

**THE SECOND AMENDED AND COMPLETELY RESTATED
ACT OF DECLARATION**

BY

COTTON MILL LIMITED PARTNERSHIP

FOR THE

COTTON MILL CONDOMINIUMS

RECORDED
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<p>THE SECOND AMENDED AND</p> <p>COMPLETELY RESTATED</p> <p>ACT OF DECLARATION</p> <p>BY</p> <p>COTTON MILL LIMITED PARTNERSHIP</p> <p>FOR THE</p> <p>COTTON MILL CONDOMINIUMS</p>	<p>*</p> <p>*</p> <p>*</p> <p>*</p> <p>*</p> <p>*</p> <p>*</p> <p>*</p>	<p>UNITED STATES OF AMERICA</p> <p>STATE OF LOUISIANA</p> <p>PARISH OF ORLEANS</p> <p>CITY OF NEW ORLEANS</p>
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BE IT KNOWN, effective as of the 30th day of June 2004, before me, a Notary Public duly commissioned and qualified in and for the State and Parish aforesaid, and in the presence of the undersigned competent witnesses, personally came and appeared:

COTTON MILL LIMITED PARTNERSHIP, a Louisiana limited partnership (Taxpayer Identification No. 72-1322556), created by Articles of Limited Partnership dated as of August 9, 1996, filed with the Secretary of State of the State of Louisiana on August 12, 1996, as amended and restated by First Amended and Restated Articles of Limited Partnership of Cotton Mill Limited Partnership, dated as of September 30, 1996, filed with the Secretary of State of the State of Louisiana on September 30, 1996, with a place of business located at 210 Baronne Street, Suite 1717, New Orleans, Louisiana 70112, represented herein by Historic Restoration, Incorporated, its General Partner, appearing herein through its Agent, _____, duly authorized by virtue of the resolution attached hereto as Exhibit "A"(hereinafter referred to as the "Declarant");

who declared that:

WHEREAS, Declarant, Cotton Mill Limited Partnership (sometimes also "CMLP") filed an Act of Declaration Creating and Establishing a Condominium Regime for Cotton Mill Condominiums dated September 30, 1996, registered in Conveyance Instrument Number 129219 and COB 956, folio 293, as amended by Amended and Restated Act of Declaration dated February 12, 1998, registered in Conveyance Instrument Number 155932, and further amended by First Amendment to Amended and Restated Act of Declaration dated October 20, 1998, recorded on November 4, 1998, in Conveyance Instrument Number 168266 of the Conveyance Records of Orleans Parish, Louisiana; and

WHEREAS, Declarant now desires to completely restate the Condominium Regime for the Cotton Mill Condominiums, including the Penthouse Units and the subdivided Unit I (which, by virtue of this Act is being subdivided into two hundred sixty-eight (268) residential Units, the UNIT CLOCK TOWER, one (1) commercial Unit ("UNIT COMMERCIAL"), and one (1) Unit, Unit 110, which is leased as a communications Unit, located in Buildings, A, B, C, D, E, F and H; and

WHEREAS, Declarant intends to transfer all of the subdivided Unit I units and any and all other rights, title and interests associated therewith to PRU-HRI Cotton Mill Associates, L.L.C. contemporaneously with the filing of this Act; and

WHEREAS, pursuant to Article III, UNITS, Section 4(e) of the Amended and Restated Act of Declaration dated February 12, 1998, registered on March 23, 1998, at CIN 155932 of the Conveyance Records of Orleans Parish, Louisiana, and in accordance with Article XIV of the

foregoing Amended and Restated Act of Declaration, Declarant hereby subdivides Unit I of the Cotton Mill Condominiums, and further, Declarant completely restates the Cotton Mill Condominiums Declaration in its entirety as follows:

Recitals:

A. Declarant is the owner of Unit I of the Cotton Mill Condominiums, which Unit I is located and situated on that certain immovable property situated in the First District of the City of New Orleans, Square 120, which property is described more particularly in Exhibit "B" attached hereto and made a part hereof; and

B. Declarant desires to subdivide Unit I into two hundred sixty-eight (268) residential Units, the UNIT CLOCK TOWER, the UNIT COMMERCIAL, one (1) Unit, Unit 110, which is leased as a communications Unit, located in Buildings A, B, C, D, E, F and H, all in accordance with Article III, Section 4(e) and Article XIV of the Amended and Restated Act of Declaration; and

C. Declarant desires to and does hereby completely restate the condominium regime pursuant to and in accordance with the Louisiana Condominium Act (La. R.S. 9:1121.101, *et seq.*), and to provide for certain matters in connection therewith.

D. Declarant intends and is transferring all of its rights, title and interest in the subdivided Unit I Units contemporaneously herewith and desires that Transferee (as hereinafter defined) be recognized and have all of the rights and interests of Declarant.

NOW, THEREFORE, Declarant, as owner of Unit I and for the purposes set forth herein, hereby declares, on behalf of itself, its transferees, successors, assigns and grantees and their respective heirs, successors, assigns and grantees, as follows:

**ARTICLE I.
DEFINITIONS**

As used in this Restated Declaration or elsewhere in the Condominium Documents, or unless the context otherwise requires, the following terms shall have the definitions contained in the Louisiana Condominium Act (La. R.S. 9:1121.101, *et seq.*) and as more particularly provided in this Article:

Act. The Louisiana Condominium Act (La. R.S. 9:1121.101, *et seq.*), as it may be amended.

Assessment. That portion of funds required for the payment of expenses, such as the cost of maintaining, operating, repairing, and managing the Condominium Property, that from time to time is assessed against and paid by all or some of the Unit Owners, as hereinafter provided.

Association. Cotton Mill Condominium Association, Inc., a Louisiana nonprofit corporation, and its successors, which is the governing body of the Unit Owners and the entity responsible through its Board of Directors for the administration and operation of the Condominium Property; the Articles of Incorporation and By-Laws as amended of the Association are annexed hereto and made a part hereof as Exhibit "C" and Exhibit "D", respectively.

Board. The Board of Directors of the Association.

Buildings. Collectively, the seven buildings situated upon the Land, together with all additions made thereto, which buildings constitute a portion of the Condominium Property, as shown on the Plat of Survey and Building Plan. The Buildings are comprised of Building A, Building B, Building C, Building D, Building E, Building F, and Building H, as indicated on the Building Plan. Whenever such a building designation is used in this Restated Declaration, such designation shall refer to the building as shown on the Building Plan.

Common Elements. All that portion of the Condominium Property, whether movable or immovable, that is not contained within the boundaries of any of the individual Units, including, without limitation, the following:

(a) The Land, the Courtyard shown on the Completely Revised Building Plans, and installations contained or located in or on the Courtyard shown on the Completely Revised Building Plans (including without limitation, the water tower and chimney shown on the Completely Revised Building Plans), fences (including structural components thereof), swimming pool, and planters and planting areas;

(b) All elevators and associated equipment;

(c) All stairwells and hallways, or portions thereof, shown and marked as Common Elements on the Completely Revised Building Plans;

(d) All foundations and structural components of any improvements constituting a portion of the Condominium Property (including, without limitation, exterior walls, walls dividing Units, columns, beams, brackets, bridging, structural steel plates and connectors, and roofs), gutters and downspouts, railings and terraces;

(e) All water, sanitary sewer, electric power, natural gas (if any), heating, ventilation, and air conditioning pipes, ducts, conduits, wiring, panels, lines, and other associated equipment, except to the extent any of the foregoing (i) is located entirely within a Unit and serves such Unit exclusively, or (ii) is owned by any third party and leased to Declarant, the Association, or a Unit Owner;

(f) All other elements marked and shown as Common Elements on the Building Plan;

(g) Any other portion of the Condominium Property not located in, or forming any part of, any of the Units, and either (i) desirably or rationally of common use or benefit, or (ii) necessary to the existence, maintenance, safety and security of the Condominium created by this Restated Declaration; and

(h) All rights of Declarant and the Association under the Parking Servitude Agreement, the Parking Sublease Agreement, and the Restrictive Covenant Agreement.

A portion of the Common Elements constitute "Limited Common Elements" as defined below.

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

(a) Taxes of all kinds that may be levied against the Association, as well as property taxes and property use or service taxes, except charges levied directly against Unit Owners;

(b) Insurance, maintenance, management, operation, administration, repair and replacement of the Common Elements and those parts, if any, of the Units as to which, pursuant to other provisions hereof, the Association has the responsibility of maintenance, repair and replacement;

(c) Utilities charges and maintenance or service charges incurred in operation or maintenance of the Common Elements and not otherwise paid by individual Unit Owners;

(d) Premiums for liability and casualty insurance carried by the Association for designated parts of the Condominium Property;

(e) Costs of management and administration of the Association, including, without limitation, compensation paid by the Association to the Manager, accountants, attorneys, and other professional firms or employees;

(f) Reserves for replacement and repair of Common Elements;

(g) Any other items described as Common Expenses in any of the Condominium Documents or the Act; and

(h) The cost of any other items the Board approves as Common Expenses which in accordance with sound principles of property management is of a use or benefit to, or relates to the existence, maintenance, safety or security of, the Condominium.

Common Surplus. Excess of income of the Association over Common Expenses.

Completely Revised Building Plans. Collectively, the plans of the Buildings prepared by HCI Design, Incorporated, Architect, consisting of twenty-three (23) separate sheets, marked "200" through "2.20 and 3.01 and 3.02" attached hereto as Exhibit "E".

Condominium. The condominium as set forth in this, The Second Amended and Completely Restated Act of Declaration by Cotton Mill Limited Partnership (the "Restated Declaration").

Condominium Documents. This Restated Declaration and the exhibits hereto annexed, as the same from time to time may be amended. Said exhibits which are by this reference made a part of this Restated Declaration are as follows:

EXHIBIT A	Resolution of Historic Restoration, Incorporated, General Partner of Cotton Mill Limited Partnership
EXHIBIT B	Description of Land
EXHIBIT C	Articles of Incorporation of The Cotton Mill Condominium Association, Inc. and First and Second Amendments to Articles of Incorporation of The Cotton Mill Condominium Association, Inc.
EXHIBIT D	By-Laws of The Cotton Mill Condominium Association, Inc. and First Amended By-Laws of The Cotton Mill Condominium Association, Inc.
EXHIBIT E	Completely Revised Building Plans
EXHIBIT F	Survey
EXHIBIT G	Unit Owners Common Element Percentage of Ownership Interest and Monthly Condominium Association Assessment
EXHIBIT H	Current Budget
EXHIBIT I	Rules and Regulations
EXHIBIT J	Description of Parcel II and Parcel III

Condominium Parcel. A Unit together with an undivided interest in the Common Elements set forth in Exhibit "G", which is an inseparable component of each Unit.

Condominium Property. All interest in (i) the Land, (ii) the improvements on the Land, including, without limitation, the Buildings, (iii) the rights of Declarant under the Parking Sublease Agreement, the Parking Servitude Agreement, and the Restrictive Covenant Agreement and (v) all other servitudes and rights appurtenant to any of the foregoing. The Condominium Property is described on Exhibit "B".

Declarant. Cotton Mill Limited Partnership, a Louisiana limited partnership, its transferees, successors, assigns, and grantees, specifically including PRU-HRI Cotton Mill Associates, L.L.C. and its successors and assigns.

