
**DECLARATION OF
COVENANTS, CONDITIONS, RESTRICTIONS AND
SERVITUDES**

FOR

WALNUT GROVE

**WALNUT GROVE DEVELOPMENT, L.L.C.,
DECLARANT**

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THIS DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND SERVITUDES PLACES RESTRICTIONS ON THE PROPERTY DESCRIBED HEREIN AND MAY BE AMENDED AT ANY TIME BY DECLARANT.

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This Declaration Establishing Covenants, Restrictions and Servitudes (this "**Declaration**") is executed on August 1, 2013, by:

WALNUT GROVE DEVELOPMENT, L.L.C. (HEREINAFTER REFERRED TO AS "**DECLARANT**") (FEDERAL TAXPAYER IDENTIFICATION NO. XX-XXX4504), A LOUISIANA LIMITED LIABILITY COMPANY, WHOSE ADDRESS FOR THE PURPOSES HEREOF IS 1409 KIRKMAN STREET, LAKE CHARLES, LOUISIANA 70601, BEING REPRESENTED HEREIN BY ITS VICE PRESIDENT/CHIEF OPERATING OFFICER GUS W. SCHRAM, III;

WGLC, L.L.C. (HEREINAFTER REFERRED TO AS "**WGLC**") (FEDERAL TAXPAYER IDENTIFICATION NO. XX-XXX7712), A LOUISIANA LIMITED LIABILITY COMPANY, WHOSE ADDRESS FOR THE PURPOSES HEREOF IS 1409 KIRKMAN STREET, LAKE CHARLES, LOUISIANA 70601, BEING REPRESENTED HEREIN BY ITS VICE PRESIDENT/CHIEF OPERATING OFFICER GUS W. SCHRAM, III;

WGMC, L.L.C. (HEREINAFTER REFERRED TO AS "**WGMC**") (FEDERAL TAXPAYER IDENTIFICATION NO. XX-XXX7180), A LOUISIANA LIMITED LIABILITY COMPANY, WHOSE ADDRESS FOR THE PURPOSES HEREOF IS 1409 KIRKMAN STREET, LAKE CHARLES, LOUISIANA 70601, BEING REPRESENTED HEREIN BY ITS VICE PRESIDENT/CHIEF OPERATING OFFICER GUS W. SCHRAM, III;

URBAN INVESTMENT COMPANY, L.L.C. (HEREINAFTER REFERRED TO AS "**URBAN**") (FEDERAL TAXPAYER IDENTIFICATION NO. XX-XXX5430), A LOUISIANA LIMITED LIABILITY COMPANY, WHOSE ADDRESS FOR THE PURPOSES HEREOF IS 1409 KIRKMAN STREET, LAKE CHARLES, LOUISIANA 70601, BEING REPRESENTED HEREIN BY ITS VICE PRESIDENT/CHIEF OPERATING OFFICER GUS W. SCHRAM, III.

WGLC, WGMC AND URBAN HEREIN REFERRED TO COLLECTIVELY AS "**ADJACENT TRACT OWNERS**"

Statement of Purpose:

A. Declarant owns certain immovable property located in Section 38, Township 10 South, Range 9 West, which is a subdivision of Lot 4, Less Rio Hondo Estates Subdivision and in Lots 5 and 6 of the Bartelmy Lebleu Subdivision, City of Lake Charles, Calcasieu Parish, State of Louisiana, which consists of the property bounded on the North by Sallier Street, on the South by the Adjacent Tracts (defined below) owned by Urban Investment Company, L.L.C. and on the East by Block 4 of the Barbe Addition to the City of Lake Charles, and on the West by the Adjacent Tract owned by WGLC, L.L.C., and includes all of the property acquired by Declarant pursuant to the instrument recorded under File No. 2962404, Book 3650, page 112 of the records of the Clerk of Court for Calcasieu Parish, Louisiana (hereinafter referred to as the "**Declarant's Property**" or the "**Property**"). The Declarant's Property is more fully shown and described on the plat recorded in Sheriff's Sale Deed Book A at page 28 of the records of the Clerk of Court for Calcasieu Parish, Louisiana.

B. WGLC owns certain immovable property lying immediately to the West of and adjacent to Declarant's Property ("**WGLC Tract**").

C. Urban owns two tracts of immovable property lying adjacent to Declarant's Property; one tract situated to the South of the WGLC Tract and to the South-Southwest of Declarant's Property, and the second tract lying to the South of Declarant's Property (collectively, "**Urban Tracts**").

D. The WGLC Tract and Urban Tracts are collectively referred to herein as the "**Adjacent Tracts**"

E. Declarant intends to develop a Traditional Neighborhood Development (a "**TND**") on the Declarant's Property and on the Adjacent Tracts to be known as "**Walnut Grove**". Walnut Grove shall consist of Live/Work Units, Townhomes, Cottages, Village Homes, Mansion Flats, Courtyard Homes, Estate Homes, civic and commercial space. Declarant further intends that the TND have access to Contraband Bayou through land lying adjacent thereto. Declarant intends to develop Walnut Grove in accordance with the preliminary site plan attached hereto as **Exhibit A-1 ("Site Plan")**.

F. WGLC and Urban intend to enter into an Agreement of Purchase and Sale with Declarant wherein WGLC and Urban shall agree, upon the satisfaction of certain contingencies, to convey, on terms mutually satisfactory to the parties, their individual properties to Declarant to be developed as future phases of Walnut Grove.

G. It is Declarant's intent that land development within the TND be planned to encourage and provide residential (both single family and multi-family), retail and commercial uses and properties.

H. The Declarant's intent and expectation is that the TND developed on that portion of the Declarant's Property described above will share the following conventions:

- (1) Multiple districts will be developed within the TND according to this Declaration sharing common characteristics but creating unique environments.
- (2) Each district within the TND will be physically understood and limited in scale.
- (3) Residences, retail shops, workplaces and civic buildings will be located in the districts all in close proximity to one another.
- (4) A hierarchy of streets will serve the needs of pedestrians, bicycles and automobile traffic.
- (5) Squares, parks and green space will provide places for organized social activity as well as informal recreation.
- (6) Civic buildings and squares will reinforce the elements of the neighborhood, adding to the community identity and providing places of purposeful assembly for social, cultural and religious activities.

I. The Declarant's intent and expectation is that the TND developed on that portion of the Declarant's Property will promote the following objectives:

- (1) Bring within walking distance most of the activities of daily living, including dwelling, shopping and working;
 - (2) Reduce and/or minimize the number and length of automotive trips, traffic congestion and road construction;
 - (3) Make public transit a viable alternative to the automobile through organization of appropriate building densities;
 - (4) Provide a means for residents to come to know each other and to watch over their collective security by providing defined public spaces such as streets and squares;
 - (5) Provide a full range of housing types and work places, integrating age and economic class and forming the bonds of an authentic community;
 - (6) Provide suitable civic buildings, encouraging democratic initiatives and balancing the evolution of the community.
- (7) Declarant establishes this Declaration for this new community for the following purposes:
- (8) To promote enjoyment of the natural resources of the Declarant's Property and to protect and enhance its beauty;
 - (9) To encourage a harmonious architecture;
 - (10) To plan for the possibility of both commercial and residential uses but without the customary divisions between them that require dependence on the automobile;
 - (11) To allow for eventual self-governing of the community by its owners; and
 - (12) To provide a guide for development that will preserve certain values while allowing change when appropriate.

Declaration:

In furtherance of the aforesaid recitals, Declarant declares that, subject to the provisions of this Declaration, it does by these presents hereby create and establish certain servitudes, building restrictions, restrictive covenants, and charges upon the property known as Walnut Grove, and obligations of ownership, for its benefit and the benefit of its vendees, successors and assigns, which servitudes, building restrictions, restrictive covenants, charges upon, and obligations of ownership shall be covenants running with the land and which shall apply against and affect all of the property defined below as Walnut Grove:

**ARTICLE 2.
DEFINITIONS**

The following definitions apply wherever the capitalized terms appear in this Declaration.

A. **Additional Annexable Property.** "Additional Annexable Property" shall mean any immovable property: (a) contiguous with the Declarant's Property (including without limitation any property separated from the Declarant's Property by a public street or body of water), or (b) any portion of

which is within a one-half (1/2) mile radius of any portion of the Declarant's Property (including without limitation thereto any property separated from the Declarant's Property by a public street, body of water or other property). Additional Annexable Property shall include the Adjacent Tracts.

B. **Adjacent Tracts.** "Adjacent Tracts" shall mean the WGLC Tract, the WGMC Tract and the Urban Tracts, collectively.

C. **Adjacent Tract Owners.** "Adjacent Tract Owners" shall mean collectively Urban Investment Company, L.L.C. and WGLC, L.L.C. and WGMC, L.L.C..

D. **Assessments.** "Assessments" shall mean, collectively, the following charges:

(1) **General Assessment.** The "General Assessment" is the amount assessed to, and due from, all Members of an Association to meet such Association's annual budgeted expenses and cash requirements, as described in Section 15.3.

(2) **District Assessment.** A "District Assessment" is an amount assessed to, and due from, each Owner of a Lot within a particular District for special services or capital improvements within such District, as discussed in Section 15.6.

(3) **Individual Lot Assessment.** An "Individual Lot Assessment" is an amount assessed to and due from, an Owner of a particular Lot for charges relating only to that Lot, as provided in Section 15.7.

(4) **Institute Assessment.** The "Institute Assessment" is the amount assessed to, and due from, all Institute Members to meet the Institute's annual budgeted expenses and cash requirements, as described in Section 15.4.

(5) **Special Assessment.** A "Special Assessment" is an amount assessed to, and due from, each Owner of a Lot within a designated area for capital improvements or emergency expenses in such area, in accordance with the provisions of Section 15.5.

E. **Association.** "Association" shall mean either the Residential Association or the Commercial Association, as the context requires. "Associations" shall mean, collectively, the Residential Association and the Commercial Association.

F. **Association Articles.** "Association Articles" shall mean the Articles of Incorporation of an Association, together with all amendments and modifications to same adopted hereafter in accordance with the laws of Louisiana, the form of initial Association Articles, copies of which are attached as EXHIBITS "B" and "C" to this Declaration.

G. **Association Board.** "Association Board" shall mean the Board of Directors of an Association.

H. **Association Bylaws.** "Association Bylaws" shall mean the Bylaws of an Association, together with all amendments and modifications to same adopted hereafter in accordance with the laws of Louisiana, the form of the initial Bylaws, as proposed, are attached as Exhibits "D" and "E" to this Declaration.

I. **Association Members.** "Association Members" shall mean, as of the time of any determination, the members of an Association.

J. **Building.** "Building" shall mean any building constructed on any Lot. If permitted by the Design Code and approved by the Design Review Board, a Building may be attached to another Building and share party walls.

K. **Carport.** "Carport" shall mean an open air structure with a weatherproof roof to shelter an automobile(s).

L. **Carriage House.** "Carriage House" shall mean a small, detached Dwelling on a small lot within close proximity to another Building or Structure.

M. **Clerk of Court.** "Clerk of Court" shall mean and refer to the Clerk of Court and ex-officio recorder of mortgages and registrar of conveyances for the Parish of Calcasieu Louisiana.

N. **Commercial Association.** "Commercial Association" shall mean The Merchants of Walnut Grove, Inc., a Louisiana nonprofit corporation, its successors and assigns. The Commercial Association, whose members are the Commercial Owners (including Declarant), is responsible for maintaining the Commercial Commons in Walnut Grove and enforcing this Declaration.

O. **Commercial Lot(s).** "Commercial Lot(s)" shall mean any Lot which is designated exclusively for commercial, retail or office use.

- P. **Commercial Owners.** "Commercial Owners" shall mean any Owner of a Commercial Lot.
- Q. **Commercial Commons.** "Commercial Commons" shall mean any Commons designated as such by Walnut Grove Council.
- R. **Commons.** "Commons" shall mean all immovable property within Walnut Grove designated for the common use and enjoyment of all Owners. "Commons" also include any Improvements on that immovable property, all servitudes and personal property for the Owners' common use, and any other property of any type specifically designated as Commons. The Commons (except for Common Roads) are not dedicated for use by the general public. Commons may be designated as Commercial Commons or Residential Commons if authorized by Walnut Grove Council.
- S. **Common Roads.** "Common Roads" are the streets and roads located within Walnut Grove which are intended for automobile traffic. Common Roads are part of the Commons. Title to or servitudes in the Common Roads may be granted, transferred and sold to an Association. Common Roads may also be dedicated, partially or in their entirety, at any time, to the Governmental Authority for the City of Lake Charles and Parish of Calcasieu, Louisiana, by Declarant or an Association.
- T. **Community Meeting.** A "Community Meeting" is any public meeting of Members of an Association for discussion and voting, as described in Section 12.9.
- U. **Corner Lot.** "Corner Lot" shall mean a Lot situated at the juncture of two or more Streets.
- V. **Cottage:** "Cottage" shall mean a relatively small (minimum of 1,200 square feet) single family detached house on a small Lot, usually with onsite parking. Cottage houses can be grouped, facing a mews, small common or green in a court. A cottage court is often, but not always, arranged in a U-shape. Units are separated from the Commons only by a sidewalk, path or non-vehicular way.
- W. **Courtyard Home.** "Courtyard Home" shall mean a relatively large (minimum of 2,800 square feet) single family detached house with large, private courtyards on a larger Lot.
- X. **Declarant.** The "Declarant" is Walnut Grove Development, L.L.C., a Louisiana limited liability company, its successors and assigns. Declarant shall also be an Owner for so long as Declarant is record owner of any Lot.
- Y. **Declarant's Property.** "Declarant's Property" shall mean the immovable property described in Paragraph A of the Statement of Purpose hereinabove and any Additional Annexable Property made a part of Walnut Grove pursuant to a Supplemental Declaration.
- Z. **Declaration.** "This Declaration" shall mean this instrument titled "Declaration Establishing Covenants, Restrictions and Servitudes", together with (i) all exhibits and attachments to same, (ii) all amendments and modifications adopted hereafter pursuant to the terms hereof, and (iii) all Supplemental Declarations filed pursuant to Section 3.2(C).
- AA. **Design Code.** "Design Code" shall mean the document titled "Walnut Grove Design Code," together with all amendments and modifications to same adopted hereafter pursuant to the terms hereof; the Initial Design Code is attached hereto and made a part hereof as *Exhibit "H."*
- BB. **Design Review Board.** The "Design Review Board" is the panel established by Article 9 of this Declaration.
- CC. **District.** "Districts" may be defined within certain areas of Walnut Grove and may be further defined by Supplemental Declaration as provided in Section 3.2(C). For areas in which no Districts have been defined or in which none are defined at the time of filing a Supplemental Declaration, an Association Board (if each Lot in the District is designated for the same uses (Residential, Mixed Use, or Commercial) or the Walnut Grove Council (for Districts consisting of a mix of uses)) may designate District boundaries for the purpose of District Improvements and the making assessments under Section 15.6. To the extent possible, all Lots on both sides of a Common Road shall be included within the same District. Separate Districts may be created if the Common Road is interrupted by cross streets, or by bodies of water or Commons wider than typical Lots on that block, or if Lots on opposing sides of the Common Road are of significantly different character.
- DD. **Dwelling.** "Dwelling" shall mean and refer to any complete building designed or intended for use and occupancy as a residence by a single family.
- EE. **Effective Date.** "Effective Date" is August 1, 2013.
- FF. **Estate Home:** "Estate Home" shall mean a custom-built, single family detached house on a large Lot adjacent to or near the waterfront with at least 3,500 square feet.
- GG. **Fence.** "Fence" shall mean a closure of front, side or rear yard area on a Lot.

HH. **Garage.** "Garage" shall mean an enclosed structure to shelter automobiles.

II. **Garden Wall.** "Garden Wall" shall mean a closure of a side or rear yard area constructed of masonry or stucco.

JJ. **Governmental Authority.** "Governmental Authority" shall mean (i) the United States of America, (ii) the State of Louisiana, (iii) any other State of the United States of America, (iv) any political subdivision of any of the foregoing, (v) any agency, department, commission, board or bureau of any of the foregoing, and (vi) any tribunal, instrumentality or court having jurisdiction over Walnut Grove or any of the uses that may be made of Lots or other portions of Walnut Grove.

KK. **Home Office.** "Home Office" shall mean premises located on a Residential Lot used for the transaction of business or the provision of professional services employing no more than four full-time employees, one of whom must be the Owner of the Residential Lot on which the Home Office is located, or the tenant of said Owner.

LL. **Improvement.** "Improvement" shall mean and refer to every structure and all appurtenances thereto of every type and kind, including but not limited to, Dwellings, Buildings, outbuildings, patios, tennis courts, swimming pools, Garages, Carports, driveways, sidewalks, walkways, fences, walls, gates, screening walls, terraces, retaining walls, stairs, decks, exterior air conditioning and heating units, pumps, wells, tanks and reservoirs, pipes, lines, cables, meters, towers, antennae, equipment and facilities used in connection with water, sewer, gas, electric, telephone, television or other utilities or services, and any construction which in any way alters the exterior appearance of any improvement, but shall not include pipes, lines, cables, meters, equipment and facilities in connection with water, sewer, drainage, gas, electric, telephone, television or other utilities or service provider in favor of whom a utility or drainage servitude has been expressly established and granted herein.

MM. **Institute.** "Institute" shall mean The Walnut Grove Institute, Inc., a Louisiana non-profit corporation, its successors and assigns. The Institute, whose members are, but shall not be limited to, the Owners (including Declarant), has the purpose of encouraging the arts and cultural events within Walnut Grove. The Institute may have one or more classes of membership.

NN. **Institute Articles.** "Institute Articles" shall mean the Articles of Incorporation of the Institute, the initial form of which is attached as **EXHIBIT "F"** to this Declaration, together with all amendments and modifications to same adopted hereafter in accordance with the laws of Louisiana.

OO. **Institute Board.** "Institute Board" shall mean the Board of Directors of the Institute.

PP. **Institute Bylaws.** "Institute Bylaws" shall mean the Bylaws of the Institute. The initial form of which is attached as **EXHIBIT "G"** to this Declaration, together with all amendments and modifications to same adopted hereafter in accordance with the laws of Louisiana.

QQ. **Institute Members.** "Institute Members" shall mean, as of the time of any determination, all Owners and any other Person who has acquired a membership interest in the Institute; each Owner is a member of the Institute as provided in Section 13.2.

RR. **Landscape Code.** "Landscape Code" shall mean the document titled "Walnut Grove Landscape Code," together with all amendments and modifications to same adopted hereafter pursuant to the terms hereof; the initial Landscape Code is attached hereto and made a part hereof as **Exhibit "I"**.

SS. **Live/Work Unit.** a "Live/Work Unit" is a relatively small (minimum of 1,000 square feet), fully mixed-use unit containing a Dwelling located above or behind a commercial space within a Building.

