

UPPER PONTALBA CONDOMINIUMS



DE LIMON PLACE
TOWNHOUSES AND CONDOMINIUMS IN OLD METAIRIE

PURCHASER SHOULD READ THIS DOCUMENT FOR HIS OWN PROTECTION

OFFERING STATEMENT

NAME OF CONDOMINIUM: Upper Pontalba
of Old Metairie Condominium

LOCATION OF CONDOMINIUM: Plot C-1-A of DeLimon Place,
Jefferson Parish, Louisiana

NAME OF DECLARANT: Crosby Development Corporation

Louisiana Law requires that the original seller of condominium units disclose fully and accurately the characteristics of the condominium units being offered for sale. This Offering Statement is the means by which such disclosure is to be made.

Under the law, a purchaser or lessee of a condominium unit is afforded a fifteen (15) day period during which he or she may cancel the contract of sale or lease and obtain full refund of any sums deposited in connection with the contract. The fifteen (15) day period begins running on the date of delivery of this Offering Statement. The purchaser should inspect the condominium documents and all exhibits thereto and obtain professional advice. If the purchaser elects to cancel, he or she must deliver notice of cancellation to the declarant by hand or by United States mail, return receipt requested.

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PUBLIC OFFERING STATEMENT

Crosby Development Corporation (herein the "Declarant") is the owner of certain real property located in Jefferson Parish. Declarant proposes to construct immovable property for a condominium, to be known as Upper Pontalba of Old Metairie Condominium. Condominium units will be offered by the Declarant for sale.

A. The Condominium Concept

The term "condominium" refers to a form of property ownership. Condominium ownership is a property right which, in effect, combines two (2) forms of ownership. The Condominium Unit Owner is (a) the sole owner of the portion of the building which comprises his living quarters (the "unit"), and is (b) one of many mutual owners of common facilities which service his and other living quarters and of common areas which the Unit Owner may use and enjoy along with owners of other units. The Common Elements constitute the land and those portions of the structures which support, enclose or service the units. Each Unit Owner owns an "undivided interest" in the Common Elements, which means that all Unit Owners have a share in the ownership of the Common Elements. An undivided interest is a fractional percentage share of ownership of all the Common Elements.

B. Purpose

This Public Offering Statement is made pursuant to Section 1124.102 of Title 9 of the Louisiana Revised Statutes known as the Louisiana Condominium Act. It is particularly designed to offer full and fair disclosure to prospective purchasers about the subject condominium, Upper Pontalba of Old Metairie Condominium in Metairie, Louisiana, as provided in Section 1124.102 of the Louisiana Condominium Act.

C. Physical Characteristics

The property currently contains one (1) building containing collectively ninety-one (91) units. The building will have four municipal addresses, i.e., 500 Rue St. Ann; 501 Rue St. Peter; 800 Rue Rampart; and 801 Rue Burgundy. The property contains two (2) tennis courts and is currently planned to contain forty (40) garages. The garages are offered as options and will be built as they are sold. The developer retains the right to build a maximum of ninety-one (91) garages with the approval of Jefferson Parish.

D. The Declaration

The declaration is a legal document which creates the condominium. The declaration is effective when registered in the Office of the Registrar of Conveyances for Jefferson Parish. The declaration establishes the boundaries of and percentage interest in the Common Elements appertaining to each unit. In addition, the declaration established special property rights within the condominium, such as Limited Common Elements.

The units of the condominium are restricted to use as single family residences.

E. Capital

The purchaser will be required to deposit at time of closing one months estimated monthly assessment for Common Expenses of his condominium unit. The general purpose of the contribution is to provide for certain prepaid items (e.g., insurance premiums and organizational equipment and supply costs) and to provide the initial working capital of the Unit Owners' Association. In addition, the monthly assessment shall be prorated at an act of sale for first month and collected at the beginning of each month thereafter. Assessment may also be paid quarterly at the option of the Unit Owner. The developer shall not be required to pay any capital contributions.

F. Encumbrances

The condominium will be subject to the normal utility servitudes for water, sewer, electric and telephone lines. In addition, the condominium will be subject to certain servitudes created by the declaration, by the Condominium Act or other recorded acts.

G. Unit Owners' Association

The Unit Owners' Association is the organization which controls the operation of and is responsible for governing the condominium. Each Unit Owner has one vote in the Association multiplied by the number of units he owns.

Initially, directors will be appointed by the Declarant. The purpose of the Declarant's retaining control of the Board of Directors in the early stages of the condominium's existence is to ensure the stability of the Association and to administer to the condominium's affairs until the new Unit Owners become familiar with the project.

The operation of the Unit Owners' Association is governed by the By-laws. The By-laws are recorded in the Jefferson Parish Conveyance records along with the declaration at the time the condominium is created.

H. Expenses

Normal common expenses are apportioned among all Unit Owners. A Unit Owner must pay directly all of the costs of maintenance and repair of the interior of his own unit.

All of the amounts assessed against a unit give rise to a lien on that unit. The Unit Owner cannot dispose of his unit free of the lien until the lien is satisfied by payment of the assessment secured by the lien.

I. Insurance

The Board of Directors will obtain insurance to protect the Unit Owners' Association and, to a certain limited extent, the Unit Owners as individuals.

The Common Elements of the building will be covered by fire and property damage insurance. The Declarant strongly recommends that each Unit Owner obtain insurance coverage on his personal property and other property contained within the unit and liability exposure not covered by the Unit Owners' Association's policy.

J. Taxes

Real property taxes are levied separately against individual condominium units.

K. Management

It is anticipated that the Declarant will enter into an agreement for the professional management of the condominium.

* *
CONDOMINIUM DECLARATION
CREATING AND ESTABLISHING
UPPER PONTALBA
OF OLD METAIRIE CONDOMINIUM

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STATE OF LOUISIANA

PARISH OF ORLEANS

CONDOMINIUM DECLARATION
CREATING AND ESTABLISHING
UPPER PONTALBA
OF OLD METAIRIE CONDOMINIUM

BE IT KNOWN, that on this 6th day of April, in the year of our Lord one thousand nine hundred and eighty-nine,

BEFORE ME, ROBERT J. OSTER, Notary Public, duly commissioned and qualified in and for the Parish of Orleans, State of Louisiana, therein residing, and in the presence of the witnesses hereinafter named and undersigned, personally came and appeared:

CROSBY DEVELOPMENT CORPORATION, a Louisiana corporation, appearing herein through and represented by JOHN L. CROSBY, PRESIDENT,

and the said appearer declared as follows:

I.

RECITALS, INTENT AND PURPOSES

WHEREAS, Crosby Development Corporation, (the "Developer") is the owner of that certain immovable property situated and being in the Parish of Jefferson, State of Louisiana, more particularly described on Exhibit "B", and on which property there has been or will be constructed on (1) multi-family dwelling building, containing among other things, ninety-one (91) family dwelling units and other appurtenant improvements, all as hereinafter described and as shown in the attached survey and plat plan (Exhibit "F" attached hereto), said land and improvements hereinafter sometimes referred to as the "Condominium Property";

WHEREAS, Developer desires to submit the said Condominium Property to a condominium regime pursuant to and in accordance with the Louisiana Condominium Act;

WHEREAS, a condominium is a method of ownership which, when applied to a multi-family dwelling, provides for a separate title to each residential unit, which title shall consist of a unit, as hereinafter defined, and an undivided interest in and to all of the Condominium Property that remains other than units and such other rights as are provided by law or by the terms hereof;

WHEREAS, notwithstanding such separation of title, the owner of the units, by placing the condominium regime into effect, will own with

others the Common Elements of said Condominium Property, including, without intending to limit the same to, such elements thereof as the building containing the units and the land on which the building is situated, parking areas, patios and/or balconies, landscaped areas, storage areas, garages, tennis courts, and related facilities which are to be used and controlled in a manner consistent with the needs and desires of the residents of the Condominium and of the property in which the Condominium Property is located; and

WHEREAS, it is desirable, therefore, that this Condominium Declaration provide the basic requirements for such needs and provide for property use of the Condominium Property, and that within these basic requirements, the Association, as defined hereinafter, and its Board of Directors shall have the right and duty to effect the purposes of the Condominium;

NOW, THEREFORE, Developer, as owner of the immovable property described above and all improvements thereon and for the purposes set forth, hereby declare on behalf of themselves, their successors and assigns and their grantees and their respective heirs, successors and assigns as well as to any and all persons having, acquiring or seeking to have or acquire any interest of any nature whatsoever in and to any part of the Condominium Property as follows:

DECLARATION

The Condominium Property is hereby submitted to a condominium regime, and from and after the date of the recording of this Condominium Declaration in the Office of the Registrar of Conveyances in and for the Parish of Jefferson, State of Louisiana, the Condominium Property shall be and continue to be subject to the Louisiana Condominium Act (La. R.S. 9:1121, 1011148), as amended, and it may be hereafter amended from time to time, and to each and all of the terms hereof, until the Condominium Declaration is terminated and the Condominium Property withdrawn in accordance with provisions herein elsewhere contained.

II.

NAMES AND DEFINITIONS

The name of the condominium shall be:

UPPER PONTALBA OF OLD METAIRIE CONDOMINIUM

as used herein or elsewhere in the Condominium Documents, unless otherwise provided, or unless the context requires otherwise, the following terms shall be defined as in this Article provided.

1. Unit. Those parts of the Condominium Property which are situated entirely within a building and which are intended for independent use and occupancy as residences and are subject to individual ownership. The units are separately indicated on the survey and plat plan (Exhibit "F") and are specifically described in Article III hereinafter. A unit shall also include such accessory rights and obligations as are hereinafter stipulated.

2. Person. Any natural individual, firm, corporation, partnership, association, trust, or other legal entity capable of holding title to immovable property, including the Developer.

3. Owner. The record owner of a unit, whether one or more persons (hereinafter sometimes referred to as "Unit Owner"). Each unit has one (1) vote no matter how many persons own that unit.

4. Occupant. Person or persons, other than an owner, in possession of a unit.

5. Assessment. That portion of funds required for the payment of expenses, such as the cost of maintaining, operating, repairing, and managing the Condominium Property, from which from time to time is assessed against and paid by each Unit Owner as hereinafter provided.

6. Association. A Louisiana non-profit corporation, and its successors, as the governing body of all the Unit Owners and the entity responsible for the administration and operation of the Condominium Property. The Articles of Incorporation and By-laws of the Association are annexed hereto and made part hereof as Exhibits "C" and "D", respectively.

7. Building. The single structure located on and forming a part of the Condominium Property and containing the units, as shown on the attached survey and plat plan.

8. Common Elements. All that portion of the Condominium Property, whether movable or immovable, which is not part of the ninety-one (91) units, or which exists within the units by virtue of servitudes created herein. The Common Elements are more particularly described in Article III hereinafter.

9. Limited Common Elements. Those portions of the Common Elements reserved, as hereinafter provided, for the exclusive use of certain unit or units and the owners thereof. The Limited Common Elements are identified and indicated on Exhibit "F".

10. Common Expense. The expenses for which the Unit Owners are liable to the Association for the management and maintenance of the Condominium Property, which shall include, but are not limited to, the actual and estimated cost of:

a. Taxes of all kinds which are levied against the Association, but not those levied against any individual unit of a Unit Owner;

b. The cost of insurance, maintenance, management, operation, administration, repair, and replacement of the Common Elements, and those parts of the units as to which, pursuant to other provisions hereof, it is the responsibility of the Association to maintain, repair and replace;

- c. Utilities incurred in operation of the Common Elements not otherwise paid by individual Unit Owners;
- d. Management and administration of the Association, including, without limiting the same to, compensation paid by the Association to a managing agent, accountants, attorneys, and other professional firms or employees;
- e. Any other items held by or in accordance with the Condominium Documents or by the Louisiana Condominium Act to be Common Expenses.

11. Common Surplus. The excess of all receipts of the Association including but not limited to common assessments, rents, profits, and revenues on account of the Common Elements, over the amount of Common Expenses. Each unit's percentage interest in the Association's Common Surplus shall be the same as such unit's percentage obligation for the payment of the Common Expenses assessed by the Association.

12. Condominium Documents. The Public Offering Statement, the Condominium Declaration, and the exhibits annexed, as the same from time to time may be amended. Said exhibits are as follows:

Exhibit "A" - Schedule of Percentage of Ownership

Exhibit "B" - Property Description

Exhibit "C" - Articles of Incorporation of Upper Pontalba of Old Metairie Condominium Association, Incorporated

Exhibit "D" - By-laws of Upper Pontalba of Old Metairie Condominium

Exhibit "E" - Rules and Regulations of Upper Pontalba of Old Metairie Condominium

Exhibit "F" - Survey and plat plan of the Condominium Property and a graphic description of all improvements, showing the units and Common Elements and their relative locations

13. Developers. Crosby Development Corporation.

14. Condominium Property. All interest in the land hereinabove described, and the improvements thereon, including the buildings and other structures, and all servitudes and rights subjected to the condominium by this Condominium Declaration.

15. Share. The proportion of percentage attributed to each unit, as hereinafter provided, for purposed of computing the interest to the Common Elements, the liability for Common Expenses, and the rights to Common Surplus, computed as shown on Exhibit "A" herein.

16. Condominium Parcel. A unit together with an undivided interest in the Common Elements, which is an inseparable component of each unit.

17. Other Definitions. Unless it is plainly evident from the context that a different meaning is intended, all other terms used herein shall have the same meaning that they are defined to have in Title 9, Section 1121.101, et seq, of the Louisiana Revised Statutes.

III.

UNITS

1. Immovable Property. Each unit, together with the space within it and together with all appurtenances thereto, shall for all purposes constitute a separate parcel of immovable property which may be owned and conveyed, transferred and encumbered in the same manner as any other parcel of immovable property, independently of all other parts of the Condominium Property and subject only to the provisions of this Condominium Declaration.

2. Unit Designation. All units in the building situated on the Condominium Property are delineated on the survey and plat plan, attached as Exhibit "F", and made a part of this Condominium Declaration, and the unit designations which shall be used to legally describe and identify the units are as follows:

500 Rue St. Ann,	Units 122-129, 222-229, and 322-329;
501 Rue St. Peter,	Units 105-112, 205-212, and 305-312;
801 Rue Burgundy,	Units 113, 115, 116, 118-120, 213-216, 218-221, Units 313-316, 318-321;
800 Rue Rampart,	Units 101-103, 130, 131, 201-204, 230-233, Units 301-304, 330-333.

The unit designations set for the above and more particularly described on the attached exhibits shall be considered the legal designation of the units for purposes of describing any unit and shall be included in any sale, mortgage or other instrument or act conveying or transferring or effecting a conveyance or transfer of any interest in a unit.

3. Unit Ownership. Ownership of a unit shall include, and the same shall pass with each unit as an inseparable component part of unit ownership, whether or not separately described, conveyed, transferred or encumbered, the following:

- a. An undivided percentage interest in the Common Elements, as hereinafter provided;
- b. The exclusive right to use certain Limited Common Elements, as hereinafter provided;

c. An obligation to pay a portion of the Common Expenses of the Association, as hereinafter provided;

d. An undivided share in the Common Surplus, as hereinafter provided;

e. Association membership, as hereinafter provided;

f. All servitudes established for the benefit of the unit;

g. The following servitudes from each Unit Owner to each other Unit Owner and to the Association:

i. Ingress and Egress. Servitudes through and Common Elements for ingress and egress for all persons making use of such Common Elements in accordance with the terms of the Condominium Documents.

ii. Maintenance, Repair and Replacement. Irrevocable servitudes and rights of access through the units, Common Elements and Limited Common Elements in favor of the Association for maintenance, repair and replacement of Common Elements and Limited Common Elements. Use of these servitudes and rights, however, for access to the units shall be limited to reasonable hours and as may be further provided in the Condominium Documents, except that access may be had at any time in case of emergency or where repairs are necessary to prevent damage to the Common Elements or another unit or units.

iii. Structural Support. A servitude of structural support for the benefit of the Common Elements and affecting a portion of a unit which contributes to the structural support of the building in which the unit is located and which shall prohibit the Unit Owner from making any work or doing anything which would impair such servitudes.

h. All rights, privileges and obligations of the prior owner of the unit in the Association, and other such interest, rights and obligations as are provided in the Condominium Documents or by the Louisiana Condominium Act.

No unit owner shall subdivide or in any other manner cause his unit to be separated or divided into two or more separate units, tracts, or residential living quarter.

4. Unit Description and Boundaries. Each unit shall be bounded as to both horizontal and vertical boundaries as particularly shown and described on the plat plan, subject to such servitudes and encroachments as are contained in the building in which the unit is situated, whether the same exist now or are created by construction, settlement or movement of the building, permissible repairs, construction or alterations. Said boundaries are intended to be as follows:

a. Horizontal boundaries: The lower boundary of each unit shall be the upper surface of the undecorated ground floor concrete slab of the unit; except as to that portion of the upstairs or second floor which overhangs the exterior entrance of the unit, in which case the lower boundary shall be the upper surface of the concrete subfloor of the upper or second floor level; The upper boundary of each unit shall be the upper surface (unexposed side) of the unit's interior ceiling material (gypsum board) on the upstairs or second floor of each unit.

b. Vertical boundaries: From the face of the studs in the outer walls and dividing walls (the plane of outside of the wall material) bounding the exterior of a unit; except where there is a window or door, in which case the vertical boundary shall be the inside facing of the opening material.

Each unit shall also include all electrical, telephone, air-conditioning, heating and other utility and service equipment serving the particular unit, whether situated within or outside the unit boundaries as described above, as well as all water piping situated within the unit, but the following shall not constitute a part of any unit and shall be a part of the Common Elements: foundations, ground floor concrete slabs, main wall (i.e., exterior and dividing walls separating units), roofs, and all other principal structural parts of the building and all water servicing equipment outside all units.