Facade Donation. Act of Donation of Perpetual Real Rights by Declarant in favor of PRC, dated September 30, 1996 pursuant to which, among other matters, Declarant donated to PRC the presently existing exterior surfaces of the Buildings constituting the subdivided Unit I.

HRI. Historic Restoration, Incorporated, a Louisiana corporation.

Land. The parcel(s) of land described on Exhibit "B".

Limited Common Elements. Any of the Common Elements exclusively serving a single Unit or one or more adjoining Units (but less than all of the Units) as an inseparable or essential appurtenance thereto or thereof, the enjoyment, benefit or use of which is reserved exclusively to the lawful Occupants of such Unit or Units, subject to any servitudes, restrictions and limitations contained herein or of record, and as provided for in this Restated Declaration, the Survey and Completely Revised Building Plans, or as provided for by the Board. The Limited Common Elements are those Common Elements designated as such on the Survey and such other Common Elements as are from time to time agreed upon by the Unit Owners or by the Board to be reserved for the exclusive use of one or more, but less than all, of the Unit Owners. The Condominium Documents designate certain Limited Common Elements for specific Unit Owners. The Limited Common Elements shall include, without limitation, any terraces reserved for exclusive use of a specific Penthouse Unit or Units, any air handlers, compressors, condensers, pipes, ducts, electrical wiring and conduits not owned by third parties and not located within a Unit but serving only one or more, but less than all, of the Units, and any portions of perimeter walls, floors, and ceilings, doors, hardware, vestibules, windows, and entry ways and all associated fixtures and structures lying outside the boundaries of any specific Unit or Units but reserved to the exclusive use or benefit of one or more, but less than all, of the Units.

Management Agreement. Any agreement by and between the Association and the Manager or any other agreement then in effect, providing for the management of the Condominium Property.

Manager. H.R.I. Management Corporation, its successors and assigns, as manager of the Condominium Property under the Management Agreement pursuant to which the Association has delegated certain of the duties and powers of the Association respecting management of the Condominium Property. In the event that at any time no Management Agreement is in effect, all references in the Condominium Documents to the Manager shall be deemed to refer instead to the Board, it being specifically intended that all authority and responsibility given to the Manager pursuant to the Management Agreement or as provided in this Restated Declaration or in the By-Laws of the Association, shall, in such event, instead rest with the Board, unless it shall have been otherwise delegated or assigned by the Board in accordance with the provisions of the Condominium Documents.

Mortgagee. A person or legal entity holding a mortgage note secured by a mortgage lien affecting a Condominium Parcel owned by a Unit Owner.

Occupant. Person or persons, whether or not a Unit Owner, in possession of all or part of a Unit.

Parcel II. The immovable property owned by HRI, located in the First District of the City of New Orleans, Square 121, which property is described more particularly in Exhibit J attached hereto.

Parcel III. The immovable property leased by HRI from Richard M. Cahn, located in the First District of the City of New Orleans, Square 121, which property is described more particularly in Exhibit J attached hereto.

Parking Sublease Agreement. That certain Sublease Agreement by and between HRI and CMLP dated September 30, 1996, relating to Parcel III.

Penthouse Unit(s). Individually, any one of the Units designated as Units PH 1 through PH 11 inclusive, Unit PH 12A, and Units PH 14 through PH 18, inclusive, and collectively, all of such Units.

Restated Declaration. This Second Amended and Completely Restated Act of Declaration by Cotton Mill Limited Partnership for the Cotton Mill Condominiums.

Survey. Survey prepared by the Surveyor, showing the Land and the location of the improvements thereon, a copy of which is attached hereto as Exhibit "F".

PRC. Preservation Alliance of New Orleans, Incorporated, a Louisiana non-profit corporation, d/b/a Preservation Resource Center.

Restrictive Covenant Agreement. That certain Restrictive Covenant and Servitude Running with the Land Subject to a Suspensive Condition dated September 30, 1996, by Richard M. Cahn, relating to Parcel III.

Share. The proportion or percentage attributed to each Unit Owner as provided in this Restated Declaration for purposes of computing interest in the Common Elements, the liability for Common Expenses, rights to Common Surplus, and voting rights in the Association.

Surveyor. Gandolfo, Kuhn & Associates.

Transferee. PRU-HRI Cotton Mill Associates, L.L.C., a Delaware limited liability company, and the entity that Cotton Mill Limited Partnership will transfer all of the subdivided Units created out of Unit I, contemporaneously with the filing of this Restated Declaration, as well as all of CMLP's rights, title and interests in and to the Land, easements, servitudes and agreements related thereto.

Unit. Those parts of the Condominium Property which are situated within the Buildings and which are intended for independent use and occupancy as residences and are subject to individual ownership. The Penthouse Units are separately indicated on the Completely Revised Building Plans (Exhibit "E") by the prefix "Unit PH" followed by an Arabic Numeral from "1" through "11", "12A" and "14" through "18". The two hundred sixty-nine (269) Units located in Buildings A, B, C, D, E, F, and H are separately indicated on the Completely Revised Building Plans by the prefix "Unit" followed by the Arabic Numerals "101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 141, 142, 144, 146, 148, 150, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 179, 181, 183, 185, 187, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 281, 283, 285, 287, 289, 291, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 371, 373, 375, 377, 379, 381, 383, 385, 387, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432 and 433 ", the UNIT CLOCK TOWER and the UNIT COMMERCIAL. As to Unit 110 described above, initially it will be "grandfathered" in as a telecommunications Unit, but will be restricted as hereinafter provided. The Units are more specifically described in Article III hereinafter. A Unit shall also include such accessory rights and obligations as are hereinafter stipulated. Additionally, the term "Unit" shall include all portions of Unit I that are subdivided by Declarant into additional components of the Condominium Property intended for independent use and occupancy as residences and subject to individual ownership.

Unit Owner. The record owner or the owners in indivision of a Unit, who may be one or more natural persons, firms, corporations, partnerships, limited liability companies, associations, trusts, or other legal entities, including without limitation the Declarant and Transferee, all of whom are capable of holding title to immovable property, whether one or more persons.

ARTICLE II.
DECLARATION REAFFIRMING THE
COTTON MILL CONDOMINIUMS REGIME AND THE SUBDIVISION OF UNIT I

The Condominium Property was previously submitted as a condominium regime on September 30, 1996, and from and after the date of the recording of said Declaration and the Amended and Restated Condominium Declaration, filed on March 23, 1998, and the First Amendment to the Amended and Restated Condominium Declaration, filed on November 4, 1998, and from and after the date of the recording of this Restated Declaration in the office of the Register of Conveyances for the Parish of Orleans, State of Louisiana, the Condominium Property is and shall continue to be subject to the Act, and to each and all of the terms hereof, until this Restated Declaration is terminated and the Condominium Property withdrawn in accordance with the provisions of the Act and this Restated Declaration. Declarant reaffirms the Penthouse Units PH 1, PH 2, PH 3, PH 4, PH 5, PH 6, PH 7, PH 8, PH 9, PH10, PH 11, PH 12A, PH 14, PH 15, PH 16, PH 17 and PH 18, and hereby subdivides Unit I into Units 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 141, 142, 144, 146, 148, 150, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 179, 181, 183, 185, 187, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 281, 283, 285, 287, 289, 291, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 371, 373, 375, 377, 379, 381, 383, 385, 387, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432 and 433 , located in Buildings A, B, C, D, E, F and H, the UNIT CLOCK TOWER and the UNIT COMMERCIAL. The Condominium Property has been and continues to be known as the "Cotton Mill Condominiums". Declarant further acknowledges that contemporaneously herewith, it has transferred all of its rights, title and interest in and to the above Units to Transferee together with all of its interests in the Land, Common Elements, servitudes, easements and agreements affecting the Cotton Mill Condominiums.

ARTICLE III.
UNITS

1. **Immovable Property.** Each Unit, together with an undivided interest in the Common Elements as hereinafter described, and all appurtenances to such Unit, shall for all purposes constitute a separate parcel of immovable property which may be owned, conveyed, transferred, and encumbered in the same manner as any other parcel of immovable property, independently of all other parts of the Condominium Property and subject only to the provisions of this Restated Declaration.

2. **Unit Designation.** All Units in the Buildings situated on the Condominium Property are delineated on the Completely Revised Building Plans, and

shall be used to legally describe and identify each Unit shall, with respect to the Penthouse Units, consist of the prefix "Unit PH" followed by an Arabic Numeral from "1" through "11", inclusive, "12A", and "14" through "18", inclusive, and with respect to the two hundred sixty-nine (269) Units located in Buildings A, B, C, D, E, F, and H which consist of the prefix "Unit" followed by the Arabic Numerals "101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 141, 142, 144, 146, 148, 150, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 179, 181, 183, 185, 187, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 281, 283, 285, 287, 289, 291, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 371, 373, 375, 377, 379, 381, 383, 385, 387, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432 and 433, and UNIT CLOCK TOWER and UNIT COMMERCIAL. Said Units are more particularly shown on Exhibit "E".

The Unit designations shall be considered the legal designation of the Units for purposes of describing any Unit and shall be so used in any sale, mortgage, or other instrument or act conveying or transferring any interest or right 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, subject to adjustments in such percentage interest, all as provided in this Restated Declaration;

(b) The exclusive right to use certain Limited Common Elements, as provided in this Restated Declaration;

(c) An obligation to pay a portion of the Common Expenses of the Association, as provided in this Restated Declaration, and subject to the adjustments in such portion as provided in this Restated Declaration;

(d) An undivided percentage interest in the Common Surplus, subject to adjustments to such undivided percentage interest, all as provided in this Restated Declaration;

(e) Association membership, and all rights, privileges and obligations enuring therefrom, as provided in this Restated Declaration;

(f) All servitudes established pursuant to this Restated Declaration for the benefit of the Unit; and

(g) Such other interests, rights, and obligations as are provided in the Condominium Documents or by the Act.

4. **Unit Description and Boundaries.** Each Unit shall be bounded horizontally and vertically as shown and described on the Completely Revised Building Plans, subject to such servitudes and encroachments as are contained in the specific building in which the Unit is situated, whether such servitudes and encroachments exist now or are created by virtue of this Restated Declaration, by construction, settlement, or movement of such building or by permissible repairs, construction, or alterations. The boundaries for each Unit are intended to be as follows:

(a) **Units (Subdivided Unit I).**

The horizontal and vertical boundaries for the two hundred sixty-nine (269) Units of the subdivided Unit I, the UNIT CLOCK TOWER, and the UNIT COMMERCIAL are as follows:

(i) **Vertical Boundaries.**

The vertical boundaries of the Unit shall be measured from the top of the unfinished, structural floor of the Unit to the underside of the unfinished structural floor or roof system of the building or Unit above the Unit.

(ii) **Horizontal Boundaries.**

The horizontal boundaries shall be the planes corresponding to the inside face (i.e., of the studs or framing) of all exterior walls, doors and windows of the Buildings to the centerline of any demising wall or corridor wall.

(b) **Penthouse Units.** The horizontal and vertical boundaries of the Penthouse Units are as follows:

(i) **Vertical Boundaries.**

The lower vertical boundary of each Penthouse Unit shall be the plane corresponding to the upper surface of the unfinished floor of the lowest level of each such Penthouse Unit, as shown on the Building Plan.