TT. **Lot.** A "Lot" is the smallest parcel of land which may be separately conveyed. Lots are designated as numbered, separately identifiable parcels on the Site Plan or a subsequently recorded plat of Additional Annexable Property which will be annexed to, and included and otherwise incorporated within, Walnut Grove by Supplemental Declaration pursuant to Section 3.2(C). Declarant may redefine Lots by combining Lots or portions of Lots and by adjusting the boundary of a Lot. Lots are designated as Residential Lots, Commercial Lots or Mixed Use Lots.

UU. **Mansion Flat.** "Mansion Flat" shall mean an attached single family Dwelling of no fewer than 2,000 square feet located in a multi-family residential Building.

VV. **Mixed Use Lots.** "Mixed Use Lots" shall mean those Lots which are designated for mixed use, with each Lot containing both commercial and residential components, including Live/Work Units.

WW. **Mortgagee.** "Mortgagee" shall mean any Person which holds: (i) a mortgage encumbering a Lot as collateral security for the payment and/or performance of an obligation, or (ii) otherwise holds a lien or encumbrance burdening or otherwise encumbering a Lot, as collateral security for the payment and/or performance of an obligation.

XX. **Out Building.** "Out Building" or "Outbuilding" shall mean a Building, including a Carriage House, on a Lot containing a Village Home, Estate Home or Courtyard Home, which is additional to a Dwelling, constructed at or near the rear Lot line with a maximum of two-stories and having a maximum Building footprint of 550 square feet. Out Buildings do not count against maximum Building cover restrictions or unit counts. Out Buildings may only be attached to the Dwelling on a Residential Lot.

YY. **Owner.** "Owner" shall mean the record owner, whether one or more persons or entities, of the fee simple title to any Lot. Owners shall not include any Mortgagee of such Lot.

ZZ. **Person.** "Person" shall mean any individual, corporation, limited liability company, partnership, trustee, joint venture, association, joint stock company, trust, unincorporated organization, Governmental Authority, government or any agency or political subdivision thereof, or any other legal form of entity.

AAA. **Residential Association.** "Residential Association" shall mean The Neighbors of Walnut Grove, Inc., a Louisiana non-profit corporation, its successors and assigns. The Residential Association, whose members are the Residential Owners (including Declarant), is responsible for maintaining the Commons including the Residential Commons, but excluding Commercial Commons, in Walnut Grove and enforcing this Declaration.

BBB. **Residential Lot(s).** "Residential Lot(s)" shall mean any Lot which is designated for exclusively residential use, including Village Houses, Mansion Flats, Courtyard Houses, Cottages, Townhouses and Estate Houses.

CCC. **Residential Owners.** "Residential Owners" shall mean any Owner of a Residential Lot.

DDD. **Residential Commons.** "Residential Commons" shall mean any Commons designated as such by Walnut Grove Council.

EEE. **Rules and Regulations of the Association.** "Rules and Regulations of the Association" shall mean the rules and regulations governing permissive and prohibited uses and behaviors within Walnut Grove as adopted by an Association Board pursuant to this Declaration, from time to time by such Association Board, which are applicable to the Association's Members, together with all amendments to same that may thereafter be adopted by such Association Board.

FFF. **Right of Way.** "Right of Way" shall mean the area of each Street and adjacent land which is reserved for transportation and pedestrian travel. Vehicular travel shall be permitted within the Streets up to one foot (1') behind the curbing, and up to ten feet (10') on each side of such vehicular right of way shall be reserved for sidewalks and utility servitudes If applicable.

GGG. **Setback.** "Setback" shall mean the placement of a Building from the property line of a Lot to the exterior principal facade of said Building.

HHH. **Side-Yard Setback.** "Side-Yard Setback" shall mean the minimum distance from the side property line of a Lot, which is adjacent to another Lot, to any part of the Building on the Lot as to which the Side-Yard Setback is being considered or determined.

III. **Site Plan.** "Site Plan" shall mean the preliminary Site Plan attached hereto as Exhibit A-1, and any modifications thereof.

JJJ. **Special Use Parcels.** "Special Use Parcels" shall mean those Lots designated as such by the Declarant herein, on the Initial Plat or by Supplemental Declaration. Special Use Parcels may be subject to different or additional rules and regulations based on the unique character, location or use of such Lots. All Lots adjacent to any lake, pond or other body of water shall be Special Use Parcels designated as the "Waterfront Area".

KKK. **Street.** "Street" shall mean and refer to a Common Road, and any public street or cul-de-sacs within Walnut Grove.

LLL. **Subsequent Phase.** "Subsequent Phase" shall mean any future phase of Walnut Grove that is an addition to or extension of Walnut Grove or an earlier Subsequent Phase thereof, as shown on a final plat of survey of the Subsequent Phase prepared by a registered land surveyor or registered engineer, duly approved by the appropriate Governmental Authority and filed for registry with the Clerk of Court, and which future phase is declared by Declarant to be a Subsequent Phase or extension of Walnut Grove in an act filed of record with the Clerk of Court. Subsequent Phases shall be added in accordance with the further requirements of Section 4.2.

MMM. **Supplemental Declaration.** "Supplemental Declaration" shall mean any declaration which may be recorded by Declarant, or an Association in accordance with Article 4 to annex, and include and otherwise incorporate, additional immovable property to and within Walnut Grove.

NNN. **TND.** "TND" shall mean a traditional neighborhood development having those characteristics listed in the Statement of Purpose hereinbefore described.

OOO. **Townhouse.** A "Townhouse" is a residential Dwelling with a minimum of 1,500 square feet attached to a similar Dwelling.

PPP. **Utility Servitudes.** "Utility Servitude" shall mean those portions of Walnut Grove depicted or labeled any plat submitted as part of any Supplemental Declaration, as "utility servitude", "utility serv." or any similar words suggesting that such areas have been reserved for use in conjunction with any such public or private utility or service system.

QQQ. **Urban.** "Urban" shall have the meaning given such term in the Statement of Purpose.

RRR. **Urban Tract.** "Urban Tract" shall have the meaning given such term in the Statement of Purpose.

SSS. **Village Home:** "Village Home" shall mean a single family detached Dwelling with a minimum of 1,800 square feet located on small Lots with minimum Setbacks.

TTT. **WGLC.** "WGLC" shall have the meaning given such term in the Statement of Purpose.

UUU. **WGLC Tract.** "WGLC Tract" shall have the meaning given such term in the Statement of Purpose.

VVV. **Walnut Grove.** "Walnut Grove" shall mean, collectively, the TND developed on the immovable property in Calcasieu Parish, Louisiana, described as follows:

(1) That portion of Declarant's Property described on **EXHIBIT "A"** hereto, together with the Streets, rights of way passage, and servitudes, which are included within the described property.

(2) Any additional portions of the Declarant's Property or any Additional Annexable Property which Declarant, by Supplemental Declaration as authorized under Section 3.2(C), at any time in the future declares to be part of Walnut Grove and subject to this Declaration.

(3) Any Additional Annexable Property which an Association Board, by Supplemental Declaration as authorized under Section 3.2, at any time in the future declares to be part of Walnut Grove.

WWW. **Walnut Grove Council.** The "Walnut Grove Council" shall mean the council created by the Associations, with the duties and powers given to it pursuant to Section 12.2.

XXX. **Work.** "Work" shall mean and refer to any construction, erection, alteration, addition, renovation or removal of Improvements on any Lot other than routine maintenance and repairs of existing Improvements.

Section 2.1 Additional Definitions. Additional definitions for some terms used in the Design Code are included as part of the Design Code. In addition, unless the context otherwise requires or specifies, the words and phrases defined in this Declaration, when used in the Design Code, shall have the meanings specified for those words and phrases, whether or not such words or phrases are capitalized when used in the Design Code.

Section 2.2 General. All terms used in this Declaration and/or in the Design Code, to the extent not defined in this Declaration, shall, if those are terms used in the architectural profession and/or the construction industry, have those meanings generally described to those terms within the architectural profession and/or construction industry as applicable. The fact that a word or phrase is defined in this Declaration does not mean that such word or phrase has been used, or was intended to be used, in this Declaration or in the Design Code; definitions may have been included in anticipation of the future use of such words or phrases in amendments to this Declaration, the Design Code, the Landscape Code, and/or the use of such words or phrases in Supplemental Declarations.

ARTICLE 3. PROPERTY SUBJECT TO THIS DECLARATION

This article describes the immovable property initially comprising Walnut Grove, but also provides the method by which additional property may be added to Walnut Grove.

Section 3.1 Initial Property. The immovable property which shall be held, transferred, conveyed and occupied subject to this Declaration consists initially of Declarant's Property and that platted property described on the Site Plan consisting of the property bounded on the West by West Walnut Street, on the South by William Street, on the East by Jabez Drive and on the North by West Sallier Street, together with the Streets, rights of passage, and servitudes reflected on the Site Plan. WGLC and Urban join herein solely to acknowledge their intention to convey the WGLC Tract and the Urban Tracts to Declarant for future development of Walnut Grove. Nothing herein shall be binding on the WGLC Tract or the Urban Tracts until such time as the tracts are conveyed to Declarant and made

subject to a Supplemental Declaration. Additionally, nothing herein is intended to require the conveyance of the WGLC Tract or the Urban Tract, or to impose any obligation on either WGLC or Urban to convey any property to Declarant.

Section 3.2 Annexation of Additional Property.

A. **By Declarant.** Declarant shall have the right, but not the obligation, for a period of thirty (30) years from the Effective Date, from time to time in its sole discretion, to declare that any Additional Annexable Property, is annexed to, and included and otherwise incorporated within Walnut Grove for the development of a Subsequent Phase or otherwise. With the approval of the Association Boards, Declarant shall also have the right, but not the obligation, for a period of thirty (30) years from the Effective Date, from time to time in its sole discretion, to declare that property which is not part of the Declarant's Property and is not Additional Annexable Property, but which Declarant believes to have a reasonable relationship with Walnut Grove, is annexed to, and included and otherwise incorporated within, Walnut Grove for such purpose. Any immovable property, whether part of Declarant's Property or not, which is not expressly described in **EXHIBIT A** as being subject to this Declaration, shall not be subject to this Declaration until such time as such property is incorporated pursuant to the terms of a Supplemental Declaration.

B. **By Association Boards.** After termination of the Association Class B membership (described in Section 12.5), additional immovable property may be annexed to, and included and otherwise incorporated within, Walnut Grove by a majority vote of both Association Boards.

C. **Supplemental Declaration.** A Supplemental Declaration annexing to, and including and otherwise incorporating within, Walnut Grove, additional immovable property as authorized under Section 3.2, Subparts A and B, shall become effective upon being recorded in the conveyance records of the Clerk of Court. The restrictive covenants and conditions contained in this Declaration shall not extend to any such Subsequent Phase except to the extent expressly declared by Declarant or the Association Boards, as applicable, in a Supplemental Declaration. The Supplemental Declaration may modify or add to the provisions of this Declaration as required to reflect the different character of the Additional Annexable Property. Additionally, it shall be permissible for Declarant, or its successors, or the Association Boards, as applicable, to declare in a juridical act that any Additional Annexable Property is subject to all restrictive covenants and conditions in this Declaration subject to any modifications thereof or additions or deletions thereto that are applicable only to the specific Additional Annexable Property in question. It is further expressly declared that any Rules and Regulations of the Association may differ in their application to all or any portion of such Additional Annexable Property, and the requirements of the Design Code applicable to such Additional Annexable Property may be different from those requirements of the Design Code applicable to the property being developed under this Declaration. A Supplemental Declaration may, with approval of the Declarant or the Association Boards, as applicable, (1) define certain Districts within both newly annexed and previously existing portions of Walnut Grove, (2) designate certain Commons, whether existing or newly created, as "District Commons" for the use of certain Districts, (3) and create and/or modify an assessment scheme by which certain Districts are assessed separately for Commons located within that District. However, no such Supplemental Declaration shall deny use of existing Commons to those Owners who had such right prior to the recording of the Supplemental Declaration. A Supplemental Declaration may also create District advisory councils.

Section 3.3 Platted Lots. No Lots may be subdivided or separated into smaller lots except by Declarant or with the specific consent of the Design Review Board. No portion of any Lot may be separately conveyed (apart from the whole Lot), except by Declarant or with the specific consent of the Design Review Board. This Section 3.3, however, shall not prohibit the recording of corrective acts or similar corrective instruments. Declarant shall have the right to record a Supplemental Declaration to modify approved subdivision plats of Walnut Grove for the purpose of making adjustments to Lot boundary lines with consent only of those Owners whose Lot boundaries are to be changed by such Supplemental Declaration.

**ARTICLE 4.
NEIGHBORHOOD DEVELOPMENT**

Walnut Grove shall consist of multiple districts incorporating a mix of residential, commercial and retail uses, and including public and civic areas.

Section 4.1 Neighborhood Planning. Walnut Grove is designed to obtain an overall sense of community and connectedness between residents and the development as a whole. Each District within Walnut Grove incorporates a mix of uses and residential housing options, while sharing common characteristics with the other Districts. Walnut Grove is broadly divided into "Urban Core" and "Neighborhood Center" and "Garden District" areas. Within each of these areas, further zones are classified and defined to create each District, resulting in a more densely developed interior, and a less dense, more rural outer edge. Each District is connected with the others through a network of carefully articulated vehicular and pedestrian thoroughfares.

Section 4.2 Urban Core. The Urban Core is the densest area in Walnut Grove. It is the focus of Walnut Grove's civic buildings and social activity, incorporating retail, and office space, and denser residential units. Streets are wider with formal on-street parking. Buildings and Improvements are built at or near the Street, reinforcing the public character of the Urban Core.

Section 4.3 Neighborhood Center. The Neighborhood Center area focuses principally on residential uses with a minimum of other potential uses. This area is the largest district within Walnut Grove. Streets are narrower than those found in the Urban Core.

Section 4.4 Garden District. The Garden District is the least dense area of Walnut Grove and is exclusively residential. This area seeks to retain a rural character, with deeper setbacks along the edges of each Lot, creating a wide edge of landscaped green space along the Streets, which are narrower than those found in the Neighborhood Center.

ARTICLE 5. COMMONS

Certain property within Walnut Grove, called the "Commons," is to be owned and maintained by an Association for the benefit of all Owners. As Walnut Grove is completed, additional property may be added to the Commons.

Section 5.1 Common Areas. Walnut Grove is designed so that each Lot is within walking distance of a green space, park or square. These areas can be used by Owners and residents for individual and family recreation, and will also be used by the community as a whole for formal events and gatherings.

Section 5.2 Title.

A. **Association Ownership.** The Commons shall be owned by the Residential Association for the benefit of all Owners unless the Commons have been designated by Walnut Grove Council as either Commercial Commons or Residential Commons, in which case such Commons shall be owned by the Residential Association or the Commercial Association, as applicable, for the benefit of such Association's Members.

B. **Additional Commons.** Declarant may convey to the Residential Association additional Commons which the Residential Association shall accept and following such acceptance the Residential Association shall be solely responsible for maintenance of such additional Commons.

C. **Dedication.** Declarant and the Residential Association shall at all times have the right, without the necessity of consent or approval of any of the Owners, to convey title to and/or dedicate the Common Roads to the Governmental Authority with jurisdiction to accept such dedication, which is currently understood to be the City of Lake Charles. All other Commons may be dedicated to the public by the Residential Association Board upon consent in writing of Association Members representing 75% of the votes in the Residential Association.

Section 5.3 Maintenance; Capital Improvements.

A. **Generally.** The Residential Association shall have the sole responsibility for the management, control and improvement of the Commons and shall keep such Commons attractive, clean and in good repair, including without limitation, the Common Roads, which such Common Roads have been dedicated to a Governmental Authority for public use, maintenance and repair.

B. **Capital Improvements.** The Residential Association may make capital improvements to the Commons and may modify the uses of the Commons. For example, the Residential Association is authorized to create parking areas within the Commons or to add new recreational facilities. Expenses for substantial capital improvements must be approved in accordance with Section 14.2(G).

Section 5.4 Street Regulation. The Residential Association may make rules and regulations concerning driving and parking within Walnut Grove, and may construct speed bumps, post speed limit or other traffic signs, including no parking signs, and take any other reasonable measures to discourage excessive speed, encourage safe driving and regulate parking on the Streets. The Residential Association may, but shall not be obligated to, hire private security personnel for the purpose of enforcing any driving and parking rules or regulations adopted in accordance with this Section, including imposing fines for violations. The amount of any fines shall be set by the Residential Association. Failure by any Owner to pay any fines in accordance with the rules and regulations may result in liens being filed against such Owner's Lot. Neither Declarant, nor any Association shall be held liable for any loss or injury resulting from any such enforcement or failure to enforce. Notwithstanding anything to the contrary contained herein, Declarant shall have the right, in its sole discretion, to restrict or prohibit parking in any Common Area, Street, Right of Way or any other part of Declarant's Property that is not a Lot for any purposes, including but not limited to maintenance, events, or activities.

Section 5.5 Use of Commons by Owners. Each Owner shall have a nonexclusive right to use the Commons, except to the extent such Commons have been designated as either Residential Commons or Commercial Commons, in which case, only the Residential Owners or the Commercial Owners, respectively, shall have the right to use such Commons. The Association charged with the maintenance of the Commons shall have the authority to create rules and regulations related to the use of the Commons, including policies allowing all or portions of the Commons to be available to Owners for private events (for which a fee may be charged).

Section 5.6 Damage or Destruction of Commons by Owner. If any Owner or Owner's guests, tenants, licenses, agents, employees or members of Owner's family damages any of the Commons as a result of negligence or misuse, the Owner hereby authorizes the Residential Association to repair the damage. The cost of repair shall be the responsibility of that Owner and shall become an Individual Lot Assessment payable by the responsible Owner. The Residential Association may, but is not required to, seek compensation for damage from the guest, tenant, agent, employee, member or other party who caused the damage, in which case the Owner shall be jointly and severally liable with the guest, tenant, agent, employee, member or other party who caused the damage.

Section 5.7 Limitation of Liability. Neither the Residential Association nor Declarant makes any representation or assumes any liability for any loss or injury caused by its maintenance of the Commons and Common Roads.

Section 5.8 Designation of Commons. At any time during the term of this Declaration, Walnut Grove Council shall be authorized to recommend the designation of certain Commons as Residential Commons or Commercial Commons. Commercial Commons shall be such areas as the Streets, parking areas, sidewalks, landscape areas, common signage, lighting, restrooms, water fountains, garbage containers and other areas benefiting the Commercial Lots. In order for Commons to be designated as Commercial Commons or Residential Commons, each Association Board must adopt Walnut Grove Council's recommendation, by majority vote, to be effective, after which, the Association currently holding title to such Commons shall transfer title to the new Association, and all obligations and rights related to such Commons shall be transferred to the responsible Association.

ARTICLE 6. SERVITUDES

Every Owner has the benefit of certain servitudes, and the responsibility of providing and maintaining others.

Section 6.1 Owners' Servitude of Enjoyment.