If any portion of the Common Elements now encroaches upon any unit or if any unit now encroaches upon any other unit, or upon any portion of the Common Elements, as a result of the construction or repair of the building, or if any such encroachment shall occur hereafter as a result of settlement or shifting of any building, or otherwise a valid servitude for the encroachment and for the maintenance of the same so long as the building stands, shall exist. In the event any building, any unit, any adjoining unit, or any adjoining Common Elements, shall be partially or totally destroyed as a result of fire or other casualty and then reconstructed, encroachments of parts of the Common Elements upon any unit or of any unit upon any other unit or upon any portion of the Common Elements, due to such reconstruction, shall be permitted, and valid servitudes for such encroachments and the maintenance thereof shall exist for so long as the building shall stand.

In interpreting deeds, mortgages and plans, the existing physical boundaries of a unit reconstructed substantially in accordance with the original plan thereof shall be conclusively presumed to be its boundaries, regardless of settling or lateral movement of the building in which it is situated and regardless of minor variances between boundaries shown on the survey or plat plan or in the deed and the actual boundaries of the particular building, and in accordance with the mutual servitudes for encroachments granted hereinabove.

The developer reserves the right to change the interior design and arrangement of all units so long as the Developer owns the units to be altered.

IV.

COMMON ELEMENTS

1. Description. Except as otherwise provided in this Condominium Declaration, the Common Elements shall consist of all portion of the Condominium Property not a part of the individual units. Without in any way limiting the generality of the foregoing, the Common Elements shall include:

- a. All land, whether lying under a building or other structure;
- b. With respect to the building, the pilings, the foundation, main walls (i.e., exterior and dividing wall separating units), roofs and all principal structural parts of the building which are outside the unit boundaries as delineated and described in Article III hereof and in Exhibit "F";
- c. All central installations of utility services serving the building, such as main underground electrical, gas and water lines, but only up to the point of connection with individual units or unit meters or other individual unit service points and not the individual services provided to each unit, such as electrical, gas and telephone lines leading from meters or junctions to individual units;

2. Ownership and Use of Common Elements. Ownership of each unit shall also include as a part of the condominium parcel comprising the unit, ownership of an individual percentage interest in the Common Elements. The share or percentage of ownership interest shall be as provided for in Exhibit "A". The exclusive right to use those Limited Common Elements which are reserved to the individual units as provided above, shall also form part of the condominium parcel comprising that unit and shall be an inseparable component part of the unit and of ownership of the unit.

3. Limited Common Elements. Certain portions of the Common Elements are reserved for the exclusive use and enjoyment of respective units and the owners or occupants thereof. Those areas include the patios and/or balconies, garages, and storage areas as shown on the attached plat plan. Each unit and owner or occupant thereof shall have the exclusive use of those such areas which are specifically delineated on the plat plan and which bear the same designation on such plat plan as the unit designation of the particular unit. The owners of a garage shall have the exclusive use of the garage number as indicated in his title. Garages may be purchased only by Unit Owners of the Upper Pontalba Condominiums and a maximum of two (2) garages may be purchased and assigned to any one unit. The Association shall always have the right of access to any portion of the Common Elements, including the Limited Common Elements for purposes of maintenance or repair of such Common Elements.

Except otherwise limited by this Declaration or the Condominium Documents, each owner shall have the right to use the Common Elements and the portion of the Limited Common Elements reserved for the exclusive use of this unit for all purposes incident to the use and occupancy of his unit as a place of residence, and such other incidental uses as may be permitted by the Condominium Documents, which right shall be appurtenant to and an inseparable part of the unit and pass with transfer of ownership of the unit. No Unit Owner, however, shall have the right to use any portion of the Common Elements reserved for the exclusive use of another unit, except to the extent that access to any portion of the Common Elements, including Limited Common Elements, may be necessary to perform maintenance of repairs to any unit, including underground utility services for any unit.

4. Servitudes for Utility Services. Servitudes are hereby granted through the Common Elements (including Limited Common Elements) in favor of the units to maintain, repair and replace any water mains and pipes, sewer lines, telephone wires and equipment, electrical conduits and wires, air conditioning and heating equipment, and other services run through or under the walls and structural parts of the building and other parts of the Common Elements lying outside the boundaries of the units, as hereinabove described.

V.

GENERAL PROVISIONS AS TO USE
AND MAINTENANCE OF COMMON ELEMENTS

1. Covenant Against Partition. In order to effectuate the intent hereof and to preserve the Condominium and the condominium method of ownership, the Common Elements, including the Limited Common Elements, shall remain undivided and no person, irrespective of the nature of his interest in the Common Elements, shall bring action or proceeding for partition or division of the Common Elements or any part thereof until the Condominium Property is withdrawn from the Condominium regime in accordance with the Louisiana Condominium Act and the provisions of Article XVI hereof.

2. Rules and Regulations Promulgated by the Association. No person shall use the Common Elements or any part thereof, including the Limited Common Elements, in any manner contrary to or not thereto as from time to time may be promulgated by the Association. Without in any manner intending to limit the generality of the foregoing, the Association shall have the right, but not the obligation, to promulgate rules and regulations limiting the use of the Common Elements to members of the Association and their respective families, guest, invitees and servants.

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

4. Repairs to Common Elements Necessitated by Owner's Act. Any portion of the Common Elements which may be damaged or destroyed through the willful act of neglect of any owner or his family, guests or invitees, or by an occupant of an owner's unit shall be repaired or replaced by such owner; provided, however, at the sole option of the Board of Directors of the Association, the repairs or replacement may be made by the Association, and the costs thereof shall be added to and become a part of the assessment for Common Expenses applicable to the unit of the responsible owner. If any portion of the Common Elements is damaged, destroyed or disturbed as a result of repairs or maintenance performed or caused to be performed by any Unit Owner to any portion of his unit, including underground utility services, the Unit Owner or Owners responsible for such damage shall restore such Common Elements to the condition existing prior to such work.

5. Expenses of Maintenance. Expenses incurred or to be incurred for the maintenance, repair, management and operation of the Common Elements shall be collected from Unit Owners as assessed, in accordance with provision contained elsewhere herein.

6. Use of Common Elements. Subject to the rules and regulations from time to time pertaining thereto, all Unit Owners may use the Common Elements in such manner as will not restrict, interfere with or impede the use thereof by other Unit Owners. Use of certain Limited Common Elements are restricted under the provisions of the Condominium Declaration to units specifically designated herein and on the plat plan (Exhibit "F").

7. Alterations and Improvements. The Association shall have the right to make or cause to be made alterations or improvements to the Common Elements (not included within the maintenance or repair thereof), including alterations or improvements requested by one or more Unit Owners, only upon approval of a majority of the membership of the Association; provided that, if the cost of any such improvement or alterations will exceed an amount equal to ten (10%) percent of the then aggregate appraised value of all condominium parcels, then the affirmative vote of not less than seventy-five (75%) percent of the Unit Owners shall be required.

If any proposed alterations or improvements to the Common Element are approved by seventy-five (75%) percent or more of the Unit Owners, the cost thereof shall be included in the Common Expenses and assessed to all Unit Owners as herein elsewhere provided.

8. Shares of Unit Owners. The shares of the Unit Owners in the Common Elements shall be the percentage of ownership as stated in Article IV above and may be altered only by amendment hereof executed in form for recording by all of the Unit Owners. No such alterations shall affect the lien or any prior recorded mortgage unless written consent of the holder of such mortgage is obtained and recorded.

Such shares of values do not necessarily reflect or represent the selling price or actual value of any such unit and no option, appraisal, market value, sale, or transaction at a greater or lesser price than the

assigned value recited herein shall be interpreted as requiring or permitting any change in the percentage of undivided interest assigned herein.

VI.

PHYSICAL MANAGEMENT

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

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

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

c. The cost of providing such legal and accounting services as may be considered necessary by the Board of Directors for the operation of the Condominium.

d. The cost of the services of a person or firm to manage the property to the extent deemed advisable by the Board of Directors of the Association consistent with the provision of the Condominium Declaration, together with the services of such other personnel as the Board of Directors of the Association shall consider necessary for the operation of the Condominium.

VII.

MAINTENANCE AND REPAIR OF UNITS

1. The Association. The Association, at its expense, shall be responsible for the maintenance, repair and replacement of:

a. Those portions of the building, whether located within or outside of the boundaries of any unit, as herein provided, which contribute to the structural support of the building or which affect the external appearance of the building, including, without intending to limit the same thereto, outside walls and finish, foundations, roofs and all main walls (i.e., exterior and dividing walls separating units) and structural supports, but specifically excluding, however, interior walls (gypsum board or paneling and trim and paint or other finish thereon), all windows and window mullions and the interior of

window frames, all doors (except the painting of exterior surfaces thereof), doorknockers, doorhandles, doorbells, mailboxes, light fixtures or other decorative items on the exteriors of units;

b. All main underground electrical cables, conduits, lines, and other equipment and connections, but only up to the point where such utility services connect to the individual unit meters or junctions and specifically excluding all air conditioning and heating units and all fixtures and equipment related thereto, all ducts, pipes, conduits, wiring, outlets, meters, circuit breakers, fixtures, appliances and other equipment which provide service to the individual units, whether located inside, outside or under any building or any other part of the Common Elements;

c. The cost of any and all materials, supplies, labor, services, maintenance, repairs, taxes, assessments or the like, which the Association is required to serve or pay for by law or otherwise, or which in the discretion of the Board of Directors shall be necessary or proper for the operation of the Condominium; provided however, that if any of the aforementioned are provided or paid for the specific benefit of a particular unit or units the cost thereof shall be specially assessed to the owner or owners thereof in the manner provided in this Article.

d. The cost of replacement or repair of any unit or a portion thereof, in the event such maintenance or repair is reasonably necessary in the discretion of the Board of Directors to protect the Common Elements or to preserve the appearance or value of the condominium or as otherwise in the interest of the general welfare of all of the Unit Owners; provided, however, that except in cases involving emergencies or manifest danger to safety of person or property no such replacement or repair shall be undertaken without a resolution by the Board of Directors of the Association and not without reasonable written notice to the owner of the condominium unit proposed to be maintained and, provided further, that the cost thereof shall be assessed against the condominium unit for which such maintenance or repair is performed, and, when so assessed, a statement for the amount thereof shall be rendered promptly to the then owner of said condominium unit at which time the assessment shall become due and payable and a continuing obligation of said Unit Owner.

e. All incidental damage caused to a unit and its contents by the negligent performance of such work as may be done or caused to be done by the Association.

2. The Unit Owner. The responsibility of each Unit Owner shall be as follows:

a. To maintain, repair and replace at his expense, all portion of his unit, including but not limited to: carpeting and flooring, windows, doors, walls and ceilings and all internal installations of the unit, such as appliances, all plumbing, electrical, heating and air conditioning fixtures or installations.

- b. To maintain, repair and replace at his expense such portion of Limited Common Elements reserved for the exclusive use of the unit, unless the Board of Directors determines to the contrary. Each Unit Owner shall be responsible for the repair, maintenance and appearance of all windows, doors and entry-ways and all associated structures and fixtures and the interiors of all storage rooms pertaining to his unit. The foregoing includes, without limitation, responsibility for all breakage, damage, malfunctions and ordinary wear and tear of the Limited Common Elements;
- c. To perform his responsibilities in such manner so as not to unreasonably disturb other persons residing within the building;
- d. Not to paint or otherwise decorate or change the appearance of any Common Elements, including Limited Common Elements, and any portion of the building not within the walls of his unit, without first obtaining the written consent of the Association;
- e. To report promptly to the Association or its agent any defect or need for repairs, for which the Association is responsible;
- f. Not to make any alterations in the portions of the unit or the building which are to be maintained by the Association or remove any portion thereof or make any additions thereto or do anything which would or might jeopardize or might impair the safety or soundness or appearance of the building without first obtaining the written consent of the Board of Directors of the Association. Nor shall any Unit Owner perform any work upon the structural portion of interior partitions or the ceiling and floor between the levels of the unit or otherwise impair any servitude for structural support or other servitude without first obtaining the written consent of the Association and, where applicable, of the Unit Owner for whose benefit such servitude exists. The Board of Directors may require that a copy of plans for all such work be prepared by an architect licensed to practice in this State and be filed with the Association prior to the commencement of the work.
- g. Owner's of garages shall be responsible for the interior maintenance of the garage including but not limited to painting, garage door track and opener, etc.

3. Limitation of Liability. The Association shall not be liable to the owner of any Condominium Unit for loss or damage, by theft or otherwise, of articles which may be stored upon any of the Common Elements. No diminution or abatement of Common Expense assessments, as herein elsewhere provided, shall be claimed or allowed for inconvenience or discomfort arising from the making or repairs or improvements to the Common Elements, or to any Condominium Unit, or from any action taken by the Association to comply with any law or ordinance or with the order or directive of any municipal or other governmental authority.

4. Garages. A budget for the maintenance of garages shall be established and accounted for separately. Assessments used solely for the garages may be levied on the garage owners separately.

VIII.

USE RESTRICTIONS

In order to provide for the congenial occupation of the building and to provide for the protection of the values of the unit, the use of the Condominium Property shall be restricted to and be in accordance with the following provisions:

1. Single Family. The units shall be used primarily for single family residences and shall not be used for regular conduct of any trade or business.
2. Common Elements. The Common Elements shall be used for the furnishing of services and facilities for which the same are reasonably intended, for the enjoyment of the units:
3. Limited Common Elements. The Limited Common Elements shall be used for the furnishing of services and facilities for which the same are reasonably intended, for the enjoyment of only those units specifically designated by the plat plan (Exhibit "F") and having the right to the exclusive use thereof.
4. Nuisances. No nuisances shall be allowed upon the Condominium Property nor shall any use or practice be allowed which is a source of annoyance to residents or which interferes with the peaceful possession and proper use of the Condominium Property by its residents or increase the rate of insurance or costs of maintenance upon the Condominium Property.
5. Lawful Use. No offensive or unlawful use shall be made of the Condominium Property nor any part thereof, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. The respective responsibilities of Unit Owners and the Association of complying with the requirements of governmental bodies which require maintenance, modification or repair of the Condominium Property shall be the same as hereinafter provided for the maintenance and repair of that portion of the Condominium Property subject to such requirements.
6. Rules and Regulations. Rules and regulations concerning use of the Condominium Property may be promulgated by the Association; copies of such rules and regulations shall be furnished to each Unit Owner prior to the time that the same becomes effective. The initial rules and regulations, which shall be deemed effective until amended by the Association, are annexed hereto and made a part hereof as Exhibit "E". Any amendments thereto shall be recorded in the Conveyance Office of Jefferson Parish, Louisiana, as amendments to said exhibit.
7. Developer's Use. Until the Developers have completely sold all of the units, neither Unit Owners nor the Association of the Condominium Property shall interfere with the completion of

improvements to or the sale or lease of the units. The Developers may make such use of the unsold units and Common Elements as may facilitate such improvements and the sale or lease of units including but not limited to the maintenance of a sales office, the showing of the property, and the display of signs, and leasing of said units that remain under their ownership, without prior approval of the Association.

8. Signs. With the exception of the Developer, signs of any type shall be prohibited on the property. This includes for rent, for sale, and political signs, etc. A display near each entrance shall be available to list units which are for rent or sale in accordance with the rules.

IX.

LEASES AND CONVEYANCES

1. Leases. Any lease or sublease of a unit shall include a provision that the lessee agrees to abide by and comply with all of the terms and restrictions of the Condominium Declaration and the Rules and Regulations of the Association and shall provide that the Association shall have the authority to act as the owner's or lessor's agent in enforcing any compliance with either the terms of the lease or the Rules and Regulations of the Association.

2. Sale of Units. Any sale of a unit by a Unit Owner shall be subject to the requirements of the Louisiana Condominium Act, and prior to any such sale or the execution of a contract to sell any such unit, the Unit Owner or person selling the unit for such Unit Owner shall make the disclosures and provide the buyer with the information required by law, including a Public Offering Statement which shall contain the following:

- a. A copy of the Condominium Declaration with all exhibits and amendments thereto;
- b. A copy of the Articles of Incorporation and By-Laws of all amendments thereto;
- c. A statement setting forth the amount of any current Common Expense assessments;
- d. A statement of any capital expenditures approved by the Association for the current and two next succeeding fiscal years;
- e. A statement of the amount of any reserves for capital expenditures and of any portions of those reserves designated by the Association for any specified projects;
- f. The most recent Balance Sheet and Income and Expense Statement of the Association;
- g. The current operating budget of the Association;

h. A statement of any unsatisfied judgements against the Association and the status of any pending suits to which the Association is a party;

i. A statement describing the insurance coverage provided by the Association;

j. A statement of the remaining term of any ground lease affecting the Condominium and provisions governing any extension or renewal thereof.

The Association shall provide to any such Unit Owner within ten (10) days after request by such Unit Owner, a certificate containing the information necessary to enable the Unit Owner to comply with this section. The Association may charge such reasonable fees as are set by the Association for these certificates.

3. Assessments. No Unit Owner shall sell, convey, mortgage or lease his unit unless or until he shall have paid in full any charge assessed against his unit and shall have satisfied all liens outstanding except permitted mortgages.

4. Garages. Upon the initial transfer of title to a unit owner, indicated in the title shall be the garage number purchased from the Developer, if any. If a garage number is not listed, no garage is assigned to the Unit. In the event that a Unit Owner elects to purchase a garage after the initial purchase of his Unit, he may do so by purchasing directly from the Developer and recording the agreement in the Conveyance Office of Jefferson Parish. Ownership of a garage may be transferred to another Upper Pontalba Unit Owner only, however, a Unit Owner may own no more than two (2) garages. Garages may also be leased, however, only to other Upper Pontalba Unit Owners'. Leases shall be in writing and a copy furnished to the Board of Directors. The garage tenant shall be responsible for compliance with all rules and regulations concerning garages and be subject to any fines concerning non-compliance with said rules. Any garages constructed and unsold by the Developer shall remain the property of the Developer even if all condominium units are sold. The Developer retains the right to sell or lease the garages to the Unit Owners until all garages are sold. Garages are for the private use of Unit Owners and may not be loaned, or otherwise used except for the parking of the Unit Owner's private automobiles. The Developer, however, may temporarily use any garages which he still owns for storage of construction material. There shall be no reserved parking other than garages.

