand finish. Sprayed applications and swirl or other heavily textured patterns are prohibited.

(c) Foundation walls and piers shall be parged block, brick, smooth-finished poured concrete or stucco. Retaining walls shall be masonry or stuccoed.

(d) Building walls shall be finished in stucco with smooth sand finish, and brick from a pre-approved palette.

(e) Undercrofts shall be skirted. Horizontal wood boards or framed wood may be installed with spaces between members not larger than one and one-half (1.5") inches or smaller than 0.75 inches. Lattice may be horizontal or vertical only.

Lattice may be installed between wood piers and pilings, and brick screens may be installed between concrete piers and pilings.

(f) Garden Walls shall generally be constructed of the same material as the first floor of the primary Building. Masonry piers with wood pickets may replace solid masonry walls. Wood may replace masonry at the rear property line. Masonry walls shall be made of stuccoed concrete while gates shall be wood or steel. Walls may be perforated.

(g) Building Walls may be built of no more than two materials and shall only change material along a horizontal line, i.e. brick may be combined with wood siding when the material change occurs horizontally (typically at a floor line), with the heavier material below the light. Walls of a single building must be built in a consistent configuration. Wood clapboard shall be horizontal

(h) Siding shall be horizontal, at a maximum of four (4") to six (6") inches to the weather.

(i) Stucco or plaster coating may be applied to concrete block or poured concrete. Stucco shall be steel troweled.

(j) Trim shall not exceed six (6") inches in width at corners and four (4") inches in width around openings, except at the front door.

(k) Where a wall or Fence on one property meets a taller or shorter wall or Fence on another property, it is the responsibility of the second designer to transition their wall or Fence to the height of the first.

Building Elements.

(l) Chimneys shall be a minimum of 2:1 proportion in plan and capped to conceal spark arresters. Flues shall be no taller than required by the applicable building code regulations. Fireplace enclosures and chimneys shall extend to the ground.

(m) Piers shall be no less than twenty-four (24") inches by twelve (12") inches.

(n) Arcades and breezeways should have vertically proportioned openings.

(o) Posts shall be no less than six (6") inches by six (6") inches.

(p) Railings shall have top and bottom rails. Wood top rails shall be eased bottom rails shall have a vertical section. Top and bottom rails shall be centered on the boards or pickets. The openings between the members shall be a minimum of one (1") inch and a maximum of four (4") inches.

(q) Balconies shall be structurally supported by columns.

(r) Driveways constructed of material other than concrete shall allow the public concrete sidewalk to run continuously without disruption through the Driveway area.

(s) Fences shall have no more than a two (2") inch gap between pickets.

(t) Fences on adjacent Lots shall have different designs, subject to the approval of the Design Review Board. Where a Fence on one property meets a taller or shorter Fence on another property, it is the responsibility of the second designer to transition their fence to the height of the first.

(u) Porticos shall create an accentuated front door with decorative crown.

(v) Entrance Porticos should be six (6') to eight (8') feet deep and may feature a variety of profiles which include a gabled roof with an elliptical arch, a crosshead profile Cornice with or without a two (2') foot, six (6") inch Balustrade, and a plain pediment. Balustrades are typically one (1") inch by one (1") inch square, spaced at four (4") inches on center.

(w) The side Porch is typically constructed using paired eight (8") inch square or round columns. These Porches may be screened with a dark screening material on a frame set behind the columns.

(x) The full façade double height Portico shall run the full length of the front façade on the main body of the Dwelling. The shallow pitch shed roof shall be an extension of the main Dwelling Eave. This Porch has a simple but deep Cornice over twelve (12") inches arranged as a three (3) to five (5) bay composition. These Porches are typically ten (10') to twelve (12') feet deep.

Roofs.

(y) The principal roof on all freestanding Buildings shall be a symmetrical hip or gable with a slope of 6:12 to 10:12.

(z) Ancillary roofs shall be attached to walls or roofs.

(aa) Eaves shall be continuous, unless overhanging a balcony or Porch. Eaves shall have an overhang from twelve (12") inches to sixteen (16") inches. Overhanging Eaves are typically shallow boxed, frequently with Dentils.

(bb) Gutters and downspouts shall be round or ogee.

(cc) No through roof penetration for mechanical or electrical devices shall be allowed to penetrate the roof at the Building frontage(s). Penetrations of these devices at locations approved by the Design Review Board shall be a color matching the roof.

Windows and Doors.

(dd) Windows shall be rectangular, vertically proportioned and operable. Transoms may be oriented horizontally with panes which match other configurations. Multiple windows in the same rough opening shall be separated by a four (4") inch minimum post. The window sash shall be located interior to the centerline of the wall. Window sills in masonry construction shall project a minimum of one (1") inch from the face of the Building.

(ee) Window proportion shall be six (6) over nine (9) on the first floor and six (6) over six (6) on the second floor, or nine (9) over nine (9) on the first floor and six (6) over nine (9) on the second floor.

(ff) All vertical superimposed openings shall be centered along the vertical axis.

(gg) Window Muntins are encouraged and shall be true divided light or fixed on the interior and exterior surfaces, and shall create panels of square or vertical proportion.

(hh) Non-Alley Garage doors on front load Lots shall be a maximum of ten (10') feet in width. Garage doors shall be painted or stained. Overhead Garage doors shall be permitted, but at front load Lots, shall be clad with planks to resemble swinging doors.

(ii) Frontage Lines. Shutters, when used, shall be operable, sized and shaped to match the openings. Shutters in accordance with specific Architectural Typologies are encouraged.

(jj) Non-Frontage Lines. Shutters, when used, may be operable or fixed, sized and shaped to match the openings. Shutters in accordance with specific Architectural Typologies are encouraged.

(kk) Rectangular windows shall be operable encasement or single hung. Circular and hexagonal windows may be fixed.

(ll) Driveway gates shall be in-swinging and have a maximum opening width of twelve (12') feet.

(mm) Commonly have overhead fan lights or side lights.

(nn) The façade normally has balanced symmetrical windows with a center door.

Section 8.11 Bungalow Architectural Regulations. The following additional architectural regulations shall apply to the structures and Improvements of the Bungalow Architectural Typology within Terra Bella.

a. **Materials.** The following regulations of materials used in the construction of Improvements as they relate to building walls, roof, building elements, windows, and doors shall apply:

Building Walls.

(a) Buildings may be finished in unit masonry or brick if it is chosen from the palettes of wire cut brick selections approved by the Design Review Board. Concrete masonry units shall not be considered acceptable for exposed applications.

(b) Buildings may be finished in exterior cut stone which shall be natural, or modular cast, color in accordance with the approved palette.

(c) Buildings may be finished in mortar which shall match the primary stone color.

(d) Exterior siding must consist of one (1") by six (6") inch or one (1") by eight (8") inch wood or fiber-cement board or other products approved by the Design Review Board, such as wood clapboard, wood shingles, split cedar shakers, drop siding and board and batten.

(e) Cement plaster (stucco) shall mean Portland cement plaster consisting of three coat work over metal lathe; however, the use over polystyrene sheet board is not permitted.

(f) Exterior architectural woodwork shall be limited to custom or premium grades of woodworking and shall include, but not be limited to, exterior standing and running trim, exterior ornamental work, pediment heads, pilasters, cupolas, railings, columns, exterior frames, jambs, and exterior shutters.

(g) Garden Walls shall be finished in stone, brick, wood, or stucco and matching the principal Building.

(h) Fences shall be made of wood or wood split rail and painted white, stone, or brick.

Building Elements.

(i) Columns, piers and arches shall be made of wood, brick, stone or stucco.

(j) Balconies and Porches shall be supported by painted wood in Village General and metal in Village Center.

(k) Stoops shall be made of brick, stucco, cast concrete or painted wood.

Roofs.

(l) Roofs shall be finished in red cedar shingles; dark gray shingles (minimum 330# per square) of either slate, asphalt or concrete; galvanized steel; lead coated stainless steel approved by the Design Review Board; or copper.

(m) Gutters shall be made of galvanized steel, lead coated steel, copper or painted aluminum.

(n) The principal roof slope shall be symmetrical gable or hip with a slope between 6:12 and 9:12. The shed or roof should be parallel to the principal frontage.

(o) Ancillary roofs may be sheds, hipped, or gabled with the roof slope between 4:12 and 9:12. Shed roofs may be as low as 3:12.

(p) Overhangs must be a minimum of two (2') feet. Overhanging Eaves may have exposed rafters. Closed Eaves shall be finished by profiled moldings.

(q) Gutters shall be half-round at overhanging Eaves.

(r) Dormers shall be placed a minimum of thirty-six (36") inches from side Building walls.

(s) No ventilating, plumbing or heating vents shall be placed on the frontage side of a Building roof. All penetrations from the roof shall match or be painted to match the color of the roof.

Windows and Doors.

(t) Windows shall be wood window units that are primed wood window units for field painting, aluminum clad window units, and vinyl clad wood window units which have been approved by the Design Review Board.

(u) Doors shall be made of painted or clad wood.

(v) All vertically or superimposed openings shall be centered along the vertical axis.

(w) The interior face of the outermost sash shall align with the centerline of the stud wall.

(x) If windows are equipped with wood shutters, they must be sized to match the opening.

(y) Rectangular windows shall be fixed or operable casement or single hung. Circular and hexagonal windows may be fixed.

(z) Doors shall be hinged except that sliding doors shall be permitted at backyard locations within screened Porches.

b. **Configurations and Techniques.** The following regulations apply to the configuration and techniques of the construction of Improvements as they relate to building walls, building elements, roofs, windows, and doors:

Building Walls.

(a) Wall materials shall be combined horizontally (not panelized) with the heavier material below the lighter material (e.g. wood above stucco and stucco above brick).

(b) Exterior chimneys shall be no less than eight (8") inches thick and capped with an overhang of no less than one (1") inch.

(c) Fences shall have no more than a two (2") inch gap between pickets.

(d) All trim for wood walls shall be attached directly to the sheathing. Board trim at corners and around openings shall not exceed six (6") inches in width and one (1") inch in depth except at the front door surround which may be any size or configuration. Stucco treatment around openings shall not protrude in excess of one-half (1/2") inch from the finished wall face.

(e) Building Walls may be built of no more than two materials and shall only change material along a horizontal line, i.e. brick may be combined with wood siding when the material change occurs horizontally (typically at a floor line), with the heavier material below the light. Walls of a single building must be built in a consistent configuration. Wood clapboard shall be horizontal.

Building Elements.

(f) Columns, if provided, shall be of a splayed or square proportion.

(g) Brick and stucco arches shall be no less than eight (8") inches in depth. Piers shall be no less than twelve (12") by twelve (12") inches.

(h) Posts shall be no less than five (5") by five (5") inches and chamfered at the corners with lambs tongue transition.

(i) Cantilevers shall be permitted only as open balconies or Porches supported by visible brackets.

(j) Spindles and Balustrades on railings shall not exceed four (4") inches on center.

(k) Undercroft shall be open between pier supports or in filled with a wood lattice having a face dimension of two (2") inches with two (2") inch voids. The outermost face of lattice shall be greater than two (2") inches from the face of the exterior wall.

Roofs.

(l) Overhangs must be a minimum of two (2') feet. Overhanging Eaves may have exposed rafters. Closed Eaves shall be finished by profiled moldings.

(m) Gutters shall be half-round at overhanging Eaves.

Windows and Doors.

(n) If windows are equipped with wood shutters or canvas awnings they must be sized to match the opening.

(o) Rectangular windows shall be fixed or operable casement or single hung. Circular and hexagonal windows may be fixed.

(p) Doors shall be hinged except that sliding doors shall be permitted at backyard locations within screened porches.

(q) The total glazing area on each façade shall not exceed thirty (30%) percent of the total surface.

(r) Windows shall be rectangular of vertical, proportion, not less than 1:1.6 or square.

(s) Window mullions shall be true divided lites or simulated divided lites, with authentic wood Muntins and mullions, creating panels vertical in proportion.

(t) There may be no more than one (1) circular or hexagonal window on each principal façade.

c. **Amenities.** The following regulations apply to the amenities of Improvements as they relate to building walls, building elements, roofs, windows, and doors.

Building Walls.

(a) Variances to the Architectural Regulations may be granted on the basis of architectural merit by the Design Review Board.

(b) Building walls shall be one (1) color per material used. Colors of stucco shall be warm in tone, subject to approval of the Design Review Board. Paints for masonry applications shall have a flat finish. All exterior wood siding shall be painted or stained, preferably on both sides. Trim (balcony and Porch posts, rails, window trim, rafter tails, etc.) shall be painted to compliment the columns and overall value of the Building. An accent color for items such as the front door, pickets, trim and shutters may be used subject to approval of the Design Review Board. Walls and Fences shall be in a range of colors approved for their respective materials. Other colors may be added to the list after consultation with the Design Review Board. Please refer to the current listing for pre-approved colors listed under the Martin Senour Authentic Colonial Colors Series on file with the Design Review Board.

Building Elements.

(c) Trim (balcony and Porch posts, rails, window trim, rafter tails, etc.) shall be painted or stained to compliment the columns and overall value of the Building. An accent color for items such as the front door, pickets, trim and shutters may be used subject to approval of the Design Review Board.

(d) Garage aprons shall be of square or rectangular pervious concrete pavers, brick or concrete. Pavers must contrast drastically with the Street surface color.

(e) Mail boxes shall be as manufactured by the manufacturer selected by the Design Review Board. The model shall be selected by the Owner and painted white.

(f) Brick, mortar colors, colors and patterns, Fence designs and exterior light fixtures shall be subject to approval of the Design Review Board.

(g) The following shall be permitted only in the rear yards and where not easily visible from the streets or paths: HVAC equipment ("silent" models preferred), utility meters, satellite dishes (to the extent prohibited by law), permanent grills, permanent play equipment, hot tubs (those at ground level must be covered), and garbage collection equipment.

(h) In-ground swimming pools shall be permitted but will be considered a hard surface to be included in the total allowable Footprint.

(i) The following shall not be permitted: Panelized wall materials, quoins, stucco covered, foam moldings, curved windows, window air-conditioning units, exterior fluorescent lights, exterior flood lights, above-ground pools (except those of the inflatable variety), antennas, flags and flagpoles (except official flags of countries, states, parishes, cities or other association-sanctioned flags flown from six (6') foot poles mounted at a forty-five (45) degree angle to Building Walls), signs (on private property), direct vent fireplaces, external alarm systems, and skylights.

(j) Carports are allowed in lieu of garages on alley loaded Lots only.

Roofs. Metal finishes in any color other than those permitted in herein or in the Design Code are not permitted.

Windows. Curved windows are not permitted.

d. **Additional Specific Bungalow Typology Styles.** The following specific styles apply to Buildings within Terra Bella of the Bungalow Architectural Typology.

Craftsman Style.

(a) Craftsman style bungalow houses have a low-pitched, gabled roof (occasionally hipped) with wide, unenclosed Eave overhangs. The roof rafters are

usually exposed. Decorative (false) beams or braces are commonly added under gables. Porches are either full- or partial-width with the roof supported by tapered square columns. Columns or pedestals frequently extend to the ground level without a break at the level of the Porch floor.

(b) A subtype is the front-gabled roof. Porches may be either full- or partial-width and are almost evenly divided between those sheltered beneath the main roof and those with separate, extended roofs. Most examples of this subtype are one-Story, but one-and-one-half and two-Story examples are not uncommon. Dormers are found in only about ten (10%) percent of this subtype.

Farmhouse Style.

(c) Farmhouses of the rectangular shape have side-gabled roofs and are called “massed-plan, side-gabled farm houses”.

(d) Farmhouses of the more-nearly-square shape have pyramidal (equilateral hipped) roofs.

Prairie Style

(e) Low pitched roof, usually hipped, with widely overhanging eaves; two-stories, with one-story wings or porches; eaves, cornices, and façade detailing emphasizing horizontal lines; often with massive square porch supports.

(f) Four principal subtypes can be distinguished: hipped roof, symmetrical, with front entry. This type is sometimes called the Prairie box or American foursquare and has a simple square or rectangular plan, low pitched, hipped roof and symmetrical façade. One-story wings, porches or carports are clearly subordinate to the principal two-story mass. The entrance, which may be centered or off-center is a conspicuous focal point of the façade.

Section 8.12 Landscaping; General.

a. **General.** Each Lot shall be landscaped in accordance with the requirements of this Declaration, the Design Code, and the Landscape Code as subsequently approved by Developer.

b. **Specific Requirements for Alley-Loaded Lots.** A contiguous area along the rear boundary of Alley-Loaded Lots which includes at least twenty (20%) percent of the rear boundary of said Lots, and which is at least eight (8') feet deep at all points, shall be kept landscaped with grass and other plants pursuant to a landscape plan approved by the Design Review Board. The minimum area in question shall begin at the edge of the paving constructed within the said Alley.

c. **Removal of Trees.** In reviewing building plans, the Design Review Board shall take into account the natural landscaping such as trees, shrubs and palmettos, and encourage the Owner to incorporate them in his landscaping plan. No trees of two (2) inches in diameter at one (1) foot above natural grade shall be cut or removed without approval of the Design Review Board, which approval may be given when such removal is necessary for the construction of a Dwelling or other Improvement.

d. **Maintenance of Landscaping.** Each Owner of a Lot shall properly maintain and keep neatly trimmed, properly cultivated and free of trash, weeds and other unsightly material all shrubs, trees, hedges, grass and plantings of every kind (collectively, “**Landscaping**”) located on: (a) the Lot; (b) any public right-of-way or easement area which abuts or adjoins the Lot and which is located between the boundary line of his Lot and the paved area of any Street, sidewalk, bike-path or similar area (unless otherwise directed by the applicable Association); and (c) any non-street public right-of-way or easement area adjacent to the Lot (unless otherwise directed by the applicable Association); provided, however, that such Owner shall not be responsible for maintenance of any area over which: (i) the applicable Association assumes the responsibility in writing; (ii) such Association has been given such responsibility by this Declaration or any Supplemental Declaration; or (iii) St. Tammany Parish or any other municipality or other Governmental Authority having jurisdiction over such property assumes responsibility, for so long as St. Tammany Parish or such other municipality or other Governmental Authority assumes or has responsibility. For purposes of this subparagraph d., proper maintenance of Landscaping shall include, without limitation, removal and replacement of dead Landscaping, subject to the Design Review Board rules.

Section 8.13 Approved Builders, Contractors, Architects and Design Professionals.

a. **Builders.** All Builders must be approved by the Developer or the applicable Board, if Developer no longer owns any portion of the Property, to build in Terra Bella. A list of pre-approved Builders who understand the high quality of construction expected within Terra Bella is available in the Developer’s office.

b. **Contractors.** No Owner shall self-contract the construction of any Improvements on any Lot. The contractor selected by an Owner to construct Improvements on a Lot must be approved by the Design Review Board, in its sole discretion. Any approval by the Design Review Board of a contractor is not meant as an endorsement of that contractor’s ability and shall not be the basis for any liability on the part of the Design Review Board.

c. **Architects and Design Professionals.** The architect or other design professional selected by an Owner to design any Improvements to be constructed on a Lot must be approved by the Design Review Board, in its sole discretion. Approval by the Design Review Board of an architect or other design professional is not meant as an endorsement of that architect’s or design professional’s ability and shall not be the basis for asserting any liability on the part of the Design Review Board.

d. **Access to Approval Lists.** The list of approved contractors and the list of approved architects and other design professionals shall be maintained by the Association in the registered office of the Association and those lists shall be available for review by Owners during regular business hours of the Association.

e. **Approval Process.** Should an Owner desire to have a Dwelling or other Improvement constructed on a Lot by a contractor who is not approved by the Design Review Board, or to have a Dwelling or other Improvement to a Lot designed by an architect or other design professional who is not approved by the Design Review Board, the Owner shall submit to the Design Review Board such information as may be requested by the Design Review Board which information may include, without limitation thereto, the following: (a) name and address; (b) a listing of other dwellings or similar types of improvements constructed or designed, as the case may be, by the proposed contractor or design professional, together with photographs of such dwellings or similar

types of improvements; (c) a listing of references who may be called to discuss the quality, effectiveness, thoroughness and other aspects of services to be provided by the proposed contractor or design professional; (d) evidence of insurance; (e) evidence of ability to obtain payment and performance bonds, or other evidence of net worth and liquidity; (f) other evidence of ability, as to a contractor, to build a Dwelling or other Improvements in a timely manner, in accordance with plans and specifications; and (g) other evidence, as to a design professional, of ability to design and provide specifications for a Dwelling or other Improvements which would be consistent with the requirements of this Declaration and the Design Documents.

Section 8.14 Review Procedure.

a. **Forms.** Examples of forms that may be used in the design review process are available for review in the development office.

b. **Construction Subject to Review; Application.** All construction or modification (except interior alterations not affecting the external structure or appearance of any Building) on any Lot or Common Area must be approved in advance by the Design Review Board. Prior to commencing any Work, an application for approval of such Work shall be submitted to the Design Review Board in such form as may be required by the Design Review Board or the Design Documents, as more fully set forth in subparagraph c. below. The application shall include Plans showing the site layout, exterior elevations, exterior materials and colors, landscaping, drainage, lighting, irrigating, and other features of the proposed construction, as required by the Design Documents as applicable. The Design Review Board may require the submission of such additional information as it deems necessary to consider any application. Modifications subject to review specifically include, but are not limited to, painting or other alteration of a Building (including doors, windows and trim); replacement of a roof or other parts of a Building other than with duplicates of the original material; installation of antennae, satellite dishes or receivers, solar panels or other devices; construction of fountains, swimming pools, whirlpools or other pools; construction of privacy walls or other Fences or gates; addition of awnings, flower boxes, shelves, statues, or other outdoor ornamentation; window coverings; and any material alteration of the landscaping or topography of Terra Bella, including without limitation any removal or substantial pruning of trees or plants. The listing of a category does not imply that such construction is permitted; this Declaration or the Rules and Regulations may, for example, prohibit certain antennae, satellite dishes or receivers, in which event, such a prohibition shall control.

c. **Consideration by Design Review Board.** The Design Review Board may consider (but shall not be restricted to consideration of) visual and environmental impact, ecological compatibility, natural platforms and finish grade elevation, harmony of external design with surrounding Dwellings, Improvements and environment, location in relation to surrounding structures and plant life, compliance with the general intent of the Design Documents, architectural style or design, quality of workmanship and material, and quality and size of the proposed Improvements. Decisions may be based on purely aesthetic considerations. Each Owner acknowledges that determinations as to such matters are purely subjective and opinions may vary as to the desirability and/or attractiveness of particular improvements. Each Owner agrees and acknowledges that the listing in this subparagraph c. is not a complete listing and that in reviewing applications the Design Review Board may consider such other factors as the Design Review Board may in its sole discretion deem appropriate.

d. **Conceptual Review.** Prior to formal application for approval of a proposed work an owner shall submit to the Design Review Board a conceptual plan for the proposed work with such minimum detail as requested by the Design Review Board and such additional information as the owner deems necessary to convey the intent of the architectural and technical elements of the proposed work. The owner shall further provide a narrative of any anticipated problems or issues regarding the construction. The Design Review Board shall provide comment to the owner within ten (10) days after such conceptual submission. The conceptual review is not a substitute for the application required under the following Section e. and is to serve only as a guide to assist the owner in the application process.

e. **Application.** The plans to be submitted for approval shall include (i) at least two (2), but not more than three (3) sets of the construction plans and specifications for all proposed Work, including all proposed grading, leveling, contouring, clearing and landscaping of the subject Lot, and which specifically reflect therein the structural components, size, shape, height, dimensions, floor plan or layout, materials and colors of the proposed Improvement, and the types of construction, (ii) elevations of all proposed Improvements and the location of all proposed Improvements on the Lot in question, (iii) a standard for what constitutes substantial completion based on current industry practices and customs, and (iv) such other items as the Design Review Board requires. No construction on any Lot shall be commenced and no Lot shall be modified except in accordance with plans and specifications that have been approved by the Design Review Board. Any modification to the approved plans and specifications must be reviewed and approved by separate application. The Design Review Board shall, within thirty (30) days after receipt of each submission of the plans, advise the party submitting the same, in writing, at an address specified by such party at the time of submission, of (i) the approval of the plans, or (ii) the disapproval of such plans, specifying the segments or features of the plans which are objectionable and suggestions, if any, for the curing of such objections. One (1) set of plans shall be returned to the Owner with comments. In the event the Design Review Board fails to advise the submitting party by written notice within the time set forth above of either the approval or disapproval of the plans, the applicant may give the Design Review Board written notice of such failure to respond, stating that unless the Design Review Board responds within ten (10) days of receipt of such notice, approval shall be deemed granted. Upon such further failure, approval shall be deemed to have been given, subject to the right of Developer to veto approvals by the Design Review Board as set forth in this Section. However, no approval, whether expressly granted or deemed granted pursuant to the foregoing, shall be inconsistent with the Design Documents, if any, unless a variance has been granted in writing pursuant to Section 8.16. If the application is denied, a formal appeal may be made in writing to the applicable Association, attention: Design Review Board. Notice shall be deemed to have been given at the time the envelope containing such notice, properly addressed, and postage prepaid is deposited with the U. S. Postal Service, registered or certified mail, return receipt requested. Personal delivery of such written notice shall, however, be sufficient and shall be deemed to have been given at the time of delivery. An application for withdrawal of plans may be made by an Owner without prejudice.

f. **Approval and Construction.** Within three (3) days after the Design Review Board has approved any application relating to proposed Work, the Design Review Board shall give written notice to Developer of such action, together with such other information as Developer may require. Developer shall have ten (10) days after receipt of such notice to veto any such action, in its sole discretion, by written notice to the Design Review Board and the applicant. If construction does not commence on any Work for which approval has been granted within twelve (12) months of such approval, such approval shall be deemed withdrawn, and it shall be necessary for the Owner to re-submit plans for reconsideration in accordance with the Design Documents as are then in effect

prior to commencing such Work. All Work shall be completed within eighteen (18) months of commencement or such other period as may be specified in the notice of approval, unless completion is delayed due to causes beyond the reasonable control of the Owner, as determined in the sole discretion of the Design Review Board. Any approval given pursuant to this Declaration by the Design Review Board, Developer or an Association, as applicable, shall not relieve an Owner of his/her/its obligation to obtain any approvals from a Governmental Authority. If such governmental approval is required and not obtained by the Owner, the Developer, the applicable Association and/or the Governmental Authority may take whatever actions are necessary against the Owner to force compliance. Periodic inspections may be made by Developer and the Design Review Board at any time during construction and when construction is complete to determine compliance with the approved plans.

g. **Substantial Completion.** Upon substantial completion based on the standard set forth in the application and approved by the Design Review Board, as set forth in subparagraph d. above, the Design Review Board shall issue a **“Certificate of Substantial Conformance”** which shall specify any deficiencies, if any, in the construction. Upon correction of any such deficiencies or if no such deficiencies exist, the Design Review Board shall issue a **“Certificate of Completion and Release”** in recordable form to the Builder or other applicable Person certifying that such construction conforms to the provisions of the Design Code and this Declaration.

h. **Review Fee.** A review fee of \$450.00, as same may be modified in the future by the Board or the Design Review Board, whichever applicable, shall be submitted together with those items required to be submitted pursuant to this Section. Should the Design Review Board reject, and or require modifications or changes, to any plans and/or specifications due to deviations in said plans or specifications from the Design Documents, then and in that event the Owner who submitted said plans and specifications shall pay another review fee of \$450.00 (or such amount as the said Review Fee may have been increased to by the Board or Design Review Board, as applicable). When an Owner resubmits revised plans and specifications, the Board or Design Review Board, as applicable, shall have the discretion to waive any such additional review fees if, in its sole discretion, it determines that the deviations from the Design Documents were not significant.

i. **Uniform Procedures.** The Design Review Board shall establish procedures for the receipt, review, and approval of applications.

j. **Enforcement.** Any Work performed in violation of this Article or in a manner inconsistent with the approved plans shall be deemed to be nonconforming. Upon written request from Developer, an Association, a Board, or the Design Review Board, Owners shall, at their own cost and expense, remove any non-conforming structure or Improvement and restore the property to substantially the same condition as existed prior to the nonconforming Work. Upon demand, the Owner shall reimburse all costs incurred by any of the foregoing in exercising its rights under this Section, together with interest at the maximum rate then allowed by law. Should an Owner fail to remove and restore as required, the Design Review Board, Developer or the applicable Association may bring an action for specific performance, declaratory judgment or injunction and shall be entitled to recover its actual attorney’s fees in bringing such action.