A. **Commons.** Every Owner shall have the right and servitude of enjoyment in and to the Commons. This servitude shall be a predial servitude appurtenant to and shall pass with title to every Lot. Notwithstanding anything to the contrary stated herein, the Declarant shall have the right to use and reserve the Commons for all types of events, including but not limited to social events, athletic and civic events, private parties, and concerts, whether for a fee, contribution or without cost, within its sole discretion unless such area has been previously reserved by an Owner.

B. **Tenants and Guests.** Any Owner may delegate, subject to the provisions of this Declaration, the Association's Bylaws and the Rules and Regulations of the Association, such Owner's right to enjoyment to the Commons to the members of his family (if Owner owns a Residential Lot), his tenants or his guests who are accompanied by the Owner. The Association may adopt rules to prohibit or restrict dual use of the Commons' recreational facilities by both an Owner and the Owner's tenant, except when the Owner is a bona fide guest of the tenant.

Section 6.2 Servitudes in Favor of Declarant and Association. Declarant hereby reserves for itself, its successors and assigns, and grants to the Association holding title to any property, including any Commons, within Walnut Grove (any such Association referred to in this Section 6.2 as "the Association"), the following servitudes, which shall benefit Declarant, the Association, Walnut Grove and all other properties owned, now or in the future, by Declarant which are adjacent to, or contiguous with, Walnut Grove (including without limitation thereto the Declarant's Property and any portion of such property which may be separated from Walnut Grove, by a public road or body of water). Each of the servitudes reserved herein (i) shall be predial servitudes in favor of the Declarant's Property (to the extent not included within Walnut Grove), and all other properties owned, now or in the future, by Declarant which are adjacent to, or contiguous with, Walnut Grove (including without limitation thereto any portion of such property which may be separated from Walnut Grove by a public road or body of water), (ii) shall also be a personal servitude in favor of Declarant and the Association, and (iii) shall also be a predial servitude for the benefit of the Association as the owner of the Commons.

A. **Common Roads.** Declarant reserves for itself, its successors and assigns, a nonexclusive servitude for use of the Common Roads.

B. Utility Servitudes.

(1) Declarant reserves for itself, its successors and assigns, and grants to the Association, a blanket servitude for ingress, egress, construction, installation, replacement, repair and maintenance of all public and private utility and service systems which servitude shall be upon, across, over, through, and under all Utility Servitudes. These systems include, but are not limited to, water, sewer, irrigation systems, drainage, telephone, electricity, television, cable or communication lines and other equipment. By virtue of this servitude, Declarant may, but is not obligated to, install and maintain facilities and equipment, excavate for such purposes and affix and maintain wires, circuits and conduits; the systems themselves (which shall include all pipes, wires, circuits, cables, conduits, switch boxes and other equipment related to the providing of any public or private utility service) shall be installed within the Utility Servitudes.

(2) Either Declarant or the Association may at any time make a partial assignment to any public or private utility company, or any Governmental Authority, of the servitudes reserved by Declarant, and granted to the Association, in the preceding Subpart B(1); whether or not such assignment by Declarant or the Association expressly states, the assignment shall be partial and nonexclusive and both Declarant and the Association shall continue to have the servitude reserved and granted herein, to be used on a nonexclusive basis with each other and with any public or private utility company, or any Governmental Authority to whom such assignment was made. Neither Declarant, nor the Association, shall have any liability or responsibility to each other or to any Owner for (1) any damages caused by any public or private utility company, or any Governmental Authority, or (2) for failure to provide any utility services to any Owner or to the Association.

(3) To the extent any Governmental Authority, or any public or private utility uses any of the Utility Servitudes within Walnut Grove, and/or to the extent that the Declarant, the Association or any assignee of Declarant or the Association (all of whom are collectively referred to as "grantee" in this subparagraph (3)) use or exercise any of the rights granted and reserved under the preceding Subpart B(1), then and in that event: (a) whenever reasonably possible, the lines and facilities to be constructed and installed within the Utility Servitudes shall be placed underground, (b) each grantee shall respect the reasonable use of the servitudes by the other grantees thereof, and each shall cooperate with the others to the extent necessary to assure the reasonable, mutual use of the Utility Servitudes by all grantees; (c) each grantee, after any use of the Servitude Areas or exercise by such grantee of the rights herein granted, shall restore the surface of the immovable property subject to the servitude to a condition as close as is reasonably possible to that which existed prior to such use or exercise, provided that such grantee shall not be required to replace, or otherwise repair any Improvements, trees, shrubs or other obstructions which interfere with use of the servitude granted pursuant to preceding Subpart B(1) and which are damaged through the reasonable exercise of the servitudes granted pursuant to the preceding Subpart B(1); (d) each grantee who is an assignee of Declarant or the Association, by its use of the Utility Servitudes or exercise of the rights herein granted pursuant to the preceding Subpart B(1), does hereby agree to defend and hold its assignor (whether Declarant or the Association), together with its successors and assigns, harmless from any and all liability arising from any negligence or other fault of the respective grantee in the construction, installation, repair, alteration and maintenance of the said water, sewer, natural gas, electrical, telephone and communications, and cable television lines and facilities pursuant to the servitudes granted under the preceding Subpart B(1); and (e) Declarant, the Association, each Governmental Authority, each public utility and each private utility agree that (i) it accepts the right to use the said Utility Servitudes subject to the right of Owners to construct Buildings on Lots which have soffits, eaves, stairs, stoops, balconies and/or facade which encroach on and over the said Utility Servitude by no more than 24 inches measured from the boundary of the Utility Servitude nearest to the interior of the Lot going out toward the exterior boundary of the Lot, provided that any such encroachment is at least 10 feet above the finished ground elevation in the area of the encroachment, and (ii) it may never request that the Owner remove any such soffits, eaves, stairs, stoops, balconies or facade, which encroach on any Utility Servitude consistent with the conditions of the preceding subpart (i).

(4) Those areas located on Lots and identified as utility niches are not to be considered as part of the Utility Servitude or subject to any servitude in favor of any Governmental Authority or any public or private authority. All such utility niche areas shall be used solely, in the absence of approval from the Design Review Board to the contrary, for the placement of utility meters and for the storage of garbage cans and other receptacles for the storage of garbage.

C. Police Powers. Declarant reserves for itself, its successors and assigns, and grants to the Association, a blanket servitude throughout Walnut Grove for private patrol services, and for police powers and services supplied by the local, state and federal governments. Declarant may, at any time, in Declarant's sole and absolute discretion, install security cameras, gates or other security devices if it deems necessary for the protection of Walnut Grove. All security measures shall be paid for out of Assessments. Declarant and the Associations may adopt rules and regulations providing for security measures, parking and traffic regulations, or such other policing power, which may include enforcement through fines and penalties, with failure to pay such fines permitting the Declarant or the Association to file a lien against any Lot owned by the Person found to be in violation of such rule or regulation.

Section 6.3 Property Identification Signs. Declarant hereby excepts and reserves a nonexclusive perpetual servitude for the construction, reconstruction, replacement, operation, maintenance and repair of a sign structure, landscaping and entry features ("Property Identification Signs") over, under, upon and across certain portions of Walnut Grove, together with reasonable access over, under, upon, through and across the Property to install, replace, maintain, repair and operate such utility lines necessary to provide power to illuminate any of the same.

A. **Panels.** Panels on certain Property Identification Signs shall be designated by Declarant for the benefit of the Commercial Lots. The right of Owners and Occupants of Commercial Lots to place signage on any designated Property Identification Signs shall be determined as part of the review of site plans for development of a Commercial Lot and must be approved by the Design Review Board. The Property Identification Signs shall constitute Commercial Commons, unless otherwise designated by the Declarant or the Design Review Board.

Section 6.4 Servitudes in favor of Lots. There is hereby granted a servitude in favor of each Lot or across that portion of each adjoining Lot or Commons which is no more than the three (3) feet away from the boundary of the Lot in whose favor such servitude has been created. The servitude created herein may be used only in compliance with the following requirements: (a) in conjunction with the construction, maintenance and/or repair of Improvements constructed on the Lot in whose favor the servitude is created, including but not limited to Garden Walls and Garages; (b) with the exception of an emergency, no use may be made of the servitude granted herein without providing at least ten (10) days prior written notice to the Owner of the Lot burdened with the servitude (the "Servient Lot") of the intention to use the servitude burdening the Servient Lot, and during those ten (10) days the Owner of the Servient Lot shall provide the notifying Owner of any reasonable restrictions (including the time of access) which the Owner of the Servient Lot requires be honored by the notifying Owner; (c) if the notifying Owner is willing to comply with the restrictions provided by the Owner of the Servient Lot, as contemplated by the preceding subpart (b), then the notifying Owner may proceed with the repair and maintenance provided that said Owner also complies with all requirements established by the Design Code and/or any applicable Rules and Regulations of the Association; (d) if the notifying Owner believes the restrictions provided by the Owner of the Servient Lot, as contemplated by the preceding subpart (b) are not reasonable, and cannot resolve the issue with the Owner of the Servient Lot, then the notifying Owner who wishes to use the servitude granted on the Servient Lot shall apply to the Covenants Committee (or the Association Board of the Association to which the Owner belongs, if no Covenants Committee has yet been created by such Association Board) which shall grant a hearing to all Owners involved with respect to any request submitted to Covenants Committee (or the Association Board, as applicable), under the preceding subpart (d), and any decision rendered by the Covenants Committee (or the Association Board, as applicable) shall be final and binding on all Owners involved in the application submitted pursuant to subpart (d) of this Section 6.4; and (e) each grantee, after any use or exercise by such grantee of the rights herein granted, shall restore the surface of the immovable property subject to the servitude to a condition as close as is reasonably possible to that which existed prior to such use or exercise, provided that such grantee shall not be required to replace, or otherwise repair any Improvements, trees, shrubs or other obstructions which interfere with use of the servitude granted pursuant to this Section 6.4 and which are damaged through the reasonable exercise of the servitudes granted pursuant to this Section 6.4.

Section 6.5 Wetlands. This Declaration is subject to any rights of any Governmental Authorities in portions of Walnut Grove which may be considered wetlands or protected coastal areas.

ARTICLE 7. GENERAL BUILDING RESTRICTIONS AND DESIGN CODE

Section 7.1 Mandatory Construction Start Date. Each Owner must commence construction of the primary Building on his/her Lot no later than TWO YEARS from the date of the recording of the sale, transfer or other conveyance instrument from Declarant to Owner in the public records of Calcasieu Parish, Louisiana. Declarant reserves the right, in Declarant's sole discretion, upon ten day prior written notice to an Owner, to demand that Owner re-convey any Lot upon which construction of a primary building has not commenced to Declarant for the original purchase price of such Lot.

Section 7.2 Building Restrictions and Other Covenants.

A. **General.** Notwithstanding any inferences to the contrary anywhere in this Declaration, no Improvement of any nature may be constructed on a Lot without complying with the requirements of this Declaration, the Design Code and the Landscape Code. This Section 6.1 sets forth specific building restrictions and other covenants relating to the construction of Improvements on each Lot; it is expressly noted that other provisions of this Declaration (including without limitation thereto Article 10) and the Design Code also address such requirements. Each Lot within Walnut Grove is designated with an assigned Lot Type in the Design Code. Each Lot Type has distinguishing characteristics and certain features that set it apart from other Lot Types. All Buildings and Improvements constructed on each Lot shall be designed and constructed in accordance with the requirements applicable to the Lot Type designation assigned to that particular Lot in the Design Code, in addition to such other requirements as are provided in this Declaration. Height restrictions, use restrictions, Allowed Architectural Typology, placement requirements, parking requirements, Setback requirements, and

requirements concerning porches, Fences and/or Garden Walls, are all set forth for each Lot Type on the corresponding page of the Lot Constraints within the Design Code that applies to that particular Lot Type.

B. **Encroachments.** With the permission of the Design Review Board, eaves, soffits, stoops, stairs, balconies and facade of Buildings are permitted to overhang a Utility Easement or a Street right of way, and in the case of any zero (0) lot line Lot, the adjoining Lot, by 24 inches, provided that any such encroachment must be no less than 10 feet above the finished ground elevation in the area of the encroachment, and further provided that any required consent has been obtained from any Governmental Authority or utility company, whether public or private.

C. **Construction Materials.** It is the goal of the creators of Walnut Grove that it appears to be a timeless, authentic, South Louisiana neighborhood. Therefore, it is encouraged that historical buildings methods and materials are put to use, and certain non-historic building materials will be prohibited. These include, but are not limited too; vinyl and metal siding and trim (including shutters), prefabricated and modular construction (unless permitted through exception process by the Design Review Board), panelized building materials, exterior insulation finish systems, un-natural materials that will not gain patina over time (unless approved by Design Review Board for specific application), materials/products that will not add to the overall character of the neighborhood. In the absence of a variance from the Design Review Board, no exterior building or construction material will be allowed to be utilized in the construction of any Improvement except for those materials set forth and described below:

(1) **Unit Masonry or Brick.** Molded clay brick masonry units shall be chosen from the pre-approved palettes for all buildings. Lime mortar is recommended for all applications. Wire-cut clay-brick masonry may be approved by the Design Review Board. Concrete Masonry Units (and ACMU) are only acceptable for plaster-finish exterior applications. Exposed Concrete Masonry Units (or ACMU) are not permitted. Natural stone may be allowed for specific architectural typologies, but must be approved by the Design Review Board. Selected stone must be of patterns appropriate for vertical, rather than horizontal, construction. Wall thickness and window/door set-locations must also be appropriate for historic stone construction.

(2) **Exterior Architectural Woodwork.** Woodwork shall be limited to custom or approved premium grades of woodworking and shall include, but not be limited to, traditional exterior lap siding and shingles (in accordance with appropriate architectural typologies), exterior standing and running trim and ornamental work, columns, pilasters, pediments, eaves, soffits, rafter tails (and exposed underside of roof where appropriate), frames, jambs, cupolas, widow-walks, railings, shutters, windows, doors, etc. Appropriate species for exterior woodwork shall include; clear all-heart red wood, Honduras mahogany, clear all-heart red cypress, all-heart western red cedar, Spanish cedar, or treated Southern pine (that will retain a painted finish coat). Certain un-natural materials will be acceptable upon Design Review Board approval; fiber-cement board "Hardi-plank" (with smooth face exposed), "clear lam" engineered products, Masonite. All woodwork must be able to be sealed with paint or stain.

(3) **Exterior Siding.** Exterior siding must be exterior siding consisting of 1" x 6" or 1" x 8" wood or James Hardy cement board, or other products approved by the Design Review Board as equal to the preceding specifically named products.

(4) **Roofing.** Slate roofing is acceptable for most applications. Copper roofing (allowed to age naturally) will be allowed for appropriate applications. Natural wood shingles of cypress or cedar may be allowed for appropriate applications. Clay tiles may be allowed for appropriate applications. Approved architectural asphalt shingles may be allowed, but the use of clay ridge caps and copper valleys are encouraged. Pre-finished metal roofing may be allowed per approval by the Design Review Board.

(5) **Cement Plaster (Stucco).** Traditional Building Lime Plaster (using natural hydraulic lime – cement free) and Portland Cement Stucco are both approved for stucco-finished buildings. They shall be done in a three-coat system over metal lath or masonry. Finish coat and color must be approved by the Design Review Board with use of a sample. Plaster on clay-brick masonry may be done in a one-to-two coat system. The use of exterior polystyrene sheet boards is not permitted. Any/all control joints in plaster must make rational construction sense (aligning with edge of fenestration, creating appearance of lintels/rustication, or minimized by changes of plane), but may be minimized through use of natural lime plaster. Foam trim for fenestration surrounds are not permitted; may be made of thick coat plaster. Stucco buildings must allow for stucco to return into fenestration. Lime washes and Portland cement stucco are also appropriate finishes over clay-brick masonry.

Section 7.3 Miscellaneous Prohibitions and Rules. Except for the activities of Declarant in connection with development and the activities of the grantees in connection with the construction, installation, repair, alteration and maintenance of the Utility Servitudes hereinabove established, the following restrictions shall apply to all immovable property within Walnut Grove:

A. **Air-Conditioning.** No window air conditioning units may be installed in any improvements.

B. **Animals.** Except for a veterinary office, pet store or pet grooming and boarding facility located on a Commercial Lot(s), the maintenance, keeping, boarding and/or raising of animals (including without limitation thereto all dogs, cats, livestock, birds, poultry, snakes and reptiles) of any

kind, regardless of number, shall be and is hereby prohibited on any Lot or within any Improvement constructed on a Lot, except as permitted in Section 8.17.

C. **Antennas.** No exterior radio, television, satellite or communications antenna, aerial or dish shall be erected or maintained within Walnut Grove without the prior, written approval of the Design Review Board; variances should only be granted where it is believed that the antenna, aerial or dish will not be visible from a street or another Lot. No amateur or "ham" radio transmitters shall be operated within Walnut Grove without the prior, written approval of the Design Review Board.

D. **Burning or Storage of Trash.** No burning of any trash and no accumulation or storage of litter, lumber, scrap metals, refuse, bulk materials, waste, new or used building materials, or trash of any other kind shall be permitted on any Lot; provided, however, that the storage of building materials, equipment and scrap materials and waste generated in connection with Work shall be permitted on a Lot during periods of Work on the Lot if stored neatly.

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

F. **Construction Requirements.** No Improvements shall be constructed nor any landscaping or other Work performed on any Lot except in compliance with this Declaration, the Design Code and the Landscape Code, except for matters as to which a written variance has been granted by the Design Review Board.

G. **Division of Lots.** No Lot shall be divided or subdivided and no portion of any Lot other than the entire Lot shall be transferred or conveyed for any purpose except by Declarant, or with the prior, express, written approval of the Design Review Board. This shall not be construed to prohibit the granting of any servitude and/or right-of-way to any Governmental Authority, public utility, or to the Associations or Declarant.

H. **Insurance.** Nothing shall be done or kept on any Lot or the Commons which will increase the rate of, or resulting cancellation of, insurance for Walnut Grove or any other Lot, or the contents thereof, without the prior written consent of the Association. This prohibition shall not prohibit the usual and customary activities associated with residential use of a single family dwelling.

I. **Interferences with Servitudes and Drainage.** No Improvements other than driveways, sidewalks, walkways, mailboxes, fences, walls, retaining walls, and gas and water meters, and no other obstruction shall be placed or permitted to remain upon any Lot which may damage or interfere with any Utility Servitude or servitude for passage or drain, or obstruct any drainage ditch or channel. Notwithstanding any inference herein to the contrary, driveways, sidewalks, walkways, mailboxes, fences, walls, retaining walls, and gas and water meters may only be constructed and/or installed on a Lot in accordance with the requirements of the Design Code and in compliance with the provisions of Article 11.