The upper vertical boundary of each Penthouse Unit shall be the planes corresponding to the lower surface of the unfinished ceiling exposed to the inside of the upper floor of each such Penthouse Unit.

(ii) **Horizontal Boundaries.**

The horizontal boundaries of each Penthouse Unit shall be the planes corresponding to the inside face of the steel frame of the exterior walls to the centerline of any demising wall or corridor wall. Where there is a window or door, the horizontal boundary shall be the plane corresponding to the inside face of the opening material (i.e., window, door, window frame, door frame, or glass).

The horizontal and vertical boundaries and approximate measurements of each of the Units are more particularly shown and described on the Completely Revised Building Plans. In the event of conflict between the Completely Revised Building Plans and the description of a Unit set forth in this Restated Declaration, the Restated Declaration shall control. In the event the actual horizontal and vertical boundaries and measurements of any Unit, as built, differ materially from that shown on the Completely Revised Building Plans, Declarant or Transferee shall file an amendment to the Restated Declaration containing revised building plans indicating the actual horizontal and vertical boundaries and measurements of such Unit before Declarant or Transferee sells such Unit to a third party.

(c) **Improvements Included.**

Each Unit shall include, and accordingly the Unit Owner shall be responsible for, all space and improvements between the horizontal and vertical boundaries described above and

as shown on the Building Plan, including all cabinetry, appliances, interior partitions and interior walls on each floor level, and stairways between levels within the same Unit, but the alteration of such interior partitions, ceiling, and floors of the Unit by Unit Owners and Occupants shall be subject to the restrictions contained in this Restated Declaration.

Each Unit shall also include all electrical, water, telephone, intercom, air-conditioning, heating, and other utility and service equipment not owned by third parties and serving the particular Unit exclusively.

(d) **Actual Physical Boundary Controls.** In interpreting deeds, mortgages and plans, the physical boundaries of a Unit constructed or reconstructed substantially in accordance with the original plans 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 the actual boundaries of the Building and the boundaries shown on the Building Plan or in any conveyance.

(e) **Alterations by Declarant or Transferee.** Notwithstanding any other provision of this Restated Declaration to the contrary, the Declarant or Transferee reserves the right, without the consent of the Association or any other Unit Owner, to construct and create, subdivide, or change the interior design and arrangement of, and create additional Limited Common Elements or Common Elements out of, any of the Units described on the Completely Revised Building Plans (including, without limitation, the alteration of walls between Units) so long as the Declarant or Transferee owns the affected Unit or Units at the time such creation, construction or alteration occurs.

Transferee reserves the right to avail itself of any provisions of the Act that authorize Declarant or Transferee to subdivide or create additional Units out of any Units it may own by complying solely with the requirements of such provisions. Without limiting the generality of the foregoing, in accordance with the authority set forth in Section 1122.115 of the Act, Transferee reserves the right, from time to time during the period the condominium regime created by this Restated Declaration is in effect, to subdivide or create additional Units out of any Units it may own, solely by recording an amendment(s) to the Restated Declaration set forth in Section 2 of Article XIV. This reservation shall include the right to convert and/or resubdivide the UNIT COMMERCIAL into residential Units upon compliance with this Restated Declaration and the Act.

In the event Transferee exercises any of its rights granted in this section, Transferee agrees and shall be responsible for all costs associated therewith to amend, modify or completely restate the Restated Declaration, By-Laws or Exhibits to include any subdivided Units.

5. **Mortgages Affecting Units.** Each Unit Owner shall have the right, subject to the provisions, servitudes and restrictions herein, to grant separate mortgages on his respective Unit, together with his Share of the Common Elements. No Unit Owner shall have the right or authority to make, create or cause to be made or created any mortgage or other lien on or affecting the Condominium Property or any part thereof, except on his own Unit and his Share of the Common Elements appurtenant thereto.

6. **Real Estate Taxes.** Taxes, assessments and other charges of any taxing or assessing authority shall be separately assessed to each Unit Owner for his Unit and his corresponding Share in the Common Elements. If at any time such taxes or assessments shall not be separately assessed to each Unit Owner, but rather, shall be assessed on the Condominium Property as a whole, then each Unit Owner shall pay his proportionate share thereof in accordance with his Share in the Common Elements, and, in such event, such taxes or assessments shall be a Common Expense.

7. **Utility Metering.** Each Unit Owner shall pay, when due, all utility services, including, without limitation, electricity and telephone service, if any, separately metered for, or otherwise billed to, such Unit Owner's Unit. Each Unit Owner shall also pay, as determined by the Association, for all utility services allocable to such Unit Owner's Unit, but not separately metered for, or billed to, any particular Unit. The Association shall bill each Unit Owner for such Owner's

applicable portion of such utilities at such intervals as the Association determines, in its discretion. Each Unit Owner shall make such payments for separately metered utility services directly to the utility company or companies providing such utility service or directly to the Association if such utility services are not separately metered for, or billed to, the Units.

Certain Penthouse Units contain gas for their cooking appliances. The Association retains the right to bill each Penthouse Unit for said Penthouse Unit's gas usage.

8. **Decorating.** Each Unit Owner shall furnish and be responsible for, at his own expense, all of the decorating within his own Unit and for Limited Common Elements serving his Unit exclusively, including, without limitation, special plumbing and electrical fixtures, painting, sheetrocking, wallpapering, washing, cleaning, paneling, floorcovering, draperies, window shades, curtains, lamps, and other furnishings and interior decorating. The use of, and type of furnishings supplied by, Unit Owners for placement in or on the Limited Common Elements, including, without limitation, the terraces adjoining the Penthouse Units, shall be subject at all times to the Rules and Regulations of the Association. Similarly, the use and covering of the interior surfaces of windows, whether by draperies, shades or other items visible on the exterior of the Buildings, shall be subject at all times to the Rules and Regulations of the Association. Subject to the provisions of this Restated Declaration, each Unit Owner shall be entitled to the exclusive use of the interior surfaces of the perimeter walls, floor and ceilings of his Unit, and the surface of any terraces constituting Limited Common Elements reserved for the sole use of the Occupants of such Unit, and such Unit Owner shall maintain said surfaces in good condition at his sole expense, as may be required from time to time. Said maintenance and use of interior surfaces shall be subject to the rules and regulations of the Association, and to any restrictions or servitudes currently of record or imposed hereby. The interior surface of all windows forming a part of a perimeter wall of a Unit shall be cleaned and washed at the expense of the Unit Owner of that Unit. No Unit Owner shall enclose any terrace adjacent to his Unit or decorate the terrace in any manner which conflicts with the Rules and Regulations of the Association or otherwise detracts from the overall appearance of the Buildings, in the sole discretion of the Board.

9. **Alterations, Additions and Improvements.** Any Unit Owner may make alterations, additions, renovations and improvements entirely within his own Unit without the prior written approval of the Board, provided he does not (i) make any improvements or alterations to his Unit that impair the structural integrity of the Building which such Unit is located, any other Unit or any mechanical and/or other system contained therein, or lessen the structural support of any portion of any of the Buildings; (ii) impair the appearance or structure of the Common Elements; (iii) change the exterior appearance of a Unit or any part of any of the Buildings; (iv) complies with the Association's Contractor's Rules for Renovations of Units now or hereafter established. Any Unit Owner making such alterations shall be responsible for any damage to other Units or to the Common Elements as a result of any alterations, additions, or improvements made by such Unit Owner.

ARTICLE IV. COMMON ELEMENTS

1. **Description.** The Common Elements consist of those items set forth in the definition of "Common Elements" in Article I hereof.

2. **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. Such portions include, without limitation:

(a) Those portions of the terraces adjoining each of the Penthouse Units located on the roof of Buildings B, C, D, and E, as more particularly described on the Completely Revised Building Plans.

(b) Those Common Elements designated as Limited Common Elements on the Building Plan, benefitting those Units indicated on the Building Plan.

(c) Those Common Elements designated as Limited Common Elements by the Board.

To the extent any portion of the Condominium Property is defined as part of a Unit, and there is a finding by a court of competent jurisdiction that such portion may not, under the provisions of the Act, be an element of a Unit, such portion shall be deemed to be a Limited Common Element exclusively benefitting such Unit.

3. **Ownership and Use of Common Elements.** Ownership of each Unit shall include as a part of the Condominium Parcel comprising the Unit, ownership of an undivided percentage interest in the Common Elements. The interest attributable to each Unit in the Common Elements as well as the monthly condominium association assessment shall be as shown on Exhibit "G".

The exclusive right to use those Limited Common Elements which are reserved to a particular Unit, 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. Any act effecting a transfer of a Unit shall also effect a transfer of the appurtenant rights to the designated Limited Common Elements reserved for the exclusive use of the Unit.

Except as otherwise limited by this Restated 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 use of his 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 shall have the right to use any portion of the Common Elements forming a part of the Limited Common Elements reserved for the exclusive use of another Unit or Units, except to the extent that access to any portion of the Limited Common Elements may be necessary to perform maintenance or repairs to any Unit, to provide a means of egress in the event of emergency, and as otherwise provided herein.

A Unit Owner may not convey, encumber, or transfer, whether voluntarily or involuntarily, any interest in the Common Elements separately from the interest of such Unit Owner in his Unit.

4. **Declarant's or Transferee's Rights As To Common Facilities.** Declarant and/or Transferee reserve and retain unto themselves or their transferees or designees, the right and privilege (but not the obligation) to (a) add new Common Elements by amendment to this Restated Declaration and/or (b) erect additional improvements or other constructions or make alterations to any Limited Common Elements not associated with a Unit that has been sold, all at Transferee's expense. The Board, the Association and all Unit Owners shall be bound by and shall comply with any action taken by Transferee pursuant to this Paragraph.

5. **Covenant Against Partition.** In order to effectuate the intent hereof and to preserve the Condominium Property 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 proceedings for partition or division of the Common Elements or any part thereof unless and until the Condominium Property is withdrawn from the condominium regime in accordance with the Act and the provisions of Article XV hereof.

6. **Rules and Regulations Promulgated by Association.** No person, including any Occupant of a Unit, shall use the Units or the Common Elements or any part thereof, including the Limited Common Elements, in any manner contrary to or not in accordance with such rules and regulations pertaining thereto as may from time to time be promulgated by the Association or Manager.

7. **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 the provisions of Article XII hereof.

8. **Alterations and Improvements.** The Association or Manager shall have the right to make or cause to be made alterations or improvements to the Common Elements, including alterations or improvements requested by one or more Unit Owners. Such alterations or improvements to the Common Elements must be approved by the Board. The costs of such approved alterations or improvements to the Common Elements shall be included in the Common Expenses and assessed to all Unit Owners in accordance with their percentage of liability for Common Expenses. Notwithstanding the foregoing, the costs of alterations or improvements solely for the benefit of one or more Units shall be Common Expenses attributable specifically to such Unit(s) and shall be assessed only against the Owner of such Unit(s) in an equitable manner as determined by the Board. The Board shall have the exclusive authority to determine those Units which benefit from such alterations or improvements.

9. **Shares of Unit Owners.** The Share of ownership interest of the Unit Owners in the Common Elements, and the Share of the Unit Owners in Common Expenses, shall be the percentage stated in Exhibit "G".