Developer, the Associations, the Boards, or the Design Review Board, acting separately or jointly, may preclude any contractor, subcontractor, agent, employee or other invitee of an Owner who fails to comply with the terms and provisions of this Article and the Design Documents from continuing or performing any further activities in the Property, subject to the notice and hearing

procedures contained in the applicable Bylaws. Neither Developer, the Associations, the Boards, or the Design Review Board, nor their officers, directors or agents shall be held liable to any Person for exercising the rights granted by this subparagraph.

Section 8.15 No Waiver of Future Approvals. Each Owner acknowledges that the Persons reviewing applications under this Article will change from time to time and that decisions regarding aesthetic matters and interpretation and application of the Design Documents may vary accordingly. In addition, each Owner acknowledges that it may not always be possible to identify objectionable features of proposed Work until the Work is completed, in which case it may be unreasonable to require changes to the Improvements involved, but the Design Review Board may refuse to approve similar proposals in the future. Approval of proposals, plans and specifications, or drawings for any Work done or proposed, or in connection with any matter requiring approval, shall not be deemed a waiver of the right to withhold approval as to any similar proposals, plans and specifications, drawings or other matters whenever subsequently or additionally submitted for approval.

Section 8.16 Variances. All variance requests must be made in writing. The Design Review Board may, but shall not be required to, grant a variance from compliance with any of the provisions of the Design Documents when circumstances such as topography, natural obstructions, hardship, or aesthetic or environmental considerations require, or when architectural merit warrants such variance, as it may determine in its sole discretion. Such variances shall be granted only when, in the sole judgment of the reviewing entity, unique circumstances exist. No Owner shall have any right to demand or obtain a variance. No variance shall (a) be effective unless in writing, (b) be contrary to this Declaration, or (c) stop the Design Review Board from denying a variance in other circumstances. Notwithstanding the foregoing, any Work performed pursuant to a variance granted by the Design Review Board shall nevertheless be performed in compliance with the other terms and provisions of this Declaration and the Design Documents. If a variance is granted, no violation of this Declaration or the Design Documents shall be deemed to have occurred with respect to the matter for which the variance was granted. The granting of any variance shall not operate to waive any of the terms and provisions of this Declaration for any purposes except as to the particular instance covered by the variance, and in no case shall the granting of a variance in one instance obligate the Design Review Board to grant a variance in another instance.

Section 8.17 Limitation of Liability. The standards and procedures established by this Article are intended to provide a mechanism for maintaining and enhancing the overall aesthetics and monetary values of the Property and to maximize compliance with the Declaration and the Design Documents for the benefit of all Owners, but shall not create any duty to any Person. Developer, the Design Review Board, the Associations, the Boards, or any member thereof does not:

a. assume any responsibility for ensuring structural adequacy, capacity, integrity, soundness, or safety features of structures or Improvements, or compliance with building codes, safety requirements and other governmental laws, regulations, ordinances or requirements, or ensuring that structures on Lots are located so as to avoid impairing views from or other negative impact on neighboring Lots;

b. make any representation or warranty that all structures and Improvements constructed within the Property are or will be of comparable quality, value, size, or design; or

c. assume any responsibility for the performance or quality of Work of any architect or contractor or Builder.

Neither Developer, the Associations, the Boards, the Design Review Board, nor any member of any of the foregoing shall be held liable for non-compatible or unstable soil conditions, soil erosion, drainage problems or other general site work (provided, however, that the Architect shall review and implement, if necessary, soils tests requirements), nor for defects in Work done according to approved plans, nor for any injury, damages, or loss arising out of the manner, design or quality of approved construction on or modifications to any Lot.

Section 8.18 Warranty. Neither the approval by the Design Review Board of any plans or specifications for any Work nor any review, inspection or observation of such Work shall in any manner constitute a warranty, representation or the undertaking of any duty or obligation on the part of the Design Review Board, the Associations, the Boards, Developer or their respective members, agents, employees, partners, and representatives, to any person, that any method, practice, design, material or structure, contained, shown or specified in any plans or specifications approved by the Design Review Board, or reviewed, inspected or observed by the Design Review Board or its members, (a) is safe or proper or sound or free from defects or vices or is invested with any quality or characteristic whatsoever, (b) complies with the requirements of this Declaration or the Design Documents, (c) complies with the requirements of any contract, agreement or instrument, (d) complies with the requirements of any law, ordinance or regulation applicable to Owner's Lot and/or the Work which Owner proposes to have performed on the Lot, or (e) does not create an encroachment on a Utility Easement for which permission must be obtained from those utility providers using the Utility Easement.

Section 8.19 Release from Liability.

a. Each person who submits plans and specifications to the Design Review Board for a particular Work, each Owner who performs or contracts for the performance of such Work on any Lot pursuant to such plans and specifications, and each architect, engineer, contractor, sub-contractor, supplier, materialmen or other person who participates or engages in any Work on any Lot pursuant to such plans and specifications, hereby fully releases and discharges the Design Review Board, and its members, the Boards and their members, the Associations, Developer and their officers, directors, employees, agents and representatives, from all claims, demands, causes of action, suits, liabilities, damages, costs and fees (including reasonable attorneys' fees) arising out of any act, or fault by any person, or any defect, vice, hazard or failure, in any material, Lot or Improvement, relating in any way to such Work.

b. The Design Review Board shall have the power and authority to reject any plans or specifications for any Work that in the sole opinion of the Design Review Board does not meet the requirements of this Declaration and/or the Design Documents, and any Owner whose plans or specifications have been so rejected does hereby fully release and discharge the Design Review Board and its members, the Boards and their members, the Associations, Developer and their officers, directors, employees, agents and representatives, from all claims, demands, causes of action, suits, liabilities, damages, costs and fees arising out of such rejection of plans or specifications, the opinion of the Design Review Board being final and binding and not subject to any claim or challenge whatsoever. Should any Owner nevertheless make any claim or challenge to the rejection by the Design Review Board of any plans or specifications, such Owner agrees to pay the actual attorneys'

fees, costs and expenses incurred by the Design Review Board in defending or responding to such claim or challenge.

ARTICLE 9 MAINTENANCE AND REPAIR

Section 9.1 Maintenance of Units.

a. **General.** Each Owner shall maintain his or her Lot and all structures, parking areas, landscaping, and other Improvements comprising the Lot in a manner consistent with the Community-Wide Standard unless such maintenance responsibility is otherwise assumed by or assigned to the applicable Association or a condominium or similar owners association pursuant to any Supplemental Declaration or other declaration of covenants applicable to such Lot.

b. **Landscaped Areas.** Each Owner shall also maintain, mow, irrigate, replace sod, and prune all landscaping lying within the right-of-way of adjacent public Streets and Alleys between the Lot boundary and the curb of such public Street or Alley, and between the Lot boundary and any adjacent servitudes for pedestrian paths or sidewalks, in a manner consistent with the Community-Wide-Standard unless responsibility for maintaining such landscaped areas has been assigned to or assumed by the applicable Association.

c. **Common Area.** The Associations shall maintain their Common Areas in a manner consistent with the Community-Wide Standard unless such maintenance responsibility is otherwise assumed by or assigned to a condominium or similar owners association pursuant to any Supplemental Declaration or other declaration of covenants applicable to such Common Area.

d. **Alleys.** The Associations shall maintain the Alleys located within Terra Bella. Ownership of such Alleys shall remain with the adjacent Owners as provided in Section 13.5.

e. **Enforcement.** In addition to any other enforcement rights, if an Owner fails properly to perform his or her maintenance responsibility, its Association may perform such maintenance responsibilities and assess all costs incurred by such Association against the Lot or Condominium Unit and the Owner in accordance with Article 12. The Association shall afford the Owner notice and a reasonable opportunity to cure the problem prior to entry, except when entry is required due to an emergency situation.

Section 9.2 Maintenance of Other Property.

a. **Service Area.** Upon Board resolution, the Owners of Lot or Condominium Unit within each Service Area shall be responsible for paying, through Service Area Assessments, the costs of operating, maintaining and insuring certain portions of the Common Area within or adjacent to such Service Area. This may include, without limitation, the costs of maintaining any signage, right-of-way and Green space within the Service Area or between the Service Area and adjacent public Roads or private Streets within the Service Area, and lakes or ponds within the Service Area, regardless of ownership and regardless of the fact that such maintenance may be performed by the applicable Association; provided, however, all areas which are similarly situated shall be treated the same.

b. **Other.** Any condominium or similar owners association having responsibility for maintenance of any portion of the Property shall perform, with respect to such property, all

maintenance required of an Owner under this Article in a manner consistent with the Community-Wide Standard. If it fails to do so, such Association may perform such responsibilities and assess the costs against all Lots and Condominium Units within the boundaries of such Association's jurisdiction as provided in Article 12.

Section 9.3 Responsibility for Repair and Replacement. Each Owner shall be responsible for obtaining and maintaining property insurance on all insurable Improvements on his or her Lot or Condominium Unit, unless either a condominium or other owners association of which the Lot or Condominium Unit is a part, or its Association, carries such insurance (which they may but are not obligated to do hereunder). If such Association assumes responsibility for obtaining any insurance coverage on behalf of its Owners hereunder, the premiums for such insurance shall be levied as a Specific Assessment against the benefited Lot or Condominium Unit and the Owner thereof pursuant to Section 12.11. Each Owner shall also maintain liability insurance to fund its obligation to indemnify such Association and the Joint Committee pursuant to Section 10.20, subparagraph c.

a. **Damage or Destruction.** Each Owner further covenants and agrees that in the event of damage to or destruction of structures on or comprising his Lot or Condominium Unit the Owner shall proceed promptly to repair or to reconstruct in a manner consistent with the original construction or such other plans and specifications as are approved in accordance with Article 7 and Article 8 of this Declaration. Alternatively, the Owner shall clear the Lot or Condominium Unit of all debris and ruins and maintain the Lot or Condominium Unit in a neat and attractive, landscaped condition consistent with the Community-Wide Standard. The Owner shall pay any costs which are not covered by insurance proceeds.

b. **Other.** The requirements of this Section shall apply to any condominium or similar owners association responsible for any portion of the Property in the same manner as if it were an Owner and such property were a Lot. Additional recorded covenants applicable to any portion of the Property may establish more stringent requirements for insurance and more stringent standards for rebuilding or reconstructing structures on the Lots within such portion of the Property and for clearing and maintaining such Lots in the event the structures are not rebuilt or reconstructed.

Section 9.4 Standard of Performance. Maintenance, as used in this Article, shall include, without limitation, repair and replacement as needed, as well as such other duties, which may include irrigation, as the Boards and the Design Review Board may determine to be necessary or appropriate to satisfy the Community-Wide Standard. All maintenance and irrigation shall be performed in a manner consistent with the Community-Wide Standard, all applicable Reservations, and the requirements and restrictions set forth in the PUD Ordinance.

PART THREE: GOVERNANCE AND ADMINISTRATION

The owners in the traditional neighborhood development are responsible for the success of the community's governance and administration. This Declaration establishes a homeowners association and a commercial association as the mechanisms by which each owner of property in the development provides support and participation. The Board of Directors of the Association and the owners are vested with certain powers and responsibilities in the operation and maintenance of the associations and the development of Terra Bella.

ARTICLE 10
ASSOCIATIONS AND MEMBERS

Section 10.1 Types of Associations. There shall be two (2) associations organized and created pursuant to the terms of this Declaration and each association's Articles of Incorporation and Bylaws for the operation and management of the Property. The following associations shall be organized as non-profit corporations under the laws of the State of Louisiana:

- a. a residential association; and
- b. a commercial association.

Section 10.2 Residential Association. The Residential Association, incorporated as "Terra Bella Residential Owner's Association, Inc.", is the entity responsible for the management, maintenance, operation and control of the Common Area within the portions of the Property which are designated for residential use or is in a residential mixed-use Building if the residential portion of the Building is separately owned and located outside of Village Center.

Section 10.3 Commercial Association. The Commercial Association, incorporated as "Terra Bella Commercial Owner's Association, Inc.", is the entity responsible for the management, maintenance, operation and control of the Common Area within the portions of the Property which are designated for commercial or mixed-use. All property located in Village Center shall be governed by the Commercial Association, except for multi-family residential buildings which shall be governed by the Residential Association in all cases. The Commercial Association may also serve as a merchant's association for the advertising and business development activities of commercial Owners in Terra Bella, if so decided by the Board of Directors of the Commercial Association and as set forth in such Association's Bylaws.

Section 10.4 Use of Terms Herein. The Residential Association and the Commercial Association shall individually be referred to in this Declaration as an "**Association**" or collectively as the "**Associations**", unless otherwise expressly provided or the context otherwise requires.

Section 10.5 Function of Associations. The Associations are the entities responsible for management, maintenance, operation and control of their respective Common Areas within the Property in good, clean, attractive and sanitary condition, order and repair, consistent with this Declaration, the Community-Wide Standard, the PUD Ordinance and the Design Documents. The Associations shall be the primary entities responsible for enforcement of this Declaration and the Rules and Regulations regulating use of the Property as the Board may adopt. Upon delegation by Developer or termination of Developer's authority over certain architectural matters, pursuant to the provisions of Article 8, the Associations shall also be responsible for administering and enforcing the architectural standards and controls set forth in this Declaration and in the Design Documents through the Design Review Board with respect to their respective portions of the Property. The Associations shall perform their functions in accordance with this Declaration, their Bylaws, their Articles, Louisiana law, and any rules adopted by the Design Review Board.

The Associations may enter into contractual agreements with each other to share facilities and Common Area, and/or maintenance thereof, and to provide for any required contribution for expenses and costs of same.

Section 10.6 Joint Committee. The Joint Committee serves as a unifying entity for the residential and nonresidential elements of Terra Bella. Developer shall appoint one (1) member of the Joint Committee, and each Association shall appoint one (1) member of the Joint Committee. At such time as Developer has sold all Lots in Terra Bella, each Association shall appoint two (2) members to serve on the Joint Committee. Developer and the Associations shall cooperate with the Joint Committee in upholding the Community Wide Standard for Terra Bella. Notwithstanding anything contained herein to the contrary, the Associations may delegate any of their maintenance responsibilities hereunder to the Joint Committee by agreement with the Joint Committee, including any portion of the Common Area. No such delegation shall be revoked without the written consent of the Joint Committee.

Section 10.7 Acceptance and Control of Association Property. The Associations may acquire, hold, and dispose of tangible and intangible personal property and real property. Developer and its designees may convey to an Association improved or unimproved real estate located within the Property, personal property, leasehold and other property interests; provided, however, Developer shall not convey any real estate to an Association as Common Area which it knows to contain hazardous substances which would require remediation or create liability for the property owner under state or federal law. Such property shall be accepted by the Association and thereafter shall be maintained as Common Area by the Association at its expense for the benefit of its Members, subject to any restrictions set forth in the deed or other instrument transferring such property to the Association, not inconsistent with this Declaration, and this Declaration. Developer shall convey the initial Common Area to the Associations prior to the conveyance of a Lot to any Person other than a Builder; provided that Developer convey that portion of the Common Area which is designated residential on the Zoning Plan or as otherwise set forth in Section 10.2 herein only to the Residential Association and that portion of the Common Area which is designated commercial on the Zoning Plan or as otherwise set forth in Section 10.3 herein only to the Commercial Association.

Section 10.8 Additional Powers. To the extent permitted by any Governmental Authority, the Associations may, but are not obligated to, provide the following services or engage in the following activities within Terra Bella:

- a. water, sewer, electrical, telephone, cable television, data services, internet services, video services or other utility services, including the supply or irrigation water, and garbage and trash collection and disposal;
- b. laundry equipment or service;
- c. insect and pest control;
- d. improvement of vegetation, fishing and wildlife conditions;
- e. pollution and erosion controls;
- f. emergency rescue, evacuation or safety equipment;
- g. fire protection and prevention;
- h. lighting of their respective Common Roads and Streets;

- i. security systems and security patrols within Terra Bella;
- j. transportation;
- k. day care and child care services;
- l. landscape maintenance for and within their respective Common Areas;
- m. recreation, sports, craft and cultural programs;
- n. newsletters or other information services;
- o. maintenance of yards on Lots (which includes without limitation thereto grass cutting and maintenance of shrubbery and flower beds),
- p. any other service allowed, or not prohibited, by law to be provided by a community association organized as a [not-for-profit] corporation,
- q. maintenance of Utility Easement areas, public rights-of-way and other public or private properties located within reasonable proximity to Terra Bella if its deterioration would affect the appearance of or access to Terra Bella, or if the Board determines that such maintenance is necessary or desirable to maintain the Community-Wide Standard,
- r. contracting with a third party or governmental entities for the collection and removal of garbage, refuse, trash and/or recyclables;
- s. contracting with Developer or any other party for (a) the performance of all or any portion of the management of an Association, (b) its maintenance and repair obligations, or (c) the purpose of providing any services of a municipal, utility, or similar nature which the Association deems necessary, appropriate or desirable to enhance the Community-Wide Standard, the lifestyle within the Property, and/or the amenities available to Owners, and which the Association is authorized to provide as set forth in this Article 10. Such services may include, but shall not be limited to, refuse removal, insect control, services pursuant to subparagraph r. above, basic access to cable television, and similar services. The cost of any such services made available to all Lots and Condominium Units within the Property shall be included in the Common Expenses to be assessed and collected as part of the General Assessment against each Lot or Condominium Unit pursuant to Article 12. The cost of such contract(s) shall be included within the General Assessment, Neighborhood Assessment, Special Assessment or Individual Lot Assessment as applicable and as determined by the Board. An Association may require that Owners contract with a third party for certain routine yard maintenance (which includes without limitation thereto grass cutting and maintenance of shrubbery and flower beds), in order to provide a uniform level of care within Terra Bella. The Associations are also hereby granted an irrevocable power of attorney, coupled with an interest, to contract for routine maintenance and other services not required to be provided by the Associations, but the cost of which would be assessed to that Owner as an Individual Lot Assessment. The Associations may also act as an agent for an Owner, but is not obligated to, contract for routine maintenance and other services not required to be provided by the Associations, the cost of which would be assessed to that Owner as an Individual Lot Assessment. For the purpose of exercising this agency, each Owner does grant an irrevocable power of attorney to their respective Association, which is a power coupled with an interest, and such Association in that capacity may act on behalf of, and as said Owner's agent and attorney-in-fact to accomplish the

authority intended as set forth in the first part of this sentence. The terms and conditions of all such contracts as are entered into pursuant to this Section shall be at the discretion of the Board;

t. ownership, operation and maintenance of a community network computer system and software and permitting access to such system by the Owners and occupants of all Lots and Condominium Units within the Property (and such other Persons as the Board may determine appropriate). The Associations shall include all costs herefrom in their respective budgets as Common Expenses to be assessed and collected as part of the General Assessment against each Lot or Condominium Unit pursuant to Article 12; and

u. ownership, operation, maintenance or contracting for fiber optics or similar communication/data services for the community.

Section 10.9 Costs. To the extent that an Association provides any of the services described in Section 10.8 or engages in any of the activities described in Section 10.8, the cost of same shall be billed to the respective Members as Assessments and, in the discretion of its Board, said costs may be included in either the General Assessment or in the Individual Lot or Condominium Unit Assessments. If requested by at least ten (10%) percent of the Members, a Community Meeting may be called and the offering of any additional service under Section 10.8 may be repealed by majority vote of the Members. Except as otherwise specifically provided herein, all costs associated with maintenance, repair and replacement of the Common Area shall be a Common Expense to be allocated among all Lots and Condominium Units as part of the General Assessment, without prejudice to the right of the Association to seek reimbursement from the owner(s) of, or other Persons responsible for, certain portions of the Common Area pursuant to this Declaration, other recorded covenants, or agreements with the owner(s) thereof. All costs associated with maintenance, repair and replacement of Exclusive Common Area shall be a Service Area Expense assessed against the Service Area(s) to which the Exclusive Common Area is assigned, notwithstanding that the Association may be responsible for performing such maintenance. Costs within the Residential Association shall be allocated by Lot or Condominium Unit owned by the Member. Cost within the Commercial Association shall be allocated by the square footage of the building owned by the Member.

Section 10.10 Servitudes. There are hereby reserved to the Associations servitudes over the Property as necessary to enable the Associations to fulfill their responsibilities under this Article 10. The Associations shall maintain the facilities and equipment within their Common Areas in continuous operation, except for any periods necessary, as determined in the sole discretion of its Board, to perform required maintenance or repairs, unless Voting Members representing seventy-five (75%) percent of the Class "A" votes in the Associations and the Class "B" Member, if any, agree in writing to discontinue such operation. This limitation shall not apply to Streets or Roads which an Association owns or controls; an Association, acting through its Board, may temporarily or permanently close portions of any such Streets or Roads to control traffic or traffic flow, or to enhance privacy, or for similar purposes, without approval of its Members.

Section 10.11 Service Area. The Associations may assume maintenance responsibility for any portion of their Property within any Service Area, in addition to any additional property designated by a Supplemental Declaration, either by agreement with the Service Area Committee, or because, in the opinion of its Board, the level and quality of existing service is not consistent with the Community-Wide Standard. All costs of maintenance pursuant to this Section shall be assessed as a Service Area Assessment only against the Lots or Condominium Units within the Service Area to

which the services are provided. The provision of services in accordance with this Section shall not constitute discrimination within a class.

Section 10.12 Failure to Perform Maintenance. In the event that an Association fails to properly perform its maintenance responsibilities hereunder, Developer may, upon not less than ten (10) days' notice and opportunity to cure such failure, cause such maintenance to be performed and in such event, shall be entitled to reimbursement from the Association for all costs incurred in connection with the performance of such maintenance.

Section 10.13 Membership. Every Owner of a Lot or Condominium Unit designated as residential, or any portion of a mixed-use Building wherein the residential portion is separately owned and located outside of Village Center shall be a Member of the Residential Association. There shall be only one (1) membership per Lot or Condominium Unit. Membership shall be appurtenant to and may not be separate or apart from ownership of any Lot or Condominium Unit. Every Owner of a Lot or Condominium Unit designated as commercial or mixed-use shall be a Member of the Commercial Association. There shall be only one (1) membership per Lot or Condominium Unit. Membership shall be appurtenant to and may not be separate or apart from ownership of any Lot or Condominium Unit.

a. **Co-Owners.** If a Lot or Condominium Unit is owned by more than one (1) Person, all co-Owners shall share the privileges of such membership, subject to reasonable Board regulation and the restrictions on voting set forth in this Article 10 and in the respective Bylaws, and all such co-Owners shall be jointly and severally obligated to perform the responsibilities of Owners.

b. **Nature of Owner.** The membership rights and privileges of an Owner who is a natural person may be exercised by the Member or the Member's spouse. The membership rights of an Owner which is a corporation, partnership or other legal entity may be exercised by any officer, director, partner, or trustee, or by any other duly authorized individual designated from time to time by the Owner in a written instrument provided to the Secretary of its Association.

Section 10.14 Voting Rights. The Associations shall each have two (2) classes of membership, which are Class "A" membership and Class "B" membership, described as follows:

a. **Class "A".** Class "A" Members of the Residential Association shall be all Owners of Lots and Condominium Units designated as residential or live/work or any portion of a mixed-use Building and located outside of Village Center, except Developer for so long as Developer remains a Class "B" Member. Class "A" Members of the Commercial Association shall be all Owners of Lots and Condominium Units designated as commercial or mixed-use, except Developer for so long as Developer remains a Class "B" Member. Each Class "A" Member shall have one (1) vote for each Lot or Condominium Unit which they own; provided, there shall be only one (1) vote per Lot or Condominium Unit and, no votes shall be exercised on account of any property which is exempt from assessment under Article 12. When more than one (1) Person holds an interest in any Lot or Condominium Unit, all such persons shall be Members, provided, however, that the vote for such Lot or Condominium Unit shall be exercised as they determine and advise the Secretary of its Association in writing prior to the close of balloting. In no event shall more than one vote be cast with respect to any Lot or Condominium Unit which is owned by more than one (1) Person. Corporations, limited liability companies, partnerships and other entities shall notify the Association of the natural person who is authorized to exercise its vote; such entities shall provide such evidence of appointment and authority as its Board of Directors may require.

b. **Class "B"**. The Class "B" Member of both Associations shall be Developer, and no other Person shall be a Class "B" Member of an Association. Developer, as the Class "B" Member, shall be entitled to 2500 votes in the Residential Association and 1500 votes in the Commercial Association. The additional rights of the Class "B" Member are specified elsewhere in this Declaration and the respective Bylaws.

c. **Termination of Class "B" Membership**. The Class "B" membership shall terminate two (2) years after termination of the Class "B" Control Period or when, in its discretion, the Class "B" Member surrenders its Class B Membership and so declares in a recorded instrument. The Class "B" Control Period is that period of time until the first of the following to occur:

when one hundred (100%) percent of the total number of Lots proposed for the Property described on Exhibit "A" of the Declaration have certificates of occupancy issued thereon and have been conveyed to Persons other than Builders;

seventy-five (75) years after the date on which the Declaration is recorded in the public records of St. Tammany Parish, Louisiana; or

when, in its discretion, each Class "B" Member surrenders its Class B Membership and so declares in a recorded instrument; provided, however, that the Class "B" Control Period only terminates under this subparagraph c. (3) if Developer has so determined in writing.

d. **Exercise of Voting Rights**. Except as otherwise specified in this Declaration or the respective Bylaws, the vote for each Lot or Condominium Unit owned by a Class "A" Member shall be exercised by the Owner of such Lot or Condominium unit.