J. **Landscaping.** Landscaping is required on any Lot on which Improvements have been constructed except that no grass, trees, shrubs, hedges or other plants shall be planted or allowed to grow on any Lot except in compliance with the Landscape Code and in compliance with the requirements of Article 11. Each Owner shall keep neat and maintain in good condition and repair that portion of any Street right-of-way servitude (i.e., that portion of the right-of-way between the edge of the Street curb and the Owner's boundary line(s) that is immediately adjacent to (whether in front of or alongside) the Owner's Lot. The opinion of the Design Review Board as to the acceptability of such conditions shall be final; the Design Review Board may delegate, in its sole discretion, its authority under this provision. The maintenance obligations imposed pursuant to subsection K below shall also be applicable to the landscaping on a Lot.

K. **Maintenance.** No Lot (whether or not any Buildings have been constructed on the Lot), and no Buildings or other Improvements or landscaping which are located upon a Lot, shall be permitted to fall into disrepair and each such Lot, and all such Buildings and other Improvements, and all lawns and other landscaped areas, shall be kept neat and maintained in good condition and repair consistent with any requirements set forth in either the Guiding Principles, the Landscape Code or in Rules and Regulations of an Association. The Associations shall have the authority to set standards for the upkeep and maintenance of all Buildings, Improvements and landscaping on the Residential or Commercial Lots as applicable and, after notice to the Owner that such standards have not been met on a particular Lot, may levy fines for any violation thereof. If an Owner fails to correct any violation for which it has received notice within the time period stated therein, the Association may perform such maintenance as it deems necessary and assess the Owner for the costs thereof, the failure to pay such costs by the Owner giving rise to a right of the Association to file a lien on the Lot.

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

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

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

O. **Noxious, Hazardous or Offensive Activity.** No noxious odors shall issue or emanate from any Lot. No noxious, hazardous or offensive trade or activity shall be carried on or upon any Lot or within any Building or Improvement situated upon the Property or at any other place within Walnut Grove, nor shall anything be done therein or thereon which may be or become unsafe or hazardous or an annoyance or nuisance to other Owners or tenants of Walnut Grove.

P. **Nuisance.** No nuisance or immoral, improper, offensive or unlawful use shall be permitted to exist or operate on any Lot or Commons. All laws, building codes, orders rules, regulations or requirements of any Governmental Authority shall be complied with.

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

R. **Soliciting.** No soliciting will be allowed at any time within Walnut Grove.

Section 7.4 Rules and Regulations. The Association Boards may from time to time adopt rules or amend previously adopted rules and regulations governing and regulating (a) the operation, use, maintenance, condition, attractiveness, and control of, as well as conduct on and within, the Lots over which each such Association governs, the Commons designated for use by such Lots and any facilities or services made available to the Owners of such Lots, and (b) any other matters as to which this Declaration authorizes the adoption of rules and regulations by such Association Board. This right shall include without limitation the right to approve rental agents, design professionals, contractors and sub-contractors who do business within Walnut Grove. The Rules and Regulations of each Association shall take effect immediately upon approval by such Association Board, or at a later date selected by such Association Board. If requested by at least 25% of an Association's Members, a Community Meeting may be called and any rule or regulation adopted by the Association Board reporting to such members may be repealed by majority vote of such Association Members. A copy of the Rules and Regulations of each Association shall be kept in the registered office of the Association and available for review during its normal business hours on each Monday through Friday, except for holidays. Upon acquisition of a Lot, each Owner does, through that acquisition subject to this Declaration, agree and acknowledge that said Owner has received a copy of the Rules and Regulations of the Association applicable to such Lot as of that date. As additions, deletions or modifications are adopted with respect to the rules and regulations adopted pursuant to this Section 7.4, copies of such additions, deletions or modifications shall be mailed to each Association Member affected thereby at the last known address for said Association Member as shown in the records of such Association. Additional copies of the Rules and Regulations of an Association Board shall be provided to any Association Member upon payment by said Association Member for the cost of reproducing same which is hereby set at \$.50 per page.

ARTICLE 8. RESIDENTIAL RESTRICTIONS

Section 8.1 Additional Restrictions Specific to the Residential Area. In addition to the General Building Restrictions contained in Article 6, Residential Lots must also comply with the terms and conditions contained in this Article 8. References to "Lots" in this Article 8 shall mean exclusively Residential Lots. References to the Association, the Association Board or the Association Members shall each refer to the Residential Association and its Board and Members.

Section 8.2 Allowed Architectural Typologies. The Dwelling constructed on each Lot shall be designed in accordance with one (1) of the Allowed Architectural Typologies for that particular Lot. Allowed Architectural Typologies for Residential Lots in the Urban Core shall be either Townhouse or Village Home typologies. The Allowed Architectural Typologies for Lots in the Neighborhood Center shall

be Townhouse, Mansion Flat, Cottage, Village Home or Courtyard Home. The Allowed Architectural Typologies for Residential Lots in the Garden District areas shall be Cottage, Village Home, Courtyard Home or Estate Home. These Allowed Building Typologies are also indicated in the Design Code provided for each Lot Type under the heading "Allowed Architectural Typology".

Section 8.3 Design Guidelines for Architectural Typologies. The Design Code contains some of the design requirements and/or restrictions for each of the various Allowed Architectural Typologies for the various typologies and Districts. The Design Code shall be complied with in the design and construction of Dwellings using the designated Architectural Typology. With respect to the Historical Architectural Characteristics and the Historical Details applicable to each of the Architectural Typologies reflected in the Design Code, it is noted that those are intended to typify each such Architectural Typology, but it is acknowledged there are many other characteristics and details of each approved Architectural Typology and those other characteristics and details may also be used. It is the function of the Design Review Board, through the review process described in Article 11, to verify that the plans for the design of Dwellings proposed for construction on a Residential Lot are consistent with the characteristics and details of the Architectural Typology chosen by the Owner presenting plans to review.

A. **Setbacks.**

(1) **General.** Setback restrictions stated herein are also found in the Design Code. All Setback numbers are expressed in "feet" as the linear measurement of the Setback.

(2) **Front Setbacks – Dwelling.** The principal facade of each Dwelling constructed on a Residential Lot must be located within the range of feet from the front property line of said Lot as is set forth as the front Setback of the Dwelling in the Design Code and in the Urban Regulations which relate to the Lot Type for that particular Lot, and as listed below:

a. *Townhouse in Urban Core and Neighborhood Center Zones:* Principal façade placement may be at the easement lines designated for the building being built.

b. *Village Homes in Urban Core, Neighborhood Center and Garden District Zones:* Principal façade placement may be at the easement lines designated for the building being built. However, the entire frontage of the principal house-mass may not be against front property boundary. Front setback of the façade of the principal house-mass must be six (6) feet behind the property boundary.

c. *Mansion Flats in Neighborhood Center Zone:* Principal front façade placement shall be no fewer than sixteen (16) feet from the front property lines.

d. *Cottages in Neighborhood Center and Garden District Zones:* Principal façade placement shall be a minimum of six (6) feet from the lot-lines designated for the building being built.

e. *Courtyard Homes in Neighborhood Center Zone:* No principal building facades may be built within five (5) feet from the primary property boundary.

f. *Estate Homes in Garden District Zone:* Estate Homes shall have front principal facades a minimum of eight (8) feet from front property boundaries on internal lots, and twenty (20) feet on water-front lots, although exceptions may be made for water-front houses to move closer to street.

(3) **Side-Yard Setbacks – Dwelling.** The principal facade of the active sides of any Village Home, Mansion Flat, (i.e., the boundaries not facing the Street on which the Lot fronts and not facing the rear of said Lot) may be located no closer to the side property lines than five (5) feet, as stated in the Dwelling in the Design Code and in the Urban Regulations relating to each Lot Type. Courtyard Homes must have a side setback for any principal facade of at least four (4) feet. Estate Homes must maintain a minimum of five (5) feet as the side setbacks on internal lots and no fewer than eight (8) feet to a principal façade.

(4) **Rear Setbacks – Dwelling.** The rear facade of the sides of any Courtyard Home must be no fewer than ten (10) feet from the rear property line of said Lot. The rear facade of the sides of any Estate Home must be no fewer than twelve (12) feet from the rear property line of said Lot if the Lot is an internal Lot and no fewer than twenty (20) feet for water-front lots.

(5) **Rear Setbacks – Garages.** The facade of any Garage must be located no closer than three (3) feet from the back property line of any Lot containing a Mansion Flat or Village Home

B. **Garages; Carports and Out Buildings.** At the time of any construction of a Dwelling on a Lot, the Owner may construct a Garage which matches the architectural design of the Dwelling constructed on that Lot. A Garage must be totally enclosed when all doors (both for vehicles and pedestrians) are closed; all openings, other than windows, must have doors that close easily. With the prior approval of the Design Review Board, in its sole discretion, Owner may construct a Carport

instead of a Garage. No Garage or Carport may have an opening (other than a window) which is taller than 10 feet above the finished grade of the floor of the said Garage or Carport. Carports shall be no more than one story in height. Except as may be expressly allowed by the Design or as otherwise expressly allowed by the Design Review Board, the doors through which vehicles enter a Garage may not face a Street unless the face of the Garage is at least forty percent (40%) of the Lot depth from the front property line. Garage doors shall be kept closed except when automobiles are entering or leaving the Garage.

Section 8.4 Trash and Garbage Containers. Owners or occupants shall not place trash or garbage containers in public view except on trash collection days and then on those days the garbage containers shall be removed from the public view no later than 7:00 p.m. on the day the garbage has been picked up by the Person charged with the collection efforts. Garbage, trash and other refuse shall be placed in covered containers approved by the Design Review Board, except as otherwise expressly required by law. Recyclable products or materials may be placed for collection in containers expressly designed or legally required for such collection. Owners shall further use and store trash and garbage containers in compliance with any applicable Rules and Regulations of the Association.

Section 8.5 Landscaping.

A. **General.** Each Lot shall be landscaped in accordance with the requirements of this Declaration, the Design Code and the Landscape Code.

Section 8.6 [Reserved.]

Section 8.7 Permitted Uses.

A. **Lots.** Residential Lots may not be used for any purpose other than residential. The Design Code may permit the building of two (2) or more Dwellings on a Lot. Other uses, such as certain home occupations incidental to residential use which, in the sole discretion of the Design Review Board, do not generate significant traffic may be permitted by the Design Review Board.

B. **Special Use Parcels.** The Design Code may describe special restrictive covenants and building restrictions for Special Use Parcels, which shall include residential use. Special Use Parcels shall include the four (4) Lots located in the Waterfront Area of the Garden District which have been designated as mixed use Lots containing both residential and commercial components, and such other Lots as may be designated as Special Use Parcels by Declarant in a Supplemental Declaration or by recorded plat.

C. **Renting.** Dwellings may be rented, subject to the Rules and Regulations of the Association. No Rule or Regulation may limit the length of leases. In any event, no Dwelling shall be rented to any more than one (1) Single Family Unit (defined below).

D. **Occupancy.** In the absence of written approval of the Association Board, all Occupants of a Dwelling must comprise a Single Family Unit. For purposes of this subpart 8.7(D), "Occupant" shall mean any Person who stays overnight in a Dwelling for more than twenty (20) days (whether or not consecutive) in any one (1) calendar year. "Single Family Unit" shall mean one or more Persons related by blood, adoption or marriage, or not more than two unrelated persons, living and cooking together as a single housekeeping unit.

E. **Home Office.** If allowed by the applicable zoning and land use ordinances and regulations of the Governmental Authorities with jurisdiction over the Lots, each Residential Lot may have one (1) Home Office, provided that each of the following conditions is met: (a) no sign, advertisement or notice of any type or nature whatsoever may be erected or displayed on the Lot or on any Building located on the Lot which in any way advertises or provides notice or reference to the business conducted in the Home Office; and (b) which business is not otherwise prohibited by the Rules and Regulations of the Association.

Section 8.8 Compliance with Law. No use shall be made of, nor any actions taken on, any Lot which is any violation of any law, ordinance or regulation applicable to the geographical area within which the Lot is Located.

Section 8.9 Prohibited and/or Restricted Uses: Other Obligations. The following, which may be in addition to what may be provided pursuant to the Rules and Regulations of the Association and the Design Code, constitute prohibited conduct and/or uses on Residential Lots within Walnut Grove:

A. **Time Sharing.** No time-share ownership of Residential Lots is permitted without Declarant's approval. For this purpose, the term "time-share ownership" shall mean a method of ownership of an interest in a Lot under which the exclusive right of use, possession or occupancy of the Lot circulates among the various owners on a periodically reoccurring basis over a scheduled period of time. Leasing a Building or ownership of a Lot by a corporation, partnership or other entity, or by not more than four individuals or married couples, will not normally be considered time-share ownership.

B. **Half-way Houses.** No Dwelling or other Improvement on any Residential Lot shall at any time be used as a Half-Way House under supervision of a Supervising Agency. For the

purposes of this Subpart B, the term "Supervising Agency" shall mean a Governmental Authority including without limitation thereto the Sheriff of Calcasieu Parish, the police department for the City of Lake Charles, the Louisiana Department of Corrections, the United States Department of Justice and the United States Marshal's Service. For the purposes of this Subpart E, the term "Half-Way House" shall mean a place where persons who have been imprisoned or incarcerated for crimes (whether felonies or misdemeanors), or confined for drug or alcohol rehabilitation, are continued under some form of supervision for the primary purpose of aiding said persons in readjusting to society following their imprisonment, incarceration, hospitalization or other form of confinement.

Section 8.10 Ingress and Egress. Except as allowed by the Design Code or as otherwise approved by the Design Review Board, vehicular ingress to and vehicular egress from Residential Lots other than Alley-Loaded Lots or Lots located on the corner of a Street shall be from and to the front of the Lot (i.e., that side which a Dwelling thereon must face as hereafter set forth) and no vehicular access shall be allowed from the sides or rear of any Lot. Vehicular ingress and vehicular egress to and from each Alley-Loaded Lot shall only be from the Alley located at the rear of the Lot. With respect to each Alley-Loaded Lot, there shall be no driveway or parking area constructed or used on that part of any such Lot between the front wall of the Dwelling and the front property line where the Lot fronts on a Street.

Section 8.11 Sewerage Disposal Systems. No individual sewage disposal systems will be permitted. All Dwellings constructed in Walnut Grove shall be connected to approved sanitary sewage facilities.

Section 8.12 Incinerators. No incinerator shall be kept or maintained on any Lot.

Section 8.13 Vehicles and Other Equipment. None of the following may be kept or stored within a Residential Lot in Walnut Grove: (a) junk or abandoned vehicles, (b) commercial vehicles other than company automobiles provided for personal use, (c) trailers, (d) tractor-trailers, (e) campers, (f) motor homes and recreational vehicles, (g) camp trucks, (h) house trailers, (i) boats, (j) boat trailers, or (k) other machinery or equipment of any kind or character (except for such equipment as may be reasonable, customary and usual in connection with the use and maintenance of any Dwelling or other Improvements located upon the Lot). No repair, maintenance or restoration of automobiles or other authorized vehicles (except for bona-fide emergencies) may be carried out on any Residential Lot or at any location within Walnut Grove unless and except to the extent such repair, maintenance or restoration can be accomplished inside an enclosed Garage with all doors to the said Garage closed. This restriction shall not apply to vehicles, trailers, boats, machinery, equipment or the like stored and kept on a Lot within an enclosed Garage. Nothing in this Section 8.13 shall act to prohibit or restrict the use or storage of golf carts or other electric-powered vehicles.

Section 8.14 [Reserved.]

Section 8.15 Garages. Any Garage that is to be constructed on a Lot shall be completed contemporaneously with the completion of any Dwelling or other Buildings and/or Improvements to be constructed on the Lot except with the prior consent of the Design Review Board to a different scheduling.

Section 8.16 Garden Walls and Fences. The cost for constructing any Garden Wall or Fence shall be borne as follows:

A. **Voluntary Garden Walls and Fences.** If an Owner of a Residential Lot is permitted, but not required, to construct a Garden Wall or Fence, and such Owner elects to construct a Garden Wall or Fence, then the Owner who elects to so construct a Garden Wall or Fence shall bear the full cost of such construction, unless the Lot is adjacent to another Lot and the adjacent Lot Owner agrees to bear a portion of the cost of construction. The adjacent Lot Owner shall not have any obligation, however, to agree to pay for any portion of the cost of the construction of the Garden Wall or Fence. Regardless of who pays the cost of construction of a Garden Wall or Fence, the cost of maintenance of the Garden Wall or Fence shall be divided equally between the Owners of the Lots between which the Garden Wall or Fence is constructed. The cost of maintaining any Garden Wall or Fence constructed within the confines of the boundary of a Lot that is not bounded by another Lot shall be borne in full by the Owner of the Lot upon which the Garden Wall or Fence is constructed. Each Owner, by executing a cash sale, deed or other instrument pursuant to which such Owner acquired title to a Residential Lot, acknowledges and agrees to the obligations set forth herein with respect to the cost of construction of any Garden Wall or Fence and the maintenance of same. Notwithstanding the foregoing, Declarant shall not be required to share in the cost of maintaining any Garden Wall or Fence; all such costs are to be paid by the Owner of any Lot who has purchased the Lot from Declarant.

B. **Mandatory Garden Walls and Fences.** If a Garden Wall or Fence is required to be constructed on the boundary of a Residential Lot that is not bounded by another Lot along that boundary, then the Owner shall bear the full cost of construction of the Garden Wall or Fence, as well as the maintenance of same. If the Design Code requires that a Garden Wall or Fence be constructed along the boundary between two (2) adjacent Lots, then the first of the Owners of the Lots to construct a Dwelling, Building or other Improvements on his/her Lot shall be required to construct the Garden Wall or Fence, at his/her cost and expense; the adjacent Lot Owner shall, in such cases, be offered the opportunity to pay fifty (50%) percent of the actual cost of same. Notwithstanding the foregoing, the Owner so constructing a Garden Wall or Fence, or his/her successors or assigns in the event the Owner that constructed the Garden Wall or Fence no longer owns the Lot in question, shall be entitled to

reimbursement from the then Owner of the adjacent Lot when plans for the construction of a Dwelling, Building or other Improvements on the adjacent Lot are presented for approval pursuant to Article 10, such amount of reimbursement owed to the Owner who constructed the Garden Wall or Fence being hereby fixed at \$75.00 per linear foot for Garden Walls and \$15.00 per linear foot for Fences, effective as of recordation of this Declaration, subject to escalation at a rate of one-quarter percent (.25%) per month hereafter, regardless of the actual cost of construction of the said Garden Wall or Fence. Regardless of how the cost of construction of a Garden Wall or Fence is determined or divided, the cost of maintenance of the Garden Wall or Fence shall be divided equally between the Owners of the Lot between which the Garden Wall or Fence is constructed. Each Owner, by executing a cash sale, deed or other instrument pursuant to which such Owner acquired title to a Residential Lot, acknowledges and agrees to the obligations set forth herein with respect to the cost of construction of any Garden Wall or Fence and the maintenance of same. The obligation to share costs of construction and maintenance of a Garden Wall or Fence apply only to that portion of a Garden Wall or Fence which is constructed as a common wall along a boundary between two (2) Lots. Notwithstanding the foregoing, Declarant shall not be required to share in the cost of maintaining any Garden Wall or Fence, all such costs to be paid by the Owner of any Lot who has purchased the Lot from Declarant.