X.

ADMINISTRATION

1. The Developer. Until such time as the Developer or its successors or assigns shall have completed the sale of seventy three (73) of the ninety one (91) Units, or until sixty (60) months after date

of recordation, whichever shall first occur, the Developer shall have the right to elect a majority of the Directors and to exercise all powers, rights, duties and functions of the Board of Directors of the Association. After such date of the completion of such sales, or sooner, at the Developer's option, the Condominium Property shall be administered by the Association in accordance with the following provisions.

2. The Association. Upper Pontalba of Old Metairie Condominium Association, Inc. shall be a non-profit corporation organized under the Louisiana Non-Profit Corporation Law and in accordance with its Articles of Incorporation, a copy of which is annexed hereto as Exhibit "C". The members of the Association shall be the owners of units (including the Developer to the extent that it owns any units), who shall have one (1) vote for each unit owned. The Board of Directors of the Association shall be elected by the said owners in accordance with the said Articles of Incorporation and the By-laws of the Association.

3. Association By-Laws. The By-Laws of the Association shall be in the form attached as Exhibit "D", until such are amended in the manner therein provided. The Rules and Regulations of the Association shall be in the form attached as Exhibit "E", until such are amended in the manner in the By-Laws provided.

4. Duties and Powers of the Association. The duties and powers of the Association shall be in those set forth in this Condominium Declaration and the By-Laws, together with those reasonably implied to effect the purpose of the Association and this Condominium Declaration; provided, however, that if there are conflicts or inconsistencies between this Condominium Declaration and the By-Laws, the terms and provisions of this Condominium Declaration shall prevail and the Unit Owners covenant to vote in favor of such amendments to the By-Laws as will remove such conflicts or inconsistencies. The powers and duties of the Association shall be exercised in the manner provided by the By-Laws, and any duties or rights of the Association which are granted by or to be exercised in accordance with the provisions of this Condominium Declaration shall be so exercised, except wherever this Condominium Declaration requires the act or approval of the Board of Directors of the Association, such act or approval must be that of the Board done or given in accordance with the By-Laws.

5. Notices. All official written notices or demands, required by this Condominium Declaration or by Articles of Incorporation or By-Laws of the Association may be given by the Association to Unit Owners or by Unit Owners to the Association and other Unit Owners, by personal delivery or by registered or certified mail.

6. Application of Income and Common Surplus. All income received by the Association and all Common Surplus may, in the discretion of the Board of Directors, be used for the purpose of reducing prospective Common Expenses prior to establishing the annual assessment for Common Expenses, or to establish such reserves as the Board of Directors may determine.

XI.

INSURANCE

The insurance which shall be carried upon the Condominium Property shall be governed by the following provisions:

1. Authority to Purchase. Except builder's risk and other required insurance furnished by Developer during construction, all insurance policies upon the Condominium Property (except hereinafter required or allowed) shall be purchased by the Association for the benefit of the Unit Owners and their respective mortgagees, as their interests may appear, and shall provide for the issuance of certificates of insurance mortgage endorsements to the holders of mortgages on the units and shall provide that the insurer waives its rights to subrogation as to any claims against Unit Owners, the Association and their respective servants, agents and guests. Such policies and endorsements shall be deposited with the Association which must first acknowledge that the policies and any proceeds thereof will be held in accordance with the terms thereof. The Association shall give to each Unit Owner written notice of all insurance obtained, including details as to the coverage thereof and of any change therein or termination thereof.

2. Coverage. The Association shall at all times maintain the following insurance:

a. The Condominium Property, including the building and all other insurable improvements upon the land, and all personal property as may be owned by the Association shall be insured against casualty loss in an amount not less than the appraised replacement cost thereof (exclusive of excavation and foundations), without deduction for depreciation, as determined by the insurer of all buildings and improvements thereon and as revised as a result of subsequent independent appraisals of the Condominium Property made at least once every three (3) years thereafter. Such coverage shall afford protection against:

i. Loss or damage by fire, flood and other hazards covered by the standard "extended coverage" endorsements;

ii. Such other risks as from time to time customarily shall be covered with respect to buildings similar in construction, location and use as the building, including but not limited to, vandalism, malicious mischief and windstorm damages;

b. Public liability and property damage insurance in such form and in such amounts as shall be required by the Association, including but not limiting the same to, legal or contractual liability for personal injury or property damage. All liability insurance shall contain property damage. All liability insurance shall contain cross-liability endorsements to cover liabilities of the Unit Owners as a group to a particular Unit Owner.

c. Insurance covering such other risks and hazards as the Board of Directors may from time to time determine to insure against.

d. Director's and Officer's liability insurance to protect volunteers in the operation of the Association should be obtained if available.

e. Flood insurance must be provided if flood insurance is available under the National Flood Insurance Program (NFP) and if the property is in a designated flood hazard area. The flood insurance shall be in the form of the standard policy issued by members of the National Flood Insurance Association or a policy which meets the criteria set forth in the guidelines published by the Flood Insurance Administration in the Federal Registry on July 17, 1974. The minimum amount of flood insurance shall be the lowest of:

i. The values of the insurable improvements; or

ii. The maximum amount of flood insurance which was available on the date the first mortgage was closed.

The policy shall be a blanket policy of flood insurance in the name of the Owners' Association or the Insurance Trustee.

f. Workmen's Compensation and employers liability insurance sufficient to meet the requirements of law, provided coverage for all paid or unpaid employees of the Unit Owners' Association which must also include subcontractors or other firms who provide personnel to work on or in the Condominium, unless acceptable evidence of current coverage is provided by the subcontractor or firm.

Insurance for casualty loss from fire, flood and extended coverage applicable to Condominium Property shall include coverage for all buildings, whether or not defined elsewhere herein as forming a part of the individual units. Such coverage shall extend to the walls, ceilings, cabinets, paint, built-in appliances, and carpeting of the units, and air conditioning and heating equipment, electrical and water facilities and other utility services of the unit and all attached improvements, but not to movable property situated within the units.

3. Premiums. All premiums upon insurance policies purchased by the Association shall be paid by the Association and charged to Common Expenses.

4. Insurance Policies. All master or blanket policies on the Condominium or Condominium Property obtained and continued in effect by the Association for the benefit of the owners, as in hereinabove provided, shall be written in the name of the Association, which shall act as trustee for each individual Unit Owner and his mortgagee, if any. The Unit Owners and their mortgagees shall be beneficiaries, even though not expressly named in the policies, in the percentages or fractions in which the Unit Owners have an interest in the Common Elements, as

provided in Article IV hereinabove. Each policy shall contain a Louisiana Standard Mortgage clause in favor of each mortgagee of the units and shall provide that any loss thereunder shall be payable to such mortgagees as their interest may appear, subject, however, to general "loss payment" provisions in favor of the Association, as herein provided.

The Association shall be required to make every effort to secure insurance policies providing:

a. Waiver of subrogation by insurer as to any claims against the Association, Manager and Owners, their respective families, servants, agents and guests:

b. That the master policy not be cancellable, invalidated or suspended on account of the individual Unit Owners, or their respective families, servants, agents and guests without at least thirty (30) days prior written demand that the Association cure or remedy any defect or condition which might cause such cancellation, invalidation or suspension;

c. That the master policy not be cancellable, invalidated or suspended on account of the conduct of the Association or of any management agent employed by the Association without at least thirty (30) days prior written demand that the Association cure the defect; and

d. That the "no other insurance" clause in the master policy or policies exclude individual Unit Owners' policies from consideration.

5. Association as Insurance Trustee. The Association is irrevocably designated as trustee for each of the Unit Owners and their mortgagees, if any, for purposes of adjusting all claims for losses with the insurance carriers on all blanket or master policies obtained and continued in effect by the Association, and for purposes of granting and executing releases upon payment of claims, and the Association shall have full control of the proceeds of any such policies for purposes of repair and reconstruction, as hereinafter provided in Article XII.

6. Insurance Obtained by Unit Owners. No Owner shall obtain separate insurance on his unit, or any part of the Condominium Property, against loss by fire, flood or other casualty which is covered by a blanket or master policy obtained and maintained in effect by the Association as hereinabove provided. Any owner violating this provision shall be liable to reimburse the Association for any diminution or loss of insurance proceeds payable to the Association resulting from such other insurance or from the proration of proceeds between any master or blanket policy and such individual policy or policies.

Nothing contained herein, however, shall be construed to prohibit an individual Unit Owner from obtaining for his own benefit and at his own expense insurance coverage for personal liability in excess of that

covered by the blanket or master policies maintained by the Association and for casualty losses of any improvements made by an owner to the immovable property within his unit and the personal property of the owner or occupant situated within his unit or on other portions of the Condominium Property, and such insurance shall be the type of coverage generally referred to as "contents insurance" or "tenants, improvements and betterments".

7. Application of Insurance Proceeds. Proceeds of insurance policies received by the Association, as trustee for the Owners, shall be distributed as follows:

a. If the damage for which the proceeds are paid is to be repaired or reconstructed, the proceeds shall be expended as provided hereinafter in Article XII. Any proceeds remaining after defraying such costs shall be distributed to the beneficial owners, remittances to Unit Owners and their mortgagees being payable jointly to them. This covenant is for the benefit of any mortgagee of a unit and may be enforced by such mortgagee.

b. If it is determined, as provided in Article XII, that the damage for which the proceeds are paid shall not be reconstructed or repaired, or if there are excess proceeds remaining after reconstruction and repair, the remaining proceeds shall be distributed to the beneficial owners thereof, remittances to the Unit Owners and their mortgagees being payable jointly to them. This covenant is for the benefit of any mortgagee of a unit and may be enforced by such mortgagees.

c. In the event that there are proceeds to be distributed to the beneficial owners as provided in a. and b. above, the proceeds shall be allocated in the following manner: An undivided share of such proceeds on account of damage to the Common Elements shall be allocated to the Unit Owners according to their fractional or percentage interest or share in the Common Elements as set forth hereinabove in Article IV. Proceeds paid on account of damaged units shall be held for the owners of the damaged units in proportion to the costs of repairing the damage suffered by each Unit Owner, which costs shall be determined by the Association. In the event a mortgagee endorsement has been issued as to a unit, the share of the Unit Owners shall be held in trust for the mortgagee and the Unit Owner as their interest may appear.

8. Deductible. In the event of loss or damage to a single unit, covered by insurance, any deductible provided in the policy shall be paid by the owner of the unit damaged. If damage extends to any area outside that unit, the Association shall bear the cost of the deductible.

XII.

RECONSTRUCTION OR REPAIR OF CASUALTY DAMAGE

1. Common Elements. In the event of destruction or damage to any part of the Common Elements, reconstruction and repairs shall be made as follows:

a. If any part of the Common Elements other than the building are destroyed or damaged, they shall be reconstructed or repaired unless it is determined in accordance with Article XVI that the Condominium shall be terminated and the Condominium Property withdrawn.

b. If the building or any part thereof is damaged or destroyed as a result of fire or other casualty, the Association shall arrange for the prompt repair and restoration thereof; provided, however, that if more than seventy-five (75%) per cent of the building, including the units therein, is destroyed or substantially damaged, the damaged or destroyed building will not be reconstructed or repaired, unless within sixty (60) days after the casualty at least seventy-five (75%) per cent of the owners of units in the destroyed or damaged building agree in writing to undertake such reconstruction or repair. If it is determined that any damaged or destroyed building is not to be reconstructed or repaired, then that portion of the Condominium Property on which such building is situated, together with all Common Elements appurtenant thereto shall be withdrawn from the condominium regime in accordance with Article XVI. No mortgagee of any unit shall have the right to participate in the determination as to whether damaged property shall be reconstructed.

c. Any reconstruction or repair shall be substantially in accordance with the plans and specifications for the original building or if not, then according to plans and specifications approved by the Board of Directors of the Association. Repairs and restoration of the building as provided herein shall include any damaged units therein to the extent that portions of such units are covered under the blanket or master fire and casualty policy carried by the association and shall include but not be limited to the walls, ceilings and carpeting of the units, air conditioning and heating equipment, electrical and water facilities and other utility services of the units, but shall not include any wall, ceiling or floor decorations or coverings or other furniture, furnishing, fixtures or equipment installed by the Unit Owners in the units or any kitchen or bathroom fixtures or other appliances situated in the units.

d. Immediately after the occurrence of a casualty causing damage to any of the Common Elements, including the building, for which the Association has the responsibility of maintenance and repair, the Association shall obtain reliable and detailed estimates of the cost of repairs or replacements so as to place the damaged property in a condition as good as existing before the casualty. The Board of

Directors of the Association, acting as trustee, shall disburse the proceeds of all insurance policies to contractors engaged in such repair and restoration in appropriate progress payments. Any costs of such repairs and restoration in excess of available insurance proceeds shall constitute a Common Expense, and the Board of Directors shall make assessments against the Unit Owners who own the damaged unit, and against all Unit Owners in the case of damage to Common Elements, in sufficient amounts to provide funds to pay the estimated costs of repairs and reconstruction. Additional assessments may be made at any time during or following the completion of construction. Any assessments against Unit Owners for damage to their individual units shall be in proportion to the cost of reconstruction and repair of their respective units. All assessments on account of damage to the Common Elements, other than the building, shall be in proportion to each Unit Owner's fractional or percentage share of interest in the Common Elements as hereinabove provided.

e. The reconstruction or repair shall be in the charge of an architect or engineer, who may be an employee of the Board of Directors, satisfactory to the first mortgagees.

f. Prior to the commencement of the reconstruction or repair, other than such work as may be necessary to protect the condominium from further damage, the first mortgagees shall have approved the plans and specifications for such reconstruction or repair, which approval shall not be unreasonably withheld or delayed.

2. The Units. If damage or destruction occurs only to those parts of one or more units for which the responsibility of maintenance and repair is that of the individual Unit Owner, then the Unit Owner shall be responsible for reconstruction and repair or replacement after casualty. If any portion of the insurance proceeds payable to the Association upon occurrence of a casualty covered under the blanket or master policy is payable on account of damages the reconstruction and repair of which is the responsibility of the individual Unit Owner, then the Association shall pay over such portion of any insurance proceeds so allocated to the Unit Owner, or if there is a mortgage endorsement, then to the Unit Owner and mortgagee jointly who may use such proceeds as they may be advised.

XIII.

ASSESSMENTS, COMMON EXPENSES AND COMMON SURPLUS

1. General. Assessments against the units and the Unit Owners for Common Expenses and distributions of Common Surplus shall be made by the Board of Directors pursuant to the provisions of the By-Laws.

2. Share of Common Expenses and Common Surplus. Each Unit Owner shall be liable for the Common Expenses and entitled to share in the Common Surplus in the proportions as listed on Exhibit "A" - "Percentage of Obligations".

3. Annual Assessments for Common Expenses. Assessments for Common Expenses shall be made annually in advance by the Board of Directors of the Association based on estimated annual Common Expenses and adequate reserves for future Common Expenses, all as more particularly provided for in the By-Laws.

4. Assessments for Emergencies. Assessments for Common Expenses for emergencies may be made by the Board of Directors in accordance with the provisions of the By-Laws and shall be due and payable at the time specially provided by the Board of Directors in making such emergency assessments, but shall otherwise be apportioned and collected in the same manner as annual assessments for Common Expenses.

5. Assessments for Non-Recurring Capital Expenditures. The Board of Directors shall be empowered to initially assess all owners purchasing one or more units from the Developers, an amount determined by the Board of Directors, within their discretion, to be necessary to defray capital expenditures and expenses required to commence operation and maintenance of the Condominium Property. Such assessments shall be deemed a Common Expense and shall be payable in full at the time of closing of the Act of Sale of the unit from the Developer to the initial Unit Owner or at such later time as may be prescribed by the Board of Directors and shall otherwise be collected in the same manner as assessments for Common Expenses.

6. Special Assessments. Any special assessments, the authority of which to levy is granted to the Association or its Board of Directors elsewhere in this Condominium Declaration or in any part of the Condominium Documents, shall be made, apportioned and collected in the manner particularly set forth in those provisions of the Condominium Documents authorizing the assessment or in the action of the Board of Directors in making the assessment, and in lieu thereof in the same manner as annual assessments for Common Expenses.

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

8. Liability for Assessments. Each initial purchaser of a unit from the Developers shall be liable for all assessments accruing against his unit on or subsequent to the date of closing the act of transfer of such unit from the Developers. The Developers shall be liable for assessments made with respect to unsold units from and after three (3) years from the date of the organizational meeting of Upper Pontalba of Old Metairie Condominium Association, Inc. However, the Developer shall be liable for payment of its portion of insurance premium for each unit owned by it.

Any purchaser from an individual Unit Owner, except a purchaser at a judicial sale, shall be liable for all assessments made against such unit prior to and subsequent to his acquisition. A purchaser at a

judicial sale shall be liable for all assessments against the purchased unit subsequent to the sale and for his share of Common Expenses, which shall include any unpaid Common Expenses or assessments chargeable to the purchased unit. Each Unit Owner shall be personally liable to the Association for all sums assessed against his unit for his share of the Common Expenses, and joint owners shall be liable in solido for such assessments. A Unit Owner may not relieve himself from liability for his assessed share of the Common Expenses or from other proper assessments by abandonment of his unit. A Unit Owner shall not be liable for payment of any assessment for Common Expenses accruing subsequent to a bona fide sale or other transfer of his unit (made in accordance with Articles IX hereinabove) but shall remain liable in solido with the transferee of the unit for payment of all previously accrued assessments which were due at the time of transfer of the unit.

Subsequent to such terms and conditions as may be established by the Association, and provided that the unit is free and clear of liens and encumbrances other than a permissible first mortgage and the statutory lien for assessments for Common Expenses, a Unit Owner may convey his unit to the Association, or its designee, and said Unit Owner shall be exempt from Common Expenses thereafter accruing and assessments therefor. Any unit which because of damage or destruction has been withdrawn from the condominium regime in accordance with Article XVI hereof, the owner thereof shall be released from the obligations to pay Common Expenses and the assessments therefor accruing after the date of such withdrawal.