Section 10.15 Neighborhoods, Voting Members and Villages. Due to the number of Lots which may be developed within Terra Bella, a representative form of voting may be employed in order to facilitate the conduct of Association business, communication between the Board and the Owners, and the smooth administration of the community. Such representative, if employed by the Developer, shall be called the Voting Member(s). However, until such time as Developer exercises his right to use such a representative form of voting in Terra Bella, the Owners shall exercise their votes for their Lots or Condominium Units at Association meetings as provided herein and in the Bylaws of the Associations.

a. **Neighborhoods**. Every Lot shall be located within a Residential Neighborhood or a Commercial Neighborhood. Exhibit "A" to this Declaration, and each Supplemental Declaration filed to subject additional property to this Declaration, shall initially assign the property described therein to a specific Neighborhood by name, which Neighborhood may be then-existing or newly created. Developer may unilaterally amend this Declaration or any Supplemental Declaration from time to time, as long as it owns any portion of the Property or has the option to expand the Property pursuant to Article 4, or to redesignate Neighborhood boundaries; provided, each Village shall consist of at least one (1) Neighborhood. Two (2) or more existing Neighborhoods shall not be combined into a single Neighborhood without the consent of Owners of a majority of the Lots and Condominium Units in each affected Neighborhood.

b. **Voting Members**. In the event Developer determines that a representative form of voting in Terra Bella is necessary, the procedure for election of a Voting Member shall be as set forth herein. Each Neighborhood shall elect a Voting Member who shall be responsible for casting all votes

attributable to Lots and Condominium Units owned by Class "A" Members in the Neighborhood on all Association matters requiring a membership vote, except as otherwise specified in the Governing Documents. In addition, each Neighborhood shall elect an alternate Voting Member to act in the absence of the Voting Member. The Voting Member's vote shall be the vote of the majority of the votes attributable to Lots and Condominium Units owned by Class "A" Members in the Neighborhood, as determined by written petition or at a special meeting of the Owners in the Neighborhood.

c. **Candidates; Procedure.** Candidates for election of the Voting Member and alternate Voting Member from a Neighborhood shall either be Owners of Lots or Condominium Units in the Neighborhood, spouses of such Owners, or permanent residents of the Neighborhood. The Voting Member and alternate Voting Member shall be elected on an annual basis, either by written ballot or at a meeting of the Class "A" Members within each Neighborhood, as the Board shall determine; provided, upon written petition signed by Members holding at least ten (10%) percent of the Class "A" votes within any Neighborhood, the election for such Neighborhood shall be held at a meeting. The presence, in person or by proxy, of Members representing at least thirty (30%) percent of the total Class "A" votes in the Neighborhood shall constitute a quorum at any Neighborhood meeting.

d. **Election.** The Board shall call for the first election of a Voting Member from a Neighborhood not later than two (2) years after the first conveyance of a Lot in the Neighborhood to a Person other than a Builder. Subsequent elections shall be held within thirty (30) days of the same date each year. Each Class "A" Member who owns a Lot or Condominium Unit within the Neighborhood shall be entitled to cast one (1) equal vote per Lot or Condominium Unit owned in the Neighborhood for each position. The candidate for each position who receives the greatest number of votes shall be elected to serve until their successors are elected.

e. **Removal.** Any Voting Member may be removed, with or without cause, upon the vote or written petition of Owners of a majority of the total number of Lots and Condominium Units owned by Class "A" Members in the Neighborhood which the Voting Member represents.

f. **Voting by Owners.** Until such time as Developer first calls for election of a Voting Member for any Neighborhood, the Owners within such Neighborhood shall be entitled personally to cast the votes attributable to their respective Lots or Condominium Units on any issue requiring a vote of the Voting Members under this Declaration, the Bylaws, or the Articles.

g. **Villages.** Developer may designate Villages consisting of one or more Neighborhoods for the purpose of electing directors to the Board following termination of the Class "B" Control Period, in order to promote representation on the Board of Directors from various areas within the Property. The number of Villages within the Property shall not exceed the total number of directors to be elected by the Class "A" Members pursuant to the Bylaws. The Class "A" Members within each Village shall vote on a separate slate of candidates for election to the Board, with each Village being entitled to elect the number of directors specified in the Bylaws.

h. **Establishment of Villages.** Developer establishes the following Villages in Terra Bella: Village Center, Village General, and Village Edge.

i. **Amendment by Developer and/or Board.** Such designation may be amended from time to time by Developer, acting alone, at anytime prior to the expiration of the Class "B" Control Period. As additional property is subjected to this Declaration pursuant to Article 4, Developer may

amend such Supplemental Declaration to change the composition of existing Villages or to establish new Villages to account for the additional property. After expiration of Developer's right to annex property pursuant to Article 4, the respective Board shall have the right to file or amend such Supplemental Declarations upon approval of a majority of the total number of directors and, as long as Developer owns any Developable Land, with the consent of Developer. No other consent or approval of any Person shall be required except as stated in this paragraph. After a Supplemental Declaration establishing Villages has been filed, any and all portions of the Property which are not assigned to a specific Village shall constitute a single Village.

Section 10.16 Board of Directors.

a. **Types of Boards.** There shall be a Board of Directors of the Residential Association and a Board of Directors of the Commercial Association. Except as otherwise expressly provided or the context requires otherwise, each Board will be appointed and operated as set forth in this Section.

b. **Initial Composition.** Each Board shall initially consist of at least three (3) persons each of whom shall be appointed by Developer. When at least four hundred (400) Lots have been conveyed to Owners other than Developer and while Developer is the Class "B" Member, the Class "A" membership in the Residential Association or Commercial Association, as applicable, shall be entitled to vote and elect one (1) member of the Board of Directors, and the remaining members of the Board of Directors shall be selected by the Class "B" Member.

c. **Class "B" Termination.** Upon termination of the Class "B" membership, the Board of Directors shall be elected as provided in the respective Bylaws.

d. **Residential Member.** A Member of the Residential Association shall at all times constitute one (1) seat on the Board of Directors of the Commercial Association.

e. **Compensation.** Directors of the Associations shall receive no compensation for their services unless expressly provided for in resolutions adopted by their Members, but may be reimbursed for expenses when approved by its Board.

f. **Additional Provisions.** Additional provisions concerning the operation of the Associations and the Boards are contained in their Articles and Bylaws.

Section 10.17 Compliance and Enforcement. Every Owner and occupant of any Lot or Condominium Unit shall comply with the Governing Documents. Subject to the terms of Article 18, failure to comply with the Governing Documents shall be grounds for an action by the Association, the Joint Committee, Developer, or, in a proper case, by any aggrieved Owner(s) to recover sums due, for damages or injunctive relief, or for any other remedy available at law or in equity, in addition to those enforcement powers granted to the Associations pursuant to this Declaration and their Bylaws.

a. **Remedies Cumulative.** All remedies set forth in this Declaration and the Bylaws shall be cumulative of any remedies available at law or in equity. In any action to enforce the provisions of the Governing Documents, the prevailing party shall be entitled to recover all costs, including, without limitation, attorneys' fees and court costs, reasonably incurred in such action. The Joint Committee shall be authorized to take any enforcement action which the Association would be

authorized to take, in addition to such enforcement actions as are authorized by the Joint Committee Bylaws.

b. **Sanctions.** The Associations may impose sanctions for violations of the Governing Documents in accordance with procedures set forth in the Bylaws, including reasonable monetary fines and suspension of the right to vote and to use any recreational facilities within their Common Area. In addition, in accordance with their Bylaws, the Associations may suspend any services it provides to the Lot or Condominium Unit of any Owner who is more than thirty (30) days delinquent in paying any assessment or other charge due to the Association.

c. **Determination of Association.** The Associations may, but shall not be obligated to, take action (a) to enforce any provision of the Governing Documents which their Board reasonably determines is inconsistent with applicable law, or (b) with respect to any violation of the Governing Documents which their Board reasonably determines to be so minor or unobtrusive as not to be objectionable to a reasonable person; or (c) in any case in which their Board reasonably determines that the Association's position is not strong enough to justify taking enforcement action. Any such determination shall not be construed as a waiver of the right not to enforce such provision under other circumstances or stop the Association from enforcing any other covenant, restriction or rule.

Section 10.18 Implied Rights; Board Authority. The Associations may exercise any right or privilege given to it expressly by this Declaration or their Bylaws, and any right or privilege which could reasonably be implied from or which is reasonably necessary to effectuate any such right or privilege. Except as otherwise specifically provided in this Declaration, their Bylaws or by law, all rights and powers of the Associations may be exercised by their Board without a vote of the membership of the Association.

Section 10.19 Personal Liability. No member of a Board, the Design Review Board or any committee of an Association, no officer of an Association and no manager or other employee of an Association shall be personally liable to any Member, or to any other Person including the Associations, for any damage, loss or prejudice suffered or claimed on account of any act, omission, error or negligence of an Association, its Board or any member thereof, the Design Review Board or any member thereof, the manager, any representative or employee of an Association, any officer of an Association or any member of any committee of an Association; provided, however, the limitations set forth in this Section shall not apply to any Person who has failed to act in good faith or has engaged in willful or intentional misconduct.

Section 10.20 Indemnification of Officers, Directors and Others.

a. The Associations shall indemnify every officer, director and committee member against all damages and expenses, including counsel fees, reasonably incurred in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by its then Board) to which he or she may be a party by reason of being or having been an officer, director, or committee member, except that such obligation to indemnify shall be limited to those actions as to which liability is limited under this Section and Louisiana law.

b. The officers, directors and committee members shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct, or bad faith. The officers and directors shall have no personal liability with respect to any contract or other commitment made or action taken, in good faith, on behalf of an Association

(except to the extent that such officers or directors may also be Members of an Association) and the Associations shall indemnify and forever hold each of their officers and directors harmless from any and all liability to others on account of any such contract, commitment or action. This right to indemnification shall not be exclusive of any other rights to which any officer, director or committee member may be entitled. The Associations shall, as a Common Expense, maintain adequate general liability and officers' and directors' liability insurance to fund this obligation, if such insurance is reasonably available.

c. Each Owner shall indemnify and hold harmless its Association and the Joint Committee from any loss, damages, and expenses, including counsel fees, which they may incur as a result of the failure of such Owner, any occupant of such Owner's Lot or Condominium Unit, or any contractor, employee, or agent of such Owner acting within the scope of his contract, agency or employment to comply with this Declaration, any Supplemental Declaration or other covenants applicable to such Owner's Lot or Condominium Unit, the Design Code, Bylaws and Rules and Regulations of the Association.

Section 10.21 Enhancement of Safety. THE ASSOCIATIONS MAY, BUT SHALL NOT BE OBLIGATED TO, MAINTAIN OR SUPPORT CERTAIN ACTIVITIES WITHIN THE PROPERTY DESIGNED TO ENHANCE THE SAFETY OF THE PROPERTY. NEITHER THE ASSOCIATION, DEVELOPERS, NOR ANY SUCCESSOR OF EITHER THE ASSOCIATION OR DEVELOPER SHALL IN ANY WAY BE CONSIDERED INSURERS OR GUARANTORS OF SECURITY OR SAFETY WITHIN THE PROPERTY, NOR SHALL ANY OF THEM BE HELD LIABLE FOR ANY LOSS OR DAMAGE BY REASON OF FAILURE TO PROVIDE ADEQUATE SECURITY OR OF INEFFECTIVENESS MEASURES UNDERTAKEN. NO REPRESENTATION OR WARRANTY IS MADE THAT ANY FIRE PROTECTION SYSTEM, BURGLAR ALARM SYSTEM OR OTHER SECURITY SYSTEM CAN NOT BE COMPROMISED OR CIRCUMVENTED, NOR THAT ANY SUCH SYSTEMS OR SECURITY MEASURES UNDERTAKEN WILL IN ALL CASES PREVENT LOSS OR PROVIDE THE DETECTION OR PROTECTION FOR WHICH THE SYSTEM IS DESIGNATED OR INTENDED. EACH OWNER ACKNOWLEDGES, UNDERSTANDS AND COVENANTS TO INFORM ITS TENANTS THAT THE ASSOCIATION, ITS BOARD OF DIRECTORS AND COMMITTEES, DEVELOPER, AND ANY SUCCESSOR OF DEVELOPER ARE NOT INSURERS AND THAT EACH PERSON USING THE PROPERTY ASSUMES ALL RISKS FOR LOSS OR DAMAGE TO PERSONS, TO UNITS AND TO THE CONTENTS OF UNITS RESULTING FROM ACTS OF THIRD PARTIES.

Section 10.22 Powers of the Association to Other Associations. The Associations shall have the power to veto any action taken or contemplated to be taken by any condominium or similar owners association having concurrent jurisdiction with the Associations over any portion of the Property (herein, the "homeowners association") which the Board determines to be adverse to the interest of an Association or its Members or inconsistent with the Community Wide Standard. The Associations also shall have the power to require specific action to be taken by any homeowners association in connection with any of its obligations and responsibilities. Without limiting the generality of the foregoing, the Associations may (a) require specific maintenance or repairs or aesthetic changes to be effectuated by the homeowners association, and (b) require that the homeowners association include certain items within its budget and that specific expenditures be made. Any action required by the Associations in a written notice pursuant to the foregoing shall be taken within the time frame set by such Association in such written notice. If the homeowners association fails to comply with the requirements set forth in such written notice, the Associations shall have the right to effect such action on behalf of the homeowners association. To cover the Associations' administrative expenses in connection with the foregoing and to discourage failure to

comply with the requirements of such Association, the Associations shall assess the Lots or Condominium Units subject to the jurisdiction of such homeowners association for their pro rata share of any expenses incurred by such Association in taking such action in the manner provided in Article 12, such assessments being collected as a Specific Assessment hereunder and subject to all lien rights provided for herein.

Section 10.23 Governmental, Educational and Religious Interests. So long as Developer owns any portion of the Property, it may designate sites within the Property for government, education or religious activities and interests, including, but not limited to, fire, police, utility facilities, schools or education facilities, houses of worship, Parks, recreation and other public facilities. The sites may include Common Areas and in such case, the respective Association shall dedicate and convey such sites as directed by Developer and no membership approval shall be required.

Section 10.24 Volunteer Organizations. One of the important functions of the Associations is to encourage and facilitate the organization of volunteer organizations within the community which will serve the interests of community residents as they may be identified from time to time. The Associations may maintain a data bank of residents interested in volunteer organizations and may make such data available to volunteer organizations within the community. The Associations, by Board resolution, may also establish or support the establishment of charter clubs or other organizations as it deems appropriate to encourage or facilitate the gathering of Owners and residents of Terra Bella to pursue common interests or hobbies. Any resolution establishing a charter club shall designate the requirements, if any, for membership therein. The Boards may provide for such organizations to be funded by the Associations as a Common Expense subject to such rules regarding participation, area of interest or other matters as the Board, in its discretion, may establish. Any charter club shall operate in accordance with the resolution establishing it. The Associations through their bulletin boards and publications, may assist community groups, religious groups, civic groups, youth organizations, support groups, and similar organizations in publicizing their meetings, events, and need for volunteer assistance. The nature and extent of any such assistance shall be in the Board's sole discretion. It is not intended that an Association spend its funds for specific advertising or promotion of events of such volunteer groups unless its Board determines that they merit such support as benefiting the entire community. An Association's contribution will be supplemental to funds raised by the volunteer organization.

Section 10.25 Assumption of Obligations Under PUD Ordinance. Developer shall have the right to assign to an Association or the Joint Committee, or both, any of its continuing obligations or responsibilities under the PUD Ordinance and such Association or the Joint Committee, respectively, shall accept, assume and fulfill such obligations and responsibilities.

Section 10.26 Municipal Incorporation. Neither the Joint Committee nor the Associations shall sponsor, support or encourage the incorporation of all or any part of the Property as a separate municipality.

Section 10.27 Relationship With Tax-Exempt Organizations. Developer, the Residential Association or the Commercial Association, as applicable, may create, enter into agreements or contracts with, or grant exclusive and/or non-exclusive servitudes over the Common Area to non-profit, tax-exempt organizations, the operation of which confers some benefit upon the Property, an Association, its Members, or residents. An Association may contribute money, real or personal property, or services to such entity. Any such contribution shall be a Common Expense and included as a line item in the Association's annual budget. For the purposes of this Section, a "tax-

exempt organization” shall mean an entity which is exempt from federal income taxes under the Internal Revenue Code (“Code”), such as, but not limited to, entities which are exempt from federal income taxes under Section 501(c)(3), as the Code may be amended from time to time. An Association may maintain multiple-use facilities within any portion of its respective Property and allow temporary use by tax-exempt organizations. Such use may be on a scheduled or “first-come, first-served” basis. A reasonable maintenance and use fee may be charged for the use of such facilities.

Section 10.28 Institute.

a. **Purpose and Duties.** The Institute is responsible for the promotion of the arts, cultural events, community events and charitable activities in Terra Bella. It may take such actions as are consistent with such purpose and this Declaration. The power of the Institute to promote and encourage the arts, cultural events, community events and charitable activities shall be liberally construed in favor of authorizing such actions.

b. **Nature.** The Institute shall be organized as a non-profit corporation under the laws of the State of Louisiana as an organization exempt under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended.

c. **Members.** Every Owner shall be a member of the Institute. Institute membership shall be appurtenant to and not separable from title to any Lot or Condominium Unit in Terra Bella.

d. **Transactions.** The Institute may contract with Developer or any other party for the performance of all or any portion of the management or operation of the Institute, which shall be subject to the approval of the Board of Directors of the Institute. All terms and conditions of any such contract shall be at the discretion of the Board of Directors of the Institute.

e. **Voting Rights.** The Institute shall have two (2) classes of membership, set forth as follows:

Class A Members. The Owners of Lots or Condominium Units in Terra Bella shall be the Class A Members of the Institute, excepting the Developer as long as Developer is a Class B Member, as set forth below. Class A Members shall have one (1) vote for each Lot or Condominium Unit owned in Terra Bella. In the event more than one (1) person holds an ownership interest in a Lot or Condominium Unit, all persons shall be members; however, the vote for such Lot or Condominium Unit shall be exercised as all the owners of the Lot or Condominium Unit determine. In no event shall more than one (1) vote be cast for a Lot or Condominium Unit. Entities who are Owners of Lots or Condominium Units shall notify the Institute of a natural person who shall exercise the vote of the entity. Any entity who appoints a natural person to exercise its vote shall provide the Institute with evidence of appointment and authority as the Board of Directors of the Institute may require.

Class B Members. Developer shall be the Class B Member of the Institute. The Class B Member shall have three (3) votes for each Lot or Condominium Unit owned in Terra Bella. Class B membership in the Institute shall terminate and convert to Class A membership no earlier than five (5) years after the date of recordation of the Declaration, unless the Class B Member elects in writing to become a Class A Member. Thereafter, the Class B membership shall terminate upon the earlier to occur of the following:

(a) ninety (90) days after the date which the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; provided, however, that a site plan proposing the addition of a new phase of development in Terra Bella of Developer's Property or of additional eligible property pursuant to the Declaration is not offered to the applicable planning commission, within said ninety (90) day period, and which site plan, if approved, will add sufficient additional Lots to those Lots what will then be owned by Developer so that Developer will still own a majority of the Lots in Terra Bella after approval of such site plan and filing of a Supplemental Declaration;

(b) twenty-five (25) years after the recordation of the Declaration; or

(c) the date which the Class B Members of the Institute elect in writing to become Class A Members of the Institute.

f. **Meetings of Members.** If requested by at least ten (10%) percent of the Institute Members, a meeting of the Institute Members may be called and the taking of any action set forth in subparagraph a. above may be repealed by a majority vote of the Institute Members.

g. **Board of Directors.**

Initial Directors. The initial Institute Board shall consist of at least three (3) directors appointed by Developer. When at least five hundred (500) Lots have been conveyed to Owners other than Developer or a Builder and while Developer is the Class B Member of the Institute, the Class A Members of the Institute shall elect one (1) member of the Institute Board, and the remaining members of the Institute Board shall be selected by the Class B Member of the Institute.

After Termination of Class B Membership. Upon termination of the Class B Membership of the Institute, the Institute Board shall be elected as provided in the Institute's bylaws.

Compensation. The members of the Institute Board shall receive no compensation for their services unless expressly provided for by resolution adopted by the members of the Institute; provided, however that members of the Institute Board may be reimbursed for expenses incurred on behalf of the Institute when approved by the Institute Board.

h. **Institute Articles and Institute Bylaws.** Additional provisions concerning the operation and management of the Institute and the Institute Board are contained in the Articles of Incorporation of the Institute and the Bylaws of the Institute.

i. **Institute Budget.**

Fiscal Year. The fiscal year of the Institute shall commence on January 1 of each year and end on December 31 of the same year.

Budget Items. An annual budget for the Institute shall estimate total expenses to be incurred by the Institute in carrying out its duties, including without limitation cost of professional management, accounting services other professional services, materials, insurance premiums, services and supplies for the rendering of all services required by this Declaration or approved by the members of the Institute or the Institute Board.

Initial Budget. Developer shall prepare the budget for the Institute for the fiscal year in which a Lot is first conveyed to an Owner other than Developer or a Builder.

Annual Budget. Beginning with the year in which a Lot is first conveyed to an Owner other than Developer or a Builder and each year thereafter, at least sixty (60) days before the end of the fiscal year the Institute Board shall adopt a budget for the succeeding year as set forth in the Bylaws of the Institute and set the annual Institute Assessment at a level sufficient to meet the budget. At least thirty (30) days prior to the beginning of the fiscal year, the Institute Board shall send a copy of the budget in itemized form and notice of the amount of the Institute Assessment payable by each Member for the following year for which it is to be effective to each Owner.

Approval of Budget. Such budget and Institute Assessment shall become effective unless disapproved at a meeting by members of the Institute representing at least seventy-five (75%) percent of the total Class "A" votes in the Institute and by the Class "B" Member, if such exists. There shall be no obligation to call a meeting for the purpose of considering the budget except on the petition of the members of the Institute as provided for special meetings in the Bylaws of the Institute, which petition must be presented to the Institute Board within ten (10) days after delivery of the budget and notice of assessment. Notwithstanding the foregoing, if Institute Assessments are to be increased to greater than 125% of the previous year's Institute Assessment, and at least ten (10%) percent of the members of the Institute request review within thirty (30) days after the budget is delivered to the members of the Institute, the Institute Board shall call a Community Meeting to present the budget and to answer any questions. After presentation, the budget shall be deemed approved unless the percentage required to transact business is present and the budget is rejected by a majority of the members of the Institute. If the budget is rejected, the Institute Board shall approve a new budget within ten (10) days and send a copy to each member of the Institute.

Failure to Prepare or Adopt Institute Budget. The Institute Board's failure or delay in preparing or adopting the annual budget for any fiscal year shall not waive or release an Institute member's obligation to pay the Institute Assessment whenever the amount of such Assessment is finally determined. In the absence of an annual Institute budget, each Institute member shall continue to pay the Institute Assessment at the rate established for the previous fiscal period until notified otherwise.

Other Funds. The Institute may receive funds from other sources such as, but not limited to, donations and revenue from programs conducted in connection with the fulfillment of the Institute's purpose and mission, but consistent with the Institute's 501(c)(3) status under the Internal Revenue Code.

ARTICLE 11 INSURANCE

Section 11.1 Review of Coverage. Each Board shall arrange for the review of the sufficiency of limits of coverage for each type of insurance at least once a year by one (1) or more qualified Persons, at least one (1) of whom must be familiar with insurable replacement costs in the Covington, Louisiana area.

Section 11.2 Required Coverages of Association. The Associations, acting through its respective Board or its duly authorized agent, shall obtain and continue in effect the following types

of insurance, if reasonably available, or if not reasonably available, the most nearly equivalent coverages as are reasonably available:

a. **Property.** Blanket property insurance covering “risks of direct physical loss” on a “special form” basis (or comparable coverage by whatever name denominated) for all insurable Improvements on its Common Area, if any, and on other portions of the Common Area to the extent that it has assumed responsibility for maintenance, repair and/or replacement in the event of a casualty. The Associations shall have the authority to and interest in insuring any privately or publicly owned property for which the Association has maintenance or repair responsibility. Such property shall include, by way of illustration and not limitation, any insurable Improvements on or related to parks, rights-of-way, medians, servitudes, and walkways which the Association is obligated to maintain. If such coverage is not generally available at reasonable cost, then “broad form” coverage may be substituted. All property insurance policies obtained by the Associations shall have policy limits sufficient to cover the full replacement cost of the insured Improvements.

b. **Casualty.** Casualty insurance on its Common Area for fire damage. Endorsements for extended coverage, vandalism, malicious mischief, flood and windstorm should be obtained where available at reasonable cost. Coverage shall be in an amount not less than necessary to comply with the coinsurance percentage stipulated in the policy, but in any event not less than eighty (80%) percent of the insurable value (based upon replacement) of the Improvements constructed on its Common Area.

c. **General Liability.** Commercial general liability insurance on its Common Area, insuring the Association and its Members for damage for injury caused by the negligence of the Association or any of its Members, employees, agents, or contractors while acting on its behalf insuring against liability arising out of, or incident to, the ownership and use of its Common Area and any water access located on or adjoining Terra Bella. If generally available at reasonable cost, the commercial general liability coverage (including both primary and any umbrella policies) shall have a limit of at least \$3,000,000.00 per occurrence with respect to bodily injury, personal injury, and property damage; provided, should additional coverage and higher limits be available at reasonable cost which its Board, in the exercise of its business judgment, deems advisable, the Association shall obtain such additional coverages or limits. Whenever practicable, such insurance should be issued on a comprehensive liability basis and should contain a “severability of interest” endorsement which shall preclude the insurer from denying the claim of an Owner because of negligent acts of the Association, its Board or other Owners.

d. **Workers’ Compensation.** Workers compensation insurance and employers liability insurance in the amounts required by applicable law.

e. **Director Liability.** Directors and officers liability coverage insuring against personal loss for actions taken by members and officers of its Board in the performance of their duties. Such insurance shall be of the type and amount determined by its Board in its discretion.

f. **Fidelity.** Fidelity insurance covering all Persons responsible for handling Association funds in an amount determined in its Board’s best business judgment. Fidelity insurance policies shall include coverage for officers, directors and other Persons serving without compensation.

g. **Other.** Such additional insurance as its Board, in its best business judgment, determines advisable, which may include, without limitation, flood insurance, boiler and machinery insurance, and building ordinance coverage. In addition, the Associations may obtain and maintain property insurance on the insurable Improvements within any of its Service Areas in such amounts and with such coverages as agreed upon by its Board.

Section 11.3 Lot Coverage. Each Owner shall obtain casualty insurance for Improvements on his/her/its Lot, naming its Association as an additional insured. Coverage shall be in an amount not less than necessary to comply with the co-insurance percentage stipulated in the policy, but in any event not less than eighty (80%) percent of the insurable value (based upon replacement) of the Improvements constructed on the Lot. Each Owner by accepting title to a Lot in Terra Bella agrees that each policy of casualty insurance insuring the Lot and any Improvements thereon shall contain a waiver of all subrogation rights as against its Association. If requested by its Association, an Owner shall provide evidence of such insurance to the Association.

Section 11.4 Other Coverage by Owner. Each Owner shall maintain liability insurance to fund its obligation to indemnify its Association and the Joint Committee pursuant to Section 10.20, subparagraph c.

Section 11.5 Premiums. Premiums for all insurance on its Common Area shall be Common Expenses and shall be included in the General Assessment, except that (i) premiums for property insurance obtained on behalf of a Service Area shall be charged to the Owners of Lots and Condominium Units within the benefited Service Area as a Service Area Assessment; and (ii) premiums for insurance on Exclusive Common Areas may be included in the Service Area Assessment of the Service Area(s) benefited unless the Board of Directors reasonably determines that other treatment of the premiums is more appropriate.

