

EXHIBIT 1

THE RESTATED DECLARATION

**FIRST AMENDMENT
TO SECOND AMENDED AND
AND COMPLETELY RESTATED
ACT OF DECLARATION
FOR**

**THE COTTON MILL
CONDOMINIUMS**

* * * * *

* **UNITED STATES OF AMERICA**
* **STATE OF LOUISIANA**
* **PARISH OF ORLEANS**
* **CITY OF NEW ORLEANS**

BE IT KNOWN, that on the date and place hereinafter set forth,

BEFORE ME, the undersigned Notary Public, duly commissioned and qualified in and for the State and County hereinabove set forth, and in the presence of the undersigned competent witnesses, personally came and appeared:

PRU-HRI COTTON MILL ASSOCIATES LLC, a Delaware limited liability company, appearing herein by and through Prudential - Cotton Mill LLC, its Member, represented by Historic Restoration, Incorporated, its Agent pursuant to a Certificate of Authority, the original of which is annexed hereto;

Mailing Address: Two Ravinia Drive
Suite 400
Atlanta, Georgia 30346

Tax Identification No.: 20-1288391

(hereinafter "PRU-HRI");

who declared unto me, Notary, that:

WHEREAS, Cotton Mill Limited Partnership, a Louisiana limited partnership, filed The Second Amended and Completely Restated Act of Declaration for The Cotton Mill Condominiums, dated June 30, 2004, recorded on July 1, 2004, at Notarial Archives No. 2004-34228, Conveyance Instrument No. 286768 of the conveyance records of Orleans Parish, Louisiana (hereinafter "Declaration"); and

WHEREAS, by Act of Transfer and Exchange of Property with Limited Warranty, Cotton Mill Limited Partnership transferred and exchanged with PRU-HRI all of its right, title and interest in and to various condominium units set forth in Exhibit A therein, which Act was dated June 30, 2004, recorded July 1, 2004, at Notarial Archives No. 2004-34229, Conveyance Instrument No. 286769 of the conveyance records of Orleans Parish, Louisiana; and

WHEREAS, pursuant to all of the rights transferred by Cotton Mill Limited Partnership to PRU-HRI and Article XIV, Amendment of the Declaration, PRU-HRI desires to correct and supplement the Completely Revised Building Plans by adding Sheets 2.21 and 2.22 to reflect the roof plan for Building A, as well as the corrected sheets of the Completely Revised Building Plans reflecting the details of the UNIT CLOCK TOWER and terrace adjacent thereto designated as a Limited Common Element above a portion of Building A's roof (all as set forth on the attached Sheets 2.21, 2.22 and 3.03 of the Completely Revised Building Plans), and further to revise and restate in its entirety Article X, Insurance of the Declaration to clarify the Association insurance for the Buildings, Common Elements and the Units and further, any commercial general liability insurance policy shall only cover all of the Insureds and additional Insureds as it relates to the Buildings and Common Elements, but not the Units.

NOW THEREFORE, pursuant to all of the rights transferred to PRU-HRI by Cotton Mill Limited Partnership and Article XIV of the Declaration, PRU-HRI hereby amends and restates Article X, Insurance, of the Declaration in its entirety to provide as follows:

“ARTICLE X.
INSURANCE

The following provisions shall govern insurance coverage for the Condominium Property:

1. **Authority to Purchase.** Except for Builder's Risk and other insurance furnished by Declarant during renovation, the Association has purchased, for the benefit of the Unit Owners and their respective Mortgagees, as their interests may appear, all casualty and if the Board determines to purchase flood insurance, flood insurance policies on the Condominium Property. Copies of the insurance policy and coverages are available for review by any Unit Owner. A certificate of insurance coverage for the Common Elements shall be issued to each purchaser of a Unit at closing. The Association shall provide for the issuance of certificates of insurance to Mortgagees upon request.

2. **Coverage.** The Association or Manager shall at all times, to the extent reasonably available, maintain insurance as follows:

(a) The Condominium Property, including the Buildings and all other insurable improvements upon the land, including, without limitation, the Common Elements and Units (exclusive of improvements and betterments installed in Units by Unit Owners) and all personal property as may be owned by the Association and used in the management of the Condominium (but not any personal property of the Unit Owners) shall be insured against casualty or loss in an amount (after application of any deductibles) not less than the full replacement cost of the insured property, exclusive of land, excavations, foundations, and other items normally excluded from such coverage. Such coverage shall afford protection against all risks of direct physical loss, and will insure against, including:

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

(ii) Loss or damage by flood under standard coverage provided by the National Flood Insurance Program, if the Board, in its discretion, determines such coverage to be necessary;

(iii) Such other risks as from time to time customarily shall be covered with respect to buildings similar to the Buildings in construction, location, and use, including, but not limited to, vandalism, malicious mischief, and windstorm damage.

(b) Commercial general liability insurance, including medical payments insurance, in such form and in such amounts as shall be required by the Board, including, but not limited to, coverage for all occurrences commonly insured against for death, bodily injury, and property damage arising out of or in connection with the use, ownership, or maintenance of the Common Elements. All liability insurance shall contain cross-liability endorsements to cover liabilities of the Unit Owners as a group to a particular Unit Owner.