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

10. Records and Certificates. The Association shall maintain accounting records according to good accounting practices and as provided in the By-Laws of the Association. Such records shall be available for inspection by Unit Owners at reasonable times and shall include:

- a. An itemized report of all receipts and expenditures; and

b. A separate account for each unit which shall indicate:

- i. The name and addresses of the Unit Owner;
- ii. The amount and due date of each assessment for Common Expenses pertaining to the unit;
- iii. Amounts paid on the account; and
- iv. Any balance due.

A Unit Owner and his mortgagee or a purchaser of a unit shall have the right to require from the Association a certificate showing the amount of unpaid assessments with respect to the unit.

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

12. Collections.

a. Delinquent Date, Interest, Application of Payments. Assessments or installments thereof (other than assessments for emergencies which cannot be paid from the Common Expense Account) must be paid within ten (10) days after the date when due and becomes immediately delinquent thereafter and subject to a ten (10%) percent late charge. Assessments for emergencies must be paid within thirty (30) days after the date when due. All assessments not paid within the prescribed ten (10) or thirty (30) day periods, whichever is applicable, shall bear a penalty of a service charge of twenty-five (\$25.00) dollars plus one (1%) percent of the amount unpaid per month. All penalties so collected shall be credited to the Common Expense Account.

b. Suit. The Association at its option may enforce collection of delinquent assessments by suit at law or by an other competent proceedings and in either event, the Association shall be entitled to recover in the same action, suit or proceedings all assessments plus penalties which are delinquent at the same time of judgement or decree together with interest thereon at the rate of legal interest per annum, and all costs incident to the collection and the action, suit or proceedings, including, without limiting the same to reasonable attorneys' fees.

13. Additional Rights of Mortgages - Notice. The Board of Directors of the Association shall promptly notify the holder of the first mortgage on any condominium unit for which any assessment levy pursuant to this Declaration, or any installment thereof, becomes delinquent for a period in excess of thirty (30) days and the Board of

Directors shall promptly notify the holder of the first mortgage on any condominium unit with respect to which any default in the provisions of this Declaration remains uncured for a period in excess of thirty (30) days following the date of such default. Any failure to give any such notice shall not affect the validity of any assessment levy pursuant to the Declaration or the validity of any liens to secure the same.

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

XIV.

COMPLIANCE AND DEFAULT

Each Unit Owner shall be governed by and shall comply with the terms of the Condominium Documents and Rules and Regulations adopted pursuant thereto, as the same may be amended from time to time. A default shall entitle the Association or other Unit Owners to the following relief:

1. Legal Proceedings. Failure to comply with any of the terms of the Condominium Documents and Rules and Regulations adopted pursuant thereto shall be grounds for relief which may include, without intending to limit the same, an action to recover sums due for damages, injunctive relief, foreclosure of lien or any combination thereof, and which relief may be sought by the Association or, if appropriate, by an aggrieved Unit Owner.

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

3. Costs and Attorneys' Fees. In any proceedings arising because of an alleged default by a Unit Owner, and if the Association should be the prevailing party, the Association shall be entitled to recover the costs of the proceedings and such reasonable attorney's fees as may be determined by the Court.

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

5. Cumulation of Rights. All rights, remedies and privileges granted to the Association or a Unit Owner pursuant to any terms, provisions, covenants or conditions of the Condominium Documents shall be deemed to be cumulative and the exercise of any one or more shall not be deemed to constitute an election of remedies, nor shall it preclude the party, thus exercising such other and additional rights, remedies or privileges as may be granted to such party by the Condominium Documents or by law.

XV.

AMENDMENT

The Condominium Documents may be amended in the following manner:

1. Condominium Declaration. Amendments to this Condominium Declaration shall be proposed and adopted as follows:

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

b. A resolution for adoption of a proposed amendment may be proposed by either the Board of Directors of the Association or by the Unit Owners meeting as members of the Association. Directors and Unit Owners not present at the meeting considering such amendment may express their approval in writing or by proxy. Such approvals must be by not less than seventy-five (75%) percent of the Unit Owners; provided that, any amendment which could effect a change in the percentage or share of undivided interest of any Unit Owner in the Common Elements shall require approval of all Unit Owners.

c. A copy of each amendment shall be certified by at least two (2) officers of the Association as having been duly adopted and shall be effective when registered in the Conveyance Office of Jefferson Parish, Louisiana. Copies of the same shall be sent to each Unit Owner but the same shall not constitute a condition precedent to the effectiveness of such amendment.

2. Association - Articles of Incorporation and By-Laws. The Articles of Incorporation and the By-Laws of the Association shall be amended in the manner provided in such documents.

XVI.

WITHDRAWAL OF PROPERTY
AND TERMINATION OF THE CONDOMINIUM

The Condominium Property or any part thereof may be withdrawn from the condominium regime and the condominium terminated with respect thereto in the following manner:

1. Voluntary Withdrawal. The entire Condominium Property or any part thereof may be withdrawn from the condominium regime by unanimous agreement of Unit Owners, which agreement shall be evidenced by an instrument or instruments executed in the manner required for conveyance of real property; provided that, if any of the units are voluntarily withdrawn, not less than the entire building in which such units are situated may be withdrawn. The withdrawal of Condominium Property and termination of the condominium regime with respect thereto shall become effective when the aforesaid written agreement authorizing such withdrawal has been recorded in the Conveyance Office of Jefferson Parish. If any units are contained within the Condominium Property so withdrawn, the consent of any mortgagees or other lien creditors of such units shall be obtained before the property may be withdrawn.

2. Destruction. If it is determined in the manner elsewhere provided that any portion of the Condominium Property which has been destroyed or damaged as a result of casualty shall not be reconstructed, such portion of the property will be withdrawn from the condominium regime and the condominium terminated with respect thereto. The determination not to reconstruct after casualty shall be evidenced by a certificate of the Association certifying as to the facts affecting the termination, which certificate shall become effective upon being recorded in the Conveyance Office of Jefferson Parish, Louisiana.

3. Status of Property After Withdrawal. Upon withdrawal of the Condominium Property or any part thereof from the condominium regime pursuant hereto, the part so withdrawn shall be deemed to be owned in indivision by the owners of the units in the Condominium Property withdrawn. The percentage of undivided ownership of a Unit Owner in the withdrawn Condominium Property shall be equal to his former percentage of ownership in such Common Elements, divided by the total former percentage of ownership in the Common Elements of all withdrawing Unit Owners. Liens upon individual condominium parcels withdrawn shall, following their withdrawal, be upon the respective undivided shares of the owners in the property withdrawn.

4. Disposition of Assets. All funds held by the Association and insurance proceeds, if any, shall be and continue to be held jointly for the former Unit Owners in proportion to the share of Common Expenses paid by each Unit Owner. All costs incurred by the Association in connection with the termination of the condominium regime and withdrawal of the Condominium Property shall be a part of the Common Expenses. Any surplus remaining after complete disposal of the withdrawn property shall be distributed to the former Unit Owners in accordance with their respective share of the Common Surplus as elsewhere herein provided.

5. Shares of Unit Owners After Termination. After termination of the condominium regime as to all or a portion of the property, the terminating Unit Owners shall own that portion of the property withdrawn from the condominium regime as owners in indivision and the holders of mortgages and liens against the condominium parcels formerly owned by such Unit Owners shall have mortgages and liens upon the respective undivided shares in the property of the former Unit Owners. Each such Unit Owner shall own, following termination, an undivided ownership in the Common Elements (Exhibit "A", "Percentage of Ownership"). All funds

held by the Association and insurance proceeds, if any, shall be and continue to be held jointly for the Unit Owners in proportion to the relative amount of the assessments paid by each Unit Owner, and the proportionate amount of insurance on each respective unit. The cost incurred by the Association in connection with any termination shall be assessed to such former Unit Owners in the same manner as Common Expense.

XVII.

COVENANTS RUNNING WITH THE LAND

All provisions of the Condominium Documents shall be construed to be covenants running with the land and with every part thereof and interest therein, including, but not limited to, every unit and the appurtenances thereto, and every Unit Owner and claimant of the property, or any part thereof or interest therein, and his heirs, executors, administrators, successors and assigns shall be bound by all of the provisions of the Condominium Documents.

XVIII.

LIENS

1. Protection of Property. All liens against a unit other than for mortgages, taxes or special assessments will be satisfied or otherwise removed within thirty (30) days from the date the lien attaches. All taxes and special assessments upon a unit shall be paid before becoming delinquent.

2. Notice of Lien. A Unit Owner shall give notice to the Association of every lien upon his unit other than for mortgage and special assessments within five (5) days after the attaching of such lien.

3. Notice of Suit. A Unit Owner shall give notice to the Association of every suit or other proceedings which will or may affect the title of his unit or any other part of the Condominium Property, such notice to be given within five (5) days after the Unit Owner receives notice thereof.

4. Judicial Sales. Failure to comply with this Article concerning liens will not affect the validity of any judicial sale, but the purchaser at any such judicial sale shall take the property subject to the provisions in the Condominium Declaration and the Condominium Documents in the same manner as any other owner of a unit.

5. Option to Cure Defaults. In the event any Unit Owner shall default in the payment of any monies required to be paid under the provisions of any mortgage or any provision of law, the Association shall have the right, but not the obligation, to cure such default by paying the amount so owing to the person entitled thereto, who shall be required to waive such default as consideration for such payment. Any money so paid by the Association shall be deemed a Common Expense owed only by the particular unit and the owner thereof for whose benefit the payment was made, and the Association may place a lien against such unit

in accordance with the Louisiana Condominium Act for all sums expended in connection therewith.

XIX.

SEVERABILITY

If any term, covenant, provision, phrase or other element of the Condominium Documents is held to be invalid or unenforceable for any reason whatsoever, such holding shall not be deemed to affect, alter, modify or impair in any manner whatsoever any other term, provision, covenant or element of the Condominium Documents. If any provision of this Condominium Declaration, or any section, sentence, clause, phrase or word, or the application thereof in any circumstances by judicially held in conflict with the laws of the State of Louisiana, then the said laws shall be deemed controlling and the validity of the remainder of this Condominium Declaration, and the application of any such provision, section, sentence, clause, phrase, or word in other circumstances shall not be affected thereby.

XX.

CAPTIONS

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

XXI.

GENDER, SINGULAR AND PLURAL

Whenever the context so permits, the use of the plural shall include the singular, the singular shall include the plural, and any gender shall be deemed to include all genders.

XXII.

CONDEMNATION

In the case of a total taking of all units and the Common Elements, the entire award attributable to the building shall be payable to the Board of Directors of the Condominium Association to be distributed to the Unit Owners or their mortgages, as their interest may appear, in accordance with their respective percentage interest in the Common Elements.

XXIII.

ADDITIONAL PROVISIONS

All provisions of the Condominium Declaration are in addition to the provisions of the Louisiana Condominium Act, Louisiana Revised Statutes 9:1121, 101-1148, as same may be from time to time amended, which said statute is made a part hereof as though copied herein in words and figures.

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

WITNESSES:

Linda D. Langley

CROSBY DEVELOPMENT CORPORATION

Gisa C. Forsberg

BY: John L. Grady
PRESIDENT

Robert J. Oster
NOTARY PUBLIC

RESOLUTION

BOARD OF DIRECTORS
CROSBY DEVELOPMENT CORPORATION

WHEREAS, this Corporation is the owner of that vacant real property located in the Parish of Jefferson, Louisiana, in that portion thereof known as DeLimon Place, and designated as Plot C-1-A in accordance with the resubdivision plan made by J. J. Krebs and Sons, Inc., dated January 12, 1989, approved by the Parish of Jefferson Ordinance No. 17712 and registered in C.O.B. 2172, folio 318; and

WHEREAS, it is deemed desirable that the said property, together with the building thereon, under construction, be submitted to a condominium regime; therefore be it,

RESOLVED, that the above mentioned property and the improvements thereon, under construction be submitted to a condominium regime to be known as Lower Pontalba of Old Metairie Condominium; and be it

FURTHER RESOLVED, that John L. Crosby, President and Secretary of this Corporation, be and he is hereby directed and authorized to cause to be drafted a condominium declaration establishing said condominium regime and all papers and documents necessary thereto including the Articles of Incorporation for the homeowners association, and all to contain such provisions as required by law and such other provisions as he deems requisite and desirable in his sole discretion, and to sign, on behalf of this corporation, all such documents therein required to be signed.

CERTIFICATE

I, John L. Crosby, President and Secretary of Crosby Development Corporation, hereby certify that the above and foregoing is a true and correct copy of a resolution unanimously adopted by the Board of Directors of said Corporation at a meeting duly held, and at which all Directors were present, at the office of the Corporation on January 14, 1989, and said resolution has not been revoked and is in full force and effect as the 6th day of April, 1989.



PRESIDENT/SECRETARY

EXHIBIT "A"

PERCENTAGE OF OWNERSHIP

EXHIBIT "A"

UPPER PONTALBA CONDOMINIUMS

ESTIMATED BUDGET - 91 UNITS

<u>OPERATING EXPENSES</u>	<u>ANNUALLY</u>	
Management	\$16,000.00	
Security	18,000.00	
Janitorial (Common Areas)	29,500.00	
Garbage Collection	5,500.00	
Legal and Accounting	1,000.00	
Termite Treatment	1,200.00	
Office Supplies	<u>2,000.00</u>	\$73,200.00
<u>MAINTENANCE EXPENSES</u>		
Landscaping	\$19,000.00	
Swimming Pool and Spa	3,500.00	
Building Maintenance	9,500.00	
Elevator Maintenance	6,400.00	
Intercom and Alarm Equipment	500.00	
Sprinkler System	<u>850.00</u>	39,750.00
<u>UTILITIES</u>		
Water (All Units and Common Areas)	\$ 7,600.00	
Electricity (Common Areas Only)	39,000.00	
Telephone (Office, Alarm, Elevators, & Entry)	4,000.00	
Gas Bar-b-ques	<u>350.00</u>	50,950.00
<u>INSURANCE</u>		
Building (11,000,000)	\$50,000.00	
Flood (1,000,000)	<u>2,000.00</u>	52,000.00
<u>MISCELANEOUS MAINTENANCE</u>		
Tennis Courts	\$2,000.00	
Garages	<u>4,800.00</u>	<u>6,800.00</u>
		\$222,700.00

The figures represented herein are based on the estimated cost projected at the time of completion. The Budget may be revised upon completion to reflect actual costs.

UPPER PONTALBA CONDOMINIUMS

PERCENTAGE OF OWNERSHIP

<u>UNIT TYPE</u>	<u>UNIT AREA</u>	<u># OF UNITS</u>	<u>TOTAL AREA</u>	<u>% OF OWNERSHIP</u>	<u>% OF TOTAL</u>
B/B-R	1,368	9	12,312	0.823	7.41
C/C-R	1,403	31	43,493	0.886	27.47
D	1,760	4	7,040	1.110	4.44
E/E-R	1,763	8	14,104	1.116	8.93
F	1,973	4	7,892	1.295	5.18
G/G-R	2,038	12	24,456	1.300	15.60
H/H-R	2,007	12	24,084	1.318	15.82
J/J-R	1,962	8	15,696	1.254	10.03
K/K-R	2,736	3	8,208	1.709	5.13
		<u>91</u>	<u>157,285</u>		<u>100.00</u>

PERCENTAGE OF OBLIGATION

<u>UNIT TYPE</u>	<u>% OF OBLIGATION PER UNIT TYPE</u>	<u># OF UNITS</u>	<u>CONDO FEE</u>	<u>MONTHLY TOTALS</u>	<u>ANNUAL TOTAL</u>
B/B-R	0.823	9	148.00	1,332.00	
C/C-R	0.945	31	170.00	5,270.00	
D	1.100	4	198.00	792.00	
E/E-R	1.100	8	198.00	1,584.00	
F	1.230	4	221.00	884.00	
G/G-R	1.273	12	229.00	2,748.00	
H/H-R	1.273	12	229.00	2,748.00	
J/J-R	1.230	8	221.00	1,768.00	
K/K-R	1.623	3	292.00	876.00	
				<u>18,002.00</u>	216,024.00
TENNIS INCOME:					2,000.00
GARAGE INCOME (40 @ \$10 A MONTH):					<u>4,800.00</u>
TOTAL INCOME ANNUALLY:					\$222,824.00

NOTES:

1. The determination of percent of obligation and percent of ownership, although follows no specific formula, takes into account unit size, number of bedrooms, and number of bathrooms. These percentages are considered to be the same for a first floor unit as compared with a second or third floor unit of the same type, even though there may be a variation due to balcony or patio size.
2. Condo fees are rounded to the nearest dollar.

EXHIBIT "B"

PROPERTY DESCRIPTION

EXHIBIT "B"

A CERTAIN PORTION OF GROUND, together with all the buildings and improvements thereon and all the rights, ways, privileges, servitudes and appurtenances thereunto belonging or otherwise appertaining, situated in the Parish of Jefferson, Louisiana, in that portion thereof known as DeLimon Place Subdivision, and, according to the resubdivision plan made by J. J. Krebs & Sons, Inc., and dated January 12, 1989, and approved by the Parish of Jefferson, Ordinance No. 17712, registered in C.O.B. 2172, Folio 318, said plot of ground is designated as C-1-A, and revised by Jefferson Parish Ordinance No. 17740, registered in C.O.B. 2207, Folio 9, and according to said revised resubdivision plan dated May 4, 1989, the said plot of ground is located and measures as follows: from a point on the westerly side of Canal Street, and common to Betz Place Subdivision and DeLimon Place, go, in a southeasterly direction, along a line forming an angle with the line common to DeLimon Place and Betz Place Subdivisions of 54 50' 30" a distance of 76.77 feet to the point of beginning, and said plot C-1-A measures thence 500.73 feet front on and along the line of Canal Street running in a southeasterly direction to a point, thence along a line forming a 125 03' 55" angle and running in a southwesterly direction 269.47 feet to a point, thence along a line common to point B-1-A and forming a 90 angle and running in a northwesterly direction a distance of 69 feet to a point, thence along a line forming an angle of 90 and running in a northeasterly direction, a distance of 20 feet to a point, thence running along a line forming an outside angle of 90 in a northwesterly direction a distance of 85 feet to a point, thence along a line forming an outside angle of 90 and running in a southwesterly direction 20 feet to a point, then on a line forming a 90 angle and running in a northwesterly direction a distance of 150.49 feet to a point, thence on a line forming a 90 angle and running in a northeasterly direction a distance of 20 feet to a point, thence on a line forming an outside angle of 90 running in a northwesterly direction a distance of 167.25 feet to a point, thence on a line forming a 90 05' 35" angle with the line common to Betz Place Subdivision and running in a northeasterly direction a distance of 447.93 feet to a point, thence along a line forming a 125 9' 30" angle and running in a northeasterly direction along the boundary of Lot C-1-B a distance of 109 feet to the point of beginning.