The fact that the Design Review Board is given the right to grant exceptions to the prohibitions contained in this Section 8.16 shall not mandate that any exceptions be granted.

Section 8.17 Pets. Pets may be kept by an Owner on his Lot but only if such pets do not cause a disturbance or annoyance within Walnut Grove. Each Owner shall be strictly responsible for immediately collecting and properly disposing of wastes and litter of his pets. It is expressly declared that the Rules and Regulations of the Association relative to pets may regulate the number and size of pets, prohibit the keeping of animals other than customary household pets, designate specific areas within the Commons where pets may be walked, prohibit pets on other areas, require pets to be on leash, and restrict the rights of tenants to keep pets. The Association Board shall have the right to order any Association Member or other resident of Walnut Grove whose pet is considered, in the sole discretion of the Association Board, to be dangerous or a nuisance or which creates disturbances or annoyances to the reasonable displeasure of other Owners, to remove such pet from Walnut Grove and the Association Board shall have the sole and exclusive authority to determine, after notice to such Association Member or resident and affording such person an opportunity for a hearing before the Association Board, whether or not any pet is dangerous or a nuisance.

Section 8.18 Signs. No sign, advertisement or notice of any type or nature whatsoever (including "For Sale" or "For Rent" signs) shall be erected or displayed upon any Residential Lot (including placement on a Dwelling, other Building, in the yard or in any window) or upon the Commons unless specifically permitted by the Design Code. Notwithstanding any language to the contrary herein, Declarant shall, however, be permitted to post and display advertising signs (including "for Sale" signs) within Walnut Grove so long as Declarant has any property for sale in the normal course of business.

Section 8.19 Automobiles.

A. **Parking.** Automobiles may be parked only in the Garage or driveway of a Lot, in unassigned parking areas as originally created by Declarant or in other parts of Walnut Grove which may be specifically designated in writing by the Association Board. All parking within Walnut Grove shall be in accordance with the Rules and Regulations of the Associations or Walnut Grove Council which may allow parking along Streets for special functions such as small parties.

B. **Good Repair.** Only automobiles bearing current license and registration tags, as required by state law from time to time, may be parked in Walnut Grove.

C. **Visibility at Street Intersections.** No automobile shall be parked so as to create a temporary obstruction to visibility at a Street intersection.

Section 8.20 Attractiveness and Safety of Lots. Both the Design Code, the Landscape Code and the Association through its adoption of the Rules and Regulations of the Association, may regulate placement and maintenance of garbage and trash containers, and other matters affecting the attractiveness or safety of Lots.

Section 8.21 Enforcement.

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

B. **Covenants Committee.** The Association Board may establish a Covenants Committee to hear any complaints of violations of the Covenants set forth in this Declaration or the Rules and Regulations of the Association. Members of the Association Board may serve on the Covenants Committee. If a Covenants Committee is not created, the references herein shall refer to the Association Board.

C. **Notice, Hearing and Fines.** If an Owner is believed to be in violation of this Declaration or the Rules and Regulations of the Association, the Covenants Committee shall notify the Owner and provide an opportunity to be heard. After such hearing, the Covenants Committee shall have the right to assess fines, up to a maximum of \$100 for a single violation or \$10 per day for a continuing violation (to be adjusted according to increases in the cost of living) and may restrict the Owner's use of the Commons for up to sixty (60) days or until remedied, whichever is longer. The primary goal, however, of the Covenants Committee is not to punish but to conciliate and resolve problems. The Covenants Committee may suggest or approve dispute resolution agreements and withhold the requirement of paying a fine if the agreement is honored. Fines shall be charged against an Owner's Lot as an Individual Lot Assessment.

D. **Tenant Violations.** If a tenant is believed to be in violation of the covenants set forth in this Declaration or the Rules and Regulations of the Association, the Covenants Committee shall notify the Owner and tenant and provide an opportunity for hearing. If the Covenants Committee determines after notice and opportunity for hearing that a tenant has violated the covenants set forth in this Declaration or the Rules and Regulations of the Association, the Covenants Committee may assess fines against the Owner as provided in paragraph C of this Section 8.21. In addition, if the tenant materially violates the covenants set forth in this Declaration or the Rules and Regulations of the Association more than once in any one-year period, the Association, by a two-thirds (2/3) vote of the Association Board, shall have right to evict the tenant. Each Owner by acceptance of a deed irrevocably appoints the Association as its agent and attorney-in-fact in such an eviction action. All costs and attorneys fees related to such action shall be charged to the Owner as an Individual Lot Assessment. Any Owner whose tenant or tenants (whether under one lease or different leases) violate the covenants set forth in this Declaration or the Rules and Regulations of the Association three (3) times in any one (1) year period may be prohibited from further leasing of his Lot for a period of up to one (1) year.

E. **Corrective Action for Lot Maintenance.** If the Covenants Committee determines after notice and hearing that any Owner has failed to maintain any part of the Lot (including the yard and any Garden Wall, Fence, Building, or other Improvement) in a clean and attractive manner, in accordance with the provisions of this Declaration, the Design Code and applicable Rules and Regulations of the Association, the Covenants Committee shall notify the Owner of its findings and may assess fines as provided in paragraph C of this Section 8.21. If the violation continues for ten (10) days after notice to the Owner of the covenants Committee's findings, the Association, by a two-thirds (2/3) vote of the Association Board, shall have the right without liability to enter upon such Lot to correct, repair, restore, paint or maintain any part of such Lot and to have any objectionable items removed from the Lot. The Association Board may reduce or eliminate the time for notice if it believes the condition creates a hazard. All costs related to such action shall be assessed to the Owner as an Individual Lot Assessment.

F. **Additional Remedies.** All remedies listed in this section are non-exclusive and may be applied cumulatively. The Association shall also have the right to bring suit to enforce the covenants and Rules and Regulations of the Association, as described in Section 18.3.

Section 8.22 Residential Units on Mixed Use Lots. Owners of units designated for residential use in Buildings on Mixed Use Lots (such as apartments, condominiums or lofts) shall comply, and shall demand that any tenant or occupant of such unit, comply with all restrictions contained in this Article 8. Owners of residential units on Mixed Use Lots shall be members of the Residential Association. Nothing herein shall prohibit the Owners of residential units of Mixed Use Lots from organizing other associations to impose additional restrictions on their Lots or units; provided however, that in the case of a conflict between such restrictions and those contained herein or in the Rules and Regulations of the Residential Association, this Declaration and the Rules and Regulations of the Residential Association shall govern.

ARTICLE 9. COMMERCIAL RESTRICTIONS

Section 9.1 Additional Restrictions Specific to the Commercial Lots. In addition to the General Building Restrictions contained in Article 7, Commercial Lots must also comply with the terms and conditions contained in this Article 9. References to "Lots" in this Article 9 shall mean exclusively Commercial Lots or any portion thereof. References to the Association, the Association Board or the Association Members shall each refer to the Commercial Association and its Board and Members.

Section 9.2 Construction of Commercial Improvements. Declarant intends to construct the Improvements allocated for commercial use on Commercial Lots within the Urban Core, and in such other Districts as determined by Declarant, in compliance with the Design Code. In the event that Declarant conveys the Commercial Lots prior to the construction of such Improvements, or if additional Commercial Lots are designated on Additional Annexable Property, any Owners of such Commercial Lots shall design and build any Improvements thereon in compliance with the terms and conditions set forth in the Design Code and this Declaration.

Section 9.3 Allowed Architectural Typologies. The Buildings constructed on each Lot shall be designed in accordance with one (1) of the Allowed Architectural Typologies for that particular Lot. Allowed Architectural Typologies for Commercial Lots in the Urban Core shall be Civic, Commercial and Live/Work Units. Allowed Architectural Typologies for Commercial Lots in the Neighborhood Center shall be Civic and Commercial. This Allowed Building Typology is also indicated on the Urban

Regulations in the Design Code provided for each Lot Type under the heading "Allowed Architectural Typology".

Section 9.4 Design Guidelines for Architectural Typologies. The Design Code contains some of the design requirements and/or restrictions for each of the various Allowed Architectural Typologies for the various typologies and neighborhoods. The Design Code shall be complied with in the design and construction of Buildings using the designated Architectural Typology. With respect to the Historical Architectural Characteristics and the Historical Details applicable to each of the Architectural Typologies reflected in the Design Code, it is noted that those are intended to typify each such Architectural Typology, but it is acknowledged there are many other characteristics and details of each approved Architectural Typology and those other characteristics and details may also be used. It is the function of the Design Review Board, through the review process described in Article 11, to verify that the plans for the design of Buildings proposed for construction on a Commercial Lot are consistent with the characteristics and details of the Architectural Typology chosen by the Lot Owner presenting plans to review.

Section 9.5 Setbacks.

A. **General.** The Design Code contains information as to the required front Setback of the Building to be constructed on each Lot and information as to the required Side-Yard Setbacks. All Setback numbers are expressed in "feet" as the linear measurement of the Setback.

B. **Setbacks – Commercial Building.** The principal facade of each Building constructed on a Commercial Lot may be located between the Lot line of the Lot and the maximum distance shown as the front Setback of the Building in the Design Code and in the Urban Regulations which relates to the category of Lot Type which includes that particular Lot.

C. **Trash and Garbage Containers.** Trash and garbage storage and disposal shall be subject to this Declaration, any Rules and Regulations of the Commercial Association, and any trash management plan provided by Declarant to each Commercial Owner. On all Commercial Lots, trash and garbage containers shall be kept in that area along the rear of the Lots which are designated for such purpose on the plat of survey recorded with the Clerk of Court pursuant to which subdivision of that phase of development was approved. All garbage (including recyclables) may only be picked up or collected by garbage collection vehicles from the area designated for each Building. The area around any such garbage pick-up point on a Commercial Lot must be enclosed with screening, as required by the Design Code and/or the Design Review Board, so that garbage containers are not visible from any Common Road. The Owners or occupants of Commercial Lots shall not place trash or garbage containers in public view. Garbage, trash and other refuse shall be placed in covered containers approved by the Design Review Board, except as otherwise expressly required by law. Recyclable products or materials may be placed for collection in containers expressly designed or legally required for such collection. Owners shall further use and store trash and garbage containers in compliance with any applicable Rules and Regulations of the Association.

Section 9.6 Landscaping. Each Commercial Lot shall be landscaped in accordance with the requirements of this Declaration, the Design Code and the Landscape Code.

Section 9.7 Permitted Uses.

A. **Commercial Use.**

Commercial Lots shall be used only for normal retail, office and related and/or appurtenant service uses customarily conducted in first-class retail shopping centers, office complexes and power centers, including retail sales, retail warehouse, retail and/or wholesale distribution, theaters, museums, tourist purposes, lodging, offices, entertainment, restaurants or other permitted commercial purposes approved by the Declarant compatible with the foregoing and in accordance with all applicable zoning laws, rules and regulations.

B. **Prohibited Uses.**

(1) **Warehouse Operations.** A facility primarily used as a storage warehouse operation, mini-warehouse or freight terminal (for purposes hereof, a "storage warehouse operation" or freight terminal shall not be construed to include retail merchandise stored on the premises with the main use).

(2) **Manufacturing Facility.** A facility for assembling, manufacturing, refining, smelting, drilling, mining, exploring or the producing of oil, gases or other minerals (provided this restriction shall not preclude the assembly of merchandise to be sold at a facility).

(3) **Salvage Yard.** Salvage or reclamation yards and the storage of inoperative vehicles.

(4) **Pawn Shop.** Any pawn shop or "second hand" store.

(5) **Mobile Home Park.** Any mobile home park, camp ground, trailer court or labor camp; provided, however, this prohibition shall not be applicable to the temporary use of construction trailers during periods of construction, reconstruction or maintenance or for trailers, delivery trucks or recreational vehicles of agents or contractors or Owner or Occupant.

(6) **Dumping.** Any dumping, disposing, incineration or reduction of garbage; provided, however, this prohibition shall not be applicable to garbage compactors located near the rear of any Improvement.

(7) **Laundromat.** Any central laundry or laundromat; provided, however, this prohibition shall not be applicable to a drop-off and pickup facility.

(8) **Automobile Sales.** Any automobile, truck, trailer or recreational vehicle with outside sales, leasing or display unless approved by the Association Board or in conjunction with promotions, displays and other similar marketing activities, subject, however, to compliance with all applicable laws, rules and regulations.

(9) **Body Shop.** Any body shop repair operation, engine repair or vehicle repair facility for all vehicles, including motorcycles.

(10) **Funeral Home.** Any mortuary, funeral home or cemetery.

(11) **Flea Market.** A flea market.

(12) **Gas Stations.** A service station shall only be permitted on Commercial Lots with prior written approval of the Commercial Association Board. The location and size of any such service station shall be determined by the Commercial Association Board. Service stations must be properly landscaped and the Association Board shall have the right to impose additional landscaping requirements with respect to a Commercial Lot upon which a service station is to be located. Any service station shall be of similar architectural quality and shall be consistent with the architectural themes of Walnut Grove. No fuel pumps shall be located on any Commercial Lot other than the Lot on which a service station is located.

(13) **Toxic Materials.** Any business which emits noxious toxic or caustic or corrosive fuel or gas.

(14) **Fireworks.** Any unusual fire or explosion, or any use which involves any firing, explosives or other damaging or dangerous hazards (including the storage, display or sale of explosives or fireworks or a shooting gallery). Nothing herein shall prohibit the Associations or the Institute from applying to Declarant for an exception to this prohibition on such terms and conditions as Declarant may set.

(15) **Heavy Industrial Use.** Any heavy industrial use or for a purpose which may cause materially objectionable odors and/or untidiness such as (but not limited to) stand-up or drive-in food facilities or other litter-creating operations; provided, however, that a sit-down or drive-through type restaurant is not precluded hereby.

(16) **Truck Parking.** The parking of trucks and/or delivery vehicles so as to unreasonably interfere with, or suffer or permit any use thereon to interfere with, the use of any driveways, walks, roadways, highways, streets, parking areas or other Common Areas, excluding loading areas, docks, and truck courts or turnarounds.

(17) **Outdoor Carnivals.** Outdoor circus or other outdoor entertainment, excluding temporary carnivals or entertainment in connection with the marketing of the first class shopping center/power center, not to exceed two (2) times per year.

(18) **Gaming Facilities.** Any casino, video poker facility, bingo halls, off-track betting parlor or similar facility at which games of chance are conducted.

Section 9.8 Rules and Regulations.

A. Subject to the prior express written approval given by Declarant or an Association, Owners and tenants of Commercial Lots or any portion thereof shall abide by all reasonable rules and regulations established by the Association or Declarant, from time to time, with respect to the use and care of the Lot or portion thereof, and to Walnut Grove, including the Commons, and shall:

(1) Conduct no auction, fire or bankruptcy sales, so called going out of business or "lost our lease" sales, or similar practices.

(2) Conduct no special events, radio spots, or other promotional activities or programs unless approved in advance by the Association.

(3) Except as may be set forth in the Rules and Regulations, a written policy adopted by the Association, or as expressly permitted in writing from time to time, display no merchandise

outside the Lot nor in any way obstruct the Commons and store all trash in appropriate containers within the Lot, or in the event Owner or tenant is a food service operation, within containers within temperature controlled areas within the Lot, and attend to the daily disposal thereof in the manner designated by the Association. Owner or tenant shall not burn any trash within the confines of Walnut Grove.

(4) Load or unload all merchandise, supplies, fixtures, equipment and furniture and cause the collection of trash only through the rear service door(s) of the Lot unless a rear service door is not provided in which event Owner or tenant shall accept deliveries through the front entrance only during hours that the business operation is not open for business to the general public. Owner or tenant shall not permit trailers or trucks servicing the Lot to remain parked in Walnut Grove beyond those periods necessary to service Owner's or tenant's operations. Such trailers or trucks shall not remain parked in Walnut Grove beyond the closing hour of Walnut Grove. These restrictions may be altered by Declarant or the Association in conjunction with the adoption of a formal parking management plan made available to all Owners. Nothing herein shall prohibit Declarant from designating certain areas as no parking zones or reserving certain areas for emergency parking, or from restricting parking in conjunction with any events or emergencies as determined by Declarant.

(5) Keep the inside and outside of all glass in the windows and doors of the Lot clean; keep the Lot in a careful, safe, clean and proper manner and free of insects, rodents, and other pests; not permit any trash of any nature emanating from the Lot to accumulate in the Commons and not permit the plumbing facilities within or servicing the Lot to be used for any purposes other than for which they were constructed, and no foreign substances of any kind shall be thrown therein. Owner or tenant shall employ a pest exterminating contractor to service the Lot at such intervals as the Association may require.

(6) Not solicit business or distribute any handbills or other advertising matter in the Commons, without advance consent of the Association.

(7) Prevent the Lot from being used in any way which may be a nuisance, or cause damage to the other occupants of Walnut Grove, including, without limiting the generality of the foregoing, the operation of any instrument or equipment or the carrying on of any trade or occupation which emits (i) an odor discernible outside of the Lot and which may be deemed offensive in nature, (ii) a noise which may be heard outside the Lot; or (iii) a vibration emanating from the Lot and otherwise discernible outside or adjacent to the Lot.

(8) Not permit the display or sale of any merchandise which is inconsistent with the general high standards of Walnut Grove as determined by the Association which is inconsistent with the highest standards of decency and morals prevailing in Walnut Grove. The Association, in exercising its right to determine the general high standards of Walnut Grove shall act in a reasonable manner consistent with the operation of a first class regional shopping center with residential components. For the purposes hereof, merchandise such as nude photos, sexual devices, objects depicting genitalia and any other similar items and merchandise commonly associated with so called peep shows, massage parlors, adult book stores and head shops shall be deemed inconsistent with the general high standards of Walnut Grove.

(9) Not display or affix any sign, placard, name, trademark, insignia, decal, advertising matter or any other item(s) on the surface of any exterior door, wall or window or within one (1) foot of the surface of any display window space in the Lot or within any entrance to the Lot. The Association shall have the right, without notice to Owner or tenant and without any liability for damage to the Lot reasonably caused thereby, to remove any items displayed or affixed in violation of the foregoing provisions.

(10) Promptly comply with all present and future laws, regulations or rules of any parish, state, federal and other Governmental Authority and any bureau and department thereof, and of the National Board of Fire Underwriters or any other body exercising similar function applicable to the Owner's or tenant's Work done to the Lot, including the making of any required structural changes thereto, subject to the supervision of the Design Review Board. If Owner or tenant shall install any electrical equipment that overloads the lines in the Lot, Owner or tenant shall make all changes necessary to comply with the requirements of the insurance underwriters and Governmental Authorities having jurisdiction.