Section 11.6 Policy Requirements.

a. All Association policies shall provide for a certificate of insurance to be furnished to the Association and, upon reasonable request, to the Owner of any insured Unit.

b. The policies may contain a reasonable deductible and the amount thereof shall not be subtracted from the face amount of the policy in determining whether the policy limits satisfy the requirements of this Section. In the event of an insured loss, the deductible shall be treated as a Common Expense or a Service Area Expense in the same manner as the premiums for the applicable insurance coverage. However, if the Board reasonably determines, after notice and an opportunity to be heard in accordance with the Bylaws, that the loss is the result of the negligence or willful misconduct of one or more Owners, their guests, invitees, or lessees, then the Board may specifically assess the full amount of such deductible against such Owner(s) and their Lots or Condominium Units pursuant to Article 12.

c. All insurance coverage obtained by the Board shall:

be written with a company whose primary business is providing insurance coverage and which is authorized to conduct business in the State of Louisiana and which satisfies the requirements of the Federal National Mortgage Association, or such other secondary mortgage market agencies or federal agencies as the Board deems appropriate;

be written in the name of its Association as trustee for the benefited parties. Policies on the Common Areas shall be for the benefit of the respective Association and its Members. Policies, if any, secured by an Association on behalf of any of its Service Areas shall be for the benefit of the Owners of Lots or Condominium Units within such Service Area and their Mortgagees, as their interests may appear;

not be brought into contribution with insurance purchased by individual Owners, occupants, or their Mortgagees; and

include an agreed amount endorsement, if the policy contains a co-insurance clause.

d. The Board shall use reasonable efforts to secure insurance policies which name the Owners and their Mortgagees (as a class) as additional insureds and provide:

a waiver of subrogation as to any claims against the Board, officers, employees, and manager, if any, and the Owners and their tenants, servants, agents, and guests;

a waiver of the insurer's rights to repair and reconstruct instead of paying cash;

an endorsement excluding Owners' individual policies from consideration under any "other insurance" clause;

an endorsement requiring at least thirty (30) days' prior written notice to its Association of any cancellation, substantial modification, or non-renewal;

a cross liability provision; and

a provision vesting in the Board exclusive authority to adjust losses; provided, however, no Mortgagee having an interest in such losses may be prohibited from participating in the settlement negotiations, if any, related to the loss.

Section 11.7 Damage and Destruction. Immediately after damage or destruction to all or any part of the Property covered by insurance written in the name of the respective Association, its Board or its duly authorized agent shall file all insurance claims and obtain reliable and detailed estimates of the cost of repair or reconstruction. Repair or reconstruction, as used in this Section, means repairing or restoring the property to substantially the condition in which it existed prior to the damage; allowing for changes or improvements necessitated by changes in applicable building codes.

a. **Determination to Repair.** Any damage to or destruction of the Common Area shall be repaired or reconstructed unless voting Members in the respective Association representing at least seventy-five (75%) of the total Class "A" votes in such Association and the Class "B" Member, if any, decide within sixty (60) days after the loss not to repair or reconstruct. If either the insurance proceeds or reliable and detailed estimates of the costs of repair or reconstruction, or both, are not available to the Association within such sixty (60) day period, then the period shall be extended until such funds or information are available. However, such extension shall not exceed sixty (60) additional days. No Mortgagee shall have the right to participate in the determination of whether the damage or destruction to the Common Area shall be repaired or reconstructed. The Association's Board shall obtain funds for such reconstruction first from the insurance proceeds, then from

reserves for the repair and replacement of such improvements, and then from any Special Assessments that may be necessary after exhausting insurance and reserves.

b. **Upon Determination Not to Repair.** If it is determined, in the manner described above, that the damage or destruction to the Common Area shall not be repaired or reconstructed and no alternative Improvements are authorized, the affected property shall be cleared of all debris and ruins and thereafter shall be maintained by the Association in a neat and attractive, landscaped condition consistent with the Community Wide Standard.

c. **Proceeds.** Any insurance proceeds remaining after paying the costs of repair or reconstruction, or after such settlement as is necessary and appropriate, shall be retained by and for the benefit of the Association or the Service Area, as appropriate, and placed in a capital improvement account. This is a covenant for the benefit of Mortgagees and may be enforced by the Mortgagee of any affected Lot or Condominium Unit. If insurance proceeds received, after application of any applicable deductible, are insufficient to cover the costs of repair or reconstruction, the Board of Directors may, without a vote of the Voting Members, levy Special Assessments to cover the shortfall against those Owners responsible for the premiums for the applicable insurance coverage under this Section.

Section 11.8 Lot Improvements. If fire or other casualty damages or destroys a Building or any other Improvements on a Lot, the Owner of that Lot or Condominium Unit shall immediately proceed to rebuild and restore the Improvements to the condition existing immediately prior to such damage or destruction, unless other plans are approved by the Design Review Board. In doing so, the Owner shall comply with the provisions of this Declaration. If the Owner fails to clean and secure a Lot or Condominium Unit within thirty (30) days after a casualty, its Association may remove debris, raze or remove portions of damaged structures and perform any other clean up the Association deems necessary to make the Lot or Condominium Unit safe and attractive. The cost of such clean-up shall be assessed to the Lot or Condominium Unit Owner as an Individual Lot Assessment pursuant to Section 12.12.

ARTICLE 12 FINANCES OF THE ASSOCIATIONS

Section 12.1 Fiscal Year. The fiscal year of each Association shall begin January 1 of each year and end on December 31 of that year, unless the respective Board of Directors selects a different fiscal year.

Section 12.2 Budget Items. The budget for each Association shall estimate total expenses to be incurred by the Association in carrying out its responsibilities. These expenses shall include, without limitation, the cost of wages, materials, insurance premiums, services, supplies and other expenses for the rendering of all services required by this Declaration or properly approved in accordance with this Declaration. The budget may also include reasonable amounts, as determined by its Board, for working capital for the Association and for reserves. If an Association's Common Area is taxed separately from the Lots by the Parish of St. Tammany, Louisiana, or by any other governmental authority with taxing power, for ad valorem property taxes or any other taxes, such Association shall include such taxes as part of the budget. Fees for professional management of an Association, accounting services, legal counsel and other professional services may also be included in the budget.

Section 12.3 Authority to Levy General Assessments. The Residential Association is hereby authorized to levy General Assessments equally against all Lots and Condominium Units subject to assessment under this Declaration to fund its Common Expenses. The Commercial Association is hereby authorized to levy General Assessments against all commercial Lots, commercial buildings and Condominium Units within the Village Center based on the square footage of the commercial Lot, square footage of the commercial building or square footage of the Condominium Units subject to assessment under this Declaration to fund its Common Expenses. The General Assessment shall be set at a level which is reasonably expected to produce total income for the Association equal to the total budgeted Common Expenses, including reserves. In determining the total funds to be generated through General Assessments, its Board, in its discretion, may consider other sources of funds available to the Association. The Board shall take into account the number of Lots, buildings and Condominium Units subject to assessment under this Declaration on the first day of the fiscal year for which the budget is prepared, and may consider the number of Lots, buildings and Condominium Units reasonably anticipated to become subject to assessment during the fiscal year.

So long as Developer has the right unilaterally to annex additional property, Developer may, but shall not be obligated to, reduce the General Assessment for any fiscal year by payment of a subsidy, which may be either a contribution, an advance against future assessments due from Developer, or a loan, in Developer's sole discretion. Any such subsidy and the nature thereof shall be conspicuously disclosed as a line item in the Common Expense budget and shall be made known to the Members. The payment of such subsidy in any year shall under no circumstances obligate Developer to continue payment of such subsidy in future years, unless otherwise provided in a written agreement between an Association and Developer.

Section 12.4 General Assessments.

a. **Establishment.** Each Association Board shall set the date or dates General Assessments become due and may provide for collection and payment of Assessments annually or in monthly, quarterly or semiannual installments.

b. **Date of Commencement.** The annual General Assessments shall begin on the day of conveyance of the first Lot or Condominium Unit to an Owner other than Developer. The initial Assessment on any Lot or Condominium Unit subject to Assessment may be collected at the time title is conveyed to the Owner. During the initial year of ownership, each Owner shall be responsible for the prorata share of the annual General Assessment charged to each Lot or Condominium Unit, prorated to the day of closing.

c. **Discretion of Board.** When determining the General Assessment due from each Owner, each Association Board may, in its sole discretion, but is not obligated to, distinguish between Lots on which Buildings have not been constructed, Lots on which Buildings have been constructed and Lots on which Buildings are in the process of being constructed.

Section 12.5 Preparation and Approval of Annual Budget.

a. **Initial Budget.** Developer shall determine the budget for the fiscal year in which a Lot or Condominium Unit is first conveyed to an Owner other than Developer or a Builder.

b. **Subsequent Years; Notice.** Beginning with the year in which a Lot or Condominium Unit is first conveyed to an Owner other than Developer or a Builder, and each year thereafter, at least sixty (60) days before the beginning of each fiscal year, the Board shall, by majority vote, adopt a budget covering the estimated Common Expenses during the coming year, including a capital contribution to establish a reserve fund in accordance with a budget separately prepared as provided in Section 12.7. Thereafter, and in accordance with the budget, the Board shall set the annual General Assessment at a level sufficient to meet the budget. At least thirty (30) days prior to the beginning of the fiscal year, the Board shall send a copy of the budget in itemized form and notice of the amount of the General Assessment payable by each Member for the following year for which it is to be effective to each Owner.

c. **Effective.** Such budget and General Assessment shall become effective unless disapproved at a meeting by Voting Members representing at least seventy-five (75%) percent of the total Class "A" votes in the Association and by the Class "B" Member, if such exists. There shall be no obligation to call a meeting for the purpose of considering the budget except on the petition of the Voting Members as provided for special meetings in the Bylaws, which petition must be presented to the Board within ten (10) days after delivery of the budget and notice of assessments. Notwithstanding the foregoing, if General Assessments are to be increased to greater than 125% of the previous year's General Assessment, and at least ten (10%) percent of the Members request review within thirty (30) days after the budget is delivered to the Members, the Board shall call a Community Meeting to present the budget and to answer any questions. After presentation, the budget shall be deemed approved unless the percentage required to transact business is present and the budget is rejected by a majority of the Members. If the budget is rejected, the Association Board shall approve a new budget within ten (10) days and send a copy to each Member and the budget so approved by the Association Board shall constitute the Final Adopted Budget for the Association and shall form the basis for collection of assessments from the Members.

d. **Failure to Prepare or Adopt Budget.** A Board's failure or delay in preparing or adopting the annual budget for any fiscal year shall not waive or release a Member's obligation to pay General Assessments whenever the amount of such Assessments is finally determined. In the absence of an annual Association budget, each Member shall continue to pay the Assessment at the rate established for the previous fiscal period until notified otherwise.

Section 12.6 Budgeting and Allocating Service Area Expenses. At least sixty (60) days before the beginning of each fiscal year, each Board shall prepare a separate budget covering the estimated Service Area Expenses for each Service Area whose behalf Service Area Expenses are expected to be incurred during the coming year. Each Board shall be entitled to set such budget only to the extent that this Declaration, any Supplemental Declaration, or the respective Bylaws specifically authorizes the Board to assess certain costs as a Service Area Assessment. Any Service Area may request, through the Service Area Committee or by petition of Owners of at least a majority of the total Lots and Condominium Units within any existing Service Area, that additional services or a higher level of services be provided by the Association, and in such case, any additional costs shall be added to such budget. Such budget shall include a capital contribution establishing a reserve fund for repair and replacement of capital items maintained as a Service Area Expense, if any, within the Service Area.

a. **Authority.** Each Association is hereby authorized to levy Service Area Assessments equally against all Lots and Condominium Units in the Service Area which are subject to Assessment to fund Service Area Expenses; provided, if so specified in the Supplemental Declaration applicable

to such Service Area or if so directed by petition signed by a majority of the Owners within the Service Area, any portion of the Assessment intended for exterior maintenance of structures, insurance on structures, or replacement reserves which pertain to particular structures shall be levied on each of the benefited Lots and Condominium Units in proportion to the benefit received.

b. **Notice.** Each Board shall cause a copy of such budget and notice of the amount of the Service Area Assessment for the coming year to be delivered to each Owner of a Lot and Condominium Unit in the Service Area at least thirty (30) days prior to the beginning of the fiscal year. Such budget and assessment shall become effective unless disapproved by a majority of the Owners of Lots and Condominium Units in the Service Area to which the Service Area Assessment applies. There shall be no obligation to call a meeting for the purpose of considering the budget except on the petition of Owners of at least ten (10%) percent of the Lots and Condominium Units in such Service Area, which petition must be submitted to the respective Board within ten (10) days after delivery of the notice of Assessments. This right to disapprove shall only apply to those line items in the Service Area budget which are attributable to services requested by the Service Area.

c. **Failure to Prepare or Adopt Service Area Budget.** A Board's failure to delay in preparing or adopting the annual budget for Service Area Expenses for any fiscal year shall not waive or release a Member's obligation to pay Service Area Assessments whenever the amount of such Assessments is finally determined. In the absence of an annual budget for Service Area Expenses, each Association Member shall continue to pay the Assessment at the rate established for the previous fiscal period until notified otherwise.

Section 12.7 Budgeting for Reserves. Each Association may build up and maintain reserves for working capital, contingencies and replacement, for both its Common Area and Service Areas, which shall be included in the budgets, respectively, and collected as part of the annual General Assessment and Service Area Assessment, respectively. Extraordinary expenses attributable to its Common Area and/or Service Area not originally included in the annual budgets, respectively, which may become necessary during the year shall be charged first against such reserves for Common Area and Service Area, respectively. Except in the event of an emergency, reserves accumulated for one purpose may not be expended for any other purpose unless approved by a majority vote of the Members of the Association. If the reserves are inadequate for any reason, including nonpayment of any Member's Assessment, the Board may at any time levy and collect an emergency assessment in accordance with the provisions of Section 12.10. If there is an excess of reserves at the end of the fiscal year and the Board so determines, the excess may be returned on a prorata basis to all Members, as of the date of such decision to refund such excess of reserves, who are current in payment of all Assessments due an Association, or the excess may be used to reduce the following year's Assessments. Each Association may rely on its records as maintained by the Secretary of the Association in determining the names and addresses of Members as of the date of any refund of excess reserves.

Section 12.8 Capital Improvements. Any substantial capital improvement to the Common Area approved by a Board must be ratified by a majority of the Class "A" Members. If the substantial capital improvement is approved by the Class "A" Members, such Board shall determine whether it shall be paid from General Assessments or by Special Assessment. A capital improvement shall be considered substantial if the cost to the Association of the Improvement is more than six (6%) percent of the Association's annual budget, or if, when added to other capital improvements for the fiscal year in question, totals more than ten (10%) percent of the Association's annual budget. Notwithstanding any inference to the contrary, any repair or

replacement of existing Improvements shall not be considered a capital improvement. Approval of the Design Review Board is required for all capital improvements. This Section shall not limit the right of Developer to make Improvements to the Common Area.

Section 12.9 Neighborhood Assessment. A Board may levy Neighborhood Assessments for expenses approved in accordance with this Declaration. Notwithstanding the foregoing, any Neighborhood or Neighborhoods may, by two-thirds (2/3) vote of the Members owning Lots and Condominium Units within that Neighborhood, or those Neighborhoods, and approval of the Board, vote to assess themselves for capital improvements to the Common Area which will primarily benefit that Neighborhood or Neighborhoods. Any Assessment so approved shall be assessed to all Owners of Lots and Condominium Units within that Neighborhood or Neighborhoods as an Individual Lot Assessment. If more than one Neighborhood is to vote, the Board shall determine whether approval and Assessment is to be by Neighborhood or by the combined group of Neighborhoods. If a group of Lots smaller than an entire Neighborhood wishes to be assessed for capital improvements, all of those being assessed must agree to the Assessment.

Section 12.10 Special Assessments. In addition to other authorized Assessments, an Association may levy Special Assessments from time to time to cover unbudgeted expenses or expenses in excess of those budgeted. Any such Special Assessment may be levied against the entire membership, if such Special Assessment is for Common Expenses, or against the Lots and Condominium Units within any Service Area if such Special Assessment is for Service Area Expenses.

a. **Payment.** Special Assessments shall be payable in such manner and at such times as determined by each Board, and may be payable in installments extending beyond the fiscal year in which the Special Assessment is approved.

b. **Approval.** Except as otherwise specifically provided in this Declaration, any Special Assessment which would exceed twenty (20%) percent of the annual budget for the year immediately preceding that in which the Special Assessment is approved shall require the affirmative vote or written consent of a majority of the Voting Members (if a Common Expense) or Owners (if a Service Area Expense) representing Lots and Condominium Units which will be subject to such Special Assessment, and the affirmative vote or written consent of the Class "B" Member, if any.

c. **Capital Improvements.** Any substantial capital improvement which has been approved in accordance with this Declaration or any capital improvement not required to be approved by the Members may be paid by Special Assessment.

d. **Emergency Assessment.** By a two-thirds (2/3) vote, a Board may impose a Special Assessment for any unusual or emergency maintenance or repair or other expense which this Declaration or the law requires its Association to pay (including but not limited to, after depletion of reserves, any unexpected expenditures not provided by the budget or unanticipated increases in the amounts budgeted).

e. **Discretion of Board.** When determining the Special Assessment due from each Owner, each Board may, in its sole discretion, but is not obligated to, distinguish between Lots on which Buildings have not been constructed, Lots on which Buildings have been constructed, and Lots on which Buildings are in the process of being constructed.

Section 12.11 Specific Assessments.

a. **General.** Each Board shall have the power to levy Specific Assessments against a particular Lot or Lots or against particular Condominium Units constituting less than all Lots or Condominium Units within the Property, as follows:

to cover the costs, including overhead and administrative costs, of providing benefits, items, or services to the Lot, Condominium Unit or occupants thereof upon request of the Owner pursuant to a menu of special services which the Board may from time to time authorize to be offered to Owners (which might include, without limitation, landscape maintenance, maid service, linen service, handyman service, pool cleaning, pest control, arrival and departure service, courier service, etc.), which assessments may be levied in advance of the provision of the requested benefit, item or service as a deposit against charges to be incurred by the Owner; and

to cover costs incurred in bringing the Lot or Condominium Unit into compliance with the terms of this Declaration, any applicable Supplemental Declaration, the Bylaws or Rules and Regulations, or costs incurred as a consequence of the conduct of the Owner or occupants of the Lot, Condominium Unit, their licenses, invitees, or guests; provided, the Board shall give the Owner prior written notice and an opportunity for a hearing, in accordance with the respective Bylaws before levying a Specific Assessment under this subparagraph a.

b. **Other.** Each Association may also levy a Specific Assessment against any homeowners, condominium or similar association to reimburse the Association for costs incurred in bringing the property under its control into compliance with the provisions of the Declaration, any applicable Supplemental Declaration, the Articles, the Bylaws, and Rules and Regulations, provided its Board gives such homeowners association prior written notice and an opportunity to be heard before levying any such Assessment.

Section 12.12 Individual Lot Assessments. Each Association Board may levy at any time an Individual Lot Assessment against a particular Lot or Condominium Unit for the purpose of defraying, in whole or in part, the cost of any special services to that Lot or Condominium Unit or any other charges designated in this Declaration as an Individual Lot Assessment.

Section 12.13 Accounts. Reserves shall be kept separate from other Association funds, either in a single account for all reserves or separated by purpose. All other sums collected by the Board with respect to Assessments and charges of all types may be commingled in a single fund.

Section 12.14 Delegation. Each Association, by agreement with the Joint Committee, may delegate to the Joint Committee responsibility for levying and collecting, on behalf of the Association, all or any Assessments authorized hereunder. In such event, the Board shall provide a copy of the budget pursuant to which the Assessment is to be levied, if applicable, and notice of the amount of Assessments to be levied on each Lot or Condominium Unit to the Joint Committee at least thirty (30) days prior to the beginning of each fiscal year, in the case of an annual Assessment, or forty-five (45) days prior to the due date, in the case of any other Assessment. The Joint Committee shall include any such annual Assessment in its annual billing of Owners. Upon such delegation, the Joint Committee shall be responsible for collecting all Assessments on behalf of an Association and disbursing the collected funds, less costs of collection, to the Association. Upon such delegation, the Joint Committee shall have all rights and powers of collection which the Association would have under this Declaration and Louisiana law.

Section 12.15 Personal Obligation.

a. **Owner; Grantee.** Each Owner, by accepting a deed, act of sale, or other act of transfer, or entering into a recorded contract of sale for any portion of the Property, whether or not it shall be so expressed in such deed, act of sale or other instrument, is deemed to covenant and agree to pay all Assessments authorized in this Declaration. All Assessments, together with interest from the due date of such assessment at a rate determined by the applicable Association (but not less than 10% per annum, subject to the limitations of Louisiana law), reasonable late charges in such amount as is established by resolution of its Board, costs, and reasonable attorneys' and paralegals' fees, shall be a charge and continuing lien upon each Lot or Condominium Unit against which the assessment is made until paid, as more particularly provided in Section 12.17. Each such Assessment, together with interest, late charges, costs, and reasonable attorneys' and paralegals' fees, also shall be the personal obligation of the Person who was the Owner of such Lot or Condominium Unit at the time the Assessment arose. Upon a transfer of title to a Lot or Condominium Unit, the grantee shall be jointly and severally liable for any Assessments and other charges due at the time of conveyance. However, no Person who obtains title to a Lot or Condominium Unit following foreclosure of a first priority Mortgage given in good faith and for value shall be liable for unpaid Assessments which accrued prior to such foreclosure.

b. **Waiver.** Failure of a Board to fix Assessment amounts or rates or to deliver or mail to each Owner an Assessment notice shall not be deemed a waiver, modification, or a release of any Owner from the obligation to pay Assessments. In such event, each Owner shall continue to pay General Assessments and Service Area Assessments on the same basis as during the last year for which an Assessment was levied, if any, until a new Assessment is made, at which time the Association may retroactively assess any difference.

c. **Non-use.** No Owner may exempt himself from liability for Assessments by non-use of Common Area, abandonment of his Lot or Condominium Unit, or any other means. The obligation to pay Assessments is a separate and independent covenant on the part of each Owner, and binds the Owner for so long as he owns the Lot or Condominium Unit. No diminution or abatement of Assessments or set-off shall be claimed or allowed for any alleged failure of the Association or the Board to take some action or perform some function required of it, or for inconvenience or discomfort arising from the making of repairs or Improvements, or from any other action it takes.

d. **Proof of Payment.** An Association shall, upon request, furnish to any Owner liable for any type of Assessment a certificate in writing signed by the Treasurer of the Association or its designated agent setting forth whether such Assessment has been paid. Such certificate shall be conclusive evidence of payment, and such certificate, when co-signed by the Secretary of the Association, may be relied upon by a good faith purchaser or mortgagee as evidence of payment of any Assessment therein stated to have been paid. The Association may require the advance payment of a processing fee for the issuance of such certificate.

Section 12.16 Developer's Option to Fund Budget Deficits. Notwithstanding anything contained herein to the contrary, during the Class "B" Control Period, Developer may annually elect either to pay regular Assessments on its unsold Lots or Condominium Units, or to pay the difference between the amount of Assessments levied on all other Lots or Condominium Units subject to

Assessment and the amount of actual expenditures by the Association during the fiscal year. Developer may make such election at any time prior to the end of the fiscal year for such fiscal year.

Each Association is specifically authorized to enter into subsidy contracts and contracts for "in kind" contribution of services, materials or a combination of services and materials with Developer or other entities.

Section 12.17 Lien for Assessments; Remedies Upon Nonpayment.

a. **General.** All Assessments authorized in this Article shall constitute a lien against the Lot or Condominium Unit against which they are levied until paid ("**Assessment Lien**"). The Assessment Lien shall also secure payment of interest, late charges (subject to the limitations of Louisiana law), and costs of collection (including attorneys' and paralegals' fees). Such Assessment Lien shall be superior to all other liens, except (a) the liens of all taxes, bonds, assessments, and other levies which by law would be superior, and (b) the lien or charge of any first priority Mortgage of record made in good faith and for value. Such Assessment Lien, when delinquent, may be enforced by suit, judgment, and foreclosure in the same manner as mortgages on real property are foreclosed under Louisiana law.

b. **Subordination of Lien to Mortgages.** The Assessment Lien shall be superior to any mortgage, lien or encumbrance of any Mortgagee.

c. **Foreclosure Sale.** An Association may bring an action at law against the Owner personally obligated to pay the Assessments, or may foreclose the Assessment Lien in a manner similar to foreclosure of a mortgage lien, or both. The Association, acting on behalf of the Owners, shall have the power to bid for an interest in any Lot or Condominium Unit foreclosed at such foreclosure sale and to acquire, hold, lease, mortgage and convey the Lot or Condominium Unit. While a Lot or Condominium Unit is owned by the Association following foreclosure, (a) no right to vote shall be exercised on its behalf and (b) no assessment shall be levied on it. The Association may sue for unpaid Common Expenses and costs without foreclosing or waiving the lien securing the same.

d. **Sale by Owner.** The sale or transfer of any Lot or Condominium Unit shall not affect the Assessment Lien or relieve such Lot or Condominium Unit from the lien for any subsequent Assessments. However, the sale or transfer of any Lot or Condominium Unit pursuant to foreclosure of a first priority Mortgage given in good faith and for value shall extinguish the Assessment Lien as to any installments of such Assessments due prior to such sale or transfer. A Mortgagee or other purchase of a Lot or Condominium Unit who obtains title following foreclosure of such a Mortgage shall not be personally liable for Assessments on such Lot or Condominium Unit due prior to such acquisition of title. Such unpaid Assessments shall be deemed to be Common Expenses collectible from Owners of all Lots or Condominium Units subject to assessment, including such acquirer, its successors and assigns.

e. **Other Remedies.** The applicable Board shall have the right to assess fines up to a maximum of ten (\$10.00) dollars per day, and to suspend the voting rights and right to use of the Common Area by an Owner for any period during which any Assessment against the Owner's Lot or Condominium Unit remains unpaid.

f. **Benefit.** The lien rights created in this Declaration shall be for the benefit of the respective Association as to Assessments levied on behalf of the Association, and for the benefit of the Joint Committee as to Assessments levied on behalf of the Joint Committee, but either the Association or the Joint Committee, as applicable, shall be authorized to enforce the lien on behalf of and for the benefit of the other, as its attorney in fact. The Joint Committee's lien shall have priority over the lien in favor of the Association.

Section 12.18 Exempt Property. The following property shall be exempt from payment of General Assessments, Service Area Assessments, and Special Assessments:

- a. any property owned by Developer which is included in the Common Area; and
- b. any property dedicated to and accepted by any governmental authority or public utility.
- c. In addition, each Board may, but shall not be obligated to, exempt from payment of Assessments any property devoted to museums, art galleries, sports, religious or civic purposes, or educational or family centers.

Section 12.19 Equitable Division of Assessments. General Assessments and Special Assessments shall be assessed equally among all Lots and Condominium Units. If an Owner combines two (2) Lots or parts of Lots, with appropriate approval to so combine the Lots in accordance with Section 6.4, subparagraph a. of this Declaration, and uses them as a single Lot, the respective Association may (but is not required to) assess them as a single Lot in accordance with regulations consistently applied. In the event such Association agrees to assess two (2) Lots, or parts of Lots, as a single Lot, the Owner(s) of such Lots or portions of Lots, shall have only one (1) vote, with respect to said Lots or parts of Lots, as a Member, when voting on matters that are required to be voted on by the Members. It is understood that the Association is not required to make the same decision on any requests submitted to them pursuant to this Section 12.20.

PART FOUR: PROPERTY RIGHTS IN TERRA BELLA

The operation of a traditional neighborhood development requires the creation of certain property rights and other provisions to address the needs and responsibilities of the Owners, the Developer, the Associations, and others within or adjacent to the community. This Declaration recognizes the need for such creation of terms and provisions due to the community's continuing development, assortment of properties and range of development types.

ARTICLE 13 COMMON AREA

Section 13.1 General. Certain property within Terra Bella and certain servitudes, called the Common Area, are to be owned and maintained by the Associations for the benefit of all Owners. That portion of the Common Area located in Village Center shall be commercial Common Area and shall be owned and maintained by the Commercial Association. All other Common Area not located in Village Center shall be residential Common Area and shall be owned and maintained by the Residential Association. In the event additional property is annexed to this Declaration, a portion of such additional property will be added to the respective Common Area.