Such Shares or percentages are generally based on the relative size of each of the Units, but do not necessarily reflect either an exact determination of relative size or the selling price or actual value of any such Unit, and no opinion, appraisal, market value, sale, or transaction at a price different from the initial sales price therefor shall be interpreted as requiring or permitting any change in the Shares assigned herein.

Further, as to the Penthouse Units, the Common Element interest designated for the Penthouse Units on Exhibit "E" have not changed by virtue of this Restated Declaration.

The subdivided Unit I Units have allocated the original 88.94% Common Element interest amongst the two hundred sixty-nine (269) Units, the UNIT CLOCK TOWER, and the UNIT COMMERCIAL, generally according to their square footages wherein the numerator shall be the square footage of the Unit and the denominator shall be the total square footage of all of the Units, i.e. 251,373 square feet.

ARTICLE V. SERVITUDES

A. **Reciprocal Servitudes.** The following irrevocable servitudes are hereby granted from each Unit Owner to each other Unit Owner and to the Association:

1. **Maintenance, Repair and Replacement.** Each Unit Owner grants servitudes of right of access through the Units, Common Elements and Limited Common Elements in favor of (i) the Association and its agents for maintenance, repair and replacement of the Common Elements, Limited Common Elements, and Units; and (ii) other Unit Owners and their agents to the extent required for maintenance, repair and replacement of their Units. Use of these servitudes and rights of access to the Units, however, 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.

2. **Structural Support.** A servitude of structural support for the benefit of the Common Elements and the Units and affecting any portion of a Unit which contributes to the structural support of the Buildings, which servitude of structural support shall prohibit any Unit Owner from performing any work or doing anything which would impair such servitudes.

3. **Utilities Servitude.** The right to install, maintain, repair, and replace utility lines to serve the Penthouse Units, over, under, upon, and through the subdivided Unit I Units, in locations reasonably approved by Declarant, Transferee and the Association. Without limiting the generality of the foregoing sentence, the term "utility lines" shall be deemed to include facilities necessary for the delivery of water, drainage, sanitary sewer, electric power, natural gas (if any), heating, ventilation, air conditioning and cable television service, including without limitation, pipes, ducts, conduits, wiring, panels, and other associated equipment.

B. **Servitudes Burdening Common Elements.** Irrevocable servitudes are hereby granted through the Common Elements (including Limited Common Elements) in favor of Declarant, Transferee and the Association to install, maintain, repair, and replace (i) any water mains and pipes, sewer lines, electrical, gas (if applicable), cable television, telephone wires and equipment, and other similar facilities serving any of the Units; and (ii) structural elements necessary to support the Penthouse Units.

C. **Power of Association, Declarant and Transferee.** Declarant, Transferee and the Association reserve the right from time to time to create servitudes in, around, under, and across the Condominium Property as may be necessary, required or appropriate in order to provide utilities, water, drainage, sewerage service, electricity, gas, cable television, telephone, and similar service, without the necessity of concurrence from any Unit Owner or Mortgagee thereof. The Association is also authorized to execute servitude agreements with suppliers of utility services, which servitude agreements shall contain such terms as the Board, in its sole discretion, deems necessary or appropriate. The Transferee may execute such agreements on behalf of the Association, without the necessity of concurrence from the Association, for the period during which the Transferee owns all of the Units.

The Association is authorized to accept the benefit of any servitudes on behalf of Unit Owners, and in connection therewith, to execute servitude agreements containing such terms as the Board, in its sole discretion, deems necessary or appropriate.

ARTICLE VI. MAINTENANCE AND REPAIR

1. **Unit Repair and Maintenance.** Each Unit Owner shall furnish and be responsible for, at his own expense, all of the maintenance, repairs, and replacements within his own Unit, excluding Common Elements, except to the extent the Board or Association, believing it to be in the interest of the Association and is a customary and routine expense, determines to provide maintenance of a Unit for a Unit Owner. In connection with such maintenance, repairs, and replacements, the Unit Owner shall not perform any work in or to the Unit which might impair the structural integrity or mechanical systems, lessen the support of any portion of the Condominium Property, or impair any servitude in favor of the Association or any Unit or Unit Owner, without first obtaining the written consent of the Board and complying with all rules and regulations established by the Association. Notwithstanding the foregoing, unless otherwise provided by the Board, all repairs and maintenance to any fixtures, equipment, devices, pipes, conduit, wiring, ductwork, or other similar items that serve or are connected with the plumbing, electrical, HVAC, cable television or telephone or other telecommunications, alarm service, or other similar services or functions serving a Unit, whether located physically within or outside of a Unit, shall be performed by or through Manager, at the expense of the Unit Owner but subject at all times to the control of Manager, so as to assure uniformity of quality of work and preservation of the Common Elements.

2. **Common Element Repair and Maintenance.** The Association shall furnish maintenance, repair, and replacements of the Common Elements, the cost of which shall be paid by the Association as a Common Expense, subject to the rules and regulations of the Association; provided that maintenance, repairs and replacements of the Limited Common Elements benefitting one or more Units shall be assessed in whole to the respective Unit Owner(s) having the benefit or use thereof, unless the Board, believing it to be in the interest of the Association and is a customary and routine expense, determines otherwise. The Board may direct Unit Owners who stand to be

benefitted by such maintenance, repairs and replacement of the Limited Common Elements to arrange for such maintenance, repairs or replacements in the name and for the account of such benefitted Unit Owners, to pay the cost thereof with their own funds and to procure and deliver to the Board, on behalf of the Association, such lien waivers and contractor's, subcontractor's, and supplier's affidavits as may be required to protect the Condominium Property from all mechanics' or materialmen's lien claims that may arise from such maintenance, repairs or replacements.

3. **Work Directed by Association.** Whenever the Board shall determine, in its sole discretion, that maintenance, replacement or repair of any Unit is necessary to protect the Common Elements or the appearance or value of the Condominium Property or any other portion of any Buildings, the Board may cause written notice of the necessity for such maintenance, replacement or repair to be served upon the Unit Owner. If such Unit Owner fails or refuses to perform any such maintenance, replacement or repair within such reasonable time period stated in the notice (or any extension thereof approved by the Board), the Board may maintain, replace or repair or cause such maintenance, replacement and repair to be performed at the expense of the Unit Owner, which expense shall be added to the Assessment against such Unit Owner.

4. **Repairs Necessitated by Owner's Act or Neglect.** If, due to the act or neglect of a Unit Owner, or of any Occupant, agent, servant, tenant, employee, family member, invitee or licensee of the Unit Owner, damage shall be caused to the Common Elements or to a Unit or Units owned by others, or if, as a result of such act or neglect, maintenance, repairs, or replacements which would otherwise be a Common Expense are required, then the offending or responsible Unit Owner shall be liable and obligated to pay for all such damage, maintenance, repairs or replacements to the extent not covered by insurance obtained by the Association, and the Association shall have a right to lien such Owner's Unit to secure the payment of the same. Such damage for which such Unit Owner shall be responsible shall include any increase in fire or property insurance rates occasioned by use, misuse, occupancy, or abandonment of any Unit or its appurtenances if there is a determination by the Board of willful neglect by the Unit Owner. Nothing herein contained, however, shall be construed to modify any waiver by insurance companies of rights of subrogation.

5. **Access.** The authorized representatives of the Association or Board, or the Manager with approval of the Board, shall be entitled to reasonable access to the individual Units, Common Elements, and Limited Common Elements as may be required in connection with the preservation or protection of any individual Unit, Limited Common Element, or Common Element, or in connection with maintenance, repairs or replacements of Common Elements, Limited Common Elements or of any equipment, facilities or fixtures or other property within the Units, or to make any alteration required by any governmental authority. In order to carry out the intent and purpose of this paragraph, there is specifically granted to the Board, Association, and its authorized representatives, a servitude of passage, ingress and egress and use of, and through each of, the Units, Limited Common Elements, and Common Elements for maintenance, repair and/or replacement of all or part of the Units, Limited Common Elements and Common Elements. Use of these servitudes, however, for access to the individual Units shall be limited to reasonable hours, except that, in case of emergency, the Board, Association, and authorized representatives may have access at any time.

ARTICLE VII. USE RESTRICTIONS

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

1. **Units Owned by Persons Other Than Transferee.** The Units in the Buildings owned by persons other than Transferee shall be used principally as single family residences and shall not be used for the regular conduct of any trade or business, except the UNIT COMMERCIAL and Unit 110. Unit 110 is currently leased and a portion of it is used as a telecommunications room. At such time as Unit 110 is no longer used as a telecommunications room, regardless of who the Unit Owner is at such time, the use of Unit 110 shall revert and shall be restricted to residential use and purposes only as provided for the other Units herein. Occupant(s) of such Units may use the Units

as an ancillary facility to a principal office located elsewhere, provided, however, that the principal use of the Unit shall be for residential purposes.

2. **Units Owned by Transferee.** During the period of sales and subdivision of any of the Units by Transferee, the Transferee and its agents, employees, contractors and subcontractors, and its respective agents, employees, and guests (including, without limitation, prospective purchasers of the Units), shall be entitled to access, ingress to and egress from the Condominium Property, any unsold Units, and all Common Elements and Limited Common Elements associated with such Units, as may be required or desired for purposes of construction, advertising, promoting, marketing the sale, lease or rental of Units. The Transferee shall have the right to use any Units owned or leased by the Transferee as models, management offices, sales, business, rentals, marketing or advertising offices or service offices. The Transferee also reserves the right to relocate any of such offices from time to time, one or more times, to any location within the Property. The Transferee further reserves the right to maintain on the Property such advertising, promotion or any other signs as comply with applicable governmental regulations, which may be placed in any location on the Condominium Property and may be relocated or removed, from time to time, one or more times, at the sole discretion of the Transferee. The Transferee shall have the right to restrict the use of and to use the Common Elements for sales, rental, management, business, marketing or advertising purposes. This right of use in favor of the Transferee shall continue until the Transferee has conveyed all Units resulting from the subdivision of former Unit I in the Condominium Property to Unit Owners other than Transferee.

3. **Use of Units.** Transferee or its assigns may operate the subdivided Unit I Units as residential rental Units, in such manner that Transferee or its assigns deems appropriate and, in connection therewith, may enter into a separate management agreement for the rental of said Units with the same management company, which may be the Manager. Unit Owners hereby waive any conflict of interest that may arise in connection with the Manager serving both as Manager under the Management Agreement and as manager under any management agreement for the rental Units entered into by Transferee or its assigns in its capacity as owner of the subdivided Unit I. Notwithstanding the above, Manager shall have a duty to the Association and the owner of Unit I Units to conduct itself and carry out its obligations under the management agreements as fiduciary to both parties.

4. **Nuisances.** No nuisances shall be allowed on 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 increases the rate of insurance or costs of maintenance of 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.

6. **Facade Donation.** No person, including any Occupant of a Unit, shall use the Units or the Common Elements or any part thereof, including the Limited Common Elements, in any manner which would violate the terms of the Facade Donation.

7. **Rules and Regulations.** The Association may promulgate rules and regulations concerning use of the Condominium Property, which rules and regulations shall be binding on all Unit Owners. Copies of such rules and regulations will be furnished to each Unit Owner or Occupant prior to the occupancy of a Unit or as the same become effective.