Being the same property acquired by Crosby Land Company, Inc., and Gulf International Cinema Corporation, an act passed before Sharon A. Perlis, Notary Public, dated January 14, 1981, registered in C.O.B. 996, Folio 619 and recorded in M.O.B. 813, Folio 760; and further acquired by Crosby Development Corporation (formerly Crosby Land Company, Inc.) from Gulf International Cinema Corporation by act of partition executed before Jess R. Nelson, Notary Public, dated January 13, 1982, and registered in C.O.B. 1018, Folio 381.

SERVITUDES

The above described property is subject to the servitudes for ingress and egress, for drainage, for water, and for utilities, as shown on the aforesaid plan of resubdivision.

EXHIBIT "C"

ARTICLES OF INCORPORATION

EXHIBIT "C"

ARTICLES OF INCORPORATION
OF
UPPER PONTALBA OF OLD METAIRIE CONDOMINIUM ASSOCIATION, INC.

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

ARTICLE I.

NAME

The name of the corporation shall be Upper Pontalba of Old Metairie Condominium Association, Inc., hereinafter, for convenience, referred to as the "Association".

ARTICLE II.

PURPOSE

The purpose for which the Association is organized is to provide an entity pursuant to the Condominium Act, Title 9, Sections 1121.101, et seq., laws of the State of Louisiana, hereinafter referred to as the "Condominium Act", for the operation and administration of Upper Pontalba of Old Metairie Condominium, a condominium located on all or part of the immovable property described herebefore on Exhibit "B".

ARTICLE III.

DOMICILE

The domicile of this corporation shall be Jefferson Parish, State of Louisiana, and the location and the post office address of its registered office shall be 800 Rue Rampart, Metairie, Louisiana 70005.

ARTICLE IV.

POWERS

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

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

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

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

b. To use the proceeds of assessments in the exercise of its powers and duties.

c. To repair, replace, maintain and operate the Condominium Property.

d. To purchase insurance on the Condominium Property and insurance for the protection of the Association and its members.

e. To make and amend reasonable regulations as to the use of property in the Condominium subject to the approval of not less than seventy-five (75%) percent of the votes of the entire membership of the Association with each unit having one vote, before such regulations or amendments shall become effective.

f. To enforce, by legal means, the provisions of the Condominium Act, the Condominium Declaration, these Articles, the By-Laws of the Association, and the regulations for the use of the Condominium Property.

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

h. To employ personnel to perform the services required for the proper operation of the Condominium.

3. The titles of all properties and all funds acquired by the Association and the proceeds thereof shall be held in trust for the Condominium members according to the provisions of the Condominium Declaration, these Articles and By-Laws of the Association.

4. The powers of the Association shall be subject, and shall be exercised according to the provisions of the Condominium Declaration and the By-Laws.

ARTICLE V.

MEMBERS

This corporation is to be organized on a non-stock basis. There shall only be one (1) class of membership. The members of the Association shall consist of all the record owners of units in the Condominium Membership and the Association shall be established by recordation in the Conveyance Records of Jefferson Parish, State of Louisiana, of a deed or other instrument translativ of title establishing a record title to a unit in the Condominium and the delivery to the Association of a certified copy of such instrument, the owner designated by such instrument thereby automatically becoming a member of the Association. The percentile share of a member in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to his unit. The exact number of votes to be cast by record owners of units and the manner of exercising voting rights shall be according to the By-Laws of the Association.

ARTICLE VI.

DIRECTORS

The affairs of the Association shall be managed by a Board of Directors consisting of such number of Directors as shall be determined by the By-Laws, but not less than two (2) Directors. In the absence of such a determination, the Board shall consist of three (3) Directors. Directors shall be elected at the annual member's meeting in the manner provided by the By-Laws. Directors may be removed and vacancies on the Board shall be filled as provided by the By-Laws.

The first election of Directors by the members shall not be held until 60 months after date of recordation of Declaration, or until 73 of the units have been sold by the Developer, or until the said Developer elects to terminate their control of the condominium, whichever occurs first. The Directors named herein shall serve until such first election of Directors, and the remaining Directors, or if there are none, then the Developer, shall fill any vacancies occurring before the first election. The Declarant shall have the right to appoint two (2) of the initial Directors at the organizational meeting, in accordance with the By-Laws in Article III. The names and addresses of the first Board of Directors are as follows:

JOHN L. CROSBY, JR.
401 Rue St. Ann
Metairie, Louisiana 70005

THOMAS N. CROSBY
401 Rue St. Ann
Metairie, Louisiana 70005

CLAIRE C. DIPOL
401 Rue St. Ann
Metairie, Louisiana 70005

HARRY J. CROSBY
401 Rue St. Ann
Metairie, Louisiana 70005

ARTICLE VII.

OFFICERS

The Association's affairs shall be administered by officers elected at the first meeting of the Board of Directors following the annual member's meeting. Such officers shall serve at the pleasure of the Board of Directors. Such officers shall serve for one (1) year or until the annual members meeting next following. The initial officers names and addresses are:

PRESIDENT: JOHN L. CROSBY, JR.
401 Rue St. Ann
Metairie, Louisiana 70005

VICE-PRESIDENT: THOMAS N. CROSBY
401 Rue St. Ann
Metairie, Louisiana 70005

SECRETARY: CLAIRE C. DIPOL
401 Rue St. Ann
Metairie, Louisiana 70005

TREASURER: HARRY J. CROSBY
401 Rue St. Ann
Metairie, Louisiana 70005

ARTICLE VIII.

INDEMNIFICATION

Each director and each officer of the Association shall be indemnified by the Association against all liabilities and expenses, including counsel fees reasonably incurred or imposed on him in connection with any proceedings in which he may be a party, or in which he may become involved, by reason of his being or having been an officer or director of the Association, or any settlement thereof, regardless of whether he is an officer or director at the time such expenses are incurred, unless the officer or director is adjudged guilty of willful malfeasance or misfeasance in the performance of his duties. In case of settlement, the indemnification provided for herein shall apply only when the Board of Directors approves such settlement and reimbursement

as being for the Association's best interest. The above described right of indemnification shall not be exclusive of all other rights to which such director or officer may be entitled, but shall be in addition to such other rights.

ARTICLE IX.

BY-LAWS

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

ARTICLE X.

AMENDMENTS TO ARTICLES OF INCORPORATION

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

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

An amendment must be approved by not less than seventy-five (75%) percent of the entire membership of the Board of Directors and by not less than seventy-five (75%) percent of the votes of the entire membership of the Association. For the purpose of amending these articles, each unit shall be assigned one (1) vote. No amendment shall make any changes in the qualifications for membership nor in the voting rights of the members, nor any change in Part C of Article IV. without the unanimous approval by all members. A copy of each amendment shall be certified by the Secretary of State and recorded in the Mortgage Records of Jefferson Parish, State of Louisiana.

ARTICLE XI.

ACCOUNTING RECORDS

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

1. An itemized record of all receipts and expenditures; and
2. A separate account for each unit which shall indicate the name and address of the Unit Owner, the amount of each assessment for Common Expenses, the date on which the assessment becomes due, amount paid on the account and any balance due thereon.

ARTICLE XII.

TERM OF ASSOCIATION

The Association shall continue to exist for the life of the Condominium unless the members terminate the Association sooner by their unanimous consent. The termination of this Condominium in accordance with the provisions of the Declaration shall terminate the Association.

ARTICLE XIII.

REGISTERED AGENTS

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

John L. Crosby, Jr.
401 Rue St. Ann
Metairie, Louisiana 70005

ARTICLE XIV.

INCORPORATOR

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

CROSBY DEVELOPMENT CORPORATION
401 Rue St. Ann
Jefferson Parish, Louisiana 70005

IN WITNESS WHEREOF, I have hereunto set my hand this 6th day of April, 1989.

CROSBY DEVELOPMENT CORPORATION

BY: John L. Crosby

A C K N O W L E D G E M E N T

STATE OF LOUISIANA

PARISH OF ORLEANS

BEFORE ME, the undersigned Notary Public, in and for the Parish aforesiad, on this 6th day of April, 1989, personally came and appeared:

CROSBY DEVELOPMENT CORPORATION, a Louisiana corporation, appearing herein through and represented by John L. Crosby, President

who declared and acknowledged to me, Notary, in the presence of the undersigned competent witnesses, that he is the identical person who executed the foregoing instrument writing, that his signature hereof is his own true and genuine signature and that he executed said instrument of his own free will accord, and for the uses, purposes and consideration therein expressed.

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

WITNESSES:

Paula D. Laushey

CROSBY DEVELOPMENT CORPORATION

Lisa C. Jansky

BY:

John L. Crosby

Robert J. Oster

NOTARY PUBLIC

INITIAL REPORT OF

UPPER PONTALBA OF OLD METAIRIE CONDOMINIUM ASSOCIATION, INC.

STATE OF LOUISIANA

PARISH OF JEFFERSON

In accordance with the provisions of La. R.S. 12:101, Upper Pontalba of Old Metairie Condominium Association, Inc., makes this its initial report as follows:

A. Location and Post Office Address of Corporation's Registered Office

Upper Pontalba of Old Metairie Condominium Association, Inc.
800 Rue Rampart
Metairie, Louisiana 70005

B. Name and Post Office Address of Corporation's Registered Agent

John L. Crosby, Jr.
401 Rue St. Ann
Jefferson Parish, Louisiana 70005

C. Name and Post Office Address of Corporation's First Board of Directors

John L. Crosby, Jr.
401 Rue St. Ann
Jefferson Parish, Louisiana 70005

Thomas N. Crosby
401 Rue St. Ann
Jefferson Parish, Louisiana 70005

Claire C. DiPol
401 Rue St. Ann
Jefferson Parish, Louisiana 70005

Harry J. Crosby
401 Rue St. Ann
Jefferson Parish, Louisiana 70005

Metairie, Louisiana, this 6th day of April, 1989.



JOHN L. CROSBY JR.

EXHIBIT "D"

BY-LAWS

EXHIBIT "D"

BY-LAWS

ARTICLE I.

PLAN OF UNIT OWNERSHIP

Section 1. Applicability. These By-Laws provide for the governance of the Condominium* pursuant to the requirements of LSA R.S. 1123.106. The property, located in Jefferson Parish, Louisiana, and more particularly described in the Declaration, has been submitted to the provisions of the Condominium Act by recordation simultaneously herewith of the Declaration in the Conveyance Records of Jefferson Parish, Louisiana.

Section 2. Compliance. Pursuant to the provisions of LSA R.S. 9:1124.115, every Unit Owner and all those entitled to occupy a unit shall comply with these By-Laws.

Section 3. Office. The office of the Condominium, the Unit Owners' Association and the Board of Directors shall be located at the property or at such other place as may be designated from time to time by the Board of Directors.

ARTICLE II.

UNIT OWNERS' ASSOCIATION

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

Section 2. Annual Meetings. Subject to the provisions of Section

* Capitalized terms used herein without definition shall have the meanings specified for such terms in the Declaration to which these By-Laws are attached as Exhibit "D", or, if not defined therein, the meanings specified for such terms in LSA R.S. 9:1121.103.

13 of this Article, an annual meeting of the members shall be held every year within thirty (30) days of the beginning of the fiscal year, for the purpose of electing directors and for the transaction of such other business as may be properly brought before the meeting of the members. At such meeting, the Board of Directors shall be elected by ballot of the Unit Owners in accordance with the requirements of Section 4 of Article III of these By-Laws. So long as the Developer shall own more than 18 units (but in no event later than sixty (60) months after the date of recordation of declaration), the Developer shall be entitled to designate the members of the Board of Directors. Upon election by the Developer to terminate their control of the Condominium, the first annual meeting of the members shall be called for at a time and place set by the Board of Directors.

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

Section 4. Special Meetings. The President shall call a special meeting of the Unit Owners' Association if so directed by resolution of the Board of Directors or upon a petition signed and presented to the Secretary by Unit Owners of not less than fifty (50%) percent of the aggregate percentage interests. The notice of any special meeting shall state the time, place and purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

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

Section 6. Adjournment of Meetings. If at any meeting of the Unit Owners' Association a quorum is not present, Unit Owners of a majority of the percentage interests who are present at such meeting in person or by proxy, may adjourn the meeting to a time not less than forty-eight (48) hours after the time the original meeting was called.

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

- a. Roll call.
- b. Proof of notice of meeting.
- c. Reading of minutes of preceding meeting.
- d. Reports of officers.
- e. Report of Board of Directors.

upon actual receipt by the person presiding over the meeting or notice of revocation from any of the persons owning such unit. Except with respect to proxies in favor of Mortgagee, no proxy shall in any event be valid for a period in excess on one hundred and eighty (180) days after the execution thereof.

Section 11. Quorum. Except as otherwise provided in these By-Laws, the presence in person or by proxy of Unit Owners of fifty (50%) percent or more of the total votes shall constitute a quorum at all meetings of the Unit Owners' Association.

Section 12. Conduct of Meetings. The President shall preside over all meetings of the Unit Owners' Association and the Secretary shall keep the minutes of the meeting and record in a minute book all resolutions adopted at the meeting as well as a record of all transactions occurring thereat. The President may appoint a person to serve as Parliamentarian at any meeting of the Unit Owners' Association. The then current edition of Robert's Rules of Order shall govern the conduct of all meetings of Unit Owners' Association when not in conflict with the Declaration, these By-Laws or the Condominium Act. All votes shall be tallied by tellers appointed by the President or other officer presiding over the meeting.

Section 13. Initial Meetings. Until 60 months after recordation of Declaration, or until the Developers of the Condominium have completed and sold 73 of the units of the Condominium, whichever shall first occur, there shall be no meeting of members of the Association unless a meeting is called by the Board of Directors.

ARTICLE III.

BOARD OF DIRECTORS

Section 1. Number and Qualifications. The affairs of the Unit Owners' Association shall be governed by a Board of Directors. Until 60 months after recordation of Declaration, or until the Developers have sold 73 units of the Condominium, whichever shall first occur, the first Directors of the Association named in the Articles of Incorporation shall serve, and in the event of vacancies, the remaining Directors shall fill the vacancies, and if there are no remaining Directors, the vacancies shall be filled by the Developers. The Board of Directors shall be composed of not less than four (4), nor more than seven (7) persons, as determined by the members of the Association, all of whom shall be Unit Owners or spouses of Unit Owners, mortgagees or designees of mortgagees. In addition, the Declarant shall have the right to appoint two (2) of the seven (7) initial Directors in order to facilitate a smooth transition to the new Board. One (1) director shall be appointed for a one (1) year term, and one (1) for a two (2) year term. The appointed Directors shall have all powers, including voting as a regular Director. The Developer shall have the right to replace the appointed Directors until the expiration of their respective terms.

- f. Reports of committees.
- g. Election or appointment of inspectors of election (when so required).
- h. Unfinished business.
- i. New business.

Section 8. Title of Units. Title to a unit may be taken in the name of one (1) or more persons, in any manner permitted by law. The Unit Owners' Association may acquire, hold and transfer full legal title to one (1) or more condominium units in the Condominium in its own name but only if the unanimous consent of the members of the Association is obtained.

Section 9. Voting. Voting at all meetings of the Unit Owners' Association shall be on a one (1) vote per unit basis. Where the ownership of a unit is in more than one (1) person, the person who shall be entitled to cast the vote of such unit shall be the person named in a certificate executed by all of the owners of such unit and filed with the Secretary or, in the absence of such named person from the meeting, the person who shall be entitled to cast the vote of such unit shall be the person owning such unit who is present. If more than one (1) person owning such unit is present, then such vote shall be cast only in accordance with their unanimous agreement. Such certificate shall be valid until revoked by a subsequent certificate similarly executed. Wherever the approval or disapproval of a Unit Owner is required by the Condominium Act, the Declaration or these By-Laws, such approval shall be made only by the person who would be entitled to cast the vote of such unit at any meeting of the Unit Owners' Association. Except where a greater number is required by the Condominium Act, the Declaration or these By-Laws, the owners of more than fifty (50%) percent of the aggregate percentage interest in the Condominium voting in person or by proxy at one time at a duly convened meeting at which a quorum is present ("Majority of the Unit Owners") is required to adopt decisions at any meeting of the Unit Owners' Association. Any specified percentage of the Unit Owners means the Unit Owners owning such percentage interest in the aggregate. If the Declarant owns or holds title to one (1) or more units, the Declarant shall have the right at any meeting of the Unit Owners' Association to cast the votes to which such unit or units are entitled. No Unit Owner may vote at any meeting of the Unit Owner's Association or be elected to or serve on the Board of Directors if the Unit Owners' Association has perfected a privilege against his unit and the amount necessary to release such privilege has not been paid at the time of such meeting or election.