(11) Not store, handle, use, sell, generate or release, or specify, use or dispose of, or permit its architect, contractors, subcontractors or any parties performing any Work on behalf of Owner or Tenant to specify, use or dispose of, directly or indirectly, on the Lot, Commons, or in Walnut Grove, any Hazardous Substance. Upon completion of such Work, Owner or tenant shall deliver to the Association a certificate from its architect, contractor, subcontractor or other performing party stating that no such materials have been specified or used in such Work. Upon notice to Owner or tenant, the Association may conduct an environmental audit of the Lot. If any Hazardous Substance is detected or if a violation of the covenants contained herein is discovered, the fees and expenses of such audit shall be paid by Owner or tenant on demand by the Association. Owner or tenant shall immediately notify the Association and provide copies upon receipt of all written complaints, claims, citations, demands, inquiries, reports or notices relating to the condition of the Lot or compliance with Environmental Laws.

(12) Not install any vending machine or similar type of equipment within any area of the Lot which is accessible to the public. The Association shall have the right, without notice to Owner or tenant and without any liability for damage to the Lot reasonably caused thereby, to remove any vending machines or similar type of equipment installed, maintained or existing within the Lot in violation of the foregoing provisions.

(13) Maintain lighting on the interior side of the storefront of the Lot until 2:00 a.m. each day. The adequacy of such lighting shall be subject to the Design Review Board's approval.

Section 9.9 Association's Right to Cure. If Owner or tenant fails to keep or perform any covenant or term included in Article 8, and if Owner or tenant fails within a reasonable time (not to exceed three (3) days following receipt of written or oral notice from the Association) to cure such failure with all due diligence, the Association may cure or prosecute the curing of such failure and Owner or tenant shall pay all expenses in connection with such cure or prosecution of such cure of such failure, including, without limitation, reasonable legal fees.

Section 9.10 Commercial Units on Mixed Use Lots. Owners of units designated for commercial use in Buildings on Mixed Use Lots shall comply, and shall demand that any tenant or occupant of such unit, comply with all restrictions contained in this Article 8. Owners of commercial units on Mixed Use Lots shall be members of the Commercial Association. Nothing herein shall prohibit the Owners of commercial units of Mixed Use Lots from organizing other associations to impose additional restrictions on their Lots or units; provided however, that in the case of a conflict between such restrictions and those contained herein or in the Rules and Regulations of the Commercial Association, this Declaration and the Rules and Regulations of the Commercial Association shall govern.

ARTICLE 10.

Village Architect, Village Planner and Design Review Board

Section 10.1 Village Architect and Village Planner.

A. **Selection.** The Village Architect and the Village Planner are initially selected by Declarant and may be removed and replaced with another Village Architect or Village Planner, at any time, in the sole discretion of Declarant. While Declarant owns at least three (3) Lots or holds any property within Walnut Grove for sale in the normal course of business, Declarant may select any successor or replacement, unless Declarant permanently waives that right in writing. When Declarant no longer selects the Village Architect and/or the Village Planner, the Residential Association Board or Walnut Grove Council shall select the Village Architect and/or the Village Planner.

B. **Qualification.** The Village Architect shall have a degree in professional architecture or shall have a master's degree in urban design from an accredited university, or shall have comparable qualifications. The Village Architect does not, however, need to be licensed to practice in Louisiana unless required by the State of Louisiana. The Village Planner shall have a master's degree in urban design or planning, or shall have comparable qualifications. The Village Architect and the Village Planner positions may be held by the same individual or separate individuals.

Section 10.2 Design Review Board.

A. **General.** The Design Review Board is an agency, department or division of the Residential Association.

B. **Composition.** The Design Review Board shall have either three (3) members or five (5) members; initially, the Design Review Board shall consist of three (3) members. Should the Residential Association Board wish to declare that there shall be an increase in the number of members serving on the Design Review Board, it may do so at a regularly called meeting of the Residential Association Board. The members of the Design Review Board shall be selected as follows:

(1) **Village Architect.** The Village Architect, who is appointed pursuant to Section 10.1, shall serve as one (1) member of the Design Review Board.

C. **Additional Members.** All other members of the Design Review Board shall be appointed by Declarant for so long as Declarant is permitted under Section 10.1(A) to select or replace the Village Architect. When Declarant no longer selects the Village Architect, the Residential Association Board shall appoint the additional members of the Design Review Board.

D. **Compensation.** The Village Architect, the other members of the Design Review Board, and other professionals and staff assisting the Design Review Board may be paid reasonable compensation for service on the Design Review Board, as determined from time to time by the Residential Association Board. All members of the Design Review Board shall be reimbursed by the Residential Association for their respective expenses incurred in furtherance of the authorized activities of the Design Review Board, subject to review and approval by the Residential Association Board.

E. **Cost of Operation.** The Residential Association shall be responsible for all reasonable costs of operation of the Design Review Board. The Review Fees paid as part of each Residential Application and Commercial Application shall be payable to the Residential Association and

shall be used by the Residential Association to defray the costs and expenses incurred by the Design Review Board and the fees and compensation paid, if any, to the Village Architect, staff, other professionals and members of the Design Review Board. The Residential Association Board, in its sole discretion, may increase the amount which must be paid as a Review Fee in conjunction with the submissions of plans pursuant to Article 11 below, but in no event shall the said Review Fee charged in any one calendar (1) year exceed 110% of the Review Fee charged during the preceding calendar year.

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

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

ARTICLE 11. DESIGN REVIEW PROCEDURES

Section 11.1 Approved Contractors; Approved Architects and Design Professionals.

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

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

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

D. **Approval Process.** Should an Owner desire to have a Building or other Improvements constructed on a Lot by a contractor who is not approved by the Design Review Board, or to have a Building or other Improvements to a Lot designed by an architect or other design professional who is not approved by the Design Review Board, the said Owner shall submit to the Design Review Board such information as may be requested by the Design Review Board which information may include, without limitation thereto, the following: (a) name and address; (b) a listing of other Buildings or similar types of Improvements constructed or designed, as the case may be, by the proposed contractor or design professional, together with photographs of such Buildings or similar types of Improvements; (c) a listing of references who may be called to discuss the quality, effectiveness, thoroughness and other aspects of services to be provided by the proposed contractor or design professional; (d) evidence of insurance; (e) evidence of ability to obtain payment and performance bonds, or other evidence of net worth and liquidity; (f) other evidence of ability, as to a contractor, to build a Building or other Improvements in a timely manner, in accordance with plans and specification; and (g) other evidence, as to a design professional, of ability to design and provide specifications for a Building or other Improvements which would be consistent with the requirements of this Declaration, the Design Code and the Landscape Code.

Section 11.2 Review Procedure.

A. **Construction Subject to Review.** All construction or modification (except interior alterations not affecting the external structure or appearance of any Building) on any Lot or Commons must be approved in advance by the Design Review Board. Modifications subject to review specifically include, but are not limited to, painting or other alteration of a Building (including doors, windows and trim); replacement of a roof or other parts of a building other than with duplicates of the original material; installation of antennae, satellite dishes or receivers, solar panels or other devices; construction of fountains, swimming pools, whirlpools or other pools; construction of privacy walls or other fences or gates; addition of awnings, flower boxes, shelves, statues, or other outdoor ornamentation; material and design of window coverings; any individual wells or septic tanks; and any material alteration of the landscaping or topography of Walnut Grove, including without limitation any removal or substantial pruning of trees or plants. The listing of a category does not imply that such construction is permitted; this Declaration may, for example, prohibit all antennae, satellite dishes or receivers, in which event, such a prohibition shall control.

B. Plan Review and Approval Procedure for Residential Lots.

(1) Submission of Significantly Completed Conceptual Drawings. The Owner and his architect shall schedule a "Phase I Meeting" with the Design Review Board and the Declarant after significantly completed conceptual drawings are completed but before final plans have been finalized to discuss concepts and goals of the Owner, Design Review Board and Declarant. Prior to the Phase I Meeting, Owner shall submit a PDF file of (a) the floor plans for all levels of each Building, (b) roof plans, (c) all exterior elevations, (d) site plan, (e) typical wall sections reflecting intended material and design intent, and (f) the \$200.00 nonrefundable Review Fee. Conceptual submittal shall be presented at the Phase I Meeting to review the conceptual site, plan, and elevations and to alleviate any confusion of a party's interpretation of the Design Code.

(2) After review and receipt of the Design Review Boards written acceptance of the Phase I submittals in accordance with the review process described in subparagraph (3) below, each Owner of a Residential Lot shall submit the following additional documentation for final architectural review and approval in such form as may be required by the Design Review Board (together with the information submitted in subparagraph (1) above, the "**Residential Application**"). The Residential Application shall include:

- a. one (1) complete set of final plans and specifications (paper copies and PDF formatted for full size drawings) ("**Residential Plans**") prepared by an architect complying with Section 10.1, showing the site layout, height of proposed improvements, including balconies and porches, dormers, eaves and cornices, columns, railings, piers, entry door and surround, any other monumental features such as Garden Walls, gates, chimneys, colors and materials, garage door and garage specifications;
- b. landscaping plan, including drainage, lighting, irrigation and other features of the exterior ground work, as required by the Landscape Code and as otherwise required by the Design Review Board;
- c. a complete list of all builders and contractors to be used on the job;
- d. construction timeline; and
- e. a non-refundable fee determined by the Design Review Board. The initial fee for the architectural review shall be no more than **THREE HUNDRED and NO/100 DOLLARS** (\$300.00). This fee is in addition to the Review Fee submitted for the Pre-Application Meeting. In addition, the Design Review Board may, with the prior approval of the Residential Association Board, retain design professionals to assist in the review of any Residential Application and the Residential Association may charge reasonable fees incurred.

The Design Review Board may require the submission of additional information as it deems necessary to consider the Residential Application.

The Design Review Board shall, within thirty (30) days after Substantial Completion of any construction for which approval has been granted, return the Plans to the Owner thereof. "**Substantial Completion**" for purposes of this Subsection 11.2.B shall be deemed to occur on the date a permit or certificate for occupancy of the Lot is issued by the local governing authority.

(3) The Design Review Board shall, within ten (10) business days after receipt of each submission of the entire Residential Application, advise the Person submitting the same, in writing, at an address specified by that Person at the time of submission, of the (a) approval of Residential Plans; (b) approval as noted on Residential Plans; or (c) disapproval of Residential Plans, specifying the segments or features of Residential Plans which are objectionable and suggestions, if any, for the curing of objections. In the case of either (b) or (c) above, the Design Review Board shall, within five (5) business days after receipt of each submission of revised Residential Plans, advise the Person submitting the same, in writing, at an address specified by that Person at the time of submission, of the (a) approval of Residential Plans; (b) approval as noted on Residential Plans; or (c) disapproval of Residential Plans, specifying the segments or features of Residential Plans which are objectionable and suggestions, if any, for the curing of objections. In the event the Design Review Board fails to advise the submitting Person by written notice within the time set forth above of either the approval or disapproval of Residential Plans, the applicant may give the Design Review Board written notice of the failure to respond, stating that unless the Design Review Board responds within five (5) business days of receipt of such notice, approval shall be deemed granted. Upon further failure of the Design Review Board to so advise, approval shall be deemed to have been given, subject to the right of Declarant to veto approvals by the Design Review Board. However, no approval, whether expressly granted or deemed granted pursuant to the foregoing, shall be inconsistent with the Design Code unless a variance has been granted in writing pursuant to Section 11.4. Notice shall be deemed to have been given at the time the envelope containing such notice, properly addressed, and postage prepaid is deposited with the U. S. Postal Service, registered or certified mail, return receipt requested. Personal delivery of written notice also shall be sufficient and deemed to have been given at the time of delivery.

(4) Within three (3) business days after the Design Review Board has approved a Residential Application, the Design Review Board shall give written notice to Declarant of such action, together with other information as Declarant may require. Within ten (10) days of receipt of such notice, the Declarant may veto any action, in its sole discretion, by written notice to the Design Review Board and the applicant.

(5) If construction does not commence on any Work for which approval has been granted within twelve (12) months of final approval, the approval shall expire and the Owner must re-submit its Residential Plans for reconsideration in accordance with the Design Code, then in effect prior to commencing Work. All Work shall be completed within two (2) years of commencement or such other period as may be specified in the notice of approval (the "**Residential Completion Period**"), unless completion is delayed due to causes beyond the reasonable control of the Owner, such as an event of force majeure, hurricane, act of God, fire, explosion, extraordinary flood or similar occurrence (but not including reasonably foreseeable weather conditions). If all such Work is not Substantially Complete within the Residential Completion Period, Owner shall pay to the Residential Association the sum of **TWO HUNDRED and NO/100 DOLLARS (\$200.00)** per day for each day which improvements remain uncompleted until the date of Substantial Completion.

C. **Plan Review and Approval Procedure for Commercial and Mixed Use Lots.**

(1) Submission of Significantly Completed Conceptual Drawings. The Owner and his architect shall schedule a "Phase I Meeting" with the Design Review Board and the Declarant after significantly completed conceptual drawings are completed but before final plans have been finalized to discuss concepts and goals of the Owner, Design Review Board and Declarant. Prior to the Phase I Meeting, Owner shall submit a PDF file of (a) the floor plans for all levels of each Building, (b) roof plans, (c) all exterior elevations, (d) site plan, (e) typical wall sections reflecting intended material and design intent, and (f) the \$750.00 nonrefundable Review Fee. Conceptual submittal shall be presented at the Phase I Meeting to review the conceptual site, plan, and elevations and to alleviate any confusion of a party's interpretation of the Design Code.

(2) Preliminary Plan Submittal. Each Owner of a Commercial or a Mixed Use Lot shall submit an application for preliminary architectural review and approval in such form as may be required by the Design Review Board ("**Commercial Application**"). The Commercial Application shall be submitted in a PDF file including:

a. Four (4) full sets of paper and a PDF file formatted for full size drawings of the plans and specifications ("**Commercial Plans**") prepared by an architect drawn to a scale typically produced by an architect in a 24" x 36" or 36" x 42" sheet format, printed legibly and showing the site layout, building setbacks, height of proposed improvements, proposed architectural materials, floor plans, elevations, proposed color palette, summary of parking requirements, landscaping, drainage, lighting, irrigation and other features of the proposed construction, as required by the Design Code and as otherwise required by the Design Review Board.

b. a complete list of all builders and contractors to be used on the job.

c. a non-refundable fee in the amount of \$1,750.00 (this fee is in addition to the fee paid at the Pre-Application Meeting).

d. floor plans, exterior building elevations and a site plan showing the site acreage, survey clearing, and topography; any existing improvements (such as utilities and fences); percentage of the site devoted to open space; existing vegetation, including trees to be preserved on landscape easements and along landscape setbacks on external and internal streets; building location and its size; building setbacks/dimensions; parking setbacks/dimensions; parking lot configuration, capacity and ratio; service areas, trash receptacles, mechanical equipment locations with screening method and details; fencing, if any; satellite dish or other similar items along with method of screening; sign location and details of sign; proposed irrigation layout; proposed landscaping plan; photo-metric drawing of the site lighting; monument signs and building signage; civil plan indicating drainage building finished floor, elevation and utility connections; and method of compliance with storm water management.

e. rendering or colored sketch of exterior building appearance.

f. colored elevation renderings.

g. The Design Review Board may require the submission of additional information as it deems necessary to consider the Commercial Application.

Additional preliminary plan submittals may be assessed another non-refundable fee of \$1,000.00 per review if the Owner makes significant changes to the Commercial Plans, or if the Commercial Plans do not incorporate design elements required by the Design Code, or if the Design Review Board must

schedule an additional review. No partial submittals shall be accepted. All Commercial Plans approved hereunder shall be at the discretion of the Design Review Board and shall be signed and sealed by a licensed architect. The commercial project shall be named before it is submitted for review.

(3) Other Materials. Prior to preparing a Commercial Application, the Owner of the Commercial Lot should obtain copies of the Design Code from Declarant and such additional infrastructure plans as required to properly integrate the proposed Improvements with existing off-site and utility improvements adjacent to the Owner's site. In addition, the Owner should obtain copies of the most recent local zoning and property restrictions of record and building codes. Walnut Grove is subject to both City and Parish and Declarant's development requirements.

(4) Types of Submittals. There shall be three (3) types of submittals in the review process: conceptual submittal, preliminary plan submittal, and final plan submittal.

(5) Preliminary Approval Procedures. The Design Review Board shall, within ten (10) business days after receipt of each submission of the entire Commercial Application, return one (1) set of the Commercial Plans to the Owner, with a written notice describing the Design Review Board's comments, at an address specified by that Person at the time of submission, and one (1) set of the Commercial Plans shall be retained by the Design Review Board. After review of the Commercial Application, the Design Review Board shall return the Commercial Plans to the Owner marked "approved" or "approved subject to conditions" or "not approved". In the event the Design Review Board fails to advise the submitting Person by written notice within the time set forth above of either the approval or disapproval of Commercial Plans, the Owner may give the Design Review Board written notice of the failure to respond, stating that unless the Design Review Board responds within five (5) business days of receipt of such notice, approval shall be deemed granted. Upon further failure of the Design Review Board to so advise the Owner, approval shall be deemed to have been given, subject to the right of Declarant to veto approvals by the Design Review Board. However, no approval, whether expressly granted or deemed granted pursuant to the foregoing, shall be inconsistent with the Design Code unless a variance has been granted in writing pursuant to Section 11.4. Notice shall be deemed to have been given at the time the envelope containing such notice, properly addressed, and postage prepaid is deposited with the U. S. Postal Service, registered or certified mail, return receipt requested. Personal delivery of written notice also shall be sufficient and deemed to have been given at the time of delivery. After the Owner incorporates all necessary changes, Owner shall resubmit two (2) sets of its Commercial Plans for Final Approval of the Preliminary Submittal. One (1) set shall be returned to the Owner marked as approved. Commercial Plans approved in the preliminary submittal stage shall be submitted to the City and the State Fire Marshall for approval prior to final plan submittal.

(6) Final Plan Submittal. Each Owner who has received preliminary approval shall submit its final plan to the Design Review Board for final approval. Unless waived by the Design Review Board in writing, the submittal shall include:

- a. A non-refundable review fee of \$2,500.00;
- b. Samples of exterior building materials mounted on boards (24" x 36" material boards);
- c. Color board (with a 4" x 6" labeled sample of each color to be used);
- d. Colored elevation rendering(s) with applications of materials;
- e. Summary of square footage to satisfy the parking standards;
- f. Legal closing documents showing acreage, buyer/seller, and closing date;
- g. Signage plan (temporary and permanent locations and square footage); and
- h. All the information required for preliminary plan review.

(7) Final Approval Procedures. The same procedure as set forth in Section 11.2(C)(6) shall be followed for final approval.

(8) Final Declarant Approval. After the Design Review Board has reviewed all submittals, it shall provide Declarant with its recommendations for approval. Declarant shall be provided an opportunity to review any information submitted and shall issue a written notice to Owner describing any additional changes or stating that the Commercial Plans are approved. This notice shall be mailed to the Owner within fourteen (14) days of the final plan submittal. The Commercial Plans shall meet all applicable local codes and ordinances, and Declarant shall not be responsible for any code or ordinance interpretation. Owner shall be responsible for all permits, plans, soils reports, utility letters, variances or any other legal documents or permissions required for constructing on a site.