(c) Workmen's Compensation insurance to meet the requirements of law;

(d) Fidelity insurance or fidelity bond coverage, in such amounts, and containing such provisions, as may be reasonably required by a Mortgagee, protecting against acts of dishonesty by the Association's officers, directors, and employees responsible for handling funds, regardless of whether such persons are compensated for their services; and

(e) Insurance covering such other risks and hazards as the Board may from time to time determine necessary.

3. **Premiums.** All premiums upon insurance policies purchased by the Association shall be paid by the Association and shall constitute a portion of Common Expenses.

4. **Insurance Policies.** All insurance policies on the Condominium Property obtained and continued in effect by the Association for the benefit of the Unit Owners, as hereinabove provided, shall be written in the name of the Association, which shall act as trustee for each individual Unit Owner and his Mortgagee or lien holder, if any. The Unit Owners and their Mortgagees or lien holders shall be beneficiaries, even though not expressly named in the policies, in the Shares 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) Waivers of subrogation by the insurer as to any and all claims against the Association, its members, officers or the Board, and any of the Unit Owners and their respective families, servants, agents, employees, tenants, and guests;

(b) Waivers of defenses based upon co-insurance or acts of the insured (which shall include each Unit Owner);

(c) That each Unit Owner shall be an insured person under the policy with respect to liability arising out of his ownership of an interest in the Common Elements or membership in the Association;

(d) That the policies shall not be cancelable, invalidated, suspended, or substantially modified for any reason, including on account of the conduct of the Association, its members or the Board, or any of the individual Unit Owners, their families, servants, agents, or guests, without at least thirty (30) days' prior written notice to each named insured, including Mortgagees of the Unit Owners;

(e) That the policies shall not be cancelable or voidable or that recovery thereunder will not be conditioned by reason of any act or omission of any Unit Owner, unless acting within the scope of his authority on behalf of the Association;

(f) That the "no other insurance" clause in the policies shall exclude the individual Unit Owners' policies from consideration; and

(g) That the insurance coverage provided by the policies obtained by the Association shall be primary and shall not be brought into contribution with other insurance in the name of Unit Owners or their Mortgagees.

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 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 X. All insurance policies purchased by the Association pursuant to this Article X shall provide that all proceeds from such policies shall be payable to the Association, for the benefit of the Unit Owners and Mortgagees, as their interests may appear.

6. **Insurance Obtained by Unit Owners.** Each Unit Owner may (it is strongly recommended) obtain for his own benefit or for the benefit of his Mortgagee, and at such Unit Owner's own expense, separate or additional insurance on the interest in his Unit, against loss by fire, flood, if required, or other casualty. An individual Unit Owner may (it is strongly recommended) also obtain 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, as same relates to or covers the Buildings (but not the Units) and Common Elements; and also, said Unit Owner should obtain liability coverage for any casualty losses within his Unit. Such insurance may be of the type of coverage generally referred to as, or similar to, "contents insurance" or "tenant improvements and betterments coverage" and shall contain the waiver of subrogation referred to in Subsection 4(a) above.

7. **Application of Insurance Proceeds.** Proceeds of casualty insurance policies received by the Association, as trustee for the Owners and their Mortgagees or lien holders, shall be distributed as provided in Article XI."

PRU-HRI, in accordance with Article XIV, Amendment of the Declaration, does hereby correct and supplement the Completely Revised Building Plans by adding sheets to reflect the roof plan for Building A designated as Sheets Nos. 2.21 and 2.22, and further submits revised

and corrected Sheet No. 3.03 to correct and clarify in detail the UNIT CLOCK TOWER terrace adjacent thereto and designated as a Limited Common Element located above a portion of Building A's roof.

In all other respects the Declaration remains unchanged and in full force and effect except as amended, modified and restated herein.

THUS DONE AND PASSED in my office in the City of New Orleans, State of Louisiana, on the date hereinabove set forth, in the presence of the undersigned competent witnesses and me, Notary, after due reading of the whole.

WITNESSES:

**PRU-HRI COTTON MILL ASSOCIATES
LLC, a Delaware limited liability company**

Print Name: CHRISTOPHER R. CORNWELL

By: A. Thomas Leonhard, Jr.

Name: **A. Thomas Leonhard, Jr.**

Its: **Duly Authorized Agent**

Print Name: DAVID ASBENANTE

NOTARY PUBLIC

Print Name: _____

Louisiana Bar Roll No.: _____

My commission expires: _____

RECEIPT FOR FILING
Stephen P. Bruno
Custodian of Notarial Records
for the Parish of Orleans, State of Louisiana
ROOM B-4 CIVIL COURTS BUILDING
421 LOYOLA AVE., NEW ORLEANS, LA 70112
TELEPHONE: 568-8577

Filed by: Jordan B. Monsour

Notary Public who passed act: Jordan B. Monsour

Instrument filed: Second Amended and Complately
Revised Act of Declaration by CMRP
for the Coubo Mill Condominiums

FILED-CUSTODIAN OF
NOTARIAL RECORDS
2004 - 34228 4-1
PARISH OF ORLEANS

Registered in Conveyance Office 592-9170

Recorded in the Mortgage Office 592-9176

Instrument # _____
Book _____, Folio 286768

Instrument # _____
Book _____, Folio _____

New Orleans, Louisiana

New Orleans, Louisiana

Date: 7-1-04 P. C. Let

Date: _____
Time: _____