Section 10. Proxies. A vote may be cast in person or by proxy. Such proxy may be granted by any Unit Owner in favor of only another Unit Owner, a Mortgagee or the Declarant. Proxies shall be duly executed in writing, shall be valid only for the particular meeting designated therein and must be filed with the Secretary before the appointed time of the meeting. Such proxy shall be deemed revoked only

Section 2. Powers and Duties. The Board of Directors shall have all of the powers and duties necessary for the administration of the affairs of the Unit Owners' Association. The Board of Directors shall have the power from time to time to adopt any rules and regulations deemed necessary for the benefit and enjoyment of the Condominium; provided, however, that such rules and regulations shall not be in conflict with the Condominium Act, the Declaration or these By-Laws. In addition to the duties imposed by these By-Laws or by any resolution of the Unit Owners' Association that may hereafter be adopted, the Board of Directors shall, on behalf of the Unit Owners' Association:

- a. Prepare an annual budget, in which there shall be established the assessments of each Unit Owner for the Common Expenses.
- b. Make assessments against Unit Owners to defray the costs and expenses of the Condominium, establish the means and methods of collecting such assessments from the Unit Owners and establish the period of the installment payment of the annual assessment for Common Expenses. Unless otherwise determined by the Board of Directors, the annual assessment against each Unit Owner for his proportionate share of the Common Expenses shall be payable in equal monthly installments, each such installment to be due and payable in advance on the first day of each month for such month.
- c. Provide for the operation, care, upkeep, and maintenance of all of the property and services of the Condominium.
- d. Designate, hire and dismiss the personnel necessary for the maintenance, operation, repair and replacement of the Common Elements and provide service for the property and, where appropriate, provide for the compensation of such personnel and for the purchase of equipment, supplies and material to be used by such personnel in the performance of their duties, which supplies and equipment shall be deemed part of the property.
- e. Collect the assessments against the Unit Owners, deposit the proceeds thereof in bank depositories designated by the Board of Directors and use the proceeds to carry out the administration of the property.
- f. Make and amend the Rules and Regulations.
- g. Open bank accounts on behalf of the Unit Owners' Association and designate the signatories thereon.
- h. Make, or contract for the making of repairs, additions and improvements to or alterations of the property and repairs to and restoration of the property, in accordance with these By-Laws, after damage or destruction by fire or other casualty or as a result of condemnation or eminent domain proceedings.
- i. Enforce, by legal means, the provisions of the Declaration, these By-Laws and the Rules and Regulations and act on behalf of

the Unit Owners with respect to all matters arising out of any eminent domain proceedings.

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

k. Pay the cost of all authorized services rendered to the Unit Owners' Association and not billed to Unit Owners of individual units.

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

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

n. Borrow money on behalf of the Condominium when required in connection with any one instance relating to the operation, care, upkeep, and maintenance of the Common Elements, provided, however, that the consent of at least two-thirds (2/3) in number and in percentage interest of all Unit Owners, obtained at a meeting duly called and held for such purpose in accordance with the provisions of these By-Laws, shall be required to borrow any sum in excess of five thousand and no/100 (\$5,000.00) dollars.

o. Acquire, hold and dispose of condominium units and mortgage the same if such expenditures and hypothecations are included in the budget adopted by the Unit Owners' Association and the purchase is approved by all of the members of the Unit Owners' Association.

p. Furnish a "Certificate of Resale" within ten (10) days after receipt of a written request from any Unit Owner.

q. Do such other things and acts not inconsistent with the Condominium Act, the Declaration or these By-Laws which the Board of Directors may be authorized to do by a resolution of the Unit Owners' Association.

Section 3. Election and Term of Office.

a. At the first annual meeting of the Unit Owners' Association, the term of office of two (2) of the members elected or appointed to the Board of Directors shall be one (1) year, the term of two (2) of the members elected or appointed shall be two (2) years, and the term of three (3) of the members elected shall be three (3) years. One of the 1 year term and one of the 2 year term directors shall be appointed by the Declarant. At the expiration of the initial term of office of each member of the initial Board of Directors, each successor shall be elected to serve for a term of three (3) years. The members of the Board of Directors shall hold office until their respective successors have been elected by the Unit Owners' Association.

b. Persons qualified to be members of the Board of Directors may be nominated for election only as follows:

1. Any Unit Owner may submit to the Secretary at least thirty (30) days before the meeting at which the election is to be held a nominating petition signed by a Unit Owner and a statement that the person is willing to serve on the Board of Directors. The Secretary shall mail or hand deliver the submitted items to every Unit Owner along with the notice of such meeting; or

2. Nominations may be submitted from the floor of the meeting at which the election is held for each vacancy on the Board of Directors for which no more than one (1) person has been nominated by petition.

Section 4. Removal or Resignation of Members of the Board of Directors. Except with respect to directors designated by Declarant, at any regular or special meeting duly called, any one (1) or more of the members of the Board of Directors may be removed with or without cause by a majority of the Unit Owners and a successor may then and there be elected to fill the vacancy thus created. Any Director whose removal has been proposed by the Unit Owners shall be given at least seven (7) days' notice of the time, place and purpose of the meeting and shall be given an opportunity to be heard at the meeting. A member of the Board of Directors may resign at any time and shall be deemed to have resigned upon disposition of his unit.

Section 5. Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a Director by a vote of the Unit Owners' Association, shall be filled by vote of a majority of the remaining Directors at a special meeting of the Board of Directors held for such purpose promptly after the occurrence of any such vacancy even though the Directors present at such meeting may constitute less than a quorum. Each person so elected shall be a member of the Board of Directors for the remainder of the term of the member being replaced and until a successor shall be elected at the annual meeting of the Unit

Owners' Association. The Developer shall designate the successor to any resigned or removed member previously designated by the Developer.

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

Section 7. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the Directors. Notice of regular meetings of the Board of Directors shall be given to each Director, by mail or telegram, at least three (3) business days prior to the day named for such meeting.

Section 8. Special Meetings. Special meetings of the Board of Directors may be called by the President on three (3) business days' notice to each Director, given by mail or telegram, which notice shall state the time, place and purpose of the meeting. On the written request of at least two (2) Directors, special meetings of the Board of Directors shall be called by the President or the Secretary in the same manner and with the same notice as above required.

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

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

Section 11. Fidelity Bonds. After the initial Board of Directors, the Board of Directors may obtain and maintain adequate fidelity bonds in an amount as determined by the Board of Directors

to protect against the dishonest acts on the part of the Officers, Directors and employees of the Unit Owners' Association, handling or responsible for condominium funds. The premiums on such bonds shall constitute a Common Expense. Such fidelity bonds shall:

- a. Name the Unit Owners' Association as an obligee;
- b. Contain waivers of any defense based upon the exclusion of persons who serve without compensation from any definition of "employee" or similar expression; and
- c. Provide that they may not be cancelled or substantially modified (including cancellation for non-payment of premium) without at least thirty (30) days' prior written notice to the mortgagees.

Section 12. Compensation. Directors' and Officers' fees, if any, shall be determined by the members of the Association.

Section 13. Conduct of Meetings. The President shall preside over all meetings of the Board of Directors and the Secretary shall keep a minute book of the Board of Directors recording therein all resolutions adopted by the Board of Directors and a record of all transactions and proceedings occurring at such meetings. The then current edition of Robert's Rules of Order shall govern the conduct of the meetings of the Board of Directors when not in conflict with the Declaration, these By-Laws or the Condominium Act.

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

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

- a. The officers and members of the Board of Directors shall not be liable to the Unit Owners' Association for any mistake of judgement, negligence or otherwise, except for their own willful misconduct or bad faith. The Unit Owners' Association shall indemnify and hold harmless each of the officers and directors from and against all contractual liability to others arising out of contracts made by the officers of the Board of Directors on behalf of the Unit Owners' Association unless such contract shall have been made in bad faith or contrary to the provisions of the Condominium Act, the Declaration or these By-Laws, except to the extent that such liability is covered by directors' and officers' liability insurance. Officers and members of the Board of Directors shall have no personal liability with respect to any contract made by them on behalf of the Unit Owners' Association.

The liability of any Unit Owner (only as it relates to all other Unit Owners in the Condominium) arising out of any contract made by the officers or Board of Directors, or out of the aforesaid indemnity in favor of the members of the Board of Directors or Officers, or for damages as a result of injuries arising in connection with the Common Elements solely by virtue of his ownership of a percentage interest therein or for liabilities incurred by the Unit Owners' Association, shall be limited to the total liability multiplied by his percentage interest. Every agreement made by the Officers, the Board of Directors or the managing agent on behalf of the Unit Owners' Association shall, if obtainable, provide that the Officers, the members of the Board of Directors or the managing agent, as the case may be, are acting only as agents for the Unit Owners' Association and shall have no personal liability thereunder (except as Unit Owners), and that each Unit Owner's liability thereunder shall be limited to the total liability thereunder multiplied by his percentage interest.

b. The Unit Owners' Association shall not be liable for any failure of water supply or other services to be obtained by the Unit Owners' Association or paid for as a Common Expense, or for injury or damage to person or property caused by the elements or by the Unit Owner of any Condominium Unit, or by any other person or resulting from electricity, water, snow or ice which may leak or flow from any portion of the Common Elements or from any pipe, drain, conduit, appliance or equipment. The Unit Owners' Association shall not be liable to any Unit Owner for loss or damage, by theft or otherwise, of articles which may be stored upon any of the Common Elements. No diminution or abatement of any assessments, as herein elsewhere provided, shall be claimed or allowed for inconvenience or discomfort, arising from the making of repairs or improvements to the Common Elements or from any action taken by the Unit Owners' Association to comply with any law, ordinance or directive of any municipal or other governmental authority.

Section 16. Common or Interested Directors. Each member of the Board of Directors shall exercise his powers and duties in good faith and with a view to the interests of the Condominium. No contract or other transaction between the Unit Owners' Association and any of its Directors, or between the Unit Owners' Association and any corporation firm or association (including the Developer) in which any of the Directors of the Unit Owners' Association are Directors or Officers or are pecuniarily or otherwise interested, is either void or voidable because any such Director is present at the meeting of the Board of Directors or any committee thereof which authorized or approves the contract or transaction, or because his vote is counted for such purposes, if any of the conditions specified in any of the following subparagraphs exist:

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

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

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

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

Section 17. Covenants Committee. The Board of Directors may establish a Covenants Committee, consisting of three (3) or five (5) members appointed by the Board of Directors, each to serve for a term of one (1) year, in order to assure that the Condominium shall always be maintained in a manner:

- a. Providing for visual harmony and soundness of repair;
- b. Avoiding activities deleterious to the esthetic or property values of the Condominium;
- c. Furthering the comfort of the Unit Owners and their invitees; and
- d. Promoting the general welfare of the Condominium community.

Powers. The Covenants Committee shall regulate the external design, appearance, use and maintenance of the Common Elements. The Covenants Committee shall have the power to issue a cease and desist request to a Unit Owner, his guests, invitees or lessees whose actions are inconsistent with the provisions of the Condominium Act, the Condominium instruments, the Rules and Regulations or resolutions of the Board of Directors (upon petition of any Unit Owner or upon its own motion). The Covenants Committee shall from time to time, as required, provide interpretations of the condominium instruments, Rules and resolutions pursuant to the intents, provisions and qualifications thereof when requested to do so by a Unit Owner or the Board of Directors. Any action, ruling or decision of the Covenants Committee may be appealed to the Board of Directors by any party deemed by the Board of Directors to have standing as an aggrieved party and a vote of a quorum of the Board of Directors may modify or reverse any such action, ruling or decision.

Authority. The Covenants Committee shall have such additional duties, power and authority as the Board of Directors may from time to time provide by resolution. The Board of Directors may relieve the Covenants Committee of any of its duties, powers and authority, either generally or in a case by case basis by vote of a quorum thereof. The

Covenants Committee shall carry out its duties and exercise its powers and authority in the manner provided for in the Rules and Regulations or by resolution of the Board of Directors.

ARTICLE IV.

OFFICERS

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

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

Section 3. Removal of Officers. Upon the affirmative vote of a majority of all members of the Board of Directors, any officer may be removed, either with or without cause, and a successor may be elected at any regular meeting of the Board of Directors or at any special meeting of the Board of Directors called for such purpose.

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

Section 5. Vice-President. The Vice-President shall take the place of the President and perform the duties of the President whenever the President shall be absent or unable to act. If neither the president nor the Vice-President is able to act, the Board of Directors shall appoint some other member of the Board of Directors to act in the place of the President, on an interim basis. The Vice-President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Directors or by the President.

Section 6. Secretary. The Secretary shall keep the minutes of all meetings of the Unit Owners' Association and of the Board of Directors; have charge of such books and papers as the Board of Directors may direct; maintain a register setting forth the place to which all notices to Unit Owners and mortgages hereunder shall be delivered; and, in general, perform all the duties incident to the office of Secretary of a non-profit corporation organized under the Louisiana Not-For-Profit Corporation Act.

Section 7. Treasurer. The Treasurer shall have the responsibility for Unit Owners' Association funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements, and for preparation of all required financial data; and be responsible for the deposit of all monies and other valuable effects in the name of the Board of Directors, the Unit Owners' Association or the managing agent, in such depositories as may from time to time be designated by the Board of Directors; and in general, perform all the duties incident to the office of Treasurer of a non-profit corporation organized under the Louisiana Not-For-Profit Corporation.

Section 8. Execution of Documents. All agreements, contracts, deeds, leases, checks and other instruments of the Unit Owners' Association for expenditures or obligations in excess of Two Thousand and No/100 (\$2,000.00) Dollars shall be executed by any two (2) persons designated by the Board of Directors. All such instruments for expenditures or obligations of Two Thousand and No/100 (\$2000.00) Dollars or less may be executed by any one (1) person designated by the Board of Directors.

Section 9. Compensation of Officers. The compensation of all employees of the Association, including officers, if it is determined that the officers are to be paid, shall be fixed by the Board of Directors.

ARTICLE V.

ASSESSMENTS AND FISCAL MANAGEMENT

Section 1. On or before the 15th day of January of each year, the Board of Directors shall prepare a budget (the "Annual Budget") based on an estimate of the total amount required for the cost of wages, materials, insurance, services and supplies and other Common Expenses which will be required during the ensuing calendar year for the management and maintenance of the Condominium Property, together with reasonable amounts considered by the Board to be necessary for the reserves hereinafter established. On or before the 15th day of January of each year, the Board shall give each Unit Owner a copy of the Proposed Annual Budget for the ensuing year together with a written statement of the annual and monthly assessments pertaining to the unit, which assessments shall be fixed in accordance with the provisions of the Condominium Declaration. If the budget or proposes assessments are amended, a copy of the amended budget or statement of assessments shall be furnished each Unit Owner concerned.

Section 2. The failure or delay of the Board of Directors to prepare or to transmit to Unit Owners an annual budget or statement of assessments shall not constitute a waiver or release in any manner of any Unit Owner's obligation to pay assessments against his until, whenever the same shall be determined, and in the absence of an annual budget or statement of assessments, each Unit Owner shall continue to pay the existing monthly installments against the assessments established for the previous period until changed by delivery of a revised statement of assessments.

Section 3. In the event that the annual budget and the assessments made pursuant thereto prove to be insufficient for any reason, including non-payment of any assessment, the annual budget and assessments therefor may be amended at any time by the Board of Directors and supplemental or additional assessments made. Notice of such amended budget and assessments shall be given as provided in Section 1 of this Article.

Section 4. When the first Board of Directors takes office, it shall forthwith determine the annual budget for the period commencing thirty (30) days after such taking of office and ending on the last day of the same calendar year. Assessments shall be levied during this period as provided in Section 1 of this Article and in the Condominium Declaration.

Until sixty (60) months after recordation of Declaration, or until the Developers have sold 73 units, or until the Developers elect to terminate their control of the Condominium, whichever shall first occur, the Board of Directors may omit from the annual budget allowances for any and all reserves and contingencies.

The Developer, as the Agent of the Board of Directors, will collect from each initial purchaser at the time of settlement. A one month advance on the monthly condominium fee.

Section 5. The annual budget shall include allocations for, and the funds and expenditures of the Association shall be credited and charged to, accounts under the following classifications as shall be appropriate, all of which expenditures shall be Common Expenses:

- a. Current Expenses, which shall include all funds used and expenditures to be made within the year for which the funds are budgeted to pay current Common Expenses for the maintenance and management and operation of the Condominium Property, including reasonable amounts for contingencies related to such expenses.
- b. Reserve for Deferred Maintenance, which shall include funds for maintenance items which occur less frequently than annually.
- c. Reserves for Obsolescence and Replacements, which shall include funds for repairs or replacements to the Condominium Property required because of uninsured casualty damage, depreciation or obsolescence.

d. Reserve for Alterations and Improvements, which shall include funds for such alterations or improvements to the Common Elements which may have been authorized in accordance with the Condominium Declaration and for additional movable property needed in the management and operation of the Condominium Property and which will become part of the Common Elements.

e. Reserve for Bad Debts, which shall include funds to offset reasonably anticipated defaults in payments of assessments and other obligations due to the Association.

f. Reserve for Taxes, which shall include funds to pay any taxes, including income taxes, levied against the Association, but not any taxes or assessments levied against individual units Unit Owners.

g. Working Capital, which shall include funds necessary to provide sufficient cash to the Association to pay current obligations as they become due.

The Board of Directors, in its absolute discretion, may establish from time to time, such other accounts or budget classifications as it may deem appropriate for proper administration of the Condominium Property.

Section 6. Extraordinary or emergency expenditure not originally included in the annual budget which may become necessary shall be first charged against any appropriate reserves available for such contingencies, and to the extent such reserves are unavailable or inadequate, the Board of Directors may levy an additional assessment against Unit Owners. Such assessments shall be made only upon written notice to and approval of Unit Owners entitled to cast more than fifty (50%) percent of the votes of members in the Association and shall be due in such installments and at such times as may be specified in the notice of such assessment. Other assessments which the Board of Directors may levy against units and Unit Owners shall be made, apportioned and collected in the manner set forth in those provisions of the Condominium Documents or law authorizing the same or in the action of the Board in making the assessment, and in lieu thereof, in the same manner as provided in Section 1 of this Article.