(9) **Construction.** Commercial Plan approval is valid for six (6) months from the date of final approval. If construction does not commence on any Work for which final approval has been granted within such six (6) month period, the approval shall expire and the Owner must re-submit Commercial Plans for reconsideration in accordance with the Design Code, then in effect prior to commencing Work. All Work shall be completed within two (2) years of commencement or such other period as may be specified in the notice of approval (the "**Project Completion Period**"), unless completion is delayed due to causes beyond the reasonable control of the Owner, such as an event of force majeure, hurricane, act of God, fire, explosion, extraordinary flood or similar occurrence (but not including reasonably foreseeable weather conditions). If all such Work is not Substantially Complete within the Project Completion Period, Owner shall pay to the Commercial Association the sum of **TWO HUNDRED AND 00/100 (\$200.00) DOLLARS** per day for each day which improvements remain uncompleted until the date on which they are Substantially Complete. "**Substantially Complete**" for purposes of this Subsection shall be deemed to occur on the date a permit or certificate for occupancy of the Commercial Lot is issued by the applicable local governing authority. Upon completion, the builder shall submit to the Design Review Board a signed statement indicating that the project has been constructed according to the approved Commercial Plans and specifications.

D. **Basis for Decision.** Applications shall be approved or denied based upon compliance with the factors identified in Section 11.2. The Design Code and the Landscape Code each provide many, but not all, factors to be considered by the Design Review Board in reviewing applications. Each Owner agrees and acknowledges that the Design Code and the Landscape Code are not a complete listing and that in reviewing applications the Design Review Board may consider such other factors as the Design Review Board may in its sole discretion deem appropriate. In addition to compliance with this Declaration, the Design Code and the Landscape Code, the additional factors to be considered by the Design Review Board in reviewing plans and specifications submitted to it shall be: (a) the quality of workmanship and material; (b) the architectural style or design; (c) the aesthetic appearance of the exterior of the Improvements; (d) conformity with good aesthetic design practices; (e) the quality and size of the proposed Improvements; (f) the good aesthetic use of materials, color and location in relation to surrounding structures and topography; (g) harmony of design with existing Buildings and other Improvements; (h) avoidance of duplication of or repetitive designs for Buildings and other Improvements, and (i) whether the design or design components are historically accurate.

E. **Notification; Construction.** The Design Review Board shall notify the applicant of its decision within the time limits established pursuant to the procedures adopted under Subpart B or C of this Section 11.2. If approval is given or deemed to be given, construction of the Improvements may begin. All construction must comply with the plans and specifications approved by the Design Review Board. The Design Review Board may impose conditions for the placement of dumpsters, pods, materials or equipment, including vehicles used during construction. Both Declarant and the Design Review Board reserve the right to inspect the Work being performed on any Lot and to require changes, accept with conditions or accept any Work that it deems not to be in compliance with the approved plans and specifications.

Section 11.3 Enforcement. If any construction is begun which has not been approved or which deviates from the approved plans, the Design Review Board, the Village Architect, Declarant, or an Association may bring an action for specific performance, declaratory judgment or injunction and shall be entitled to recover its actual attorney's fees in bringing such action.

Section 11.4 Variances. The Design Review Board shall have the right and power to grant variances from compliance with any provision of this Declaration or any provision in the Design Code or in the Landscape Code, including without limitation, the approval of different building typologies than, or variances from, the building typologies identified in the Design Code, as well as requirements regarding height and use, placement/parking and encroachments, with respect to any Lot. Any building restrictions, including without limitation those addressing the face direction, location, setbacks or materials for Buildings or other Improvements, may be modified when, in the sole and absolute discretion of the Design Review Board, circumstances such as topography, natural obstructions, hardship, or aesthetic, economic or environmental considerations, warrant a variance. All variances must be evidenced in writing from the Design Review Board in order to have legal effect.

If a variance is granted, no violation of this Declaration, the Design Code or the Landscape Code, shall be deemed to have occurred with respect to the matter for which the variance was granted. The granting of any variance shall not operate to waive any of the terms and provisions of this Declaration for any purposes except as to the particular instance covered by the variance, and in no case shall the granting of a variance in one instance obligate the Design Review Board to grant a variance in another instance.

Section 11.5 Limitations and Release of Liability.

A. The purpose of the review of plans and specifications by the Design Review Board is to protect and enhance the aesthetic and monetary values of Walnut Grove and each Owner's Lot and to maximize compliance with the Declaration, the Design Code and the Landscape Code, for the benefit of all Owners. In performing its functions, the Design Review Board does not warrant, guarantee, recommend, approve, certify or endorse any particular architectural, engineering or structural design, or any plan, specification, material, construction method or practice, as to its safety, freedom of defects, durability, fitness or suitability for intended use, strength or other characteristics.

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

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

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

E. **Use of Materials or Components.** The use of any material or components as indicated within the Design Code or this Declaration shall be solely at the risk of the Owner of a Lot and shall import no liability to the Associations, Declarant, the Design Review Board, or their assigns. The materials listed in the Design Code or in this Declaration are not intended to constitute or otherwise create any representations, guarantees, or warranties to any party in relation to the structural integrity or adequacy when used for any component of Improvements to be built within Walnut Grove. It shall be the responsibility of the Owner, or other proposer, when considering usage of any material on any project within Walnut Grove to have an independent review and evaluation of the adequacy of any component or element contained herein to assure their acceptability for the intended end uses.

F. **Modification of Design Code or Landscape Code.** The Design Review Board may, subject to any applicable zoning, revise any part of the Design Code and/or the Landscape Code, and supplement both or either of the Design Code and the Landscape Code, from time to time for any of the following reasons:

(1) To make changes which the Design Review Board believes will better accomplish the objectives set forth in this Declaration.

(2) To adjust for market conditions so as to improve the value of all or some of the Lots;

(3) To recognize changing land use conditions over time, both from within and outside Walnut Grove; or

(4) To establish the plan for the development of additional immovable property annexed to, and included and incorporated within, Walnut Grove pursuant to a Supplement Declaration, which plan shall be implemented through the regulation of land use, architecture, environment and landscaping with said additional immovable property.

The Design Code and the Landscape Code, together with all changes to same adopted by the Design Review Board, shall be available for review in the registered office of the Residential Association during normal business hours. Any Owner wishing to have a copy of the Design Code and/or the Landscape Code, together with all changes to same adopted by the Design Review Board, shall pay the cost of reproducing same to the Residential Association which shall be calculated on the basis of \$.50 per page; provided, however, there shall be no charge for the first copy of said Design Code or the first copy of the Landscape Code with respect to each Lot. While Declarant owns at least three (3) Lots or holds any property within Walnut Grove for sale in the normal course of business, no change may be made to

the Design Code or to the Landscape Code without the express written consent of Declarant. On request of the Design Review Board, the Residential Association Board shall, without the consent of the Residential Association Members, file any amendments to this Declaration at any time which add to, change or otherwise modify the Design Code and/or the Landscape Code. Modifications and changes to the Design Code and/or the Landscape Code shall not affect or bear on the construction of Buildings within Walnut Grove to the extent such Buildings have been constructed prior to the adoption of such modification or other amendment to the Design Code or the Landscape Code; but such modifications and changes shall be effective with respect to any alterations or other additions to Buildings constructed after the date of such amendments or modifications to the Design Code and/or the Landscape Code. Declarant and the Residential Association, whenever filing Supplemental Declarations pursuant to Section 3.2, may and are expected to file supplements to the Design Code and/or the Landscape Code which will contain specific requirements for the property added to Walnut Grove pursuant to any such Supplemental Declaration, including without limitation thereto, in the filing party's sole discretion, additional designations of Lot Types, additional Architectural Typologies authorized for each new Lot Type within the new phase, architectural characteristics and historical details for each such additional Architectural Typology, and such further requirements and restrictions with respect to construction on Lots as are contained in the Design Code and/or the Landscape Code as filed originally with this Declaration.

ARTICLE 12. GOVERNANCE OF WALNUT GROVE

The Associations are responsible for maintaining Walnut Grove and enforcing the Declaration. While Declarant will control the Associations during the development stage, the Owners themselves will be responsible for the continuation of the community through their participation in the Associations.

The Association Articles and Association Bylaws, which create the Associations as a non-profit corporation and provide certain procedures its corporate organization, are attached as exhibits to this Declaration.

Section 12.1 Governance by Associations. Walnut Grove shall be governed by two Associations comprised of the Owners of Lots within Walnut Grove. The Owners of Commercial Lots shall be members of the Commercial Association and the Owners of Residential Lots shall be members of the Residential Association. Owners of Mixed Use Lots shall be members of the Commercial Association; however, if such Lot contains separately owned units, the Owners of each unit shall be a member of the Association for Owners of the same use type as such Owner's unit.

Section 12.2 Joint Walnut Grove Council. Upon the approval of a majority of each the Residential Association Board and the Commercial Association Board, there may be created a Walnut Grove Council, consisting of six members, with each Association Board appointing three representatives. Walnut Grove Council shall meet quarterly or at such other times as the Council shall decide, and shall act as an advisory committee for such issues as may involve the community as a whole. Walnut Grove Council may be delegated responsibilities by an Association upon approval of a majority of the Association's Board, and acceptance by Walnut Grove Council.

Such responsibilities may include (by way of example only) the approval of the Institute's budget, the delegation of Commons as Commercial Commons or Residential Commons, and creating a plan for Capital Improvements.

Section 12.3 Membership. Each Owner, by virtue of acquiring title to a Lot, shall be granted membership in the respective Association for that Lot type (Residential or Commercial). Every Owner shall be a member of an Association. Membership shall be appurtenant to and may not be separated from title to any Lot.

Section 12.4 Notice of Status as Association Member. With the exception of those Owners who acquire title to a Lot from Declarant, each Owner shall, upon acquiring title to a Lot, immediately (a) given written notice to its Association at its registered office that he/she/it has acquired ownership of a Lot, and (b) shall include with such notice a copy of the cash sale, deed or other instrument pursuant to which such Owner acquired title to a Lot. The Association Boards and the Associations shall be entitled to rely on its records for the purpose of determining the identity and address of such Associations' Members, as of the date any notice is to be given, or any decision is to be made. There is no obligation on the part of an Association to check the records of the Clerk of Court at any time for the purpose of determining the identities of the Owners of Lots. Although an Association may on occasion check the records of the Clerk of Court for the purpose of identifying Owners of Lots, such actions shall not be considered as creating any obligation on the part of an Association to check the records of the Clerk of Court at any time thereafter for the purpose of determining the identities of the Owners of Lots. The records of the Associations, for the purpose of identifying members entitled to notice of any meeting of such Association's Members, shall consist of (i) the cash sales, deeds or other instruments pursuant to which Declarant initially transferred title to Lots, and (ii) those notices given to the Association pursuant to the requirements of the first sentence of this Section 12.4.

Section 12.5 Voting Rights. Each Association shall have two classes of voting membership:

Class A: Class A members shall be all Owners of either Residential or Commercial Lots in Walnut Grove, with the exception of Declarant for so long as Declarant remains a Class B member of such Association. Class A members who are Residential Owners shall be entitled to one vote for each Lot owned in Walnut Grove. Class A members who are Commercial Owners shall be entitled to one vote for each one-thousand (1,000) square feet of rentable square feet of commercial area owned, or such other allotment of votes as set forth by the Commercial Association. When more than one person holds an interest in any Lot, all such persons shall be members, but the vote for such Lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Lot. Corporations, limited liability companies, partnerships and other entities shall notify the Association of the natural person who shall be considered a member of the Association for the purpose of exercising its vote; such entities shall provide such evidence of appointment and authority as the Board of Directors of the Association may require. In the event the Association agrees to assess two (2) Lots, or parts of Lots, as a single Lot as authorized under Section 15.2, the Owner(s) of such Lots or portions of Lots, shall have only one (1) vote, with respect to such Lots or parts of Lots.

Class B: Declarant shall be the sole Class B member of each Association. As the Class B Member, Declarant shall be entitled to three (3) votes for each Lot owned by Declarant in Walnut Grove and may vote at an Association meeting according to either the number of Residential Lots or the number of Commercial Lots held, depending on which Association meeting is being held. The Class B membership shall cease and be converted to Class A membership after the first to occur of the following:

A. the date on which the last Lot within Walnut Grove that is owned by Declarant or any of its affiliates is sold to a third party purchaser; or

B. the date as of which the Class B member elects in writing to become a Class A member.

Section 12.6 Duties. The Residential Association shall maintain the Commons, shall perform all other duties required by this Declaration, and shall enforce the terms of this Declaration. The Associations may acquire, hold and dispose of tangible and intangible personal property and immovable property. To the extent Commons are designated as Commercial Commons, the Commercial Association shall be obligated to maintain such areas.

Section 12.7 Additional Powers. To the extent permitted by any Governmental Authorities, the Associations may, but are not obligated to, provide the following services or engage in the following activities: (a) water, sewer, electrical, telephone, cable television or other utility services, including the supply of irrigation water, and garbage and trash collection and disposal; (b) providing laundry equipment or services; (c) insect and pest control; (d) the improvement of vegetation, fishing and wildlife conditions; (e) pollution and erosion controls; (f) emergency rescue, evacuation or safety equipment; (g) fire protection and prevention; (h) lighting of Common Roads; (i) security systems and security patrols within Walnut Grove; (j) transportation; (k) day care and child care services; (l) landscape maintenance for and within the Commons; (m) recreation, sports, craft and cultural programs, including access to fitness facilities within Walnut Grove; (n) newsletters or other information services; (o) maintenance of yards on Lots (which includes without limitation thereto grass cutting and maintenance of shrubbery and flower beds), and (p) any other service allowed, or not prohibited, by law to be provided by a community association organized as a not-for-profit corporation. To the extent that an Association provides any of the above services or engages in any of the preceding activities, the cost of same shall be billed to such Association's Members as Assessments and, in the discretion of such Association's Board, said costs may be included in either the General Assessment or in the Individual Lot Assessments.

If requested by at least 25% of an Association's Members, a Community Meeting may be called and the offering of any additional service under this Section 12.6 may be repealed by majority vote of the Association's Members.

An Association may also maintain Utility Servitude Areas, public rights-of-way and other public or private properties located within reasonable proximity to Walnut Grove if its deterioration would affect the appearance of or access to Walnut Grove.

Section 12.8 Contracts. Each Association may contract with Declarant or any other party for (a) the performance of all or any portion of the management of the Association, (b) its maintenance and repair obligations, or (c) the purpose of providing any services which the Association is authorized to provide as set forth in this Article 12. The cost of such contract(s) shall be included within the General Assessment, District Assessment, Special Assessment or Individual Lot Assessment as applicable and as determined by the Association's Board. Each Association may require that Owners contract with a third party for certain routine yard maintenance (which includes without limitation thereto grass cutting and maintenance of shrubbery and flower beds), in order to provide a uniform level of care within Walnut Grove. The Associations may also act as an agent for any Owner who is a member of such Association, but is not obligated to, contract for routine maintenance and other services not required to be provided by the Association, the cost of which would be assessed to that Owner as an Individual Lot Assessment; for the purpose of exercising this agency, each Owner does grant an irrevocable power of attorney to the Association of which it is a member, which is a power coupled with an interest, and the Association in that capacity may act on behalf of, and as such Owner's agent and attorney-in-fact to accomplish the authority

intended as set forth in the first part of this sentence. The terms and conditions of all such contracts entered into pursuant to this Section 12.8 shall be at the discretion of each Association Board.

Section 12.9 Community Meetings.

A. **When Called.** A Community Meeting shall be called annually for the election of directors to serve on the Association Boards, and whenever any action is required by this Declaration to be taken by vote or assent in writing of the Association Members.

B. **Quorum.** Voting at a Community Meeting requires presence or proxy of members representing the percentage of votes established by the Association Boards as necessary to transact business. The Association Boards may revise this percentage from time to time, but in no event shall the required percentage be less than 25% or more than 50%, unless otherwise required by statute. Notwithstanding any inference herein to the contrary, until termination of Class B membership, presence of the Class B member at a Community Meeting and a quorum of the Class A membership shall be required in order for the membership to be entitled to effectively vote on any issue brought before an Association's membership.

C. **Notice.** Notice of any meeting of Association Members must be given to the Association Members at least ten (10) days but not more than sixty (60) days before the meeting, except in an emergency when whatever notice is reasonable, in the sole discretion of the Association Board, shall be given. Notice shall be considered as having been duly and properly given, if given to those persons entitled to notice based on the records of the Association, as described in Section 12.4, as of the date any notice is given of the meeting.

D. **Action without Meeting.** If permitted by an Association Board, the membership may approve any matter (specifically including the election of directors) by written consent without a meeting, without prior notice and without a vote; provided, however, such consent shall be required to be given in writing and signed by the percentage of the Association Members as required by this Declaration, the Association Articles or the Association Bylaws, and by Declarant as the Class B member wherever approval by the Class B member is required. Consents shall be in accordance with the Association Bylaws and any applicable statutes.

Section 12.10 Board of Directors. Each Association shall be governed by a board of directors which shall, on the members' behalf, direct the day-to-day decisions regarding the maintenance of Walnut Grove and the enforcement of this Declaration.

A. **Initial Composition.** Each Association Board shall initially consist of at least three (3) persons each of whom shall be appointed by Declarant. When at least fifty (50) Residential Lots or eight (8) Commercial Lots have been conveyed to Owners other than Declarant and while Declarant is a Class B member of an Association, the Class A membership of the Residential Association or Commercial Association, as appropriate, shall be entitled to vote and elect one (1) member of the Board of Directors of such Association, and the remaining members of the Board of Directors of the Association shall be selected by the Class B member of the Association.

B. **After Class B Termination.** Upon termination of the Class B membership of each Association, each Association Board shall be elected as provided in the Association's Bylaws.

C. **Compensation.** Directors of each Association shall receive no compensation for their services unless expressly provided for in resolutions adopted by the members of the Association, but may be reimbursed for expenses when approved by the Association Board.

Section 12.11 Association Board Meetings.

A. **Association Board's Responsibility.** Except as specifically provided in this Article or elsewhere in this Declaration, each Association Board has been delegated the power, and shall have the authority to act on behalf of said Association under this Declaration, and to make all decisions necessary for the operation of such Association, the enforcement of this Declaration and the care of the Commons for which it is responsible. All consents, approvals, elections and other action authorized herein to be taken or given by the Association shall require only the approval of such Association's Board, with the exception of those decisions that are expressly reserved to Association Members. If a quorum is present at a meeting of the Association Board, all decisions of the Association Board shall be made by a vote of the majority of the directors present at such meeting, with the exception of those cases where a greater vote is required either by law or by the Association's Articles.