Section 13.2 Association Ownership. The Common Area shall be owned by the Associations for the benefit of all Owners as set forth above. For those portions of the Common Area which consist of parks, servitudes and other rights, the respective Association shall be the owner and holder of those parks, servitudes and rights, with the right to allow use of those parks, servitudes and rights by the Owners pursuant to this Declaration and any Rules and Regulations of the Association, but subject at all times to the rights of Developer as set forth herein.

Section 13.3 Additional Common Area. Developer may convey to an Association additional Common Area which such Association shall accept, and following such acceptance the Association shall be solely responsible for maintenance of such additional Common Area.

Section 13.4 Dedication. Developer and each Association shall at all times have the right, without the consent or approval of any of the Owners, to convey title to and/or dedicate the Common Roads to the Governmental Authority with jurisdiction to accept such dedication, which is currently understood to be the Parish of St. Tammany, Louisiana. All other Common Area may be dedicated to the public by the Board upon consent in writing of Members representing fifty-one (51%) percent of the votes in the applicable Association.

Section 13.5 Alleys. The ownership of the Alley or alleyways accessing the rear of a Lot shall be included as a Common Area and shall be maintained by the Association.

Section 13.6 Maintenance; Capital Improvements.

a. **Generally.** Each Association shall have the sole responsibility for the management, control and improvement of its Common Area and shall keep its Common Area attractive, clean and in good repair.

b. **Capital Improvements.** Each Association may make capital improvements to its Common Area and may modify the uses of its Common Area. For example, an Association is authorized to create parking areas within its Common Area or to add new recreational facilities. Expenses for substantial capital improvements must be approved in accordance with Section 12.8.

Section 13.7 Common Roads. In accordance with applicable law, the Associations may make Rules and Regulations concerning driving and parking within Terra Bella, and may construct speed bumps, post speed limit or other traffic signs and take any other reasonable measures to discourage excessive speed and encourage safe driving on the Common Roads. The Associations may enforce any violation in accordance with the enforcement provisions of this Declaration.

Section 13.8 Damage or Destruction by Owner. If any Owner or any of said Owner's guests, tenants, licenses, agents, employees or members of his family damages any of the Common Area as a result of negligence or misuse, the Owner hereby authorizes its Association to repair the damage. The cost of repair shall be the responsibility of that Owner and shall become an Individual Lot Assessment payable by the responsible Owner. The Association may, but is not required to, seek compensation for damage from the guest, tenant or other party who caused the damage, in which case the Owner shall be jointly and severally liable with the guest, tenant or other party who caused the damage.

Section 13.9 Limitation of Liability. The Associations may, in their discretion, provide security within Terra Bella and may maintain their Common Areas and Common Roads and enforce

traffic control measures, but neither the Associations nor Developer makes any representation or assumes any liability for any loss or injury sustained as a result of any such security or traffic control measures.

ARTICLE 14 EXCLUSIVE COMMON AREA

Section 14.1 Purpose. Certain portions of the Common Area may be designated as Exclusive Common Area and reserved for the exclusive use or primary benefit of Owners, occupants and invitees of Units within a particular Service Area. By way of illustration and not limitation, Exclusive Common Areas may include entry features, recreational facilities, landscaped medians and cul-de-sacs, lakes and other portions of the Common Area within a particular Service Area. All costs associated with maintenance, repair, replacement, and insurance of Exclusive Common Areas shall be assessed as a Service Area Assessment against the Owners of Units in Service Areas to which the Exclusive Common Area is assigned.

Section 14.2 Designation. Initially, Developer shall designate any Exclusive Common Area and shall assign the exclusive use thereof in the deed, act of sale, or other act of transfer conveying the Common Area to the applicable Association or on the plat of survey relating to such Exclusive Common Area. No such assignment shall preclude Developer from later assigning use of the same Exclusive Common Area to additional Lots and/or Service Areas so long as Developer has a right to subject additional property to this Declaration.

Thereafter, a portion of the Common Area may be assigned as Exclusive Common Area of a particular Service Area and Exclusive Common Area may be reassigned upon the vote of a majority of the Class "A" votes within the Service Area(s) to which the Exclusive Common Areas are assigned, if applicable, and within the Service Area(s) to which the Exclusive Common Areas are to be assigned. As long as Developer owns any property subject to this Declaration or has the right to subject additional property to this Declaration, any such assignment or reassignment shall also require Developer's consent.

Section 14.3 Use by Others. Each Association may, upon approval of a majority of the members of the Service Area Committee for the Service Area(s) to which certain Exclusive Common Area is assigned, permit Owners of Lots or condominium units in other Service Areas to use all or a portion of such Exclusive Common Area upon payment of user fees, which fees shall be used to offset the Service Area Expenses attributable to such Exclusive Common Area.

ARTICLE 15 SERVITUDES

Section 15.1 Servitudes in the Common Area. Every Owner shall have a right and nonexclusive servitude of use, access, and enjoyment in and to the Common Area, which shall be appurtenant to and shall pass with title to every Lot and Condominium Unit, subject to:

a. this Declaration, the Bylaws and any other applicable covenants and servitudes, including any declaration of servitudes and covenants to share costs or similar instruments relating

to such Common Area which grant non-members rights to use and enjoy portions of the Common Area upon payment of fees or a portion of the costs relating to such Common Area;

b. any restrictions or limitations contained in any deed, act of sale, or other act of transfer conveying such property to the Association;

c. the right of the Board to adopt rules regulating the use and enjoyment of the Common Area; including rules restricting use of recreational facilities within the Common Area to occupants of Lots, condominium units and their guests, and rules limiting the number of guests who may use the Common Area;

d. the right of the Board to suspend the right of an Owner to use recreational facilities within the Common Area (i) for any period during which any charge against such Owner's Lot or Condominium Unit remains delinquent, and (ii) for a period not to exceed thirty (30) days for a single violation or for a longer period in the case of any continuing violation of the Governing Documents after notice and a hearing pursuant to the provisions of the Bylaws;

e. the right of the Association, acting through the Board, to dedicate or transfer all or any part of the Common Area subject to such approval requirements as may be set forth in this Declaration;

f. the right of the Board to impose membership requirements and charge membership admission or other fees for the use of any recreational facility situated upon the Common Area;

g. the right of the Board to permit use of any recreational facilities situated on the Common Area by persons other than Owners, their families, lessees and guests upon payment of use fees established by the Board;

h. the right of the Association, acting through the Board, to mortgage, pledge, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred subject to approval requirements set forth in this Declaration and/or the Bylaws;

i. the rights of certain Owners to the exclusive use of those portions of the Common Area designated Exclusive Common Area as more particularly described in Article 14; and

j. the right of Developer or the Association to grant servitudes over the Common Area to "tax-exempt organizations" pursuant to Section 10.27.

Provided, that Owners in the Residential Association shall not use any portion of the Common Area designated as commercial on the Zoning Plan without the prior written consent of Developer or the Commercial Association, and Owners in the Commercial Association shall not use any portion of the Common Area designated as residential on the Zoning Plan without the prior written consent of Developer or the Residential Association.

Provided, further, that as a condition to the use of the easements and rights granted to Owners of commercial property, their guests and tenants, the Commercial Association shall pay ten (10%) percent of the costs of maintaining the residential Common Area, as set by the Board of the Residential Association.

Any Owner may extend his or her right of use and enjoyment to the members of his or her family, lessees, and social invitees, subject to reasonable regulation as provided for in this Section 15.1 and Article 6. An Owner who does not reside within the Property shall be deemed to have assigned all rights to use and enjoy the recreational facilities within the Common Area to the occupants of such Owner's Lot or Condominium Unit.

Section 15.2 Construction; Developer's Easement. The Developer reserves the right to perform warranty work, repairs and construction work, and to store materials in secure areas in the Lots and Common Area, and to control all such work and repairs, and the right of access thereto, until its completion. All work may be performed by the Developer without the consent or approval of the applicable Board. The Developer is hereby granted an easement through the Common Area as may be reasonably necessary for the purpose of discharging the Developer's obligations or exercising special Developer rights, whether arising under the Act or reserved in this Declaration. Such easement includes the right to convey utility and drainage easements to public utilities, municipalities, the State, riparian owners or upland owners to fulfill the plan of development for Terra Bella and the right to withdraw and convey fee interest in the Improvements within the easements.

Section 15.3 Servitudes for Encroachment. There shall be reciprocal appurtenant servitudes for encroachment, and for maintenance and use of any permitted encroachment, between each Lot and any adjacent Common Area and between adjacent Lots due to the unintentional placement or setting or shifting of the improvements constructed, reconstructed, or altered on a Lot or the Common Area (in accordance with the terms of this Declaration) to a distance of not more than one (1') foot on a Lot and to a distance of not more than three (3') feet on Common Area, as measured from any point on the common boundary along a line perpendicular to such boundary. However, in no event shall any servitude for encroachment exist if such encroachment occurred due to willful and knowing conduct on the part of, or with the knowledge and consent of, an Owner, occupant, or the applicable Association.

Section 15.4 Servitudes for Common Roads. Developer reserves for itself, its successors and assigns, a nonexclusive easement and servitude for use of the Common Roads.

Section 15.5 Signs; Marketing. The Developer reserves the right to post signs and displays in the Common Area to promote sales of Lots or Condominium Units, and to conduct general sales activities, in a manner as will not unreasonably disturb the rights of Owners.

Section 15.6 Servitudes for Utilities.

a. There are hereby reserved unto Developer, its successors and assigns, so long as Developer owns any portion of the Property, and hereby granted to, and for the benefit of, Developer, the Associations, Terra Bella, and to the designees of each (which may include, without limitation, any municipality or public or private utility company) access and maintenance servitudes upon, across, over, and under all of the Property to the extent necessary for the purpose of replacing, repair, and maintaining cable television systems, master television antenna systems, security and similar systems, Roads, walkways, bicycle pathways, lakes, ponds, wetlands, drainage systems, street lights, signage, and all utilities, including, but not limited to, water, sewers, meter boxes, telephone, gas, and electricity, and for the purpose of installing any of the foregoing on property which it owns or within servitudes designated for such purposes on recorded plats of the Property.

b. This servitude shall not entitle the holders to construct or install any of the foregoing systems, facilities, or utilities over, under or through any existing dwelling on a Lot, and any damage to a Lot resulting from the exercise of this servitude shall promptly be repaired by, and at the expense of the Person exercising the servitude. The exercise of these servitudes shall not unreasonably interfere with the use of any Lot and, except in an emergency entry onto any Lot shall be made only after notice to the Owner or occupant.

c. Developer specifically grants to the local water supplier, electric company, and natural gas supplier servitudes across the Property for ingress, egress, installation, reading, replacing, repairing, and maintaining utility meters and boxes. However, the exercise of these servitudes shall not extend to permitting entry into the Dwelling on any Lot, nor shall any utilities be installed or relocated on the Property except as approved by the applicable Board or Developer.

d. Either Developer (for so long as Developer owns any portion of the Property) or an Association may at any time make a partial assignment, to any public or private utility company, or any Governmental Authority, of the servitudes reserved by Developer, and granted to such Association, in the preceding subparagraphs of this Section 15.6. Whether or not such assignment by Developer or the Association expressly states, the assignment shall be partial and nonexclusive and Developer and the Association shall continue to have the servitude reserved and granted herein, to be used on a nonexclusive basis with each other and with any public or private utility company, or any Governmental Authority to whom such assignment was made. Neither Developer nor the Association, shall have any liability or responsibility to each other or to any Owner for (1) any damages caused by any public or private utility company, or any Governmental Authority, or (2) for failure to provide any utility services to any Owner or to the Association.

e. To the extent any Governmental Authority, any public utility or any private utility uses any of the Utility Easements within Terra Bella, and/or to the extent that Developer, an Association or any assignee of Developer or such Association (all of whom are collectively referred to as “grantee” in this subparagraph d.) use or exercise any of the rights granted and reserved under this Section, then and in that event: (a) whenever reasonably possible, the lines and facilities to be constructed and installed within the Utility Easements shall be placed underground, (b) each grantee shall respect the reasonable use of the servitudes by the other grantees thereof, and each shall cooperate with the others to the extent necessary to assure the reasonable, mutual use of the Utility Easements by all grantees; (c) each grantee, after any use of the servitude areas or exercise by such grantee of the rights herein granted, shall restore the surface of the immovable property subject to the servitude to a condition as close as is reasonably possible to that which existed prior to such use or exercise, provided that such grantee shall not be required to replace, or otherwise repair any Improvements, trees, shrubs or other obstructions which interfere with use of the servitude granted pursuant to this Section and which are damaged through the reasonable exercise of the servitudes granted pursuant to this Section; (d) each grantee who is an assignee of Developer or such Association, by its use of the servitude area or exercise of the rights herein granted pursuant to this Section, does hereby agree to defend and hold its assignor (whether Developer or the Association), together with its successors and assigns, harmless from any and all liability arising from any negligence or other fault of the respective grantee in the construction, installation, repair, alteration and maintenance of the said water, sewer, natural gas, electrical, telephone and communications, and cable television lines and facilities pursuant to the servitudes granted under this Section. Developer, the Association, each Governmental Authority, each public utility and each private utility agree that (i) it accepts the right to use the said Utility Easements subject to the right of Owners to construct Buildings on Lots which have soffits, Eaves, Stairs, Stoops, balconies and/or

Fascia which encroach on and over the said Utility Easement by no more than twenty-four (24") inches measured from the boundary of the Utility Easement nearest to the interior of the Lot going out toward the exterior boundary of the Lot, provided that any such encroachment is at least ten (10) feet above the finished ground elevation in the area of the encroachment, and (ii) it may never request that the Owner remove any such soffits, Eaves, Stairs, Stoops, balconies or Fascia, which encroach on the said Utility Easement consistent with the conditions of this Section.

f. Those areas located on Lots and identified as utility niches are not to be considered as part of the Utility Easement or subject to any servitude in favor of any Governmental Authority or any public or private authority. All such utility niche areas shall be used solely, in the absence of approval from the Design Review Board to the contrary, for the placement of utility meters and, on Alley-Loaded Lots, for the storage of garbage cans and other receptacles for the storage of garbage.

Section 15.7 Police Powers. Developer reserves for itself, its successors and assigns, and grants to the Association, a blanket easement and servitude throughout Terra Bella for private patrol services, and for police powers and services supplied by the local, state and federal governments.

Section 15.8 Servitudes for Lake and Pond Maintenance and Flood Water. Developer reserves for itself and its successors, assigns, and designees, the nonexclusive right and servitude, but not the obligation, to enter upon the lakes, ponds, streams, and wetlands located within the Common Area to (a) install, keep, maintain and replace pumps in order to provide water for the irrigation of any of the Common Area; (b) construct, maintain, and repair any bulkhead, wall, dam, or other structure retaining water; and (c) remove trash and other debris therefrom and fulfill their maintenance responsibilities as provided in this Declaration.

Developer's rights and servitudes provided in this Section shall be transferred to the applicable Association at such time as Developer shall cease to own any property subject to the Declaration, or such earlier time as Developer may elect, in its sole discretion, to transfer such rights by a written instrument. Developer, the Associations, and their designees shall have an access servitude over and across any of the Property abutting or containing any portion of any of the lakes, ponds, streams, or wetlands to the extent necessary to exercise their rights under this Section.

There is further reserved herein for the benefit of Developer, and its designees, and granted to the Associations, for itself and its designees, a perpetual, nonexclusive right and servitude of access and encroachment over the Common Area and Lots (but not the Dwellings thereon) adjacent to or within thirty (30') feet of lake beds, ponds, and streams within the Property, in order; (a) to temporarily flood and back water upon and maintain water over such portions of the Property; (b) to fill, drain, dredge, deepen, clean, fertilize, dye and generally maintain the lakes, ponds, streams and wetlands within the Common Area; (c) to maintain and landscape the slopes and banks pertaining to such lakes, ponds, streams, and wetlands; and (d) to enter upon an across such portions of the Property to the extent reasonably necessary for the purpose of exercising its rights under this Section. All persons entitled to exercise these servitudes shall use reasonable care in, and repair any damage resulting from the intentional exercise of such servitudes. Nothing herein shall be construed to make Developer or any other Person liable for damage resulting from flooding due to hurricanes, heavy rainfall, or other natural disasters.

Section 15.9 Servitudes to Serve Additional Property. Developer hereby reserves for itself and its duly authorized agents, representatives, successors-in-title, assigns, licensees, and

mortgagees, a perpetual nonexclusive servitude over the Common Area for the purposes of enjoyment, use, access, and development of the Property, and over any additional property which is annexed subject to this Declaration. This servitude includes, but is not limited to, right of ingress and egress over the Common Area for construction of Roads and for connecting and installing utilities on such property. Developer agrees that it and its successors or assigns shall be responsible for any damage caused to the Common Area as a result of vehicular traffic connected with development of such property. Developer further agrees that if the servitude is exercised for permanent access to such property and such property or any portion thereof is not made subject to this Declaration, Developer, its successors or assigns shall enter into a reasonable agreement with the applicable Association to share the cost of maintenance of any private roadway serving such property.

Section 15.10 Servitude for Maintenance, Emergency and Enforcement. Developer, the Associations, and their respective designees shall have the right, but not the obligation to enter upon any Lot for emergency, security, and safety reasons, to perform maintenance pursuant to Article 9 hereof, and to inspect for the purpose of ensuring compliance with the Governing Documents, which right may be exercised by any member of the applicable Board, Association, officers, agents, employees, and managers, and all policemen, firemen, ambulance personnel, and similar emergency personnel in the performance of their duties.

Except in an emergency situation, entry shall only be during reasonable hours and after notice to the Owner. This right of entry shall include the right to enter upon any Unit to cure any condition which may increase the possibility of a fire or other hazard in the event an Owner fails or refuses to cure the condition within a reasonable time after requested by the Board, but shall not authorize entry into any single family detached dwelling without permission of the Owner, except by emergency personnel acting in their official capacity.

Section 15.11 Servitude for Special Events. Developer hereby reserves for itself, its successors, assigns and designees, a perpetual, non-exclusive servitude over the Common Area for the purpose of conducting parades, running, biking, or other sporting events, educational, cultural, artistic, musical and entertainment activities, and other activities of general community interest, at such locations and times as Developer, in its sole discretion, deems appropriate. Each Owner, by accepting a deed or other instrument conveying any interest in a Lot, acknowledges and agrees that the exercise of this servitude may result in a temporary increase in traffic, noise, gathering of crowds, and related inconveniences, and each Owner agrees on behalf of itself and the occupants of its Lot to take no action, legal or otherwise, which would interfere with the exercise of such servitude. The Associations shall not take any action which would interfere with or otherwise attempt to restrict the exercise of this servitude.

Section 15.12 Servitude for Use of Private Streets. Developer hereby creates a perpetual, nonexclusive servitude for access, ingress and egress over the private streets within the Common Area, for law enforcement, fire fighting, paramedic, rescue and other emergency vehicles, equipment and personnel; for school buses; for U.S. Postal Service delivery vehicles and personnel, private delivery or courier services, and for vehicles, equipment and personnel providing garbage collection service to the Properties; provided, such servitude shall not authorize any such Persons to enter the Properties except while in their official capacities.

Section 15.13 Alleys. Developer reserves for itself, its successors and assigns, and grants to the Associations, their Members, and all future Owners of Lots, a nonexclusive servitude of passage

(for use by vehicles, bicycles and pedestrians) on and across those portions of Terra Bella that are labeled and designated as "Alley", "Alley-way", or which are set forth on Subdivision Plans of Terra Bella as twenty (20') foot strips of land at the rear of platted Lots and subject to the provisions of this Declaration.

Section 15.14 Servitudes for Storm Water Drainage and Retention. Each portion of the Property is hereby subjected to a non-exclusive servitude appurtenant to and for the benefit of each other portion of the Property for the purpose of storm water drainage and runoff in accordance with the master drainage plan established by Developer for the Property, which servitude shall include, but shall not be limited to, the right to tie in to existing storm water drainage facilities and to divert storm water runoff from each Lot into such storm water drainage facilities at such points and in such manner as approved by Developer, and for the flow of storm water runoff over the Property to such points and from such points through the storm water drainage facilities into wetlands, ponds, or other retention facilities within or outside the Property. The foregoing servitudes shall be subject to any and all restrictions regarding quantity, rate and quality of discharge which Developer may hereafter impose or which may be imposed on the Property, Developer or any Owner by any governmental entity having jurisdiction.

Section 15.15 Tenants; Guests. Any Owner may delegate, subject to the provisions of this Declaration, the Bylaws and the Rules and Regulations of its Association, such Owner's right to enjoyment to the Common Area to the members of his family, his tenants or his guests who reside on the Lot, in the Condominium Unit or are accompanied by the Owner. The applicable Association may adopt rules to prohibit or restrict dual use of the Common Area recreational facilities by both an Owner and the Owner's tenant, except when the Owner is a bona fide guest of the tenant.

Section 15.16 Wetlands. This Declaration is subject to any rights of Governmental Authorities in any portion of Terra Bella which may be considered wetlands or protected coastal areas.

Section 15.17 Easements Reserved to Declarant and Others; Property Rights.

a. **Easements for Construction and Sales.** Subject to the Communications Easement in favor of the Declarant recorded in the conveyance records of St. Tammany Parish ("Communication Easement"). There is reserved to the Declarant and its respective designees, successors and assigns, (including, without limitation, their agents, sales agents, and representatives), nonexclusive easements over the Common Areas, the alleyways and streets in the Subdivision for construction, underground utility lines, maintenance and repair in connection with the erecting of improvements for services as defined in the Communication Easement ("Services") within the Property or Condominium Units and for ingress and egress to and from construction sites at reasonable time provided, however, that such use shall terminate upon the sale of all Lots by the Declarant; and provided, further that no such use by the Declarant and/or the Builders and others shall otherwise restrict the Owners in the reasonable use and enjoyment of the Common Area.

b. **Easements Over Common Areas.** To the extent that easements over, upon or under the Common Area, alleyways and streets in the Subdivision) are necessary so as to provide Services to the Property, the Association, the Developer and each Owner, and his heirs, successors and assigns, do hereby designate and appoint the Declarant as agent and attorney-in-fact, which is coupled with an interest, with full power in his name, place and stead, to execute instruments creating such easements; provided, however, that such easements shall not unreasonably interfere with the use by the Owners of the Common Area; alleyways and streets in the Subdivision, and

provided, further, that such easements are subject to the Communications Easement. For this purpose, the Declarant shall have the right to grant easements in perpetuity over, under and across all Common Areas, alleyways and streets shown on any recorded subdivision plats of all or portions of the Property, together with the right to grant easements to others and such easements shall include, but shall not be limited to, the right to use the said Common Area, alleyways and streets in the Subdivision to erect, maintain and use wires, cables, conduits, and other suitable equipment for the provision of Services and the right to cut any trees, bushes or shrubbery, make any gradings of the soil or take any similar action reasonably necessary to provide Services provided that such easements are subject to the Communications Easement.

c. **Easement over Lots.** The Declarant hereby reserves unto itself the right to grant easements to itself or any other entity over each such Lot owned for purposes of ingress and egress, to include driveways common to two (2) or more Lots, drainage, utility, gas, telephone, cable television and electrical services; provided such easements are subject to the Communications Easement.

d. **Easements as Shown on Plat.** Declarant hereby reserves unto itself the nonexclusive right to use Servitudes and Easements as shown on Subdivision Plats for access, installation and maintenance of areas reserved for access, easements and utilities as shown on the recorded plat or plats of the Property, and such easements are subject to the Communications Easement.

e. **Owner's Easement of Enjoyment for Common Area.** Every Owner shall have a nonexclusive right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot or Condominium Unit, subject to the following provisions:

f. **Telecommunications Services.** Declarant reserves for itself, and its successors and assigns, an exclusive easement for the installation, maintenance and supply of Services, as defined in the Communication Easement, including but not limited to radio, telephone and television cables security services, as well as any other equipment and infrastructure for the provision of cable television, high speed internet/intranet, local and long distance telephone services, security monitoring services and/or other telecommunication services together with all Services within the rights of way and easement area depicted upon any plat of any portion of the Property or within any easement reserved by this Declaration or on any Subdivision Plats.

g. **Telecommunication Service.** Declarant may enter into an agreement with an infrastructure facilities provider ("IFP") for the installation within Terra Bella Subdivision of facilities and equipment (the "Infrastructure") for the provision of Services, including cable television, high speed internet/intranet, local and long distance telephone services, security monitoring services and/or other telecommunication services with one or more service providers designated by IFP. Declarant expressly reserves the right to enter into exclusive or non-exclusive agreements for Infrastructure and Services on such terms, and with affiliated or non-affiliated third parties, as may be determined by Declarant in its sole discretion.

Owner understands and acknowledges that any such bulk service agreements may require mandatory participation by all Owners and may result in charges to the Association which are included in the assessments levied by the Association (the "Telecommunication Assessment"). By taking title to a Lot or Condominium Unit subject to the terms of this Declaration, each Owner covenants and agrees with all other Owners to pay the Telecommunication Assessment.

The Association acknowledges the Communication Easement and its applicability to the Property and the Common Areas now existing and which may be established from time to time. The Association shall also be responsible for fulfilling its obligations under each bulk service agreement and any agreement between the Association and IFP with respect to the provision of Infrastructure and the arrangement for the provision of Services to Terra Bella Subdivision. The Association and each Owner acknowledge that provision of Services pursuant to bulk service agreements for Services shall be subject to usage policies and minimum equipment requirements of the service providers with respect to the services provided.

The Declarant shall be entitled to enter into arrangements with the IFP (as defined herein) that require the Association to include in its budgets and to levy and collect in accordance with this Declaration the charges incurred in connection with Services (as defined herein) for the Services and facilities made available from time to time to the Owners within the Property. The Association shall be obligated pursuant to certain bulk services agreements for provision of Services within Terra Bella Subdivision to charge and collect from each Owner any and all expenses incurred in connection with the bulk services agreements. Owner shall be obligated to pay to the Association the costs incurred by the Association in connection with the bulk services agreement as a Telecommunication Assessment as provided in this Declaration. EACH OWNER (BY VIRTUE OF ACCEPTANCE OF TITLE TO A LOT OR CONDOMINIUM UNIT) AGREES THAT THE SERVICES MAY NOT BE AVAILABLE TO OWNER AT CLOSING OF TITLE TO THE LOT OR CONDOMINIUM UNIT OR FOR SOME TIME THEREAFTER, NOTWITHSTANDING THIS FACT, EACH OWNER (BY VIRTUE OF ACCEPTANCE OF TITLE TO A LOT OR CONDOMINIUM UNIT) AGREES THAT WHEN SUCH SERVICES BECOME AVAILABLE, SUCH OWNER WILL BE RESPONSIBLE FOR THE PAYMENT OF COSTS IN CONNECTION WITH SUCH SERVICES AS DETERMINED ABOVE. IN ADDITION, SHOULD ANY OWNER DECIDE TO ENTER INTO ANY OTHER AGREEMENT WITH SERVICES PROVIDERS ON A NON-BULK SERVICES ARRANGEMENT, SUCH OWNER (BY VIRTUE OF ACCEPTANCE OF TITLE TO A LOT OR CONDOMINIUM UNIT) AGREES TO PAY FOR ALL COSTS IN CONNECTION WITH SUCH SERVICES, INCLUDING CANCELLATION FEES AND DISCONNECTION CHARGES. THIS PROVISION SHALL BE A COVENANT RUNNING WITH THE LAND FOR THE BENEFIT OF THE DECLARANT, THE ASSOCIATION AND THE IFP.