ARTICLE VIII. LEASES AND CONVEYANCES

1. **Leases.** Any lease or sublease of a Unit must be in writing, except for any lease or sublease relating to any portion of any Units owned by Transferee or its assigns. Any such lease or sublease of a Unit shall include a provision that the lessee or sublessee agrees to abide by and comply with all of the terms and restrictions of the Restated Declaration and the rules and

regulations of the Association. An executed counterpart of such lease or sublease shall be delivered to the Association prior to commencement of occupancy by any tenant or subtenant thereunder.

Every lease or sublease of a Unit, and any renewal thereof, is subject to the prior approval of the Association, except for any lease or sublease relating to any of the subdivided Unit I Units owned by Transferee or its assigns. Such approval will not be unreasonably withheld or delayed. If a tenant has violated any of the Rules and Regulations of the Association, withholding of approval of any new lease, sublease or renewal with such tenant or subtenant shall be deemed to be reasonable.

2. **Sale of Units.** Any sale of a Unit by a Unit Owner, other than Transferee or its assigns, shall be subject to the requirements of the Act and in particular, Section 1124.107 thereof. Prior to any such sale or the execution of a contract to sell any such Unit, or otherwise before conveyance, the Unit Owner or other person selling the Unit for such Unit Owner shall submit to the buyer the following information required by law:

- (a) Copy of this Restated Declaration, with all exhibits and amendments thereto, except for the Survey and Completely Revised Building Plans;
- (b) Copy of the Articles of Incorporation and By-Laws of the Association, and all amendments thereto;
- (c) Certificate containing the following:
 - (i) Statement setting forth the amount of any current Common Expense Assessments;
 - (ii) Statement of any capital expenditures approved by the Association for the current and two next succeeding fiscal years;
 - (iii) 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;
 - (iv) Most recent balance sheet and income and expense statement of the Association, if any;
 - (v) Current operating budget of the Association, if any;
 - (vi) Statement of any unsatisfied judgments against the Association and the status of any pending suits to which the Association is a party; and,
 - (vii) Statement describing any insurance coverage provided by the Association.

The Unit Owner may also be required to provide other information in accordance with the Act. The Association shall provide to any such Unit Owner, for such reasonable fees as may be set by the Association, copies of all necessary documents and information which such Unit Owner may need in order to sell his Unit in accordance with the provisions of law.

3. **Assessments.** Except as may otherwise be provided in this Restated Declaration, no Unit Owner shall voluntarily transfer, sell, convey, mortgage, or lease his Unit unless or until he shall have paid in full any charges assessed against his Unit.

ARTICLE IX.
THE ASSOCIATION

1. **The Declarant and/or Transferee.** The responsibility for governance of the Condominium Property has been transferred to the Association. However, the Declarant and/or Transferee still control the Association. Until a date which is the earlier of (i) one hundred twenty (120) days after the date Transferee shall have completed the sale of two hundred sixty (260) Units; or (ii) the fifth (5th) anniversary of the first sale of any of the two hundred sixty-nine (269) Units subdivided from Unit I, Transferee shall retain control over the Association. Thereafter, it will turn over governance of the Association to the Unit Owners, if not sooner relinquished. Notwithstanding the above, the Penthouse Units Owners' Director shall continue to serve on the Board.

After resignation or replacement of any Director, election of said Director shall be conducted at the annual or special members' meeting. Election shall be by a plurality of votes cast, each person voting being entitled to cast his votes for each vacancy to be filled. There shall be no cumulative voting.

Notwithstanding any provision in this Section, the By-Laws, Articles of Incorporation, or the Restated Declaration, there shall be a total of one Director elected by the Penthouse Unit owners (the "Special Director"). From those candidates running for the position of Special Director, the one candidate who receives the most votes of the owners of the Penthouse Units shall be elected to the Board, regardless of the number of votes the other candidates receive.

Further, notwithstanding any provision of the By-Laws, Articles of Incorporation of the Cotton Mill Condominium Association, Inc. or the Restated Declaration for the Cotton Mill Condominiums, the election of the Special Director provided for above as set forth in the By-Laws, may not be amended without the unanimous consent of the Penthouse Unit Owners.

The Transferee shall be entitled, however, to exercise all rights and privileges of a Unit Owner, including the right to cast the votes allocated to each Unit that it owns.

2. **The Association.** Declarant organized an association of the Unit Owners of the Condominium Property, established in accordance with the provisions of the Act as the governing body for all of the Unit Owners. As the governing body, the Association has been responsible for the administration and operation of the Condominium Property. The Association is a nonprofit corporation organized on a non-stock basis under the Louisiana Nonprofit Corporation Law and in accordance with its Articles of Incorporation, as amended, copies of which are annexed hereto as Exhibit "C". The members of the Association shall be the Owners of Units including Transferee to the extent that Transferee owns any Units. The aggregate number of votes for all members of the Association shall be one hundred (100). Each Owner shall be entitled to that percentage of the total voting power of the membership equal to his Share of ownership in the Common Elements attributable to his interest in a Unit or Units, set forth on Exhibit "G" annexed hereto. The Board of the Association shall be elected by the said Owners in accordance with the Articles of Incorporation and the By-Laws of the Association, as amended. Each Unit Owner shall automatically become a member of the Association upon acquisition of such Unit. A Unit Owner's membership in the Association shall automatically terminate when he ceases to be a Unit Owner.

3. **Association By-Laws.** The By-Laws of the Association, as amended, are attached as Exhibit "D", until such are amended in the manner therein provided.

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

In the event of any dispute between Unit Owners relating to the Condominium Property, or in the event of any issues respecting the application or interpretation of any of the Condominium Documents, such dispute shall be submitted to the Board for resolution, and the decision of the Board shall be binding on each of such Unit Owners.

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 Restated Declaration shall be so exercised.

5. **Obligations Respecting Parking.** The Association shall insure compliance with the terms of the Absolute Assignment and Assumption of Agreements by and between CMLP and the Association, executed this even date, as well as the Parking Sublease Agreement, the Parking Servitude Agreement, and the Restrictive Covenant Agreement, and, in no event, shall take any action, or fail to take any action, which would have the effect of terminating the Parking Sublease Agreement, Parking Servitude Agreement, or Restrictive Covenant Agreement before the stated termination dates contained therein. The Association will continue to ensure that the Penthouse Unit Owners shall have first priority over parking spaces to be allocated by the Board, including 18 reserved spaces to be established on Lots A or N, 45, and 46, Square 121, First District, Orleans Parish, Louisiana. Notwithstanding the above, Unit Owner's and/or the tenants shall be solely responsible for making arrangements with the parking operator for parking contracts, monthly payment and valet services.

6. **Delegation to Manager.** To the extent permitted by law, the duties and powers of the Board may be delegated to a Manager pursuant to the terms of a Management Agreement approved by the Board, except that wherever this Restated Declaration or the Act specifically requires the act or approval of the Board, such act or approval must be that of the Board done or given in accordance with the By-Laws. Any Management Agreement entered into by the Association must provide that the Management Agreement may be terminated by the Association without penalty, upon ninety days written notice.

7. **Notices.** All official written notices or demands required by this Restated 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 addressed to the municipal address of the Unit, or the registered office of the Association, or as otherwise directed by a Unit Owner or the Association in writing, delivered in accordance with one of the methods set forth above.

8. **Application of Income and Common Surplus.** All income received by the Association and all Common Surplus may, in the discretion of the Board, be used to reduce prospective Common Expenses prior to establishing the annual Assessment for Common Expenses, or to establish such reserves as the Board may determine.

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 the Units, but not including property supplied or added by Unit Owners to his Unit), and all personal property as may be owned by the Association and used in management of the Condominium (but not personal property of the Unit Owners) shall be insured against casualty 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 commonly insured 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) Comprehensive 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 Ownershall 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 which is not covered by a blanket or master policy obtained and maintained in effect by the Association as hereinabove provided. An individual Unit Owner may 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 and for casualty losses of any improvements made by an owner to the immovable property within his Unit, the personal property of the Owner or Occupant situated within the Unit and of other portions of the Condominium Property not covered by the master policy. 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.

ARTICLE XI.
RECONSTRUCTION OR REPAIR OF CASUALTY DAMAGE

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

(a) If the Board determines that less than two-thirds of the Units are rendered uninhabitable as a result of a fire or other casualty that damages or destroys one or more of the Buildings, the Association shall arrange for the prompt repair and restoration thereof unless (i) such reconstruction and replacement will be illegal under state or local health or safety statutes or ordinances, or (ii) the members of the Association, by a vote equal to at least sixty-seven (67%) percent of the votes of the Association, elect not to rebuild. If it is determined that such Building(s) is (are) not to be reconstructed or repaired, then that part of the Condominium Property not to be repaired shall be withdrawn from the Condominium regime in accordance with Article XV.

(b) If the Board determines that more than two-thirds of the Units are rendered uninhabitable as a result of a fire or other casualty that damages or destroys the Building(s), the Association shall not repair the damage or restore the Buildings unless (i) the members of the Association, by a vote equal to at least sixty-seven (67%) percent of the votes of the Association, elect to rebuild, and (ii) such reconstruction and replacement would be permitted under state or local health or safety statutes or ordinances. If it is determined that such Building(s) is (are) not to be reconstructed or repaired, then that part of the Condominium Property not to be repaired shall be withdrawn from the condominium regime in accordance with Article XV.

(c) Any restoration or repair shall be substantially in accordance with (i) the plans of the original Building(s) so restored or repaired or (ii) plans and specifications approved by the Board and the members of the Association by a vote equal to at least sixty-seven (67%) percent of the votes of the Association.

Repairs and restoration of the Building(s) 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 or policies carried by the Association.

(d) If damage resulting from a casualty is to be repaired in accordance with the foregoing provisions, after the occurrence of a casualty causing damage to more than one Unit or any portion of both the Common Elements and any one or more of the Units, 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 that existing before the casualty. The Board, acting as trustee, shall disburse the proceeds of all insurance policies to contractors engaged in such repair and restoration through appropriate progress payments. Any excess of insurance proceeds over the costs of such repairs and restoration shall be distributed to each Unit Owner in accordance with his respective Share, or if there is a mortgagee endorsement, then jointly to each such Unit Owner and Mortgagee of such Unit Owner. Any costs of such repairs and restoration in excess of available insurance proceeds shall constitute a Common Expense, and the Board shall make Assessments against all Unit Owners in sufficient amounts to provide funds to pay the estimated costs of repairs and reconstruction of damaged or destroyed Common Elements. Additional Assessments may be made at any time during or following the completion of construction. All such Assessments shall be divided among the Units in accordance with each Unit Owner's Share.

(e) If the entire Condominium is not repaired or replaced, (i) the insurance proceeds attributable to the damaged Common Elements shall be used to restore the damaged area to a condition compatible with the remainder of the Condominium unless the Condominium is terminated, in which case none of the insurance proceeds shall be applied to restoration, (ii) the insurance proceeds attributable to Units and Limited Common Elements that are not rebuilt shall be distributed to the owners of those Units and the owners of the Units to which those Limited Common Elements were assigned, and (iii) the remainder of the proceeds shall be distributed to all the Unit Owners in accordance with each Unit Owner's Share. If the Unit Owners vote not to rebuild a particular Unit, that Unit's entire Common Element Interest, votes in the Association, and common

expense liability shall be reallocated under Section 1121.107 of the Act as if the Unit had been condemned, and the Association shall prepare, execute, and record an amendment to the Restated Declaration reflecting such reallocations.