Section 7. On or before the date of the annual members' meeting of each year, the Board of Directors shall provide all Unit Owners with a copy of an audit or itemized accounting of the Common Expenses actually incurred and paid for the preceding year, together with a tabulation of all amounts collected pursuant to assessments levied, and showing the net amount over or short of actual expenditures plus reserves. Any amount accumulated in excess of the amount required for actual expenses and reserves shall be Common Surplus and shall be apportioned among the Unit Owners as provided in the Condominium Declaration and shall be credited to each Unit Owner's next monthly installment against assessments for the current year, until exhausted. Any net shortage shall, at the option of the Board, either be accounted for in the annual budget for the current year or added to each owner's assessment for the current year to be paid

with the installments against assessments due in the six (6) months immediately succeeding the rendering of the accounting.

Section 8. The Treasurer shall keep full and correct books of account, including itemized records of all receipts and expenditures, and the same shall be open for inspection by any Unit Owner, any representative of a Unit Owner duly authorized in writing or the mortgagee of any unit at such reasonable time or times during normal business hours as may be requested by the Unit Owner or his representative or mortgagee. The Treasurer shall also maintain a separate account for each unit which shall be kept current at all times and which shall show:

- a. The name and address of the Unit Owner or Owners, and the mortgagee of the unit, if any;
- b. The account and due date of all assessments pertaining to the unit;
- c. All amounts paid on account; and
- d. Any balance due.

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

Section 9. All installments on assessments shall be payable to the order of Upper Pontalba of Old Metairie Condominium Association, Inc., and shall be paid at the principal office of the Association or to such other person or entity and at such other place as the Board of Directors may from time to time designate.

Any installment on any assessment for Common Expenses not paid within ten (10) days after the date when due shall be delinquent as of the eleventh (11th) day after the due date. There will be due a late charge of \$25.00 as of that time. Not later than eighty-three (83) days after any such assessment becomes delinquent, the Treasurer or Secretary shall serve upon the Unit Owner liable for such delinquent installment a sworn detailed statement of the Association's claim for any or all delinquent installments on assessments for Common Expenses. Such statement shall be executed by the Treasurer or Secretary in authentic form or shall be duly acknowledged before a Notary Public and shall be either personally delivered or sent by registered mail to the responsible Unit Owner. In the event that payment is not forthcoming, the Secretary or Treasurer shall, no later than ninety (90) days after the date on which the installment becomes delinquent, take necessary measures to file in the records of the Recorder of Mortgages for the Parish of Jefferson, a claim of lien on behalf of the Association against the condominium parcel liable for such assessment. The claim of lien shall be signed and verified by affidavit of any Director or Officer of the Association and shall include:

a. A description of the condominium parcel, by reference to the Condominium Declaration, the unit designation and any other information necessary for proper identification;

b. The name of the record Unit Owner;

c. The amount of all delinquent installments of payments of assessments for Common Expenses; and

d. The date on which the said installments or payments became delinquent.

In the event that payment of the claim of lien is not forthcoming after filing of the claim of lien, the Board of Directors shall take necessary measures to have filed on behalf of the Association a suit on such claim in a civil action in a court of competent jurisdiction in Jefferson Parish. Any such suit must be filed before the expiration of one (1) year, after the date of recordation of the inscription of the lien in the office of the Recorder of Mortgages for the Parish of Jefferson.

Section 10. Any Unit Owner who mortgages his unit shall notify the Secretary of the name and address of his mortgagee. The secretary shall maintain such information in a special book or file. Whenever so requested in writing, the Treasurer will promptly report to a mortgagee of a unit any unpaid assessments or other default by the owner of such unit. A copy of any notice of default sent by the Association to a Unit Owner shall also be sent to the mortgagee of the unit whose name and address has theretofore been furnished to the Association.

Section 11. The depository of the Association shall be such bank or banks as shall be designated from time to time by the Board of Directors. Withdrawal of monies from such accounts shall be only by checks signed by such persons as are authorized by resolutions of the Board of Directors. All funds collected by the Association from assessments may be co-mingled in a single fund, but they shall be held for the Unit Owners in the respective shares in which they are paid and credited to accounts from which shall be paid the expenses for which the respective assessments were made.

Section 12. Unless all mortgages shall have given their prior written approval, neither the Unit Owners' Association nor any Unit Owner shall:

a. Change the percentage interest of any obligation of any Unit Owner;

b. Subdivide, partition or relocate the boundaries of any unit encumbered by a mortgage or the Common Elements of the Condominium;

c. By act or omission, withdraw the submission of the property to the Condominium Act, except as provided by the condominium instruments or the Condominium Act;

d. Abandon or terminate the project, except for abandonment or termination provided by law in the case of substantial destruction by fire or other casualty, or in the case of a taking by condemnation or eminent domain;

e. Materially amend the declaration or the By-Laws, including, but not limited to any amendment which would change the percentage interests of the Unit Owners in the project;

f. Effectuate any decision by the Unit Owners' Association to terminate professional management and assume self-management of the project.

Section 13. All mortgagees or their representatives shall be entitled to attend meetings of the Unit Owners' Association and shall have the right to speak thereat. All such mortgagees shall have the right to examine the books and records of the condominium during normal business hours and to require the submission of annual audited financial reports and other budgetary information within ninety (90) days following the end of any fiscal year. They shall also receive written notice of all meetings of the Unit Owners' Association and be permitted to designate a representative to attend all such meetings.

ARTICLE VI.

ARBITRATION

Section 1. Any question or issue in controversy (the "controversy"), other than the due payment of any assessment required to be paid to the Association, arising between two (2) or more Unit Owners or between one (1) or more Unit Owners and the Association or its Board of Directors, or the Developer, or the employees and agents of either, concerning the administration of the Condominium Property shall, at the written request of any party to such controversy delivered to the other party thereto, be submitted to arbitration.

Section 2. Upon request of any party for submission of a controversy to arbitration, each party thereto shall elect one (1) arbitrator each and notify the other party or parties in writing of such choice. The arbitrators respectively selected by the parties to the controversy shall meet as promptly as practicable after their appointment and, with all reasonable dispatch, shall determine the controversy. In the event that the arbitrators cannot agree upon the matter in dispute, and if there is an even number of arbitrators so that the decision of a majority of the arbitrators cannot be obtained, then the appointed arbitrators shall choose another arbitrator so that there shall be an even number of arbitrators, and the decision shall thereafter be based on the determination of a majority of such arbitrators. If within a period of ten (10) days after the party seeking the arbitration has selected an arbitrator and notified the other party or parties of such choice, the other party shall fail to select an arbitrator or arbitrators, or, if within a period of thirty (30) days after the appointment of all

arbitrators by the parties, the arbitrators do not agree upon the matter in dispute, or upon the selection of another arbitrator as herein provided, the appointment of arbitrators and the determination of the controversy shall be made in accordance with the rules of the American Arbitration Association, the award rendered by the arbitrator or arbitrators to determine the matter in dispute which award shall be binding upon all parties to the controversy. Judgement upon the award rendered by the arbitrator or arbitrators may be entered by any court having jurisdiction thereof.

Section 3. The award of the arbitrators shall be in writing and a copy thereof shall be delivered to each party to the controversy and to the Secretary for filing in the records of the Association. The decision of the arbitrators shall be final, and the parties to the controversy shall be bound thereby. All expences attendant to the arbitration, including the fee of the arbitrators, shall be borne by the parties to the controversy, as may be determined by the arbitrators whose decision, except with respect to their fees, shall also be final.

ARTICLE VII.

NOTICES

Section 1. Any notice required by the Condominium Documents or by law to be given in writing by any Unit Owner to another Unit Owner or the Association or its Board of Directors or by the Association or its Board of Directors to any Unit Owner, Association member or other person or entity shall be deemed sufficient if delivered personally or deposited in the United States Mail, registered or certified mail, addressed to the registered office of the Association, as filed with the Louisiana Secretary of State, with respect to the Association, and to the last address of such Unit Owner, Association member or other person appearing in the records of the Association.

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

ARTICLE VIII.

PARLIAMENTARY RULES

Robert's Rules of Order (latest edition) shall govern the conduct of the Association proceedings when not in conflict with the Condominium Declaration, the Articles of Incorporation or these By-Laws or with the laws of the State of Louisiana.

ARTICLE IX.

AMENDMENTS

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

1. Notice of the subject matter of a proposal amendment shall be included in the notice of any meeting at which a proposed amendment is considered.
2. A resolution adopting a proposed amendment must receive approval by a vote of two-thirds (2/3) of the entire membership. Members not present at the meetings considering the amendment may express their approval in writing thereafter. Until the first election of Directors by the members at an annual meeting, By-Laws may be approved by the unanimous vote of the Directors.
3. An amendment may be proposed by either the Board of Directors or by any member of the Association.
4. An amendment when adopted as set forth in Number 2 of this Article above shall become effective only after a copy of the same, certified by the President and Secretary as having been duly adopted, is recorded in the Conveyance Records of Jefferson Parish, Louisiana, in the same manner as recordation of the original Condominium Declaration to which the original By-Laws are annexed as an exhibit.
5. These By-Laws shall be amended, if necessary, so as to make the same consistent with the provisions of the Condominium Declaration and the requirements of law.
6. No amendment shall discriminate against any Unit Owner (including the Developer) or against any unit or class or group of units unless the Unit Owners so affected shall consent.
7. No amendment to these By-Laws shall operate to change any unit nor the share in the Common Elements or other rights appurtenant to the unit, nor increase the owner's share of the Common Expenses, nor change the voting rights of members, unless the record owner of the unit concerned and all record mortgagees thereof shall join in the execution of the amendment.

ARTICLE X.

CONSTRUCTION

These condominium instruments are intended to comply with all of the applicable provisions of the Louisiana Condominium Act and shall be so interpreted and applied.

The foregoing were adopted as the By-laws of Upper Fontalba of Old Metairie Condominium Association, Inc., a non-profit corporation organized under the laws of the State of Louisiana, at the first meeting of the Board of Directors.

Dated this 6th day of April, 1989.

Clare C. DiPal
SECRETARY

APPROVED:

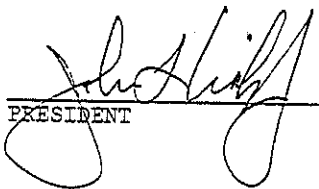

PRESIDENT

EXHIBIT "E"

RULES AND REGULATIONS

EXHIBIT "E"

RULES AND REGULATIONS
FOR
UPPER PONTALBA OF OLD METAIRIE CONDOMINIUM ASSOCIATION, INC.

1. No part of the condominium property shall be used for any purpose except housing and the common recreational purposes for which the condominium property was designed. Each unit shall generally be used as a residence for a single family, its servants and guests. No portion or all of any unit may be used as a professional office whether or not accessory to a residential use, except with the express written consent of all of the Unit Owners and the Board of Directors of the Association.

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

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

4. No animals or reptiles of any kind shall be raised, bred or kept in any unit or in the Common Elements, except that dogs, cats or other household pets, not to exceed two (2) per unit without the approval of the Board of Directors, may be kept in the units, subject to the rules and regulations adopted by the Board of Directors provided they are not kept, bred or maintained for any commercial purposes; and provided further that such pet causing or creating a nuisance or unreasonable disturbance or noise shall be permanently removed from the Condominium Property upon three (3) days' written notice from the Board of Directors. In no event shall any dog be permitted in any portion of the Common Elements unless on a leash. No animals over forty pounds in weight shall be allowed.

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

6. Nothing shall be done in, or to the Common Elements which will impair the structural integrity of any unit or which would structurally change any of the units. In accordance with Jefferson Parish and State Fire Marshall building code requirements, alarm systems, emergency lighting, and automatic door closers shall be maintained in perfect working order. These systems may not be modified without approval of these agencies. Self closing doors, including entry doors to individual units, shall not be propped open. Doors exiting to the courtyard from lobby the areas of the building shall not contain hardware which could be locked in either direction. These as well as all exits shall remain clear and unobstructed.

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

8. No industry, business, trade, occupation or profession of any kind, commercial, religious, educational or otherwise, designated for profit, altruism or otherwise, shall be conducted, maintained or permitted on any part of the Condominium Property except with the consent of all the Unit Owners and the Board of Directors of the Association nor shall any unit be used or rented for transient, hotel or motel purposes.

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

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

11. All radio, television or other electrical equipment of any kind or nature installed or used in each unit shall fully comply with all rules, regulations, requirements or recommendations of the Board of Fire Underwriters and the public authorities having jurisdiction and the Unit Owner alone shall be liable for any damage or injury caused by any radio, television or other electrical equipment in such unit. No radio transmission equipment shall be installed or operated in or from any unit, and no outside antennae shall be installed. Burglar alarms monitored by a central station shall be permitted, however the alarm shall not emit any alarm or sound which is audible from outside of the unit or in the corridor.

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

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

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

15. The storage units provided for each unit shall be used solely for the purpose of storing normal household items. No paint, gasoline, lighter fluid, or hazardous materials of any type are permitted. Bicycles are permitted, however, no motorized vehicles are allowed. An electrical outlet is provided on the house circuit for a freezer or refrigerator, however, the use as a workshop, for power tools, or any activity other than storage is prohibited.

16. No commercial type of vehicle, no boats, no trucks and no recreational vehicles shall be stored or parked upon the property, including garages, nor shall they be parked on any residential street, except while engaged in transport to or from a building. Small pick-up trucks used solely for transportation, which contain no commercial markings for commercial use are excluded. A recreational vehicle shall include for purposes of these Declarations, motor homes, motor coaches, buses, pick-up trucks with camper tops or similar accessories, camping trailers, or trailers of any type. Unused vehicles shall not be parked on any residential street or alley. "Unused vehicle" shall be defined as any vehicle which has not been driven under its own propulsion for a period of one (1) week or longer. A written notice describing the "unused vehicle" and requesting removal thereof may be served upon the owner and if such vehicle has not been removed within seventy-two (72) hours thereafter, the Board shall have the right to remove the same without liability to it, and the expense thereof shall be charged against the owner. If such owner shall be a member of the Association, the cost thereof shall be added to his next assessment due. Parking for recreational vehicles, boats and trailers will be available for rent on a first come basis at an independent parking area designated for such purpose within the De Limon Place C.U.D.

17. The clubroom may be reserved for parties, between the hours of 10 a.m. and 12 midnight, by written request seven days in advance. The Unit Owner making the request is responsible for the behavior of his guests and the condition of the clubroom which includes cleaning and vacuuming. Any repairs or cleaning required shall be made by the Association and added to the assessments of the individual owner.

18. Jacuzzi tubs, whirlpool tubs, hot tubs and similar types of tubs are prohibited in individual units, except that jacuzzi tubs, as an integral part of the master bath tub only, are allowed on the first floor only. The Unit Owner assumes all responsibility for noise or damage caused by a leaking tub.

19. Swimming pool, spa, and exercise room hours are from 7:00 a.m. to 10:00 p.m. daily.

20. Children 12 years of age and under must be accompanied by an adult in the swimming pool.

21. No one under 18 years of age is permitted in the spa or exercise room, unless accompanied by an adult.

22. Only four (4) guests per family are permitted in the pool and spa area.

23. Pets are not permitted in the pool, spa, clubroom or exercise area.
24. Use unbreakable containers for drinks in the pool area. Food and drinks are not permitted in the spa area.
25. Proper swimming attire is required in the pool area, no cut-offs, etc.
26. Only toys pertinent to pool play are permitted. These items are not to be left in the pool or patio area. When not in use, they must be stored in the resident's apartment.
27. Barbeque grills or fires of any type are not permitted on balconies or patios. Barbeques are located in the pool area.
28. Lint traps are required on all washing machines and lint filters are required on all clothes dryers. This is necessary to avoid blockage of sewer lines and/or dryer vents; Lint collected shall be disposed of in the trash.
29. Patio furniture and plants may be placed on balconies or patios provided that same are maintained in an attractive manner. The use of balconies and patios for storage of any type, including bicycles or the hanging of laundry or other unsightly use, is prohibited.
30. Garages are for the storing of automobiles only. Owners of garages must store their automobiles in the garages. Garage door must be closed at all times, except when entering or exiting the garage. Automobiles must be parked in the garage so as to leave as much space as possible for passing between the rear of the automobile and the garage door. Nothing is to be stored in the garage lockers which will increase the rate of insurance or otherwise considered hazardous, such as paint, gasoline or lighter fluid. Nothing is to be stored on the floor of the garage other than the automobile. Violations are subject to the penalties set forth below.
31. Tennis Court Rules.
 - a. Tennis courts are for the use of the Upper Pontalba Condominium bona fide residents and their guests. Guests are allowed only with a resident and will be charged a \$2.50 court fee. Payment of the court fee is to be made at the time of the reservation. In lieu of a court fee, residents may sponsor a guest for an annual fee of \$200.00. The annual guest fee entitles a non-resident to make court reservations and to play without the sponsoring resident, however, it does not entitle the annual guest to bring other guests.
 - b. The manager shall maintain a list of court times and collect the court fees. Reservations must be made at least twenty-four (24) hours in advance, however, no more than seventy-two (72) hours in advance.

c. The hours of play are 7 a.m. to 10 p.m. everyday. The tennis court lights shall be automatically turned off at 10 p.m. each evening.

d. Residents are responsible for actions of their guests at all times and the sponsoring resident is likewise responsible for an annual guest.

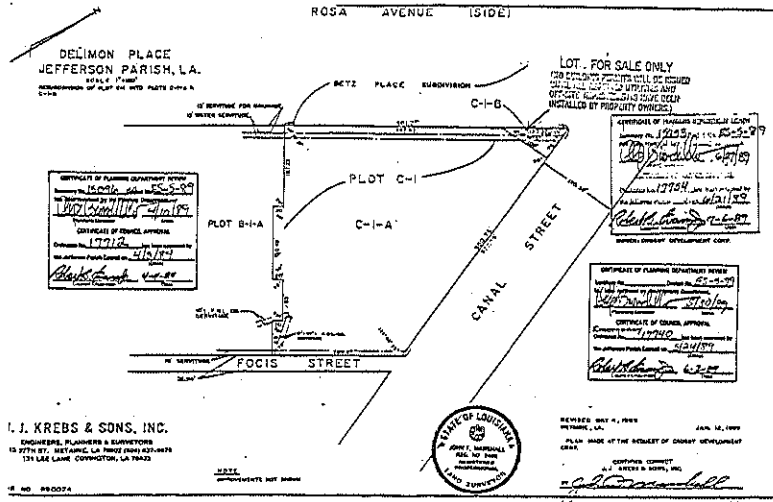
32. Unit Owners cited for violations of the written rules and regulations as contained herein and as amended are to be penalized as follows:

First offense: Warning
Second offense: \$25.00 fine
Third offense: \$50.00 fine
Fourth offense: \$100.00 fine

Non payment of any fine shall be treated as an outstanding assessment against the unit as set forth in the by-laws.