ARTICLE 16 SHARED STRUCTURES

Section 16.1 General Rules of Law to Apply. Each wall, Garden Wall, Fence, driveway or similar structure built as a part of the original construction on the Lots which serves and/or separates any two adjoining Lots shall constitute a party structure. To the extent not inconsistent with the provisions of this Section, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

Section 16.2 Maintenance. All Owners who make use of any party structure shall share the cost of reasonable repair and maintenance of such structure equally in accordance with Article 9.

Section 16.3 Damage; Destruction. If a party structure is destroyed or damaged by fire or other casualty, then to the extent that such damage is not covered by insurance and repaired out of the proceeds of insurance, any Owner who has used the structure may restore it. If other Owners subsequently use the structure, they shall contribute to the restoration cost in equal portions.

However, such contribution will not prejudice the right to call for a larger contribution for the other users under any rule of law regarding liability for negligent or willful acts or omissions.

Section 16.4 Right to Contribution Runs With Land. The right of an Owner to contribution from any other Owner under this Section shall be appurtenant to the land and shall pass to such Owner's successors-in-title.

Section 16.5 Disputes. Any dispute concerning a party structure shall be subject to the dispute resolution procedures set forth in Article 18.

Section 16.6 Costs for Construction of Garden Walls.

a. **Voluntary Garden Walls.** If an Owner of a Lot is permitted, but not required, to construct a Garden Wall, and such Owner elects to construct a Garden Wall, then the Owner who elects to so construct a Garden Wall shall bear the full cost of such construction, unless the Lot is adjacent to another Lot and the adjacent Lot Owner agrees to bear a portion of the cost of construction. The adjacent Lot Owner shall not have any obligation, however, to agree to pay for any portion of the cost of the construction of the Garden Wall. Regardless of who pays the cost of construction of a Garden Wall, the cost of maintenance of the Garden Wall shall be divided equally between the Owners of the Lots between which the Garden Wall is constructed. The cost of maintaining any Garden Wall constructed within the confines of the boundary of a Lot that is not bounded by another Lot shall be borne in full by the Owner of the Lot upon which the Garden Wall is constructed. Each Owner, by executing a cash sale, deed or other instrument pursuant to which such Owner acquired title to a Lot, acknowledges and agrees to the obligations set forth herein with respect to the cost of construction of any Garden Wall and the maintenance of same. Notwithstanding the foregoing, Developer shall not be required to share in the cost of maintaining any Garden Wall; all such costs are to be paid by the Owner of any Lot who has purchased the Lot from Developer.

b. **Mandatory Garden Walls.** If a Garden Wall is required to be constructed on the boundary of a Lot that is not bounded by another Lot along that boundary, then the Owner shall bear the full cost of construction of the Garden Wall, as well as the maintenance of same. If the Design Code requires that a Garden Wall be constructed along the boundary between two (2) adjacent Lots, then the first of the Owners of the said Lots to construct a Dwelling, Building or other Improvements on his/her Lot shall be required to construct the Garden Wall, at his/her cost and expense; the adjacent Lot Owner shall, in such cases, be offered the opportunity to pay fifty (50%) percent of the actual cost of same. Notwithstanding the foregoing, the Owner so constructing a Garden Wall, or his/her successors or assigns in the event the Owner that constructed the Garden Wall no longer owns the Lot in question, shall be entitled to reimbursement from the then Owner of the adjacent Lot when plans for the construction of a Dwelling, Building or other Improvements on the adjacent Lot are presented for approval pursuant to Article 8, such amount of reimbursement owed to the Owner who constructed the said Garden Wall being hereby fixed at seventy-five (\$75.00) dollars per linear foot for masonry Garden Walls and thirty-five (\$35.00) dollars per linear foot for wood Garden Walls effective as of recordation of this Declaration, subject to escalation at a rate of one-quarter (.25%) percent per month hereafter, regardless of the actual cost of construction of the said Garden Wall. Regardless of how the cost of construction of a Garden Wall is determined or divided, the cost of maintenance of the Garden Wall shall be divided equally between the Owners of the Lot between which the Garden Wall is constructed. Each Owner, by executing a cash sale, deed or other instrument pursuant to which such Owner acquired title to a Lot, acknowledges and agrees to the

obligations set forth herein with respect to the cost of construction of any Garden Wall and the maintenance of same. The obligation to share costs of construction and maintenance of a Garden Wall apply only to that portion of a Garden Wall which is constructed as a common wall along a boundary between two (2) Lots. Notwithstanding the foregoing, Developer shall not be required to share in the cost of maintaining any Garden Wall, all such costs to be paid by the Owner of any Lot who has purchased the Lot from Developer.

PART FIVE: RELATIONSHIPS WITHIN AND OUTSIDE TERRA BELLA

Terra Bella's growth and success depends on the ability to cooperatively work through relationships formed between members of the community with other members as well as neighbors of the community. A livable, workable, enjoyable community requires good faith and cooperation by members and others to amicably resolve disputes and to protect the rights of others who have an interest in the community.

ARTICLE 17 DECISION MAKING

Section 17.1 General. Most day-to-day decisions about the maintenance of Terra Bella and enforcement of the Declaration are the responsibility of the Association Boards, acting on their members' behalf. For those decisions requiring Members' approval, the Community Meeting provides a public opportunity for discussion.

Section 17.2 Articles and Bylaws. The Articles and Bylaws of the Associations, which create the Associations as non-profit corporations and provide certain procedures for their corporate organizations, are attached as Exhibits "B-1" and "B-2" and Exhibits "C-1" and "C-2", respectively, to this Declaration.

Section 17.3 Community Meeting. The order of meeting set forth in this Section shall apply to meetings of each Association.

a. **Call.** The Community Meeting shall be called annually for the election of directors to serve on the Board, and whenever any action is required by this Declaration to be taken by vote or assent in writing of the Members, as more fully set forth in the Bylaws.

b. **Quorum.** Voting at a Community Meeting requires presence or proxy of Members representing the percentage of votes established by the Board as necessary to transact business. The Board may revise this percentage from time to time, but in no event shall the required percentage be less than twenty-five (25%) percent nor more than fifty (50%) percent, unless otherwise required by statute. Notwithstanding any inference herein to the contrary, until termination of the Class "B" membership, presence of the Class "B" Member at a Community Meeting and a quorum of the Class "A" membership shall be required in order for the Members to effectively vote on any issue brought before the Association's membership.

c. **Notice.** Notice of any meeting of the Members must be given to the Members at least ten (10) days but not more than thirty (30) days before the meeting, except in an emergency when whatever notice is reasonable, in the sole discretion of the Board, shall be given to the Members.

d. **Action Without Meeting.** The Members may approve any matter (specifically including the election of directors) by written consent without a meeting, without prior notice and

without a vote; provided, however, such consent shall be required to be given in writing and signed by the percentage of the Members of the Association, as required by this Declaration, the Articles or the Bylaws, and by Developer as the Class "B" Member wherever approval by the Class "B" Member is required. Consents shall be in accordance with the Bylaws and any applicable statutes.

Section 17.4 Association Board Meetings. The provisions set forth in this Section shall apply to the Board of Directors of each Association.

a. **Board Responsibility.** Except as specifically provided in this Article or elsewhere in this Declaration, the Board has been delegated the power, and shall have the authority to act on behalf of the Association under this Declaration, and to make all decisions necessary for the operation of the Association, the enforcement of this Declaration and the care of the Common Area. All consents, approvals, elections and other action authorized herein to be taken or given by the Association shall require only the approval of the Board, with the exception of those decisions that are expressly reserved to the Members. If a quorum is present at a meeting of the Board, as set forth in subparagraph b. of this Section, all decisions of the Board shall be made a vote of the majority of the directors present at such meeting, with the exception of those cases where a greater vote is required either by law or by the Articles.

b. **Quorum.** Voting at a Board meeting requires presence of at least one-half (1/2) of the directors, in person or by telephone conference or, if allowed by state law, by proxy. If not prohibited by law, any action required to be taken by vote of the Board may be taken in the absence of a meeting (or in the absence of a quorum at a meeting) by obtaining the written approval of a majority of the directors of the Board.

Section 17.5 Record Keeping. The Boards shall keep records of all meetings, both of the Board and of the Members. For each action taken, the record shall state the vote and a description of the action approved, and, where applicable, the reasons why the action was considered necessary and a summary of the information on which the decision was based. The record shall be available for inspection by any Member of the Associations.

Section 17.6 Notice of Status of Member. With the exception of those Owners who acquire title to a Lot or Condominium Unit from Developer, each Owner shall, upon acquiring title to a Lot or Condominium Unit, immediately give written notice to the applicable Association at its registered office that he/she/it has acquired ownership of a Lot or Condominium Unit, which notice shall include a copy of the cash sale, deed or other instrument pursuant to which such Owner acquired title to a Lot or Condominium Unit. The applicable Board and the Members shall be entitled to rely on its records for the purpose of determining the identity and address of Members, as of the date any notice is to be given, or any decision is to be made. There is no obligation on the part of the Associations to check the records of St. Tammany Parish, Louisiana at any time for the purpose of determining the identities of the Owners of Lots or Condominium Units. Although the Associations may, on occasion check the records of St. Tammany Parish, Louisiana for the purpose of identifying Owners of Lots or Condominium Units, such actions shall not be considered as creating any obligation on the part of the Associations to check the records of St. Tammany Parish, Louisiana at any time thereafter for the purpose of determining the identities of the Owners of Lots or Condominium Units. The records of the Associations, for the purpose of identifying Members entitled to notice of any meeting of Members, shall consist of (i) the cash sales, deeds or other instruments pursuant to which Developer initially transferred title to Lots or Condominium Units, and (ii) those notices given to the Associations pursuant to the requirements of this Section.

Section 17.7 Effective Date of Ownership for Purpose of Notice. Notice of any meeting of the Members shall be considered as having been duly and properly given, if given to those Persons entitled to notice based on the records of the Associations, as described in Section 18.6, as of the date any notice is given of said meeting.

ARTICLE 18 LITIGATION MATTERS AND DISPUTE RESOLUTION

The provisions of this Article 18 shall apply to each Association and their respective Boards and Members.

Section 18.1 Consensus for Association Litigation. Except as provided in this Section, the Association shall not commence judicial or administrative proceedings without the prior approval of at least seventy-five (75%) percent of the Voting Members. A Voting Member representing Lots or Condominium Units owned by Persons other than himself shall not vote in favor of bringing or prosecuting any such proceeding unless authorized to do so by a vote of Owners holding seventy-five (75%) percent of the total votes attributable to Lots or Condominium Units in the Neighborhood represented by the Voting Member. This Section shall not apply, however, to (a) actions brought by the Association to enforce the provisions of the Governing Documents (including, without limitation, the foreclosure of liens); (b) the imposition and collection of Assessments as provided in Article 12; (c) proceedings involving challenges to ad valorem taxation; or (d) counterclaims brought by the Association in proceedings instituted against it. This Section shall not be amended unless such amendment is approved by the percentage of votes, and pursuant to the same procedures, necessary to institute proceedings as provided above.

Section 18.2 Alternative Method for Resolving Disputes. Developer, the Association, its officers, directors, and committee members, all Persons subject to this Declaration and any Person not otherwise subject to this Declaration who agrees to submit to this Article (collectively, “**Bound Parties**”), agree to encourage the amicable resolution of disputes involving the Property without the emotional and financial costs of litigation. Accordingly, each Bound Party covenants and agrees to use good faith efforts to resolve those claims, grievances or disputes described in Section 18.3 (“**Claims**”) using the procedures set forth in Section 18.4 before filing suit in any court.

Section 18.3 Claims. Unless specifically exempted below, all Claims arising out of or relating to the interpretation, application or enforcement of the Governing Documents, or the rights, obligation and duties of any Bound Party under the Governing Documents, or relating to the design or construction of Improvements on the Property, shall be subject to the provisions of Section 18.4. Notwithstanding the above, unless all parties thereto otherwise agree, the following shall not be Claims and shall not be subject to the provisions of Section 18.4:

- a. any suit by the Association against any Bound Party to enforce the provisions of Article 12;
- b. any suit by the Association to obtain a temporary restraining order (or equivalent emergency equitable relief) and such other ancillary relief as the court may deem necessary in order to maintain the status quo and preserve the Association’s ability to enforce the provisions of Article 6, Article 7 and Article 8;

- c. any suit between Owners which does not include Developer or the Association as a party, if such suit asserts a Claim which would constitute a cause of action independent of the Governing Documents;
- d. any suit in which any indispensable party is not a Bound Party; and
- e. any suit which otherwise would be barred by any applicable statute of limitations.

With the consent of all parties thereto, any of the above may be submitted to the alternative dispute resolution procedures set forth in Section 18.4.

Section 18.4 Mandatory Procedures.

a. **Notice.** Any Bound Party having a Claim (“**Claimant**”) against any other Bound Party (“**Respondent**”) (collectively, the “**Parties**”) shall notify each Respondent in writing (the “**Notice**”), stating plainly and concisely:

the nature of the Claim, including the Persons involved and Respondent’s role in the Claim;

the legal basis of the Claim (i.e., the specific authority out of which the Claim arises);

Claimant’s proposed remedy; and

that Claimant will meet with Respondent to discuss in good faith ways to resolve the Claim.

b. **Negotiation.**

The Parties shall make every reasonable effort to meet in person and confer for the purpose of resolving the Claim by good faith negotiation.

Upon receipt of a written request from any Party, accompanied by a copy of the Notice, the Board may appoint a representative to assist the Parties in resolving the dispute by negotiation, if the Association is not a Party and the Board, in its discretion, believes its efforts will be beneficial to the Parties and to the welfare of the community.

c. **Mediation.**

If the Parties do not resolve the Claim through negotiation within thirty (30) days of the date of the Notice (or within such other period as may be agreed upon by the Parties) (“Termination of Negotiations”). Claimant shall have thirty (30) additional days within which to submit the Claim to mediation pursuant to the provisions of this subparagraph c.

If Claimant does not submit the Claim to mediation within thirty (30) days after Termination of Negotiations, or does not appear for the mediation, Claimant shall be deemed to have waived the Claim, and Respondent shall be released and discharged from any and all liability to Claimant on account of such Claim; provided, nothing herein shall release or discharge Respondent from any liability to Persons not a Party to the foregoing proceedings.

Any settlement of the Claim through mediation shall be documented in writing by the mediator. If the Parties do not settle the Claim within thirty (30) days after submission of the

matter to the mediation process, or within such time as determined by the mediator, the mediator shall issued a notice of termination of the mediation proceedings (“Termination of Mediation”). The Termination of Mediation notice shall set forth that the Parties are at an impasse and the date that mediation was terminated.

Section 18.5 Allocation of Costs of Resolving Claims.

a. Each Party shall bear all of its own costs incurred prior to and during the proceedings described in Section 18.4, subparagraphs a., b. and c., including the fees of its attorney or other representative. Each Party shall share equally all charges rendered by the mediator(s) pursuant to Section 18.4, subparagraph c.

b. Each Party shall bear all of its own costs (including the fees of its attorney or other representative) incurred after the Termination of Mediation under Section 18.4, subparagraph c.

Section 18.6 Enforcement of Resolution. If the Parties agree to resolve any Claim through negotiation or mediation in accordance with Section 18.4 and any Party thereafter fails to abide by the terms of such Agreement, or if the Parties agree to accept the Award following arbitration and any Party thereafter fails to comply with such Award, then any other Party may file suit or initiate administrative proceedings to enforce such agreement or Award without the need to again comply with the procedures set forth in Section 18.4. In such event, the Party taking action to enforce the agreement or Award shall be entitled to recover from the non-complying Party (or if more than one non-complying Party, from all such Parties pro rata) all costs incurred in enforcing such agreement or Award, including, without limitation, attorneys’ and paralegals’ fees and court costs.

**ARTICLE 19
MORTGAGEES**

Section 19.1 General. The following provisions are for the benefit of holders, insurers and guarantors of first Mortgages on Lots or Condominium Units within the Property. The provisions of this Article apply to both this Declaration and the Bylaws, notwithstanding any other provisions contained therein.

Section 19.2 Notices of Action. Any institutional holder, insurer or guarantor of a first Mortgage who provides a written request to the applicable Association stating its name and address and the street address of the Lot or Condominium Unit to which its Mortgage relates shall be deemed a Mortgagee and shall be entitled to timely written notice of:

a. Any condemnation loss or any casualty loss which affects a material portion of Property or which affects any Unit on which there is a first Mortgage held, insured, or guaranteed by such Mortgagee;

b. Any delinquency in the payment of assessments or charges owed by the owner of a Lot or Condominium Unit which is subject to the Mortgage or such Mortgagee, where such delinquency has continued for a period of sixty (60) days, or any other violation of the Governing Documents relating to such Unit or the Owner or occupant which is not cured within sixty (60) days;

c. Any lapse, cancellation, or material modification of any insurance policy maintained by the Association; or

d. Any proposed action which would require the consent of a specified percentage of Mortgagees.

Section 19.3 Additional Provisions. If any portion of the Property is subject to a condominium form of ownership then the provisions of this Section 19.3 shall apply. Unless at least sixty-seven (67%) percent of the first Mortgagees or Owners or Voting Members, as applicable, representing at least sixty-seven (67%) percent of the total Class "A" votes in the Association and the Class "B" Member consents, the Association shall not:

a. By act or omission seek to abandon, partition, subdivide, encumber, sell, or transfer all or any portion of the real property comprising the Common Area which the respective Association owns, directly or indirectly (the granting of servitudes for public utilities or other similar purposes consistent with the intended use of the Common Area shall not be deemed a transfer within the meaning of this subsection);

b. Change the method of determining the obligations, assessments, dues, or other charges which may be levied against an Owner of a Lot or Condominium Unit (actions by the respective Board or provisions of any declaration subsequently recorded on any portion of the Property regarding assessments for Service Areas or other similar areas shall not be subject to this provision where such action or subsequent declaration is otherwise authorized by this Declaration);

c. By act or omission change, waive, or abandon any scheme of regulations or enforcement pertaining to architectural design, exterior appearance or maintenance of Lots and the Common Area (the issuance and amendment of the Design Documents, procedures, and Use Restrictions and Rules shall not constitute a change, waiver, or abandonment within the meaning of this provision);

d. Fail to maintain insurance as required by this Declaration; or

e. Use hazard insurance proceeds for any Common Area losses for other than the repair, replacement, or reconstruction of such property.

Section 19.4 Other Provisions for First Mortgagees. To the extent not inconsistent with Louisiana law:

a. First Mortgagees may, jointly or singly, pay taxes or other charges which are in default and which may or have become a charge against the Common Area and may pay overdue premiums on casualty insurance policies or secure new casualty insurance coverage upon the lapse of an Association policy, and first Mortgagees making such payments shall be entitled to immediate reimbursement from the applicable Association.

b. Any restoration or repair of the Property after a partial condemnation or damage due to an insurable hazard shall be performed substantially in accordance with this Declaration and the original plans and specifications unless the approval is obtained of the Mortgagees of first Mortgages on Lots or Condominium Units to which at least fifty-one (51%) percent of the votes of Lots and Condominium Units subject to Mortgages held by Mortgagees are allocated.

c. Any election to terminate an Association after substantial destruction or a substantial taking in condemnation shall require the approval of the Mortgagees of first Mortgages

on Lots and Condominium Units to which at least fifty-one (51%) percent of the votes of Lots and Condominium Units subject to Mortgages held by such Mortgagees are allocated.

d. An election to terminate an Association under any other circumstances shall require the consent of Voting Members representing at least sixty-seven (67%) percent of the Class "A" votes and of the Class "B" Member, so long as it owns any land subject to this Declaration, and the approval of the Mortgagees of first Mortgages on Lots and Condominium Units to which at least sixty-seven (67%) percent of the votes of Lots and Condominium Units subject to a Mortgage held by a Mortgagee appertain.

Section 19.5 No Priority. No provision of this Declaration or the Bylaws gives or shall be construed as giving any Owner or other party priority over any rights of the first Mortgagee of any Lot or Condominium Unit in the case of distribution to such Owner of insurance proceeds or condemnation awards for losses to or a taking of the Common Area.

Section 19.6 Notice to Association. Upon request, each Owner shall be obligated to furnish to its Association the name and address of the holder of any Mortgage encumbering such Owner's Lot or Condominium Unit.

Section 19.7 Amendment by Board. Should the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation subsequently delete any of its respective requirements which necessitate the provisions of this Article or make any such requirements less stringent, the Board, without approval of the Owners, may record an amendment to this Article to reflect such change.

Section 19.8 Construction of Article 19. Nothing contained in this Article shall be construed to reduce the percentage of vote that must otherwise be obtained under the Declaration, Bylaws, or Louisiana law for any of the acts set out in this Article.

Section 19.9 Developer's Right of First Refusal and Right to Repurchase. No unimproved Lot, or interest therein, upon which construction has not begun within one hundred twenty (120) days from the date of its initial sale shall be sold or transferred unless and until the Builder or Owner shall have first offered to sell such unimproved Lot to Developer under the same terms and at the same price for which such Lot was originally sold, and Developer has waived, in writing, its right to purchase such unimproved Lot. If a Builder or Owner has not begun construction upon the Lot within one hundred twenty (120) days from the date of its initial sale to such Builder or Owner, Developer shall have the right to purchase the Lot under the same terms and at the same price for which such Lot was originally sold. For purposes of this Section, the date upon which construction is deemed to have begun shall be the date on which the slab or chain wall foundation for the primary Building shall be poured.

PART SIX: CHANGES IN TERRA BELLA

Traditional neighborhood developments constantly change and adapt to new circumstances, needs, residents, surrounding areas and laws as time passes. Terra Bella and its Governing Documents must be able to change and adapt with each new experience while protecting the purpose and intent of the community.

**ARTICLE 20
CHANGES IN LOT OWNERSHIP**

Any Owner desiring to sell or otherwise transfer title to his or her Lot shall give the applicable Board at least seven (7) days' prior written notice of the name and address of the purchaser or transferee, the date of such transfer of title, and such other information as such Board may require. The transferor shall continue to be jointly and severally responsible with the transferee for all obligations of the Owner of the Lot, including assessment obligations, until the date upon which such notice is received by such Board, notwithstanding the transfer of title.

**ARTICLE 21
CHANGES IN COMMON AREA**

Section 21.1 Condemnation. If any part of the Common Area shall be taken (or conveyed in lieu of and under threat of condemnation by the applicable Board acting on the written direction of Voting Members representing at least sixty-seven (67%) percent of the total Class "A" votes in the Association and of Developer, as long as Developer owns any portion of the Property) by any authority having the power of condemnation or eminent domain, each Owner shall be entitled to written notice. The award made for such taking shall be payable to the Association as trustee for all Owners to be disbursed as follows:

a. If the taking involves a portion of the Common Area on which Improvements have been constructed, the applicable Association shall restore or replace such Improvements on the remaining land included in the Common Area to the extent available, unless within sixty (60) days after such taking Developer, so long as Developer owns any portion of the Property, and Voting Members representing at least seventy-five (75%) percent of the total Class "A" votes in such Association, shall otherwise agree. Any such construction shall be in accordance with plans approved by its Board. The provisions of Section 11.7 regarding funds for the repair of damage or destruction shall apply.

b. If the taking does not involve any Improvements on the Common Area, or if a decision is made not to repair or restore, or if net funds remain after any such restoration or replacement is complete, then such award or net funds shall be disbursed to the Association and used for such purposes as its Board shall determine.

Section 21.2 Partition. Except as permitted in this Declaration, there shall be no judicial partition of the Common Area. No Person shall seek any judicial partition unless the portion of the Common Area which is the subject of such partition action has been removed from the provisions of this Declaration. This Article shall not prohibit a Board from acquiring and disposing of tangible personal property nor from acquiring and disposing of real property which may or may not be subject to this Declaration.

Section 21.3 Transfer or Dedication of Common Areas. An Association may dedicate portions of its Common Area to the Parish of St. Tammany, Louisiana, or to any other local, state, or federal governmental or quasi-governmental entity, subject to such approval as may be required by this Declaration.

**ARTICLE 22
AMENDMENT OF THE DECLARATION**

Section 22.1 **By Developer.** Prior to termination of the Class “B” Control Period, Developer may unilaterally amend, modify or supplement this Declaration for any lawful purpose without the consent of the Owners or Class “A” Members. Developer shall consider Amendment of this Declaration at any time and from time to time if such amendment is necessary (i) to bring any provision into compliance with any applicable governmental statute, rule, regulation, or judicial determination which is in conflict therewith; (ii) to enable any reputable title insurance company to issue title insurance coverage with respect to any portion of the Property; (iii) to enable any institutional or governmental lender, purchaser, insurer or guarantor of Mortgage loans, including, for example, the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, to make, purchase, insure or guarantee mortgage loans on the Lots or Condominium Units; (iv) to satisfy the requirements of any governmental agency; (v) to conform to the requirements of the Federal Home Loan Mortgage Corporation, Veterans Administration, Federal National Mortgage Association or any other generally recognized institution involved in the guarantee or purchase and sale of home loan mortgages; (vi) to conform to the requirements of institutional mortgage lenders or title insurance companies; (vii) to clarify the Declaration’s provisions or correct errors; (viii) to make all such additions, amendments, reinstatements and changes to this Declaration as Developer deems necessary and proper in furtherance of its business and development purposes. Rights reserved to Developer may not be amended without the specific consent of Developer.

Section 22.2 **By Members.** Except as otherwise set forth elsewhere in this Declaration, this Declaration may be amended only by: (i) the affirmative vote or written consent, or any combination thereof, of Voting Members representing fifty-one (51%) percent of the total Class “A” votes in the Associations, other than Developer; and (ii) the consent of Developer, so long as Developer owns any portion of the Property and/or has an option to subject additional property to this Declaration pursuant to Article 4. Notwithstanding the above, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

Section 22.3 **Limitation.** Whenever any action described in this Declaration requires approval of greater than fifty-one (51%) percent of the total votes of the Members, amendment of that provision shall require the same percentage vote as would be required to accomplish that action directly.

Section 22.4 **Supplemental Declarations.** Developer shall always have the right to make Supplemental Declarations without the consent of any Owners or Members, and the rights of Developer set forth in this Section may not be withdrawn or otherwise modified without the consent of Developer. It is expressly stated that any Supplemental Declaration may, without any approval of the Members, add, modify, amend, or otherwise supplement provisions of this Declaration, as originally filed or as same may be subsequently amended, and which will effectively (1) change (whether through increasing, lessening or otherwise) any or all restrictions on use otherwise, which would otherwise be applicable to property added to Terra Bella pursuant to a Supplemental Declaration including without limitation thereto all such restrictions contained in Article 6, but such changes shall only relate to and affect the Lots or Condominium Units and other property added to Terra Bella pursuant to the Supplemental Declaration, and (2) change (whether through increasing, lessening or otherwise) any or all building restrictions and/or other covenants, which would otherwise be applicable to property added to Terra Bella pursuant to a Supplemental Declaration including without limitation all such building restrictions and/or other covenants contained in Article 7 and Article 8, in the Design Documents, but such changes shall only relate to

and affect the Lots and other property added to Terra Bella pursuant to the Supplemental Declaration. Notwithstanding any inference herein to the contrary, no Supplemental Declaration shall be deemed to have modified any provisions of this Declaration applicable to Lots included within Terra Bella prior to the filing of said Supplemental Declaration unless the Supplemental Declaration expressly states such intention and unless the Supplemental Declaration also qualifies as an amendment to this Declaration pursuant to this Article.