2. **Casualty Affecting Common Elements Exclusively.** If only the Common Elements, or portions thereof, are destroyed or damaged, said portions shall be reconstructed or repaired by the Association, unless it is determined in accordance with Article XV that the Condominium or part thereof shall be terminated and the Condominium Property or part thereof be withdrawn.

3. **Casualty Affecting Units Exclusively.** 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 to the Unit Owner, or if there is a mortgagee endorsement, then to the Unit Owner and Mortgagee jointly, who shall use such proceeds for repair and reconstruction of the damaged or destroyed portions of the Unit substantially in accordance with the original plans and specifications of the Unit or in accordance with such other plans and specifications as may be approved by the Board.

4. **Loss of Use.** Neither Declarant, the Association, nor any Unit Owner shall be obligated to compensate any Unit Owner for loss of use and occupancy of his Unit pending reconstruction or termination of the Condominium.

ARTICLE XII.

ASSESSMENTS, COMMON EXPENSES, AND COMMON SURPLUS

1. **General.** Assessments against the Units and the Unit Owners for Common Expenses and the distributions, if any, of Common Surplus shall be made by the Board pursuant to the provisions of this Article and the By-Laws as amended.

2. **Share of Common Expenses and Common Surplus.** Each Unit Owner, including Transferee, shall share in and be liable for the Common Expenses and be entitled to share in the Common Surplus in accordance with such Owner's Share.

3. **Non-Proportionate Allocation of Assessments.** The Board shall, to the extent necessary to accomplish a fair and equitable allocation of those costs of operation of the Condominium which are attributable to services which are enjoyed to a materially disproportionate extent by one or more Units and the occupants thereof, or in the event of repairs or maintenance required on account of misuse, negligence, or violation of applicable rules and regulations on the part of any Unit Owner, allocate certain of the Common Expenses among the Units in a manner other than in proportion to their respective Shares.

4. **Annual Assessments for Common Expenses.** Assessments for Common Expenses shall be made annually in advance by the Board based on estimated annual Common Expenses and adequate reserves for future Common Expenses, all as more particularly provided in the By-Laws. Such Assessments shall be payable in such installments and on such terms and conditions as the Board or Manager (subject to Board approval) may provide.

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

6. **Capital Reserve Fund.** The Declarant created and there presently exists a capital reserve fund for the purpose of meeting unforeseen expenditures, purchasing additional equipment or services, replacing Common Elements, or for such other purposes as the Association determines.

The Declarant assigned to Transferee the previously deposited capital reserves payment to the Association in the sum of \$112,000.00 (the "Deposit"), equal to twice its monthly assessment for the capital reserve fund account as part of its ownership of Unit I. At the time of transfer of each of the Units created by the subdivision of Unit I by Transferee to a third party purchaser of such Unit, Transferee shall be entitled to a reimbursement for the Deposit from the purchaser. This deposit shall not be deemed to be an advance payment of regular Assessments. Any difference in Transferee's reimbursement and the current Budget shall be delivered to the Association by Transferee.

No Unit Owner shall be permitted to withdraw the deposit made to the capital reserve fund for so long as this Restated Declaration is in effect. Such deposit may, however, be transferred to the credit of any subsequent purchaser of the Unit owned by such Unit Owner, upon notice to the Association.

7. **Special Assessments.** Any special Assessments, levied within the authority granted to the Association or the Board elsewhere in this Restated Declaration or in any other 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 in making the Assessment, and in lieu thereof in the same manner as annual Assessments for Common Expenses.

8. **Liability for Assessments.** Each initial purchaser of a Unit from the Transferee shall be liable for all Assessments accruing against his Unit on and subsequent to the date of closing of the act of transfer of such Unit from Transferee. Any purchaser from an individual Unit Owner, except a purchaser at a judicial sale, shall be liable for all Assessments made against such Unit both prior to and subsequent to the acquisition by such Purchaser. A purchaser at a judicial sale shall be liable for all Assessments against the purchased Unit accruing after the sale, but shall not be liable for such Unit's unpaid Assessments which accrued prior to the acquisition of title to such Unit by such purchaser, except for any pro-rata re-allocation of such Assessments to all Units including 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. Joint owners of Units shall be liable jointly, severally, and *in solido* for such Assessments. A former 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 Article VIII hereinabove) but shall remain liable jointly, severally, and *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.

Any Unit which because of damage or destruction has been withdrawn from the condominium regime in accordance with Article XV hereof and 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. **Interest, Penalties and Liens.** Assessments, and installments thereon, paid on or before ten (10) days after the date when due shall not bear interest, but all sums paid after such period shall bear interest at the rate of eighteen (18%) percent per annum from the date when due until paid. All payments upon account shall be first applied to interest and then to the Assessment payment first due. Failure to pay any monthly installment of any Assessment shall, at the option of the Board, mature the entire annual Assessment for Common Expenses and the same shall be due and payable immediately upon written notice to the Unit Owner. The Unit Owner agrees to pay reasonable attorney's fees, and costs actually incurred by the Association, in connection with the collection of any Assessments. The Board may assert a lien against such Unit Owner's Unit in accordance with the Act. The lien for unpaid Assessments provided by the Act shall also secure court costs and reasonable attorney's fees incurred by the Association incident to the collection of such Assessment or enforcement of such lien. As provided in the Act, any lien imposed by the

Association against a Unit shall be subordinate to the lien of any mortgage against such Unit duly recorded prior to the date of recordation of such lien in favor of the Association. The lien in favor of Association shall not be affected by a transfer of the Unit, except in connection with foreclosure by a superior lien holder.

10. Notice, Hearing and Termination of Common Element Services. Pursuant to La. R.S. 9:1123.102(11), the Association may impose charges for late payment of assessments as set forth herein, and after notice and an opportunity to be heard, reasonable fines for violations of the Restated Declaration, By-Laws and Rules and Regulations of the Association, and when the violation is a failure to pay for services, interrupt those services until the violation has ceased. Upon failure to pay for services, the Board shall provide ten (10) days' written notice to the owner and/or occupants/tenants of the Unit, at which time a hearing will be held as set forth above. If any violation is not resolved within two (2) days of the hearing, based on the failure to pay for services, the Association shall have the authority to interrupt those services until the violation has ceased.

11. Records and Certificates. The Association shall keep in its offices current copies of the Condominium Documents and shall maintain financial statements and accounting records according to good accounting practices and as provided in the By-Laws of the Associations, which accounting records shall include:

- (a) An itemized record of all receipts and expenditures; and
- (b) A separate account for each Unit which shall indicate: (i) the name and address(es) 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 by each Owner, and (iv) any balance due. A Unit Owner and his Mortgagee or a prospective purchaser of a Unit shall have the right to obtain from the Association a certificate showing the amount of unpaid Assessments with respect to the Unit.

Unit Owners may inspect the Condominium Documents and such financial statements and accounting records at the Association's offices during normal business hours.

ARTICLE XIII. COMPLIANCE AND DEFAULT

1. General. Each Unit Owner shall be governed by and comply with the terms of the Condominium Documents and of the rules and regulations adopted pursuant thereto, as the same may be amended from time to time. In accordance with the Act, all of the provisions hereof shall be deemed to have the force of law as among individual Unit Owners. A default shall entitle the Association or other Unit Owners to the relief set forth below.

2. Cure of Default. In the event of default by any Unit Owner, the Board shall have the authority to direct the Association to take whatever action may be necessary, in its discretion, to correct such default. Any expenses incurred by the Association shall be assessed against the defaulting Unit Owner and Unit owned by such Unit Owner.

3. Legal Proceedings. Failure of Unit Owners to comply with any of the terms of the Condominium Documents and rules and regulations adopted pursuant thereto or any obligations imposed thereby 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, or such other remedies as may be provided by law, any of which relief or remedies may be sought by the Association or by an aggrieved Unit Owner. A Unit Owner shall also have the right to proceed against the Association for any remedies provided by law in the event the Association does not perform the duties imposed upon it by the Act and the Condominium Documents.

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

5. **No Waiver of Rights** The failure of the Association or 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.

6. **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 exercise of such other and additional rights, remedies, or privileges as may be granted to such party by the Condominium Documents or by law.

ARTICLE XIV. AMENDMENT

The Condominium Documents may be amended in the following manner:

1. **Amendments to Restated Declaration by Transferee.** Each Unit Owner hereby grants to Transferee or its assigns the irrevocable power, coupled with an interest, to execute, on behalf of each Unit Owner, any of the amendments to the Restated Declaration described below in this Section 1, containing such additional terms as the Transferee or its assigns, believes to be in the interest of the Condominium Property or Association, necessary or advisable, which amendments shall be effective upon registration in the records of the Register of Conveyances of Orleans Parish:

(a) Any amendment that alters the dimensions of, or creates additional Units, Limited Common Elements, or Common Elements out of, any Units owned by the Transferee, or any Units not yet constructed by Transferee, provided that such alteration does not affect the dimensions of any Unit(s) previously sold by the Transferee;

(b) Any amendment to this Restated Declaration containing revised building plans, in the event the actual horizontal and vertical boundaries and measurements of any Unit, as built, differ from that shown on the Completely Revised Building Plans attached hereto;

(c) Any amendment that changes the designation of the any of the Units, before any of the Units are sold by the Transferee to third parties;

(d) Any amendment that clarifies any apparently conflicting provisions hereof, any provisions which conflict with the Act, and/or to correct any mistakes or errors of a clerical nature resulting from typographical or similar errors; and

(e) Any amendment that modifies the provisions of this Restated Declaration in order to comply with the requirements of the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Department of Housing and Urban Development, the Federal Housing Administration, or any other governmental agency or any other public, quasi-public, or private entity which performs, or in the future performs, functions similar to those now performed by such entities, and/or to induce any of such agencies or entities to make, purchase, sell, insure, or guarantee any mortgages affecting any of the Units;

provided, however, that none of the amendments described above shall affect or impair the lien of any mortgage then of record upon a Unit or any representations or warranties made by a Unit Owner in connection with the making, purchase, insurance, or guarantee of any mortgage then of record on

any Unit. The amendment procedure set forth in this Section 1 is not exclusive, Transferee reserving the right to avail itself of amendment procedures set forth elsewhere in this Article XIV, or in the Act, at Transferee's option.

2. Withdrawal, Redesignation, Subdivision.

(a) Amendments to withdraw the Condominium Property or a portion thereof shall be prepared, executed, and recorded in the records of the Register of Conveyances of Orleans Parish by the Association and any other appropriate party, upon due authorization for such withdrawal as provided in Article XV hereinafter and at the expense of the owners of property to be withdrawn. Any such amendment shall contain a legally sufficient description of the property to be withdrawn and shall reallocate the Shares attributable to such withdrawn Unit(s) in proportion to the respective Shares of the remaining Units.

(b) Amendments to redesignate boundaries between adjoining Units shall be executed and duly recorded by the Association upon the written request and at the expense of the reallocating Unit Owners. Any such amendment shall specify the method of reallocation between adjoining Units of their Shares, and shall identify the Units involved, shall be executed by the reallocating Unit Owners, shall contain words of conveyance between them, and shall be accompanied by plats or plans showing the altered unit boundaries, dimensions, and identifying numbers and/or letters.