EXHIBIT "F"

SURVEY AND PLAT

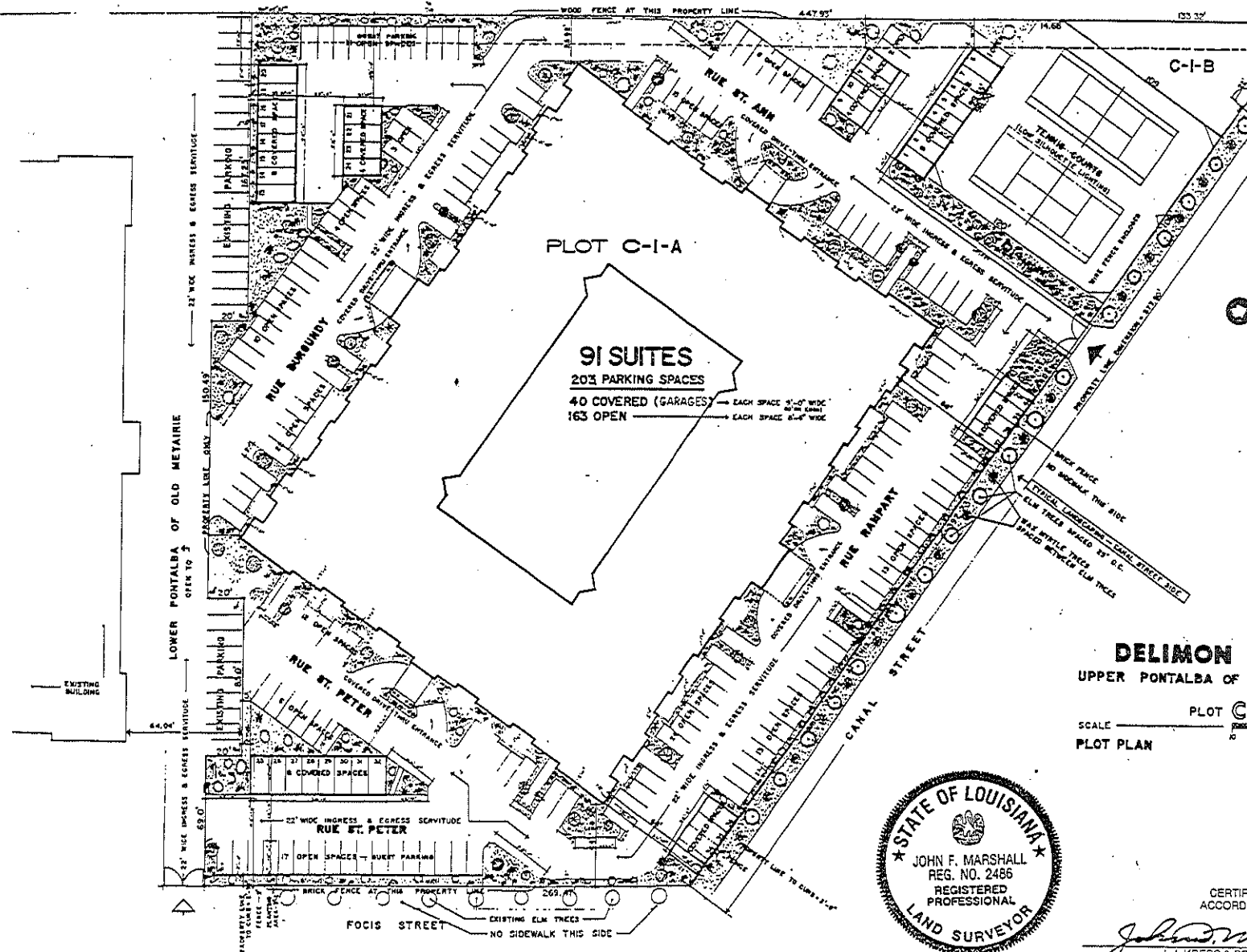


J. J. KREBS & SONS, INC.
 ENGINEERS, PLANNERS & SURVEYORS
 13 27th ST., METairie, LA 70002 (504) 887-2878
 131 LEE LANE, CORVINGTON, LA 70330

REVISION: MAY 4, 1977
 DRAWING NO. 133-32
 PLAN MADE BY THE SURVEYOR OF CHIEF SURVEYOR
 OF THE STATE OF LOUISIANA
 JOHN F. MARSHALL
 REG. NO. 2486
 REGISTERED PROFESSIONAL
 LAND SURVEYOR

BETZ PLACE SUB-DIVISION (SIDE)

ROSA AVENUE (SIDE)



DELIMON
 UPPER PONTALBA OF
 PLOT C
 PLOT PLAN



CERTIFIED ACCORD
John F. Marshall
 J. J. KREBS & SONS

COMMON ELEMENTS

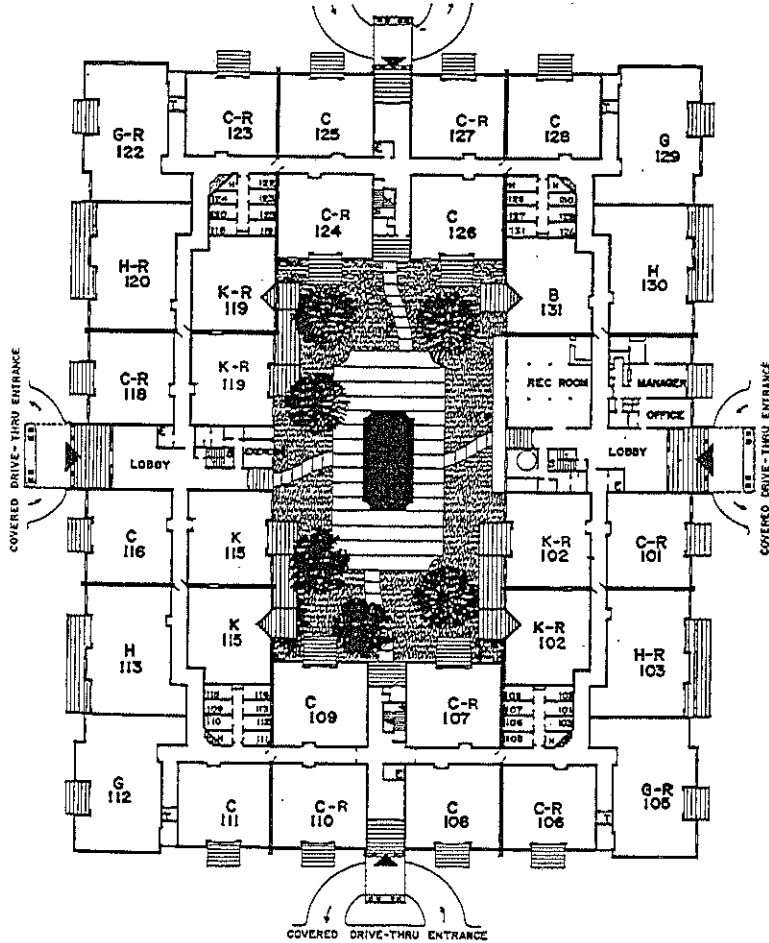
1. Swimming Pool
2. Recreation Room
3. Tennis Courts
4. Office Area
5. Exercise Room
6. Whirlpool Area
7. Stairways
8. Elevators
9. Corridors
10. Lobbies
- M. Storage Areas
12. Trash Areas
13. Roadways
14. Parking Areas
15. Brick Wall
16. Fence
17. Equipment Areas
18. Vacant Ground

LIMITED COMMON ELEMENTS

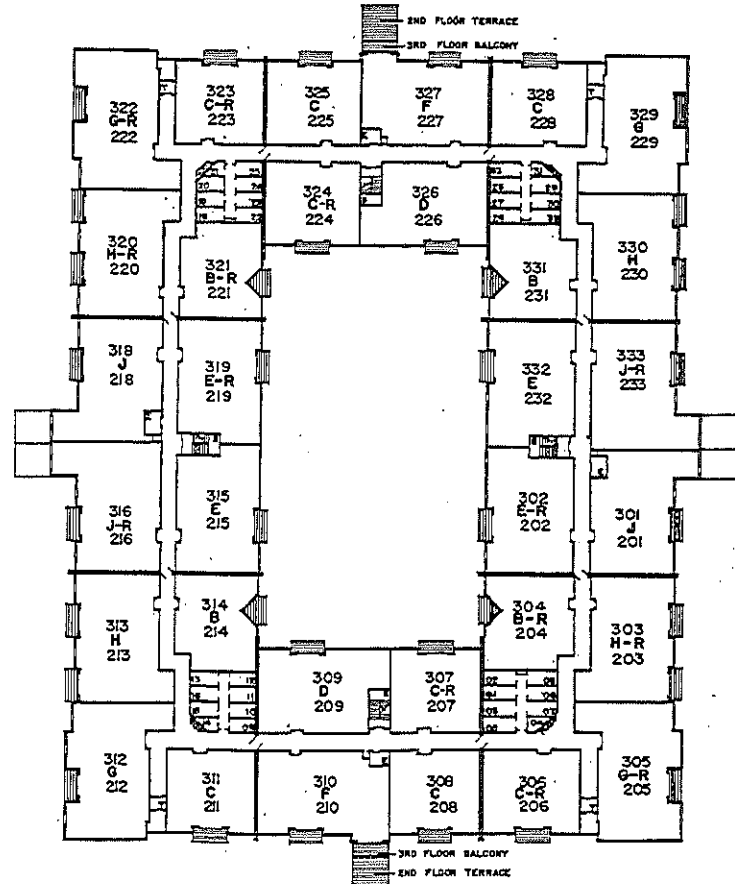
1. Balconies
2. Patios
3. Garages
4. Storage Units
5. Meters



CERTIFIED CORRECT IN ACCORDANCE WITH PLANS



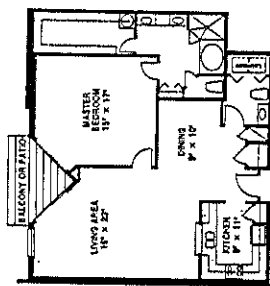
FLOOR PLAN 1



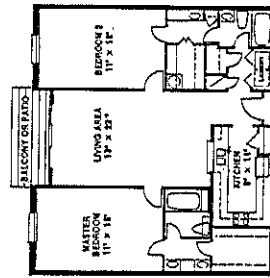
FLOOR PLAN 2 AND 3

SCHEDULE OF UNITS

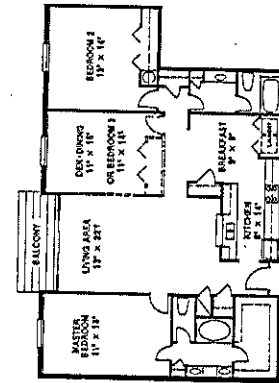
PLAN	FLOOR	UNIT NUMBERS]
B/B-R	1	131
"	2	204, 214, 221, 231
"	3	304, 314, 321, 331
C/C-R	1	101, 106, 107, 108, 109, 110, 111, 116 118, 123, 124, 125, 126, 127, 128
"	2	206, 207, 208, 211, 223, 224, 225, 228
"	3	306, 307, 308, 311, 323, 324, 325, 328
D	2	209, 226
"	3	309, 326
E/E-R	2	202, 215, 219, 232
"	3	302, 315, 319, 332
F	2	210, 227
"	3	310, 327
G/G-R	1	105, 112, 122, 129
"	2	205, 212, 222, 229
"	3	305, 312, 322, 329
H/H-R	1	103, 113, 120, 130
"	2	203, 213, 220, 230
"	3	303, 313, 320, 330
J/J-R	2	201, 216, 218, 233
"	3	301, 316, 318, 333
K/K-R	1	102, 115, 119



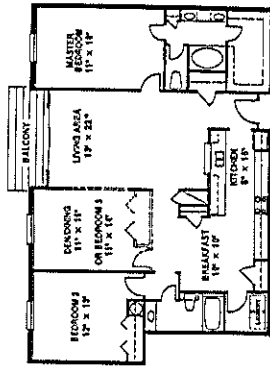
UNIT TYPE B
 TOTAL LIVING AREA
 1,368 SQ. FEET
 INCLUDING BALCONY OF 75 SQ. FT. AND PRIVATE STORAGE ROOM OF 43 SQ. FT.
 FIRST FLOOR UNITS — ADD 63 SQ. FT. ADDITIONAL PATIO AREA:
 1,431 SQ. FT.



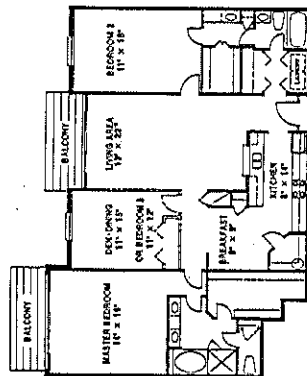
UNIT TYPE C
 TOTAL LIVING AREA
 1,403 SQ. FEET
 INCLUDING BALCONY OF 75 SQ. FT. AND PRIVATE STORAGE ROOM OF 43 SQ. FT.
 FIRST FLOOR UNITS — ADD 48 SQ. FT. ADDITIONAL PATIO AREA:
 1,471 SQ. FT.



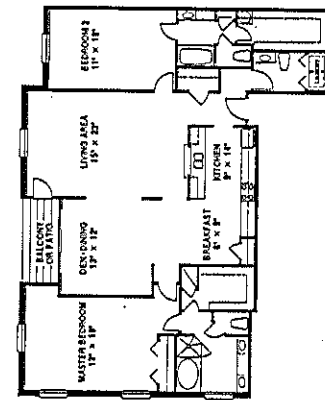
UNIT TYPE D
 TOTAL LIVING AREA
 1,760 SQ. FEET
 INCLUDING BALCONY OF 75 SQ. FT. AND PRIVATE STORAGE ROOM OF 43 SQ. FT.



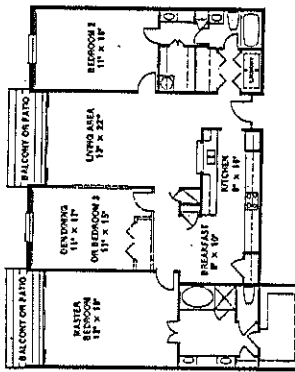
UNIT TYPE E
 TOTAL LIVING AREA
 1,763 SQ. FEET
 INCLUDING BALCONY OF 75 SQ. FT. AND PRIVATE STORAGE ROOM OF 43 SQ. FT.



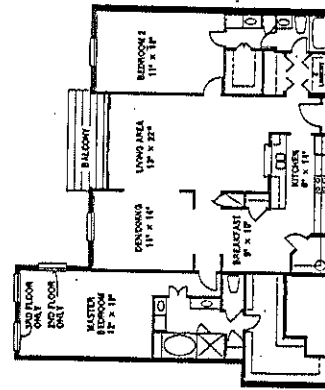
UNIT TYPE F
 TOTAL LIVING AREA
 2,000 SQ. FEET
 INCLUDING BALCONY OF 41 SQ. FT. AND PRIVATE STORAGE ROOM OF 43 SQ. FT.



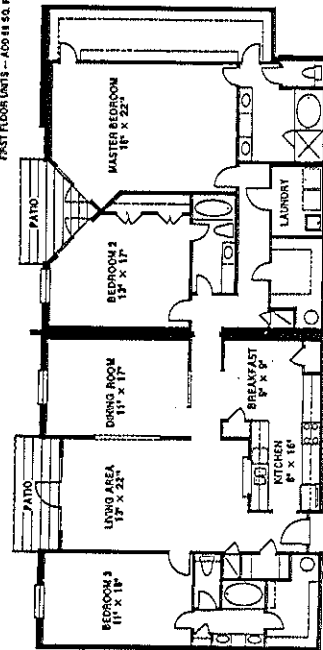
UNIT TYPE G
 TOTAL LIVING AREA
 2,038 SQ. FEET
 INCLUDING BALCONY OF 75 SQ. FT. AND PRIVATE STORAGE ROOM OF 43 SQ. FT.
 FIRST FLOOR UNITS — ADD 48 SQ. FT. ADDITIONAL PATIO AREA:
 2,106 SQ. FT.



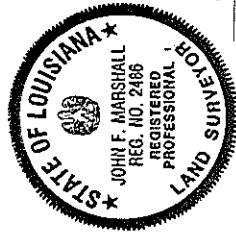
UNIT TYPE H
 TOTAL LIVING AREA
 2,007 SQ. FEET
 INCLUDING BALCONY OF 75 SQ. FT. AND PRIVATE STORAGE ROOM OF 43 SQ. FT.
 FIRST FLOOR UNITS — ADD 246 SQ. FT. ADDITIONAL PATIO AREA:
 2,249 SQ. FT.



UNIT TYPE J
 TOTAL LIVING AREA
 1,893 SQ. FEET
 INCLUDING BALCONY OF 75 SQ. FT. AND PRIVATE STORAGE ROOM OF 43 SQ. FT.



UNIT TYPE K
 TOTAL LIVING AREA
 3,026 SQ. FEET
 INCLUDING PATIO OF 48 SQ. FT. AND PRIVATE STORAGE ROOM OF 43 SQ. FT.



ELEVATIONS:
 FIRST FLOOR 23.00 CD
 SECOND FLOOR 32.98 CD
 THIRD FLOOR 42.96 CD
 NOTES:
 R DENOTES REVERSE PLAN
 INTERIOR MAY VARY WITH INDIVIDUAL UNIT

CERTIFIED CORRECT IN
 ACCORDANCE WITH PLANS

John F. Marshall
 J. J. KRESS & SONS, INC.
 DATE 7-20-89