Section 22.5 Design Code. The Design Review Board shall always have the right to amend and modify the Design Code without the consent of the Members, and the Boards shall always have the right to adopt and file amendments to this Declaration which contain modifications of the Design Code adopted by the Design Review Board. The rights of the Design Review Board and the Association set forth in this Section may not be withdrawn or otherwise modified without the consent of the Design Review Board and the Boards.

Section 22.6 Effective Date of Amendments.

a. **General.** Amendments to this Declaration shall become effective upon recordation in the public records of St. Tammany Parish, Louisiana, unless a later effective date is specified therein. Any procedural challenge to an amendment must be made within six (6) months of its recordation or such amendment shall be presumed to have been validly adopted. In no event shall a change of conditions or circumstances operate to amend any provisions of this Declaration.

b. **Other.** Notwithstanding any inference herein to the contrary, no amendment or modification of this Declaration shall affect or bear on the construction of Buildings within Terra Bella to the extent that such Buildings have been constructed prior to the adoption of such modifications or other amendment to the Design Documents; but such modifications and changes shall be effective with respect to any alterations or other additions to Buildings constructed after the date of such amendments or modifications to this Declaration. Amendments and modifications to this Declaration shall be effective with respect to any conduct within Terra Bella, or use of Lots, made after the date of such amendment or modification including without limitation thereto any such conduct or use occurring prior to such amendment or modification, and whether or not such conduct or use is continuing at the time of such amendment or modification. Notwithstanding anything to the contrary contained herein, Developer, the Design Review Board or a Board of Directors of an Association, as applicable, may require an Owner to conform any nonconforming use to current standards and guidelines if the cost of such conformance does not exceed \$5,000.00.

Section 22.7 Validity. If an Owner consents to any amendment to this Declaration or its applicable Bylaws, it will be conclusively presumed that such Owner has the authority so to consent, and no contrary provision in any Mortgage or contract between the Owner and a third party will affect the validity of such amendment.

Section 22.8 Effect on Rights or Privileges. No amendment may, directly or indirectly, remove, revoke, or modify the status, or any right or privilege, of the Joint Committee, Developer or the Class "B" Member without the written consent of the Joint Committee, Developer or the Class "B" Member, respectively (or the assignee of such right or privilege).

Section 22.9 Exhibits. Exhibits "A", "B", "B-1", "B-2", "C-1", "C-2", "D" and Appendix "A", Definitions, attached to this Declaration are incorporated herein by this reference and any amendment to such exhibits shall be governed by this Article, except as otherwise specifically

provided in this Declaration. All other exhibits are attached for informational purposes and may be amended as provided therein or in the provisions of this Declaration which refer to such exhibits.

Section 22.10 Duration; Termination. The Reservations and all other terms and provisions contained in this Declaration shall run with and bind Terra Bella and shall inure to the benefit of and be enforceable by Developer, the Associations, and all Owners of property within Terra Bella, their respective legal representatives, heirs, successors or assigns for twenty years, and shall be automatically extended for succeeding ten (10) year periods unless an instrument signed by Developer, so long as Developer owns any portion of the Property, and Owners representing ninety (90%) percent of the votes of the Members shall have been recorded agreeing to terminate the Declaration as of a specified date. This Declaration may also be terminated in any of the following ways:

a. **Unanimous Consent.** The Declaration may be terminated at any time by the consent in writing of all Owners and with the consent of the Developer, so long as Developer owns any portion of the Property.

b. **Dedication of Common Area.** The Declaration may be terminated by consent in writing by the Members representing two-thirds (2/3) of the votes in the Associations and by consent of Developer, so long as Developer owns any portion of the Property, if the Common Area have been accepted for dedication or taken by eminent domain by the appropriate Governmental Authority (except that Alleys or footpaths between two (2) Lots may be divided evenly between the adjacent Lot Owners in accordance with this Declaration).

Section 22.11 Condemnation. In accordance with Section 21.1, if all or part of the Common Area is taken or condemned by any Governmental Authority having the power of eminent domain, all compensation and damages shall be paid to the applicable Association. Its Board shall have the right to act on behalf of such Association with respect to the negotiation and litigation of the taking or condemnation affecting such property.

ARTICLE 23 MISCELLANEOUS

Section 23.1 Sales Office; Model Homes. Notwithstanding any language in this Declaration to the contrary, as long as Developer owns any Property in Terra Bella, Developer shall have the right and privilege to maintain general and sales offices in and about Terra Bella, including model homes, and to have their employees present on the premises to show property within Terra Bella, use the Common Area and, without limitation, to do any and all other things necessary or appropriate by them to sell or lease Lots, homes, or other property, all without charge or contribution to the Associations except that Developer will owe Assessments to the extent provided in Section 12.16 herein; provided, however, that such activities shall be carried on in such a manner as will not unreasonably interfere with enjoyment of the Lot(s).

Section 23.2 Interpretation. The provisions of this Declaration shall be liberally construed to effectuate their purpose of creating a uniform and consistent plan for the development and operation of Terra Bella as a TND. The captions of the various Articles, Sections and provisions in this Declaration are for convenience only and in no way define, limit, or describe the scope of this Declaration, or the intent of any provision hereof. All references to particular Sections or Articles

shall, except as otherwise expressly stated, be deemed to be references to those particular Sections or Articles of this Declaration.

Section 23.3 Use of Materials or Components. The use of any material or components as indicated within the Design Documents or this Declaration shall be solely at the risk of the Owner of a Lot and shall import no liability to the Associations, Developer or their assigns. The materials listed in the Design Documents or in this Declaration are not intended to constitute or otherwise create any representations, guarantees, or warranties to any party in relation to the structural integrity or adequacy when used for any component of Improvements to be built within Terra Bella. It shall be the responsibility of the Owner, or other proposer, when considering usage of any material on any project within Terra Bella to have an independent review and evaluation of the adequacy of any component or element contained herein to assure their acceptability for the intended end uses.

Section 23.4 No Waiver. The waiver by any party of a breach of any provision of this Declaration, the Design Documents or the Rules and Regulations of the Associations, shall not operate or be construed as a waiver of any subsequent breach of that provision by any party. Failure to enforce any provision of this Declaration, the Design Documents or the Rules and Regulations, shall not be deemed a waiver of the right to do so at any time thereafter and shall not operate or be construed as a waiver of the right to enforce such provision at a later date, even if under identical circumstances and even if involving the same parties.

Section 23.5 Notices. Any notice required to be sent to the Owner shall be deemed to have been properly sent when mailed, postage prepaid, or hand delivered to the Lot or Condominium Unit and, if different, to the last known address of the person who appears as Owner of the Lot or Condominium Unit as that address is stated on the records of its Association, as described in Section 17.6, at the time of the mailing. The date of mailing shall be deemed the date of giving of notice, except that the date of actual receipt shall be the date of the giving of any notice of change of address.

Section 23.6 Gender; Number. The use of the masculine gender in this Declaration shall be deemed to include the feminine, or neuter, and the singular shall include the plural, wherever the context so requires.

Section 23.7 Governing Law. This Declaration shall be governed by and construed in accordance with the laws of the State of Louisiana.

Section 23.8 Severability. If any one or more of the provisions (or any part thereof) of this Declaration, the Design Documents or of the Rules and Regulations of the Associations, shall be held invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions (or any part thereof) shall not in any way be affected or impaired thereby, and the balance of this Declaration, the Design Documents and the Rules and Regulations shall remain in full force and effect. If any provision, or subpart of a provision, of this Declaration is for any reason and at any time determined to be invalid, illegal or unenforceable (a) it is expressly stated that such determination shall be applicable only to the parties involved in the arbitration or court proceeding in which such determination has been rendered, and then only to the particular facts and circumstances presented to the arbitrator(s) or court; (b) where a provision is determined to be invalid, illegal or unenforceable because it is determined to be excessively broad, the court or arbitrator(s) making that determination are requested and authorized, where

reasonably possible, to reform the subject provision by declaring it limited and reduced to make it compatible with applicable law; and (c) the court or arbitrator(s) making that determination are requested and authorized, where reasonably possible, to declare that provision or subpart reformed so as to eliminate only the portion of same which is determined to be invalid, illegal or otherwise unenforceable, so that the balance of said provision is allowed to remain in full force and effect.

Section 23.9 Owner's Acceptance. By accepting title to any of the Lots or Condominium Units or other property included now, or in the future, within Terra Bella, each Owner agrees that he accepts title to said Lot, Condominium Unit or other property subject to the terms, provisions and acknowledges of: (a) this Declaration, (b) the Design Documents, (c) any Rules and Regulations of the Associations that may be subsequently adopted, from time to time, by the Associations or their Boards, and all modifications thereto, and (d) any future amendments to this Declaration and/or the Design Documents adopted pursuant to the terms and provisions of this Declaration.

[signature page follows]

EXECUTED by Developer as of the date and year first above written, in the presence of the undersigned competent witnesses and Notary Public.

WITNESSES:

DEVELOPER:

TERRA BELLA GROUP, L.L.C.

BY: _____
RANDALL C. MEYER

BY: _____
STEPHEN L. TUJAGUE

NOTARY PUBLIC

Printed Name: _____

Notary Identification No. or Bar Roll No.: _____

My Commission expires: _____

EXHIBIT "A"
DESCRIPTION OF PROPERTY

PARCEL 1 LOCATED SOUTH OF SOAP AND TALLOW CREEK

ALL THAT CERTAIN PIECE OR PORTION OF GROUND, together with all the buildings and improvements thereon, and all the rights, ways, means, privileges, servitudes, prescriptions, appurtenances and advantages thereunto belonging or in any wise appertaining, situated in Section 31, Township 6 South, Range 11 East, Section 39, Township 6 South, Range 11 East, Section 37, Township 6 South, Range 10 East, Section 45, Township 7 South, Range 10 East, and Section 46, Township 7 South, Range 11 East, St. Tammany Parish, Louisiana and being more fully described on the current survey and property description of Randall W. Brown & Associates, Inc. dated February 21, 2006, revised April 17, 2006, Survey No. 06102, as follows, to-wit:

Commence from the Northwest corner of Section 37, Township 6 South, Range 10 East and go North 89 degrees 39 minutes 45 seconds East, a distance of 655.75 feet; thence go South 00 degrees, 26 minutes 25 seconds East, a distance of 2047.81 feet; thence go South 03 degrees 20 minutes 36 seconds East, a distance of 57.20 feet, thence go South 10 degrees 58 minutes 07 seconds East a distance of 67.40 feet, thence go South 13 degrees 45 minutes 44 seconds East, a distance of 445.42 feet; thence go South 14 degrees 54 minutes 31 seconds East, a distance of 127.78 feet to a point on the centerline of the Soap and Tallow Branch also the POINT OF BEGINNING.

From the POINT OF BEGINNING go South 14 degrees 54 minutes 31 seconds East 44.55 feet to a point; thence go South 15 degrees 19 minutes 11 seconds East 1079.89 feet; thence South 17 degrees 56 minutes 56 seconds East 208.91 feet; thence South 19 degrees 16 minutes and 29 seconds East 993.85 feet to a point on the north side of Louisiana Highway 1085; thence go along the north side of Louisiana Highway 1085 North 80 degrees 21 minutes 10 seconds East 1311.55 feet; thence North 80 degrees 12 minutes 33 seconds East 640.41 feet; thence North 80 degrees 16 minutes 31 seconds East 1632.13 feet to the easterly side of a CLECO power line right of way; thence leaving Bricker Road go North 40 degrees 01 minutes 58 seconds East 1636.73 feet to a point on the right descending bank of the Tchefuncta River, said point being marked AA@; thence recommence at the Point of Beginning and go in an easterly direction along the centerline of the Soap and Tallow Branch downstream 3302 feet, more or less, to a point marked AB@ on the right descending bank of the Tchefuncta River; thence go downstream along the right descending bank of the Tchefuncta River 5055 feet, more or less, to the point marked AA@ on the right descending bank of the Tchefuncta River.

Also included is all of the right, title and interest in and to the bed and bank

of the Tchefuncta River adjacent to the Tchefuncta River.

LESS AND EXCEPT THE FOLLOWING PARCEL:

ALL THAT CERTAIN PIECE OR PORTION OF GROUND, together with all the buildings and improvements thereon, and all the rights, ways, means, privileges, servitudes, prescriptions, appurtenances and advantages thereunto belonging or in any wise appertaining, situated in Section 46, Township 7 South, Range 11 East, St. Tammany Parish, Louisiana and being more fully described on the current survey and property description of Randall W. Brown & Associates, Inc. dated February 21, 2006, revised April 17, 2006, Survey No. 06102, as follows, to-wit:

Commence from the Northwest corner of Section 37, Township 6 South, Range 10 East and go North 89 degrees 39 minutes 45 seconds East, a distance of 655.75 feet; thence go South 00 degrees, 26 minutes 25 seconds East, a distance of 2047.81 feet; thence go South 03 degrees 20 minutes 36 seconds East, a distance of 57.20 feet, thence go South 10 degrees 58 minutes 07 seconds East a distance of 67.40 feet, thence go South 13 degrees 45 minutes 44 seconds East, a distance of 445.42 feet; thence go South 14 degrees 54 minutes 31 seconds East, a distance of 172.33 feet; thence go South 15 degrees 19 minutes 11 seconds East; a distance of 1079.89 feet; thence go South 17 degrees 56 minutes 56 seconds East, a distance of 208.91 feet; thence go South 19 degrees 16 minutes and 29 seconds East, a distance of 993.85 feet to a point on the north side of Louisiana Highway 1085; thence go along the north side of Louisiana Highway 1085 North 80 degrees 21 minutes 10 seconds East, a distance of 1311.55 feet; thence go North 80 degrees 12 minutes 33 seconds East, a distance of 640.41 feet to a point on the north side of Bricker Road; thence go along the north side of Bricker Road North 80 degrees 16 minutes 31 seconds East, a distance of 1384.33 feet to the easterly side of a 40 foot servitude of access; thence leaving Bricker Road go along the easterly side of a 40 foot servitude of access North 09 degrees 46 minutes 09 seconds West, a distance of 730.46 feet (North 09 degrees 19 minutes West 752 feet B TITLE) to the POINT OF BEGINNING:

From the POINT OF BEGINNING go North 09 degrees 46 minutes 09 seconds West, a distance of 361.50 feet (North 09 degrees 19 minutes West B TITLE); thence go North 80 degrees 21 minutes 27 seconds East, a distance of 361.50 feet (North 80 degrees 41 minutes East B TITLE); thence go South 09 degrees 46 minutes 09 seconds East, a distance of 361.50 feet (South 09 degrees 19 minutes East B TITLE); thence go South 80 degrees 21 minutes 27 seconds West, a distance of 361.50 feet (South 80 degrees 41 minutes West B TITLE) back to the Point of Beginning.

Said parcel of land contains 3.0 acres more or less

PARCEL 2 LOCATED NORTH OF SOAP AND TALLOW CREEK:

ALL THAT CERTAIN PIECE OR PORTION OF GROUND together with all the buildings and improvements thereon, and all the rights, ways, means, privileges, servitudes, prescriptions, appurtenances and advantages thereunto belonging or in any wise appertaining situated in Section 31, Township 6 South - Range 11 East, Section 37, Township 6 South - Range 10 East, Section 45, Township 7 South - Range 10 East, St. Tammany Parish, Louisiana, and being more fully described on the current survey of Randall W. Brown & Associates, Inc. dated February 21, 2006, revised April 17, 2006, Survey No. 06102, a copy of which is attached hereto and made a part hereof as follows, to-wit:

All that certain parcel of ground situated in Section 31, Township 6 South - Range 11 East, Section 37, Township 6 South - Range 10 East, Section 45, Township 7 South - Range 10 East, St. Tammany Parish, Louisiana, and being more fully described as follows:

Commence from the Northwest corner of Section 37, Township 6 South, Range 10 East, thence go North 89 degrees 39 minutes 45 seconds East, a distance of 665.75 feet to the East right-of-way of Rousseau Road said point being the Point of Beginning:

From the Point of Beginning and leaving said right-of-way run North 89 degrees 39 minutes 45 seconds East, a distance of 1513.72 feet to a point on the right descending bank of the Tchefuncta River; thence go along the right descending bank of the Tchefuncta River in a Southerly direction a distance of 3900 feet to a point being in the centerline of Soap and Tallow Creek; thence leaving said right descending bank of the Tchefuncta River and running in an westerly direction along said centerline of Soap and Tallow Creek for a distance of 3302 feet to a Point on the East right-of-way of Rousseau Road; thence leaving said centerline of Soap and Tallow Creek and running along said right-of-way of Rousseau Road North 14 degrees 54 minutes 31 seconds West for a distance of 127.78 feet to a point; thence run North 13 degrees 45 minutes 44 seconds West for a distance of 445.42 feet to a point; thence run North 10 degrees 58 minutes 07 seconds West for a distance of 67.40 feet to a point; thence run North 03 degrees 20 minutes 36 seconds West for a distance of 57.20 feet to a point; thence run North 00 degrees 26 minutes 25 seconds West for a distance of 2047.81 feet back to the Point of Beginning.

Said parcel contains 133.55 acres of land more or less

Also included is all of the right, title and interest in and to the bed and bank of the Tchefuncta River adjacent to the Tchefuncta River.

EXHIBIT "B-1"
RESTATED ARTICLES OF INCORPORATION
OF THE RESIDENTIAL OWNER'S ASSOCIATION

EXHIBIT "B-2"

**RESTATED ARTICLES OF INCORPORATION
OF THE COMMERCIAL OWNER'S ASSOCIATION**

EXHIBIT "C-1"
BYLAWS OF THE RESIDENTIAL ASSOCIATION

EXHIBIT "C-2"
BYLAWS OF THE COMMERCIAL ASSOCIATION

EXHIBIT "D"
ARCHITECTURAL STANDARDS AND ARCHITECTURAL TYPOLOGIES

[See Drawings on Terra Bella Website]

APPENDIX A DEFINITIONS

“Alley or “Alleyway”: A vehicular passageway designed to provide secondary and/or service access to the rear of Lots. Each Alley or Alley-way is shown on the final subdivision plat for each phase of the subdivision recorded in the map file records of St. Tammany Parish Zoning.

“Alley-Loaded Lot”: A Lot which is bordered on its rear or side (which is opposite a boundary of the Lot facing a Street) by an Alley.

“Apartment”: A Multi-Family Dwelling not coinciding with an individual Lot such that the Lot is occupied by multiple residential units.

“Architectural Standards”: Standards that define, identify and discuss the various elements within the Property and the selected Architectural Typology and styles, as set forth in Article 8 and in the Design Code.

“Architectural Typology” or “Architectural Typologies”: Images and text that define major features and principle sub-types of each architectural style, described in Article 8 and in the Design Code.

“Articles of Incorporation” or “Articles” or “Restated Articles of Incorporation”: The Articles of Incorporation of an Association, as filed with the Secretary of State for the State of Louisiana, as amended and/or restated from time to time, copies of which are attached hereto as Exhibit “B-1” and “B-2”.

“Artisanal Use”: Premises used for the manufacture and sale of artifacts employing only hand-work and/or table-mounted electric tools creating none of the adverse impact listed under light industrial use.

“Assessment Lien”: The lien held by the Associations to secure the payment of their Assessments and other charges, as described in Section 12.17.

“Assessments”: Assessments levied on all Lots and Condominium Units subject to assessment under Article 12 to fund Common Expenses for the general benefit of all Lots and Condominium Units, as determined in accordance with Section 12.3. Assessments include the following charges:

a. General Assessment. The amount assessed to, and due from, all Members of the Association to meet the Association’s annual budgeted expenses and cash requirements, as described in Sections 12.3 and 12.4.

b. Neighborhood Assessment. An amount assessed to, and due from, each Owner of a Lot or Condominium Unit within a Neighborhood for special services or capital improvements within a Neighborhood, as discussed in Section 12.9.

c. Individual Lot Assessment. An amount assessed to and due from, an Owner of a particular Lot or Condominium Unit for charges relating only to that Lot or Condominium Unit, as provided in Section 12.12.

d. Service Area Assessment. Assessments levied against the Lots or Condominium Units in a particular Service Area to fund Service Area Expenses, as described in Section 12.6.

e. Special Assessment. An amount assessed to, and due from, each Owner of a Lot or Condominium Unit within a Neighborhood for capital improvements or emergency expenses, in accordance with the provisions of Section 12.10.

f. Specific Assessment. Assessments levied in accordance with Section 12.11.

“Association”: When referred to herein and unless the context so requires, Association shall individually mean the Residential Association or the Commercial Association and shall collectively mean the Residential Association and the Commercial Association, as the entities who are responsible for maintaining their respective portions of the Property in Terra Bella and enforcing this Declaration in accordance with the terms and provisions herein.

“Attic”: The storage area within the pitch of a roof. An attic shall not count against the story height of a structure.

“Automotive Use”: The selling, servicing, and/or repairing of motorized wheeled vehicles.

“Auxiliary Structure”: Buildings used for uses other than housing, including without limitation, greenhouses, detached garage, garden structures, cabanas, pool house, and sheds. The architectural character of the Auxiliary Structure shall match that of the principal structure.

“BTL”: Built-to-line.

“Back Lane”: A type of Street Section within Terra Bella, as described in the Design Code.

“Balustrade”: An entire railing system along the edge of a balcony, including a top rail and its balusters and, at times, a bottom rail.

“Bay”: A part of a Building that is marked-off by vertical elements.

“Bay Window”: A recessed or opening in a wall, or an extension of a Building wing.

“Bed Room”: A room in a Dwelling or Apartment. For the purpose of calculating off-street parking requirements, rooms such as studies, dens, and libraries shall be considered a Bed Room if they have an adjacent or adjoining bathroom.

“Bikeways”: Thoroughfares dedicated specifically to, or available for, bicycle use. The general network of thoroughfares, if correctly dimensioned, is generally usable by cyclists sharing lanes with motor vehicles moving slowly. Specialized accommodation is required only where the speed of traffic precludes sharing.

“Block”: The aggregate of Lots and Alleys circumscribed by public use tracks, generally Streets.

“Board of Directors” or “Board”: The body responsible for administration of an Association, selected as provided in the Bylaws of an Association and possessing all the powers as a board of directors generally possesses under Louisiana corporate law.

“Boulevard” or “Avenue”: A long-distance, free movement thoroughfare traversing an urbanized area. Also, a type of Street Section within Terra Bella, as described in the Design Code. Avenues and boulevards generally serve multiple land uses and have center medians, Street trees, sidewalks, parallel parking, and planters buffering the Buildings along the sides.

“Builder”: Any Person which purchases one (1) or more Lots for the purpose of constructing Improvements for later sale to consumers on parcels of land within the Property for further subdivision, development, and/or resale in the ordinary course of such Person’s business.

“Building”: Any Dwelling or other structure constructed on any Lot. If permitted by the Design Code and approved by the Design Review Board, a Building may be attached to another Building and share party walls.

“Building Cover”: The horizontal land area occupied by a Building at finished grade, excluding open Porches, Loggia, projections, and overhangs of less than two (2’) feet.

“Building Type Guidelines”: Plats that provide a plan view of each Building type on each Lot width within each Village Zone.

“Bus Network”: A plat of the gridded, Street system that consists of the bus route within the Property, as set forth in the Design Code.

“Business”: Any of the following uses: commercial uses, retail, professional or commercial office, public and/or private school, conference center, wholesale business, service, such as gas stations, or small, light manufacturing not imposing noxious environmental impact (e.g. noise, smoke, odor, dust, vibration, or glare).

“Bylaws”: The Bylaws of an Association, copies of which are attached hereto as Exhibits “C-1” and “C-2”, respectively, as they may be amended from time to time.

“Chamfered”: A right angle corner cut symmetrically at forty-five (45) degrees.

“Civic Building Reservation”: The systematic reservation of sites for civic Buildings. Civic sites should be associated with honored locations at plazas or Squares, or at the terminations of vistas.

“Civic Uses”: Premises used by organizations considered to support the common good and therefore accorded special treatment within TNDs. Civic Uses include educational, cultural, social, service, and religious not-for-profit organizations.

“Cladding”: Exterior surface material of a Building.

“Clapboard Siding”: A siding commonly used as an exterior covering on a Building of frame construction applied horizontally and overlapped with the grain running lengthwise which is thicker along the lower edge than along the upper edge.

“Class “B” Control Period”: The period of time during which the Class “B” Member is entitled to appoint a majority of the Board of Directors, as set forth in the Bylaws, and such other rights as described herein, more particularly described in Section 10.14, subparagraph c.

“Classical Proportions”: A series of ratios developed over the course of centuries and believed to result in pleasing proportions for Buildings and Building elements. Based on Greek and Roman principles, various systems for Classical Proportions were developed and modified through the centuries.

“Classical Orders”: The design of systems of columns and Cornices derived from Ancient Roman and Greek precedence defined by the trivialis and modified by the ages by Italian, French, and English architects. This system of columns controls the dimensions of the Cornices they carry. Columns within Terra Bella are based upon Claude Perrault’s ordinance of the five (5) types of columns: Tuscan, Doric, Ionic, Corinthian, and Composite.

“Coffee House”: A restaurant with no more than forty (40) seats or no more than six (6) full-time equivalent employees and which is open for business not more than fourteen (14) hours per day.

“Colonnade”: A roofed structure supported by columns.

“Commercial Association”: Terra Bella Commercial Owners Association, Inc., a Louisiana not-for-profit corporation, its successors and assigns, whose members are the Owners, and who is responsible for maintaining the Common Area of those portions of the Property in Terra Bella designated as commercial on the Zoning Plan and enforcing this Declaration in accordance with the terms and provisions herein, as more fully described in Section 10.3 herein. The Commercial Association may also serve as a merchant’s association as set forth in Section 10.3 herein.

“Commercial Street”: A Street appropriate for commercial Buildings at center and core zones. Trees are confined by individual planters, creating a sidewalk of maximum width, with areas accommodating Street furniture. Also, a type of Street Section within Terra Bella, as described in the Design Code.

“Commercial Use”: A general category of Building use which includes office, retail and manufacturing uses but excludes residential, lodging, and civic uses.

“Common Area”: All immovable property within Terra Bella (including, without limitation, all real rights, streets, right-of-ways and servitudes), which is not dedicated to the public, is designated for the common use and enjoyment of all Owners, which is the responsibility of an Association, and which the applicable Association owns, leases or otherwise holds possessory or use rights in for the common use and enjoyment of the Owners. Common Area shall also include any Improvements on that immovable property, all servitudes and personal property for the Owners’ common use, and any other property of any type specifically designated as Common Area. The term shall include the Exclusive Common Area, as defined below. The Common Area shall not be dedicated for use by the general public, except as set forth in this Declaration.

“Common Expenses”: The expenses incurred or anticipated to be incurred by the Associations for the general benefit of all Lots or Condominium Units, including any reasonable reserves, as their Boards may find necessary and appropriate pursuant to this Declaration, the applicable Bylaws, and the applicable Articles of Incorporation. Common Expenses shall not include any expenses incurred during the Class “B” Control Period for initial development, original construction, installation of infrastructure, original capital improvements, or other original construction costs unless approved by Voting Members representing a majority of the total Class “A” votes and by Developer, as long as Developer owns any Lots or Condominium Units. Common Expenses shall include Service Area Expenses.

“Common Roads”: The Streets and Roads located within Terra Bella which are intended for automobile traffic. Common Roads are part of the Common Area. Title to servitudes in the Common Roads may be granted, transferred and sold to the Association. Common Roads may also be dedicated, partially or in their entirety, to the Parish of St. Tammany, Louisiana by Developer or an Association. Unless otherwise indicated, Common Roads includes Streets and Roads/Parkways.