(c) Amendments to resubdivide, subdivide or convert any Unit into one or more Units, Common Elements, or any combination of Units or Common Elements shall be executed and duly recorded by the Association upon the written request and at the expense of the owner of such Unit. Any such amendment must assign an identifying number and/or letter to such new Units, specify the method of reallocation between adjoining Units of their Shares, and shall identify the Units involved, shall be executed by the reallocating Unit Owners, shall contain words of conveyance between them, and shall be accompanied by plats or plans showing the altered unit boundaries, dimensions, and identifying numbers.

3. Other Amendments.

All amendments to the Restated Declaration other than those described in Section 1 and Section 2 above may be effected only by vote or agreement of the Unit Owners 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 to be considered.
- (b) A resolution for adoption of a proposed amendment may be proposed by either the Board or by Unit Owners holding at least ten percent (10%) percent of the voting power of the Association. Directors and Unit Owners not present at the meeting considering such amendment may express their approval by written consent or by proxy and no meeting need be held if a written consent to an amendment is signed by all members, all as provided in the Association By-Laws. Approval by at least sixty-seven (67%) percent of the votes of the Association shall be required for any such amendment.
- (c) The amendment shall be effective when registered in the Conveyance Office of Orleans Parish, Louisiana. Copies of the amendment shall be delivered to each Unit Owner but such delivery shall not be a condition precedent to the effectiveness of such amendment.

4. Association Articles of Incorporation and By-Laws. The Articles of Incorporation and By-Laws of the Association may be amended in the manner provided therein.

ARTICLE XV.
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 Condominium Property, or a 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. If any of the Units in any of the Buildings are voluntarily withdrawn, all of the Buildings must be withdrawn. The withdrawal of Condominium Property and termination of the condominium regime with respect thereto shall become effective when an amendment to the Restated Declaration authorizing such withdrawal has been registered in the Conveyance Office of Orleans Parish. If any Units are contained within the Condominium Property so withdrawn, and the Declarant shall not, at the time of such withdrawal, have conveyed any of the Units, then the consent of any Mortgagee or other lien creditor to such withdrawal shall not be necessary. If, however, Declarant shall have conveyed any of the Units at the time of such withdrawal, the consent of any Mortgagees or other lien creditors of the Unit or Unit(s) to be withdrawn shall be obtained before such portion of the Condominium 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. Termination upon a determination not to reconstruct after casualty shall be implemented by the preparation, execution, and recordation by the Association of an amendment to the Restated Declaration containing a legally sufficient description of the immovable property withdrawn and stating the fact of such withdrawal by a certificate of the Association certifying the facts affecting the termination, which certificate shall become effective upon being registered in the Conveyance Office of Orleans Parish. If only a portion of the Condominium Property is being withdrawn, the amendment shall reallocate the Share(s) attributable to the withdrawn Unit(s) to any Unit(s) remaining in the Condominium in proportion to the respective Share(s) of those remaining Unit(s).

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 Units of the Condominium Property so withdrawn. The percentage of undivided ownership of a Unit Owner in the withdrawn Condominium Property shall be equal to his former Share, divided by the aggregate Shares in such Common Elements of all Unit Owners whose Units are withdrawn. Liens upon individual condominium parcels withdrawn shall, following their withdrawal, be upon the respective undivided shares of the Unit Owners in the withdrawn property.

4. **Partition of Property.** Following withdrawal of the Condominium Property or any part thereof, such property shall be subject to partition by the action of any owner of the withdrawn property. In the event of sale of the withdrawn Condominium Property by the co-owners, upon consummation of such sale the proceeds therefrom shall be paid to the Unit Owners in proportion to their respective undivided interests in the property, after all claims secured by liens on the Unit Owners' shares of interest in the withdrawn property have been satisfied.

5. **Disposition of Assets.** All funds held by the Association and insurance proceeds, if any, shall be held jointly for the former Unit Owners in proportion to the Share of 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 proportion to their respective Shares.

ARTICLE XVI.
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 appurtenances thereto, and every Unit Owner and person having an interest in the Condominium Property, or any part thereof, and his heirs, executors, administrators, successors, grantees, and assigns, shall be bound by all of the provisions of the Condominium Documents.

ARTICLE XVII.
LIENS

1. **Protection of Property.** All liens against a Unit other than for mortgages, taxes, or special assessments imposed by a governmental authority shall be satisfied or otherwise removed within thirty (30) days from the date the lien attaches. All taxes and such 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 mortgages, taxes, and special governmental assessments, within five (5) days after the attachment of such lien.

3. **Notice of Lawsuit** A Unit Owner shall give notice to the Association of every lawsuit or other proceeding 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 of the Restated Declaration and the Condominium Documents in the same manner as any other Unit Owner.

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 Act for all sums expended in connection therewith.

ARTICLE XVIII.
MORTGAGEE PROTECTION

1. **Rights of, and Notice to, Mortgagees.** Upon written request to the Association, identifying the name and address of a Mortgagee, or the insurer or guarantor of a mortgage note held by a Mortgagee, and identifying the Unit number encumbered by the mortgage held by the Mortgagee, such Mortgagee, insurer or guarantor shall:

(a) be entitled to written notice of:

(i) Any condemnation loss or any casualty loss which affects a material portion of the Condominium Property or any Unit on which the Mortgagee has an interest;

(ii) Any default by a Unit Owner who owns a Unit subject to a mortgage held by a Mortgagee, in the performance of such Unit Owner's obligations as set forth in the Condominium Documents (including, without limitation, delinquency in the payment of

Assessments or charges owed by such Unit Owner), which default remains uncured for a period of sixty (60) days;

(iii) Any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association;

(iv) Any proposed action which would require the consent of a specified percentage of Mortgagees, as provided for herein.

(b) have the right to:

(i) Inspect the books, records, and financial statements of the Association, and current copies of the Condominium Documents, during normal business hours, all of which documentation shall be maintained by the Association in its offices;

(ii) Receive an annual financial statement of the Association within one hundred twenty (120) days following the end of any fiscal year of the Association; and

(iii) Prepare audited financial statements of the Association, at the expense of the Mortgagee;

(iv) Receive written notice of all meetings of the Association and be permitted to designate a representative to attend all such meetings; and

(v) Receive a copy of all notices permitted or required by this Restated Restated Declaration to be given to the Unit Owner whose Unit is encumbered by the mortgage held by such Mortgagee.

2. **Prior Mortgagee Approval.** Upon written request to the Association, and to the extent permitted by the Act, and notwithstanding any other provision to the contrary contained in the Condominium Documents, Mortgagees shall be afforded the following rights:

(a) Any restoration or repair of the Condominium Property, after a partial condemnation or damage due to an insurable hazard, shall be performed substantially in accordance with the original plans and specifications for the Condominium Property, unless other action is approved by Mortgagees holding mortgages on Units which have at least fifty-one (51%) percent of the total voting power of Units subject to mortgages on Units.

(b) Any election to terminate the legal status of the Condominium after substantial destruction or a substantial taking in condemnation must have the approval of Mortgagees holding mortgages on Units which have at least fifty-one (51%) percent of the total voting power of Units subject to such mortgages.

(c) Any election to terminate the legal status of the Condominium, except if such election to terminate occurs (y) at a time when Declarant owns all of the Units or (z) after substantial destruction or a substantial taking in condemnation, must have the approval of Mortgagees holding mortgages on Units which have at least sixty-seven (67%) percent of the total voting power of Units subject to such mortgages.

(d) To the extent any of the actions listed below would require an amendment to the Condominium Documents, any amendment to the Condominium Documents authorizing such action must be approved by Mortgagees holding mortgages on Units which have at least fifty-one (51%) percent of the total voting power of Units subject to such mortgages:

(i) any alteration of voting rights of Unit Owners;

(ii) any increase in Assessments to Unit Owners over the preceding year by more than twenty-five percent;

(iii) any alteration in the provisions of the Condominium Documents affecting liens for Assessments and the priority of liens for Assessments;

(iv) any reductions in reserves for maintenance, repair and replacement of Common Elements;

(v) any change in identity of person responsible for maintenance and repair;

(vi) except as otherwise provided in Section 1 of Article XIV, any reallocation of interests of Unit Owners in the Common Elements or Limited Common Elements, or rights to their use;

(vii) except as otherwise provided in Section 1 of Article XIV, any alteration of the boundaries of any Units;

(viii) except as otherwise provided in Section 1 of Article XIV, any conversion of all or part of any of the Units into Common Elements, or any conversion of all or part of any of the Common Elements into Units;

(ix) except as otherwise provided in Section 1 of Article XIV, any additions to, or deletions from, the Condominium Property;

(x) any change in hazard or fidelity insurance, or fidelity bond, requirements;

(xi) the imposition of any restrictions in the leasing of any Units, or a change in any such restrictions; and

(xii) any decision by the Board to cause the Association to manage the Condominium Property directly, without the Manager.

(e) Any amendment to the Condominium Documents that would modify any provision that expressly benefits Mortgagees must have the approval of Mortgagees holding mortgages on Units which have at least fifty-one (51%) percent of the total voting power of Units subject to such mortgages.

(f) No Unit may be partitioned or subdivided by the Unit Owner thereof in accordance with the provisions of the Condominium Documents without the prior written approval of the Mortgagee holding the Mortgage on such Unit, and the Association.

(g) Any Mortgagee who obtains title to a Unit pursuant to the remedies provided in its mortgage, or pursuant to a conveyance in lieu of foreclosure, or any purchaser at a foreclosure sale upon enforcement of the Mortgagee's mortgage, shall not be liable for such Unit's unpaid Common Expenses which accrued prior to the acquisition of title to such Unit by such party, except for claims for a pro rata re-allocation of such Common Expenses to all Units including the mortgaged Unit.

3. **Tacit Consent.** Provided that the Association shall have given written notice, by certified mail, return receipt requested, to a Mortgagee entitled to notice of an action requiring its consent, that Mortgagee shall be deemed to have consented to such action unless the Association shall have received a response from the Mortgagee to the Association's written notice within thirty days after the date the Association's notice was deposited in the United States mail, postage prepaid.

ARTICLE XIX.
EMINENT DOMAIN

1. General Provisions. If all or any part of the Condominium Property is taken or threatened to be taken by eminent domain or by power in the nature of eminent domain (whether permanent or temporary), the Association exclusively shall be entitled to participate in proceedings incident thereto, on behalf of the Unit Owners. Each Unit Owner appoints the Association as such Unit Owner's attorney-in-fact for such purpose. The Association shall give timely written notice of the existence of such proceedings to all Unit Owners and to all Mortgagees known to the Association to have an interest in any Unit. The expense of participation in such proceedings by the Association shall be borne by the Association, and charged as a Common Expense. The Association is specifically authorized to obtain and pay for such assistance from attorneys, appraisers, architects, engineers, expert witnesses and other persons as the Association in its discretion deems necessary or advisable to aid or advise it in matters relating to such proceedings. All damages or awards for such taking shall be deposited with the Association and such damages or awards shall be applied, as determined by the Board, to defend or resist any such proceeding, to make any settlement with respect thereto, or to convey such property to the condemning authority in lieu of such condemnation proceedings.

2. Taking of Common Elements Exclusively. With respect to any taking of the Common Elements exclusively, all damages and awards shall be determined for such taking as a whole and not for each Unit Owner's interest therein. After the damages or awards for such taking are determined, such damages or awards shall be paid to the account of each Unit Owner of a Unit so taken and such Unit Owner's Mortgagee, if any, as their interest may appear in accordance with the Share of each such Unit Owner, unless the Board determines to restore the Common Elements. If it deems advisable, the Board may call a meeting of the Unit Owners, at which meeting the Unit Owners, by a majority of the voting power of the Association, shall decide whether or not to replace or restore the Common Elements so taken or damaged.

3. Taking of Less Than 66 2/3%. In the event such eminent domain proceeding results in the taking of or damage to one (1) or more, but less than sixty-six and two-thirds percent (66-2/3%) of the total number of Units, then the damages and awards for such taking shall be determined for each Unit and the following shall apply:

(a) The Association shall determine which of the Units damaged by such taking may be made usable for the purposes set forth in the Restated Declaration, taking into account the nature of the Condominium and the reduced size of each Unit so damaged.

(b) The Association shall determine whether it is reasonably practical to operate the remaining Units of the Condominium including those damaged Units which may be occupied as a condominium in the manner provided in this Restated Restated Declaration.

(c) In the event the Association determines it is not reasonably practical to operate the undamaged Units and the damaged Units which can be made usable, then the Condominium shall terminate and the Condominium Property shall thenceforth be owned by all Unit Owners, as owners in indivision, in the percentage ownership interest previously owned by each Unit Owner. The Association shall promptly file with the Register of Conveyances of the Parish of Orleans such documents as may be necessary to terminate the condominium regime.

(d) In the event the Association determines it will be reasonably practical to operate the undamaged Units and the damaged Units which can be made usable then the damages and awards made with respect to each Unit which has been determined to be capable of being made usable shall be applied to repair and to reconstruct such Unit so that it is made usable. If the cost of such work exceeds the amount of the award, the additional funds required shall be assessed against those Units which are usable. With respect to those Units or portions thereof which may not be usable, the award made shall be paid in accordance with the Share of each Unit Owner of such nonusable Unit or portion thereof, and the remaining portion of such Units, if any, shall become a part of the Common Elements. Upon payment of such award for the account of such Unit Owner as provided herein, such Unit shall no longer be susceptible of independent ownership as a part of

the Condominium Property and the percentage ownership interest in the Common Elements appurtenant to each remaining Unit which shall continue as a part of the Condominium Property shall be allocated to the remaining Units in the same proportion that the Shares of the remaining Unit Owners bear among themselves.

4. **Taking of More Than 66 2/3%**. If the entire Condominium Property is taken, or more than sixty-six and two-thirds percent (66-2/3%) of the Units are taken or damaged by such taking, all damages and awards shall be paid to or for the accounts of the Unit Owners of Units or their Mortgagees; if any, as their interests may appear, as provided herein, in proportion to their respective Shares; and this condominium regime shall terminate upon such payment. Upon such termination, the Condominium Property shall be owned in indivision by all Unit Owners in the same proportions as previously owned by each Unit Owner in the Common Elements.

Any damages or awards provided in the article shall be paid to or for the account of any Unit Owner and Mortgagee, if any, as their interests may appear.

ARTICLE XX. GENERAL PROVISIONS

1. **Rights and Obligations.** Each purchaser or grantee of Declarant or Transferee, by the acceptance of an act of conveyance, and each purchaser under any sale contract, accepts such conveyance subject to all restrictions, privileges, servitudes, conditions, covenants, reservations, liens and charges, and the jurisdiction, rights, and powers created or reserved by this Restated Declaration and in the other Condominium Documents, all rights, benefits, and privileges of every character hereby granted, created, reserved or declared, and all impositions and obligations thereby imposed shall be deemed and taken to be covenants running with the land, and shall bind any person having at any time any interest in the Condominium, and shall inure to the benefit of such person in like manner as though the provisions of this Restated Declaration were cited and stipulated at length in each and every act of conveyance. Reference in the respective acts of conveyance, or any mortgage or other evidence of obligation, to the servitudes and rights described in this Restated Declaration or the other Condominium Documents shall be sufficient to create and reserve such rights to the respective purchasers and grantees of any Unit, and Mortgagees holding mortgages encumbering such Units, as fully and completely as if such rights were recited fully and set forth in their entirety in such documents.

2. **Power of Transferee.** The Transferee shall be entitled to all of the rights, and subject to all of the obligations, of Declarant and/or a Unit Owner with respect to Units owned by it.

3. **Access to and From Units.** Notwithstanding any other provision hereof to the contrary, for as long as the Condominium Property is subject to a condominium regime, each Unit Owner shall have an unrestricted right of access through the Common Elements to and from the Unit owned by such Unit Owner.

4. **No Waiver.** No covenants, restrictions, conditions, obligations or provisions contained in this Restated Declaration shall be deemed to have been waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

5. **Liberal Construction.** The provisions of this Restated Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the operation of a first class condominium development.

6. **Exculpation and Indemnity.** The members of the Board, the officers of the Association, the Declarant and its officers, directors and shareholders shall not be liable to the Unit Owners for any mistake of judgment, or any acts or omissions made in good faith, of such members or officers. The Unit Owners shall indemnify and hold harmless each of the above noted persons against all contractual liability to others arising out of contracts made by them on behalf of the Unit Owners or the Association unless such contracts shall have been made in bad faith or contrary to the

provisions of this Restated Declaration. The liability of any Unit Owner arising out of the aforesaid indemnity shall be limited to a percentage of the total liability equal to his Share.

7. **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 Restated Declaration, or any section, sentence, clause, phrase, or word or the application thereof in any circumstances is judicially held to be in conflict with the laws of the State of Louisiana, then said laws shall be deemed controlling and the validity of the remainder of this Restated Declaration, and the application of any such provision, section, sentence, clause, phrase, or word in other circumstances, shall not be affected thereby.

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

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

10. **Notices.** Notices provided for in the Act or the Condominium Documents shall be in writing and shall be addressed to the Board, or any Unit Owner, as the case may be, to the Cotton Mill Condominium Association, Inc., 920 Poeyfarre Street, New Orleans, Louisiana 70130 (indicating thereon the number of the respective Unit if addressed to a Unit Owner), or at such other address(es) as hereinafter provided. The Board may designate a different address for notices to it by giving written notice of such change of address to all Unit Owners. Any Unit Owner may also designate a different address or addresses for notices to him by giving written notice of his change of address to the Board. Notices addressed as above shall be deemed delivered when mailed by United States registered or certified mail, return receipt requested, when delivered in person with the written acknowledgment of the receipt thereof.

11. **Tax Abatement.** Transferee and its predecessor-in-title, CMLP, have applied for the renewal and/or transfer of the Restoration Tax Abatement ("RTA") for former Unit I. In the event the RTA is granted and/or transferred, no individual Unit Owner/purchaser shall be entitled to any transfer of any portion of the RTA. Any RTA granted and/or transferred shall terminate (proportionately) upon the sale of the individual Units created herein.

12. **Facade Donation.** An Act of Donation of Perpetual Real Rights by CMLP in favor of Preservation Resource Center was granted by CMLP. A copy of the fully executed and recorded Donation is available for review and inspection at the sales office. The Act of Donation relates to the donation of the facade to the Preservation Resource Center and requires certain maintenance to the exterior facade, which is a Common Element.

13. **Commercial Spaces.** Declarant has created one (1) commercial Unit designated as UNIT COMMERCIAL, containing 4,379 square feet of space on the ground floor of Building B. Transferee reserves the right to restrict the use of the UNIT COMMERCIAL and further reserves the right to convert and/or subdivide the UNIT COMMERCIAL into residential Units upon complying with the Act and this Restated Declaration. Transferee anticipates Unit 110 will continue as a telecommunications space for the operations of antenna and telecommunications apparatus located on the top of the water tower. The water tower will remain a Common Element operated, maintained, controlled and insured by the Association. The Association received a substantial payment, which has been utilized to the complete renovation and restoration of the water tower. The water tower must remain on the premises by agreement with the Historic District Landmark Commission. At such time as Unit 110 is no longer used as a telecommunications room, regardless of who the Unit Owner is at such time, the use of Unit 110 shall revert and shall be restricted to residential use and purposes only as provided for the other Units herein.

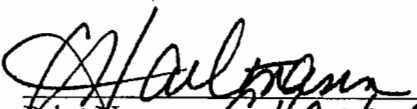
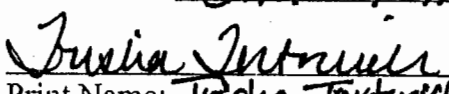
14. **Guest House/Transient Rental.** It is strictly prohibited that any Unit Owner or tenant (pursuant to a duly authorized and approved lease) use his/hers/its Unit for any bed and

breakfast, guest house, hotel or transient purpose in which said party receives payment or anything of value for said use. Anyone breaching this provision, after notice and a hearing before the Board, shall be liable to the Association for all amounts received or the value received, costs, expenses and legal fees, all of which shall be subject to the imposition of a lien as provided in Article XII. In addition to the above, the Association shall be entitled to injunctive relief against any violating party.

15. Arbitration. In the event of a dispute between the Association and any Unit Owner, the Unit Owner and the Association shall submit the matter to binding arbitration with the American Arbitration Association. The Unit Owner and the Association shall be bound by the final decision in any arbitration, subject to any legal rights available to any Unit Owner or the Association under the laws of the State of Louisiana. Alternatively, the Unit Owner or the Association may submit any dispute to a mediator in the Greater New Orleans area, but the Unit Owner and the Association must consent to the mediation and that any mediation would be binding upon the Unit Owner and the Association.

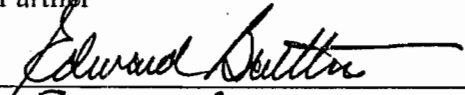
THUS DONE, SIGNED, AND PASSED in multiple originals at New Orleans, Louisiana, on June 30, 2004, but effective as of the date first set forth above, in the presence of the undersigned competent witnesses, who have hereunto signed their names, together with the said Appearer and me, Notary, after reading of the whole.

WITNESSES:

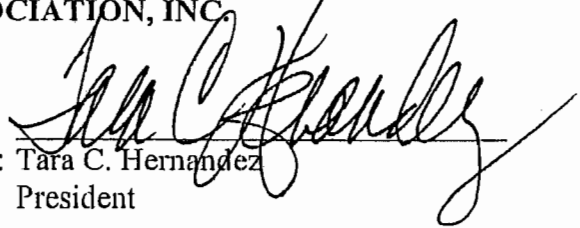

Print Name: Charles Hartmann

Print Name: Trisha Tortorich

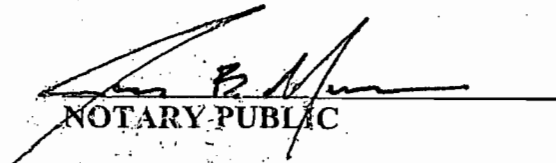
COTTON MILL LIMITED PARTNERSHIP

By: Historic Restoration, Incorporated
Its: General Partner

By: 
Name: Edward Portner
Its: Authorized Agent

COTTON MILL CONDOMINIUM ASSOCIATION, INC.

By: 
Name: Tara C. Hernandez
Its: President


NOTARY PUBLIC
JORDAN B. MONSOUR
NOTARY PUBLIC
State of Louisiana, Bar Roll # 27012
My Commission is for 11/1e.