“Community”: The Subdivision of Terra Bella inclusive of the Property.

“Community Meeting”: The annual meeting of the Members as described in Section 17.3.

“Community-Wide Standard”: The standard of conduct, maintenance, or other activity generally prevailing throughout the Property, which shall not be lower than the standards established by the Joint Committee, for all Property within Terra Bella. Such standard is expected to evolve over time as development progresses and may be more specifically determined by the Board of Directors, Developer, the Design Review Board, and the board of directors of the Joint Committee.

“Condominium Unit”: A commercial or residential ownership under the provisions of LSARS 9:1121.101 et seq. for residential or commercial space upon a Lot or parcel of land. To be entitled

to vote as a member of the Association, a Condominium Unit must have not less than 750 square feet of heated and cooled area within the Condominium Unit.

“Corinthian”: The most ornate of the three (3) classical orders of architecture marked by a slender fluted column having an ornate bell-shaped capital decorated with acanthus leaves.

“Corner Lot”: A Lot situated at the juncture of two (2) or more Streets.

“Cornice”: An ornamental molding at the meeting of the roof and wall, usually consisting of bed molding, soffit fascia and crown molding.

“Cottage House”: A relatively small one- or one-and-a-half Story single-family detached house on a small Lot, usually with rear-loaded parking. Cottage houses can be grouped, facing a mews, small Common Area or Green in a court. A cottage court is often, but not always, arranged in a U-shape. Lots are separated from the Common Area only by a sidewalk, path or non-vehicular way. Parking is from rear lanes, Alleys, or in a common, rear-loaded lot.

“Courtyard”: An open space surrounded by walls and Buildings measuring twelve (12') feet at its minimum depth.

“Courtyard Apartment Building”: A pedestrian-oriented equivalent to conventional garden Apartments, either for rent or for sale. A Courtyard Apartment Building is three (3) or more Stories, and can be combined with non-residential uses on the ground floor. The Building can be configured in a U-shape or open square, with parking integral to the Building, below grade, or in an open Lot to the rear. The Courtyard Apartment Building has a relatively shallow Setback from the Street; in the town center or urban locations, the structure is built to the sidewalk edge and, to provide privacy and a sense of security, the first living floor is elevated significantly above grade.

“Curb Radius”: The curved edge of the Street at an intersection measured at the inner edge of the parking lane.

“Deck”: Any wooden platform without a solid roof structure.

“Declarant”: Terra Bella Group, L.L.C., a Louisiana limited liability company, and its successors and assigns. A Person shall be deemed a successor and/or assign of Declarant only if such Person is specifically designated in a duly recorded instrument as a successor and assign of Declarant under this Declaration, and shall be deemed a successor and assign of Declarant only as to the particular rights or interests of Declarant under this Declaration which are specifically designated by Declarant in such written instrument. However, a successor to Declarant by consolidation or merger shall automatically be deemed a successor or assign of Declarant under this Declaration.

“Dentil”: One of a series of small rectangular blocks forming an architectural molding or projecting beneath a Cornice.

“Design Code”: The document titled Terra Bella Design Code, prepared by Architects Southwest, as the same may be amended or modified from time to time pursuant to the terms of the Declaration.

The initial Design Code is by this reference incorporated herein and made a part hereof.

“Design Documents”: The Design Code, Architectural Standards, and Landscape Code as set forth in Section 8.5.

“Design Review Board”: The panel established by Section 8.4 of this Declaration.

“Developable Land”: All of the real property described on Exhibit “A” to this Declaration, as it may be amended, whether or not the same has been subjected to this Declaration, exclusive of any wetlands, bodies of water, and property subject to conservation servitudes or similar servitudes requiring that it be maintained in its natural state.

“Developer”: Terra Bella Group, L.L.C., a Louisiana limited liability company, sometimes referred to herein as the Declarant, and an assignee of specific developer rights from the Developer.

“Development Right”: Any right of Developer as set forth in Article 5 of this Declaration.

“Doric”: The column and entablature developed by the Dorian Greeks, sturdy in proportion with a simple cushion capital.

“Dormers”: A structure projecting from a sloping roof usually housing a window or ventilating louver.

“Drive”: A special traditional thoroughfare serving pedestrian mobility, similar to a Street, with developed, urban character on one (1) side and natural area on the other side (such as a playa, wetland or wooded area). Auto mobility is secondary.

“Driveway”: A vehicular access way within a private Lot connecting a Garage to a thoroughfare.

“Dwelling”: Any complete Building designed or intended for use and occupancy as a residence by a Single Family Unit.

“Eave”: The lowest overhanging part of a sloping roof.

“Edge House”: A large single-family detached house designed for an edge or Boulevard condition, often with front loaded parking. As with the Neighborhood House, the Garage, attached or detached, is set well back from the front façade.

“Exclusive Common Area”: A portion of the Common Area intended for the exclusive use or primary benefit of one (1) or more, but less than all, Lots, as more particularly described in Article 14.

“Fascia”: The wall of a Building parallel to and corresponding to a Frontage Line.

“Fence”: A closure of front, side or rear yard area on a Lot, measuring three (3’) feet, six (6”) inches high.

“Footprint”: The total area of a structure as measured at the ground level. When enclosed space is located above a Porch or cantilevered out from the lower floor, the Footprint of heated and cooled space shall include the enclosed space on the upper level.

“Freeze”: A plain or decorated horizontal part of an entablature between the architrave and Cornice.

“Frontage Line”: The Lot line which coincides with the Street track.

“Gable”: The vertical triangular portion of the end of a Building having a double sloping roof from the level of the Cornice or Eaves to the ridge of the roof.

“Garage”: An enclosed structure to shelter automobiles with a maximum door opening height of ten (10') feet.

“Garden Structure”: Pavilions, gazebos, harbors, Pergolas, and other similar structures no more than one (1) Story in height.

“Garden Wall”: A seven (7') foot high closure of a side or rear yard area constructed with masonry or stucco.

“Governing Documents”: This Declaration, any applicable Supplemental Declaration, the Design Code, the Bylaws of each Association, the Articles of Incorporation and/or Restated Articles of Incorporation of each Association, the Use Restrictions and Rules, and the Rules and Regulations of the Associations, as they may be amended from time to time, as more particularly described in Section 2.3 of this Declaration.

“Governmental Authority”: (i) The United States of America, (ii) the State of Louisiana, (iii) any other State of the United States of America, (iv) any political subdivision of any of the foregoing, (v) any agency, department, commission, board or bureau of any of the foregoing, and (vi) any parish, municipality, tribunal, instrumentality or court having jurisdiction over Terra Bella or any of the uses that may be made of Lots or other portions of Terra Bella.

“Green”: A medium-sized public space available for unstructured recreation, circumscribed by Building facades, its landscape consisting of grassy areas and trees, naturalistically disposed and requiring only limited maintenance. Green could include any amenities that support any intended recreational use.

“Green Street”: A type of Street Section within Terra Bella, as described in the Design Code. Green Streets have added separation via wider planting strips.

“Hipped Roof”: A roof which slopes upward from all four (4) sides of a Building requiring a hip rafter at each corner.

“Home Office”: Premises located within the Property used for the transaction of business or the provision of professional services employing no more than four (4) full-time employees, one (1) of whom must be the Owner of the Lot or Condominium Unit on which the Home Office is located, or the tenant of said Owner, conducted in accordance with the terms and provisions of this Declaration and the Design Code.

“Improvement”: Every structure and all appurtenances thereto of every type and kind, including but not limited to, Dwellings, Buildings, Outbuildings, Patios, tennis courts, swimming pools, Garages, Driveways, sidewalks, walkways, Fences, walls, garden walls, gates, screening walls, Terraces, retaining walls, Stairs, Decks, exterior air conditioning and heating units, pumps, wells, tanks and reservoirs, pipes, lines, cables, meters, towers, antennae, equipment and facilities used in connection with water, sewer, gas, electric, telephone, television or other utilities or services, and any other construction which in any way alters the exterior appearance of any Improvement; provided, however, that Improvement shall not include pipes, lines, cables, meters, equipment and facilities in connection with water, sewer, drainage, gas, electric, telephone, television or other utilities or service provider in favor of whom a utility or drainage servitude has been expressly established and granted herein.

“Institute”: The body responsible for promoting and encouraging the arts, cultural events, community events and charitable activities within Terra Bella, as set forth in Section 10.28 herein.

“Institute Board”: The Board of Directors of the Institute.

“Ionic”: The classical order of architecture designated by the Ionic Greeks, characterized by its capital with large volutes. Common features are a fasciated entablature, continuous Freeze, usually Dentils in the Cornice, elegant detailing, and less heavy than Doric.

“Joint Committee”: Terra Bella Joint Committee, as described in Section 10.6.

“Landscape Code”: That portion of the Design Code designated as Landscape Regulations or Landscape Standards, to be added to the Design Code by amendment at a later date.

“Landscape Standards”: Standards which describe landscape options and requirements that will be applied to the Common Area and private areas within the Property, to be added to the Design Code by amendment at a later date.

“Large Street”: A type of Street Section within Terra Bella, as described in the Design Code.

“Leasing”: The regular, exclusive occupancy of a Lot, Condominium Unit, or garage apartment, by any person, other than the Owner, for which the Owner receives any consideration or benefit, including, but not limited to, a fee, service gratuity, or emolument.

“Light”: An aperture through which daylight is admitted into the interior of a Building, such as a pane of glass, a window, or compartment of a window.

“Live Work Unit”: A fully residential/commercial mixed-use Building type with one (1) Dwelling

above or behind a commercial space.

“Lodging Limited”: Premises of no more than eight (8) rooms for short term letting and providing food services before noon (12:00, or twelve o’clock, P.M.) only.

“Lodging Use”: Buildings providing food services and rooms for short term letting.

“Loggia”: A roofed but open Gallery or arcade along the front or side of a Building often at an upper level.

“Lot”: The smallest parcel of land which is separately platted and may be separately conveyed containing a use, held privately. Lots are designated as numbered, separately identifiable parcels on the subdivision plats filed by the Developer for Terra Bella Subdivision in the records of St. Tammany Parish, Louisiana. Developer may redefine Lots by combining Lots or portions of Lots and by adjusting the boundary of a Lot. Special Use Parcels shall be considered Lot. A Commercial Lot subject to assessment may be assessed based on the square footage of the building or Condominium Unit constructed upon a Lot.

“Lot Line”: The boundaries that legally and geometrically demarcate the edges of Lots held in private ownership and intended primarily for the construction of Buildings.

“Lot Width”: The dimension of the Frontage Line (the Lot boundary that coincides with the principal fronting thoroughfare).

“Main Body”: The largest part of the front Fascia. It includes the front door of the house.

“Main Street”: A type of Street Section within Terra Bella, as described in the Design Code.

“Mansion Apartment Building”: A small-scale, two- (2) or three- (3) Story Apartment Building, often with a street façade resembling a large detached house.

“Master Plan”: The land use plan for the development of Terra Bella community as a Traditional Neighborhood Development under the PUD Ordinance, which plan includes the Property described on Exhibit “A” and any other immovable property which Developer may from time to time anticipate subjecting to this Declaration. Inclusion of property on the Master Plan shall not, under any circumstances, obligate Developer to subject such property to this Declaration, nor shall the exclusion of property described on Exhibit “A” from the Master Plan bar its later annexation in accordance with Article 4.

“Meeting Hall”: A Building equipped by design for public assembly.

“Member”: A Person entitled to membership in an Association, as provided in Section 10.13. A Member shall also mean an Owner.

“Mortgage”: A mortgage, security agreement, financing agreement, assignment, deed of trust, deed to secure debt, or any other form of security instrument affecting title to a Lot or Condominium

Unit.

“Mortgagee”: An (i) institutional or governmental holder of a Mortgage which makes, holds, insures or guarantees Mortgage loans in the ordinary course of its business, (ii) any Person which holds a mortgage encumbering a Lot or Condominium Unit as collateral security for the performance of an obligation, or (iii) any Person which otherwise holds a lien or encumbrance burdening or otherwise encumbering a Lot or Condominium Unit.

“Multi-family Residential”: Any Dwelling structure consisting of more than one (1) Dwelling unit.

“Muntin”: A secondary framing member to hold panes within a window, window wall, or glazed door.

“Narrow Street”: A type of Street Section within Terra Bella, as described in the Design Code.

“Natural Area”: Waterways, wetlands, and nature preserves to be preserved and perpetuated.

“Neighborhood”: A portion or portions of the Property within a Village, as described in Section 10.15.

“Neighborhood House”: A two- (2) story single-family detached house relatively close to the Street with attached, detached, or open parking, whether rear-loaded or not, set well back from the façade.

“Neighborhood Proper”: The built-up area of a TND including Blocks, Streets, Squares, and Parks.

“Office (Home)”: Premises used for the transaction of business or the provision of professional services employing no more than four (4) full-time employees, one (1) of whom must be the principal owner, renter, or occupant.

“Office (Corporate Use)”: Premises used for the transaction of business or the provision of professional services with a maximum Building Footprint of 25,000 square feet and a maximum of three (3) Stories in height.

“Office (Limited)”: Premises used for the transaction of business or the supply of professional services employing no more than eight (8) employees at any time.

“Ogee Gutters”: A double curve formed by a union of a convex and concave line resembling an S-shape.

“One-Story Dwelling”: A structure whose maximum height is no greater than thirty-five (35) feet above the center of the Street in front of a Dwelling.

“Open Space”: Area free of Buildings that, together with a well-designed system of thoroughfares, provides a public realm at all scales of urbanism, from the region to the Block.

“Open Space Network”: A plat that delineates the Common Area within the Property and identifies

planned amenities.

“Out Building or Outbuilding”: A separate Building additional to the principal Building, continuous with the rear Lot Line of a maximum of two (2) Stories, and having a maximum Building Footprint of 550 square feet. Outbuildings do not count against maximum Building cover restrictions or Lot counts.

“Out Looker”: A member which projects and supports that part of the roof construction beyond the face of a Gable.

“Overhead Connector”: A walk, Deck, or similar structure that connects a Dwelling with an Outbuilding or Garden Structure at any level other than the first floor.

“Owner”: One (1) or more Persons who hold the record title to any Lot or Condominium Unit, but excluding in all cases any Person (i) holding an interest merely as security for the performance of an obligation, or (ii) holding a mortgage, lien or other encumbrance burdening or encumbering any Lot or Condominium Unit. An Owner shall also mean a Member.

“Park”: An outdoor public tract naturalistically landscaped, not more than ten (10%) percent paved and surrounded by the Frontage Line of Lots on at least fifty (50%) percent of its perimeter. Parks may contain wetlands and could include any amenities that support any intended recreational use.

“Park Drive (One Way)”: A type of Street Section within Terra Bella, as described in the Design Code.

“Park Drive (Two Way)”: A type of Street Section within Terra Bella, as described in the Design Code.

“Patio”: A hard-surfaced area without a solid roof structure.

“Pedestrian Walkways”: A plat which depicts Pedestrian Walkways, as set forth in the Design Code.

“Pediment”: A wide, low pitched Gable surrounding the Fascia of a Grecian-styled Building.

“Pergola”: An open aired Garden Structure with a trellis roof.

“Person”: Any natural person, corporation, limited liability company, partnership, trustee, joint venture, association, joint stock company, trust, unincorporated organization, Governmental Authority, government or any agency or political subdivision thereof, or any other form of entity.

“Phasing Plan”: A plan that indicates the planned development sequence of the Property.

“Porch, Gallery, or Veranda”: A covered outdoor area attached to a Dwelling.

“Portal”: A large and imposing doorway entrance or gate.

“Portico”: A walkway or Porch with a roof supported by columns, often at the entrance of a Building.

“Preserve”: A designation applied to areas intended never to be urbanized.

“Primary Residence”: The primary Dwelling structure on a Lot.

“Privacy Fence”: A garden wall approval by the design Review Board.

“Private”: That which is neither public nor civic.

“Private Amenities”: Certain real property and any Improvements and facilities thereon located adjacent to, in the vicinity of, or within the Property, which are privately owned and operated by Persons other than an Association for recreational and related purposes, on a club membership basis, use fee basis, or otherwise.

“Property”: The real property described in **Exhibit “A”**, together with such additional property as is subjected to this Declaration in accordance with Article 4.

“PUD Ordinance”: The planned unit development zoning assigned by St. Tammany Parish for Terra Bella Subdivision as set forth in Ordinance Calendar Series 05-1105 adopted by St. Tammany Parish on May 5, 2005, as amended.

“Raised Basement”: A semi-underground storage serving to raise the principal floor level no more than five (5) feet above the sidewalk. A Raised Basement shall not count against the Story height limitations.

“Reservations” shall have the meaning set forth in Section 2.2.

“Reserve”: A designation applied to areas intended for temporary preservation until release for urbanization. A release is the process of redesignating reserved land for urbanization according to established criteria.

“Residential Association”: Terra Bella Residential Owners Association, Inc., a Louisiana not-for-profit corporation, its successors and assigns, whose members are the Owners, and who is responsible for maintaining the Common Area of those portions of the Property in Terra Bella designated as residential on the Zoning Plan and enforcing this Declaration in accordance with the terms and provisions herein, as more fully described in Section 10.2 herein.

“Road/Parkway”: A type of Street Section within Terra Bella, as described in the Design Code.

“Rules and Regulations”: The Rules and Regulations of an Association, as promulgated by its Board of Directors and as the same may be amended or modified from time to time, as more particularly described in its Bylaws.

“Service Area”: Two (2) or more Lots or Condominium Units to which an Exclusive Common Area

is assigned, as described in Article 14, or which receive benefits or services from the applicable Association which are not provided to all Lots or Condominium Units. A Lot or Condominium Unit may be part of more than one (1) Service Area, and Service Areas may overlap.

“Service Area Committee”: A committee established in accordance with the applicable Bylaws to act as a liaison between the applicable Board and the Owners of Lots or Condominium Units within a particular Service Area.

“Service Area Expenses”: The actual or estimated expenses incurred or anticipated to be incurred by the applicable Association for the benefit of the Owners and occupants of Lots or Condominium Units within a particular Service Area. Common Expenses shall include Service Area Expenses.

“Setback”: The placement of a Building or other structure from the property line of a Lot to the exterior of a wall. Roofs are permitted to overhang the Setback requirement by twenty-four (24”) inches except where the Setback is zero (0’) feet. Setback requirements for Building types are set forth in Article 7 of this Declaration.

“Shared Parking”: Where day, night, or weekday/holiday schedules allow for the use of parking spaces by more than one (1) user such as with meeting halls, religious Buildings, and Dwelling retail combinations.

“Side-Yard Setback”: The minimum distance from the side property line of a Lot adjacent to another Lot or public right-of-way to any part of the Dwelling or ancillary structure on the Lot.

“Single Family Dwelling”: A Dwelling consisting of one (1) Dwelling unit occupied by a Single Family unit.

“Single Family Unit”: One (1) or more persons related by blood, adoption or marriage, or not more than two (2) unrelated persons, living and cooking together as a single housekeeping unit.

“Special Use Parcel”: A Lot of unconventional size, shape, location or use which calls for special design considerations.

“Square”: An outdoor public tract spaciouly defined by its surrounding Buildings as a room that is defined by its walls, and adjacent to Streets on at least two (2) sides. Squares shall be partially paved and surrounded by shop front use or row house use Lots on at least sixty (60%) percent of its perimeter. One-third (1/3) of the sixty (60%) percent may be substituted by a natural spacial border such as a water front for at least one (1) side. Commercial uses shall be permitted on all of the surrounding Lots.

“Stairs” are for the purpose of accessing floors or levels beyond the first floor.

“Stoops” or “Steps” are for the purpose of accessing the first floor or level.

“Story”: A habitat level within a Building no more than fourteen (14’) feet in height from finished floor to finished ceiling.

“Street”: A local, slow-movement thoroughfare suitable for general, center and core zones, as shown in the Design Code. Motor vehicle mobility is vital, but subordinate to pedestrian mobility. In low volume areas requiring very distinct speed control, yield Streets are specified where two (2) opposing vehicles meeting would require one to slow and pull aside.

“Street Edge”: A masonry wall, wood Fence, or hedge no less than fifty (50%) percent opaque built along the Frontage Line between three (3’) and five (5’) feet in height. Any wall, Fence, or hedge built between the Frontage Line and a point even with the nearest enclosed edge of a Dwelling may be of no greater height than the Street Edge. The percent opaque shall be calculated including all openings.

“Street Lamps”: A light standard between eight (8’) and fourteen (14’) feet in height equipped with an incandescent or metal halide light source approved by the Design Review Board.

“Street Sections”: Plats which depict various Street types, as set forth in the Design Code, including but not limited to Avenue, Boulevard, Main Street, Large Street, Road/Parkway, Narrow Street, Park Drive (two-way), Park Drive (one-way), Green Street, Back Lane (private), and Commercial Street.

“Street Vista”: The view framed by Buildings at the termination of the axis of a Street.

“Street Wall”: A masonry or wood wall no less than seventy-five (75%) percent opaque built along the Frontage Line and between six (6’) and fourteen (14’) feet in height. Any opening must be gated. The percent opaqueness shall be calculated including all openings.

“Terra Bella”: All property which is now or hereafter made subject to this Declaration or any Supplemental Declaration.

“Terra Bella Group, L.L.C.”: Terra Bella Group, L.L.C., a Louisiana limited liability company, or any successor, successor-in-title or assign who is assigned any of the rights, duties, responsibilities and obligations of Terra Bella Group, L.L.C., as Declarant of this Declaration and Developer of Terra Bella, pursuant to a recorded instrument executed by the immediately preceding successor, successor-in-title, or assign to those rights, duties, responsibilities and obligations, but only to the extent of such assignment.

“Supplemental Declaration”: An amendment or supplement to this Declaration filed in the public records of St. Tammany Parish, Louisiana, by Developer or an Association, for such purposes as this Declaration may provide.

“Synopsis”: The Synopsis contained within the Design Code, together with all amendments and

supplements to said Synopsis as may be hereafter adopted.

“Terrace”: An upper level outdoor living area without a solid roof.

“Thoroughfare Standards”: A set of plats which assemble and depict vehicular and pedestrian travel ways, as set forth in the Design Code, and which consist of the Vehicular Network, Street Sections, and Pedestrian Walkways.

“Three-story Dwelling”: A Dwelling consisting of three (3) floors including parking below whose height exceeds twenty-two (22’) feet.

“Through Street”: Through Streets may provide primary access to and/or border but not pass through a Neighborhood Proper. Where Through Streets border or pass through a Neighborhood Proper, there shall be a sidewalk between the Frontage Line and the Street lanes a sidewalk of not less than six (6’) feet, at least one (1) lane of parking, at least one (1) ten (10’) foot travel lane, and a planted area with Trees planted no further than fifty (50’) feet apart. Through Streets will generally be constructed in accordance with the applicable existing road and street regulations as supplemented by the Terra Bella Street plat.

“Tower”: A small room, Porch, or Deck which protrudes from the maximum height allowed for a residence.

“Townhouse”: A residential Dwelling attached to a similar Dwelling.

“Tract”: A separately platted portion of land containing a use held in common.

“Transom”: A small hinged window above another window or door, or the horizontal cross piece to which such a window is hinged.

“Tree (Shade)”: A deciduous tree of wide canopy resistant to root pressure of proven viability in the region with no less than a four (4”) inch caliper and an eight (8’) foot clear trunk at the time of planting.

“Tree (Street)”: A deciduous tree resistant to root pressure of proven viability in the region with no less than a four (4”) inch caliper and an eight (8’) foot clear trunk at the time of planting.

“Two-story Dwelling”: A structure with two [2] finished floors and whose height exceeds twelve (12’) feet above the first floor.

“Urban Regulating Standards”: The standards consisting of the Master Plan and the Zoning Plan, as amended and/or supplemented from time to time, that defines the various zones within the Property and directly relates to and bears influence on the Urban Regulations and Frontage Standards, Building Type Guidelines, Phasing Plan, and Open Space Network, as set forth in the Design Code. These standards are also set forth in Article 7 of this Declaration.

“Urban Regulations and Frontage Standards”: Text and diagrams which regulate private Buildings which affect the public realm, as set forth in the Design Code.

“Use Restrictions and Rules”: The initial use restrictions and rules of the Associations adopted by the Boards of Directors of the Associations set forth in Article 6 of this Declaration, as they may be supplemented, modified, amended and repealed in accordance with this Declaration.

“Utility Alcove”: A utility niche located on Lots, intended for use by public utilities.

“Utility Easements”: Those portions of Terra Bella depicted or labeled on the subdivision plans for Terra Bella Subdivision recorded by the Developer in the records of St. Tammany Parish, Louisiana, or on any plat submitted as part of any Supplemental Declaration, as “utility easement”, “utility easm’t”, “utility servitude” or any similar words suggesting that such areas have been reserved for use in conjunction with any such public or private utility or service system.

“Vehicular Network”: A plat of the Street system which consists of all Streets and rear lanes within the Property, as set forth in the Design Code.

“Village”: Any of several areas, comprised of one (1) or more Neighborhoods, into which the Property is divided for the purpose of electing directors to the applicable Board of Directors, as more particularly described in Article 17 or, if the context so indicates, the group of Owners whose Lots comprise such Village.

“Village Center”: The dense multifunctional commercial and live work social condenser of a Neighborhood. It is usually at a central location, within walking distance of the surrounding, primarily residential areas.

“Village Edge”: The least dense, most purely residential sector of the Neighborhood outside of the Village Center.

“Village General”: The sector that is mixed in function, but principally residential. It has a generalized character, and is usually the largest area of the Neighborhood.

“Village House”: A one-and-a-half- (1 ½) or two- (2) Story single-family detached house on a small Lot, often with rear-loaded parking. Parking must be rear-loaded on Lots narrower than fifty (50') feet.

“Village Zones”: Village Center, Village General, and Village Edge, as set forth in the Design Code.

“Voting Member”: The representative selected by the Members within each Neighborhood to be responsible for casting all votes attributable to Lots and Condominium Units in the Neighborhood on matters requiring a vote of the membership (except as otherwise specifically provided in this Declaration and in the applicable Bylaws). The term “Voting Member” shall include alternate Voting Members acting in the absence of the Voting Member and any Owners authorized to personally cast the votes for their respective Lots or Condominium Units pursuant to Article 10.

“Work”: Any construction, erection, alteration, addition, renovation or removal of Improvements on any Lot or Condominium Unit other than routine maintenance and repairs of existing Improvements.

“Zoning Plan”: The proposed land use for the Property approved by St. Tammany Parish is set forth on a Plat by Architects Southwest dated December 10, 2004, attached to St. Tammany Parish Zoning Ordinance No. ZC-04-10-083.

Additional Definitions. Additional definitions for some terms used in the Design Code are included as part of the Design Code. In addition, unless the context otherwise requires or specifies, the words and phrases defined in this Declaration, when used in the Design Code, shall have the meanings specified for those words and phrases, whether or not such words or phrases are capitalized when used in the Design Code.

General. All terms used in this Declaration and/or in the Design Code, to the extent not defined in this Declaration, shall, if those are terms used in the architectural profession and/or the construction industry, have those meanings generally described to those terms within the architectural profession. The fact that a word or phrase is defined in this Declaration does not mean that such word or phrase has been used, or was intended to be used, in this Declaration or in the Design Code; definitions may have been included in anticipation of the future use of such words or phrases in amendments to this Declaration, the Design Code, the Landscape Code, and/or the use of such words or phrases in Supplemental Declarations.