B. **Quorum.** Voting at an Association Board meeting requires presence of at least one-half of the directors, in person or by telephone conference or, if allowed by state law, by proxy. If not prohibited by law, any action required to be taken by vote of the Association Board may be taken in the absence of a meeting (or in the absence of a quorum at a meeting) by obtaining the written approval of a majority of the directors of the Board of Directors of the Association.

C. **Record Keeping.** Each Association Board shall keep records of all meetings, both of the Association Board and of the Association. For each action taken, the record shall state the vote and a description of the action approved, and, where applicable, the reasons why the action was

considered necessary and a summary of the information on which the decision was based. The records of an Association shall be available for inspection by any Member of such Association.

Section 12.12 Additional Provisions. Additional provisions concerning the operation of the Associations and the Association Boards are contained in the Association Articles and the Association Bylaws.

ARTICLE 13. INSTITUTE

The Institute is responsible for the encouragement and promotion of the arts and cultural events within Walnut Grove. While Declarant will control the Institute during the development stage, the Owners themselves will be responsible for the continuation of the community through their participation in the Institute.

The Institute Articles and Institute Bylaws, which create the Institute as a non-profit corporation and provide certain procedures for its corporate organization, are attached as exhibits to this Declaration.

Section 13.1 Duties. The Institute is responsible for the encouragement and promotion of the arts and cultural events within Walnut Grove and may take such actions as are consistent with that purpose. This power and authority is to be liberally construed in favor of authorizing actions by the Institute.

Section 13.2 Membership. Every Owner shall be a member of the Institute. Membership shall be appurtenant to and may not be separated from title to any Lot. Persons who are not Owners may apply for membership into the Institute by sending such application to the Institute Board or by following any guidelines for membership as may be promulgated by the Institute Board.

Section 13.3 Notice of Status as Members. With the exception of those Owners who acquire title to a Lot from Declarant, each Owner shall, upon acquiring title to a Lot, immediately (a) give written notice to the Institute at its registered office that he/she/it has acquired ownership of a Lot, and (b) shall include with such notice a copy of the cash sale, deed or other instrument pursuant to which such Owner acquired title to a Lot. The Institute Board and the Institute shall be entitled to rely on its records for the purpose of determining the identity and address of Institute Members, as of the date any notice is to be given, or any decision is to be made. There is no obligation on the part of the Institute to check the records of the Clerk of Court at any time for the purpose of determining the identities of the Owners of Lots. Although the Institute may, on occasion check the records of the Clerk of Court for the purpose of identifying Owners of Lots, such actions shall not be considered as creating any obligation on the part of the Institute to check the records of the Clerk of Court at any time thereafter for the purpose of determining the identities of the Owners of Lots. The records of the Institute, for the purpose of identifying members entitled to notice of any meeting of Institute Members, shall consist of (i) the cash sales, deeds or other instruments pursuant to which Declarant initially transferred title to Lots, and (ii) those notices given to the Institute pursuant to the requirements of the first sentence of this Section 13.3.

Section 13.4 Voting Rights. The Institute shall have the same voting classes as the Associations, consisting of the Class A members and the Class B member, on the same terms as described in Section 12.5. In the event the Institute agrees to assess two (2) Lots, or parts of Lots, as a single Lot as authorized under Section 15.2, the Owner(s) of such Lots or portions of Lots, shall have only one (1) vote, with respect to such Lots or parts of Lots.

Section 13.5 Meetings. If requested by at least 25% of the Institute Members, a meeting of the Institute Members may be called. Notice of any meeting of Institute Members shall be considered as having been duly and properly given, if given to those persons entitled to notice based on the records of the Institute, as described in Section 13.3, as of the date any notice is given of said meeting. The taking of any action under this Article 13 may be repealed by majority vote of the Institute Members.

Section 13.6 Board of Directors.

A. **Initial Composition.** The Institute Board shall initially consist of at least three (3) persons each of whom shall be appointed by Declarant. When at least fifty (50) Lots have been conveyed to Owners other than Declarant and while Declarant is a Class B member of the Institute, the Class A membership of the Institute shall be entitled to vote and elect one (1) member of the Board of Directors of the Institute, and the remaining members of the Board of Directors of the Institute shall be selected by the Class B member of the Institute.

B. **After Class B Termination.** Upon termination of the Class B membership of the Institute, the Institute Board shall be elected as provided in the Institute Bylaws.

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

Section 13.7 Contracts. The Institute may contract with Declarant or any other party for the performance of all or any portion of the management of the Institute and to take such actions as shall be approved by the Institute Board. The cost of the contract shall be included within the Institute Assessment, as determined by the Institute Board. The terms and conditions of all such contracts entered into pursuant to this Section 13.7 shall be at the discretion of the Institute Board.

Section 13.8 Additional Provisions. Additional provisions concerning the operation of the Institute and the Institute Board are contained in the Institute Articles and the Institute Bylaws.

ARTICLE 14. FISCAL AFFAIRS

To fulfill its obligation to maintain the Commons and perform such other services as provided by the Associations, the Association Boards are responsible for the fiscal management of their respective Association. To fulfill its obligation to maintain, encourage and promote the arts and cultural events within Walnut Grove, the Institute Board is responsible for the fiscal management of the Institute.

Section 14.1 Fiscal Year. The fiscal year of each Association and the Institute shall begin January 1 of each year and end on December 31 of that year, unless an Association Board or the Institute Board, as applicable, selects a different fiscal year.

Section 14.2 Preparation and Approval of Annual Budget for the Associations and the Institute.

A. **Initial Budget.** Declarant shall determine each of the Association's and the Institute's budget for the fiscal year in which the first Lot is conveyed to an Owner other than Declarant.

B. **Subsequent Years.** Beginning with the year in which the first Lot is conveyed to an Owner other than Declarant and each year thereafter, at least one month before the end of the fiscal year, each Association Board and the Institute Board shall, by majority vote, adopt a budget for each Association and the Institute, respectively, for the coming year and set the annual General Assessment and Institute Assessment, as applicable, at a level sufficient to meet the budget. The annual budget of the Institute must be approved by the Residential Association Board before it shall be submitted to the Institute Members. At least two (2) weeks before the fiscal year to which such budget applies, each Association Board and the Institute Board shall send to each Association Member and Institute Member, as applicable, a copy of the Association's or Institute's budget (as approved by the Residential Association Board) in reasonably itemized form, which shall include the amount of General Assessments and/or Institute Assessment payable by each Association Member or Institute Member, as applicable. Each Association shall set its own General Assessment.

C. **Approval.** If an Association's General Assessment or Institute Assessment are to be increased to greater than 125% of the previous year's respective Assessment, and at least 25% of the Association Members affected or the Institute Members, as applicable, request review within thirty (30) days after the budget is delivered to such Association Members or Institute Members, the Association Board or Institute Board, as applicable, shall call a Community Meeting to present the budget and to answer any questions. After presentation, the budget shall be deemed approved unless the percentage required to transact business is present and the budget is rejected by a majority of the Association Members or Institute Members, as applicable. If the budget is rejected, the Association Board or Institute Board shall approve a new budget within ten (10) days and send a copy to each Association Member or Institute Member, as applicable.

D. **Budget Items.** The respective budgets for each Association and the Institute shall estimate total expenses to be incurred by the Association or the Institute, as applicable, in carrying out its responsibilities. These expenses shall include, without limitation, the cost of wages, materials, insurance premiums, services, supplies and other expenses for the rendering of all services by the Association or the Institute as required by this Declaration or properly approved in accordance with this Declaration. The budgets may also include reasonable amounts, as determined by the Association Board or the Institute Board, as applicable, for working capital for the Association or Institute and for reserves. If the Commons are taxed separately from the Lots by the City of Lake Charles or the Parish of Calcasieu, Louisiana, or by any other Governmental Authority with taxing power, for ad valorem property taxes or any other taxes, the Association responsible for upkeep of such Commons shall include such taxes as part of such Association's budget and shall pay such taxes. Fees for professional management, accounting services, legal counsel and other professional services performed on behalf of an Association or the Institute may also be included in the Association's or the Institute's budget, as applicable.

E. **Reserves.** Each Association and the Institute may build up and maintain reserves for working capital, contingencies and replacement, which shall be included in the Association's or the Institute's budget, as applicable, and collected as part of the annual General Assessment or the Institute Assessment, as applicable. Extraordinary expenses not originally included in the annual budget which may become necessary during the year shall be charged first against such reserves. Except in the event of an emergency, reserves accumulated for one purpose may not be expended for any other purpose unless approved by a majority vote of the Association Members or Institute Members, as applicable. If the reserves held by an Association are inadequate for any reason, including nonpayment of any Association Member's assessment, such Association's Board may at any time levy and collect an

emergency assessment in accordance with the provisions of Section 15.5 ("Special Assessment"). If there is an excess of reserves held by an Association and/or the Institute at the end of the fiscal year and the Association Board or the Institute Board, as applicable, so determines, the excess may be returned on a prorated basis to its Association Members or Institute Members, as applicable, as of the date of such decision to refund such excess of reserves, who are current in payment of all assessments due the Association or Institute, respectively, or may be used to reduce the following year's Assessments; the Association and the Institute may rely on its records as identified in Section 12.4 and 13.3, respectively, in determining the names and addresses of Association Members and/or Institute Members as of the date of any refund of excess reserves.

F. **Effect of Failure to Prepare or Adopt Budget.** An Association Board's or the Institute Board's failure or delay in preparing or adopting its respective annual budget for any fiscal year, or review of such budget under Section 14.2, shall not waive or release an Association Member's or Institute Member's obligation to pay General Assessments or Institute Assessments, as applicable, whenever the amount of such Assessment is finally determined. In the absence of an annual budget for an Association or the Institute, each Association Member and Institute Member shall continue to pay the General Assessment and/or the Institute Assessment at the rate established for such Assessment for the previous fiscal period until notified otherwise.

G. **Capital Improvements.** Any substantial capital improvement to the Commons approved by an Association Board must be ratified by a majority of the Association's Class A members. If the substantial capital improvement is approved by the Association's Class A members, the Association Board shall determine whether it shall be paid from General Assessments or by Special Assessment. A capital improvement shall be considered substantial if the cost to the Association of the improvement is more than six percent (6%) of the Association's annual budget, or if cost of the improvement, when added to other capital improvements for the fiscal year in question, totals more than ten percent (10%) of the Association's annual budget; notwithstanding any inference to the contrary, any repair or replacement of existing Improvements shall not be considered a capital improvement. Approval of the Design Review Board is required for all capital improvements. This paragraph shall not limit the right of Declarant to make Improvements to the Commons.

H. **District Improvement.** Subject to approval by the Design Review Board, any District or Districts may, by two-thirds (2/3) vote of the Association Members owning Lots within that District, or those Districts, and approval of the Association Board, vote to assess themselves for capital improvements to the Commons that primarily benefit that District or Districts. Any assessment so approved shall be assessed to all Owners of Lots within that District or Districts as an Individual Lot Assessment. If more than one District is to vote, the Association Board shall determine whether approval and assessment is to be by District or by the combined group of Districts. If a group of Lots smaller than an entire District wishes to be assessed for capital improvements, all of those being assessed must agree to the assessment.

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

ARTICLE 15. COVENANTS FOR ASSESSMENTS

The cost of fulfilling the Associations' and the Institute's financial obligations is divided equitably among the Members of those three (3) nonprofit corporations by means of Assessments. To assure the Associations and the Institute of a reliable source of funds and to protect those members who contribute their equitable share, Assessments are mandatory and are secured both by a lien on the Lot and the member's personal obligation.

Section 15.1 Obligation for Assessments. Declarant, for each Lot owned within Walnut Grove, from time to time, hereby covenants, and each Owner of any Lot by acceptance of a cash sale, deed or other transfer instrument, whether or not it shall be so expressed in such cash sale, deed or other transfer instrument, is deemed to covenant and agree to pay to the Association of which it is a member the following for the purposes provided in this Declaration (to be collectively referred to as "Assessments"):

- (1) General Assessments,
- (2) Special Assessments,
- (3) District Assessments,
- (4) Individual Lot Assessments, and
- (5) Institute Assessments

together with interest at the rate of twelve percent (12%) from that date which is ten (10) days after each payment of an Assessment is due, and all costs of collection, if any, including a reasonable attorney's fee

whether or not suit is brought or otherwise filed. Upon default in the payment of any one or more installments of any Assessment, an Association Board may accelerate the entire balance of such Assessments, which shall be declared immediately due and payable in full.

Section 15.2 Equitable Division of Assessments. General Assessments and Special Assessments for Residential Lots shall be assessed equally among all Lots. Commercial Lots and Mixed Use Lots shall be charged General Assessments and Special Assessments according to the proportionate share of usable square feet, such Lot bears to the total number of usable square feet of all Buildings constructed on all Commercial and Mixed Use Lots, applying the BOMA standards. If an Owner combines two (2) Lots or parts of Lots, with appropriate approval to so combine said Lots, and uses them as a single Lot, the applicable Association and the Institute may (but are not required to) assess them as a single Lot in accordance with regulations consistently applied. It is understood that the Associations and the Institute are not required to make the same decision on any requests submitted to them pursuant to this Section.

Section 15.3 General Assessments.

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

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

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

D. **Initial General Assessment.** As of the date this Declaration is recorded, the General Assessment due from the Owner of each Lot on which no Buildings have been constructed and on which no construction is taking place is \$25.00 per month, payable in advance for each calendar quarter, and such amount may be collected and received by the applicable Association Board without first establishing a budget. The General Assessment may be thereafter modified without amending this Declaration.

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

Section 15.4 Institute Assessments.

A. **Establishment by Institute Board.** The Institute Board shall set the date or dates Institute Assessments become due and may provide for collection and payment of assessments annually or in monthly, quarterly or semiannual installments.

B. **Date of Commencement.** The annual Institute Assessments shall begin on the day of conveyance of the first Lot to an Owner other than Declarant. The initial Assessment on any Lot subject to assessment shall be collected at the time title is conveyed to the Owner. During the initial year of ownership, each Owner shall be responsible for the prorata share of the annual Institute Assessment charged to each Lot, prorated to the month of closing. The Residential Association may elect to dedicate a portion of the initial General Assessment to the Institute, or may collect the initial Institute Assessment as part of the initial General Assessment charged when title to a Lot is conveyed to an Owner.

C. **Collection.** The Residential Association shall, if requested by the Institute, collect the Institute Assessment from each Owner at the time of collection of the annual General Assessments, and shall give to the Institute all funds collected on its behalf within fifteen (15) days of collection. The Institute shall have authority to enforce collection of Institute Assessments in the same manner as an Association may enforce collection of General and Special Assessments.

D. **Amount.** The annual amount of the Institute Assessment shall not exceed one hundred dollars (\$100.00) or ten percent (10%) of the annual General Assessment set by the Residential Association Board, whichever is greater. When determining the Institute Assessment due from each Lot Owner, the Institute Board may, in its sole discretion, but is not obligated to, distinguish between Lots on which Buildings have not been constructed, Lots on which Buildings have been constructed and Lots on which Buildings are in the process of being constructed.

E. **Initial Institute Assessment.** As of the date this Declaration is recorded, the Institute Assessment due from the Owner of each Lot on which no Buildings have been constructed and on which no construction is taking place is \$25.00 per quarter, payable in advance for each calendar quarter, and such amount may be collected and received by the Institute Board or the Residential Association Board without first establishing a budget. The Institute Assessment may be hereafter modified without amending this Declaration.

Section 15.5 Special Assessment. In addition to the General Assessment, the Association Boards may levy in any fiscal year a Special Assessment on its members applicable to that year and not more than the next four succeeding years as follows:

A. **Capital Improvements.** Any substantial capital improvement which has been approved in accordance with Section 9.6 or any capital improvement not required to be approved by an Association's Members may be paid by Special Assessment.

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

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

Section 15.6 District Assessment. The Association Boards may levy District Assessments for expenses approved in accordance with the terms of this Declaration.

Section 15.7 Individual Lot Assessments. The Association Boards may levy at any time an Individual Lot Assessment against a particular Lot for the purpose of defraying, in whole or in part, the cost of any special services to that Lot or any other charges designated in this Declaration as an Individual Lot Assessment.

Section 15.8 Capital Contribution Assessment. At the closing and transfer of title of each Lot to the first Owner other than Declarant, the Owner shall contribute an amount equal to two months' Assessments (which shall include at least the General Assessment and Institute Assessment for Lots on which no Buildings have been constructed and on which no Buildings are being constructed) or such greater amount as required by Declarant by contract with the Person to whom it may sell a Lot. This contribution shall be used by each Association and the Institute for the purposes of initial and nonrecurring capital expenses of such Association and the Institute, respectively, and for providing initial working capital for the Associations and the Institute, and shall not be considered as a pre-payment of Assessments (including without limitation the General Assessment and Institute Assessment).

Section 15.9 Effect of Nonpayment of Assessment; Remedies.

A. **Personal Obligation.** All Assessments, together with any interest and cost of collection when delinquent, including a reasonable attorney's fee whether or not suit is brought (collectively, the "Assessment Charge") shall be the personal obligation of the person or entity who was the Owner of the Lot at the time when the Assessment was levied, and of each subsequent Owner. No Owner may waive or otherwise escape liability for the Assessment Charge by abandonment of the Lot.

B. **Creation of Lien.** The Assessment Charge shall also be an encumbrance on the land and shall be a continuing lien upon the Lot against which the Assessment Charge is made, which may be enforced upon recording of a claim of lien. This encumbrance and lien, in favor of the Association to which it is owed, shall secure the Assessment Charge which is then due and which may accrue subsequent to the recordation of the claim of lien and prior to the entry of final judgment of foreclosure. Any subsequent Owner of the Lot shall be deemed to have notice of the Assessment Charge on the land, whether or not a lien has been filed. The Associations and the Institute may, in their sole discretion, but without any obligation to do so, notify any Person in whose favor a mortgage or other lien has been granted with respect to any Lot whenever the Association or Institute files a claim of lien with the Clerk of Court pursuant to this Section 15.9.

C. **Suit for Payment; Foreclosure of Lien.** Each Association may bring an action at law against the Owner personally obligated to pay the Assessment Charge(s), or may foreclose the lien in a manner similar to foreclosure of a mortgage lien, or both; with the consent of the Institute, the Residential Association may include with its claim any amounts due to the Institute as Institute Assessments. Each Association, acting on behalf of the Owners who are members thereof, shall have the power to bid for an interest in any Lot foreclosed at such foreclosure sale and to acquire, hold, lease, mortgage and convey the Lot.

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

E. **Other Remedies.** The Association Boards shall have the right to assess fines up to a maximum of \$10.00 per day, and to suspend the voting rights and right to use of the Commons by an Owner for any period during which any Assessment against the said Owner's Lot remains unpaid.

Section 15.10 Certificate of Payment. The treasurer of each Association, upon request of any Owner, shall furnish a certificate signed by a member of such Association's Board stating whether any Assessments are owed by that Owner. Such certificate, when co-signed by the secretary of the relevant Association, may be relied upon by a good faith purchaser or mortgagee as conclusive evidence of payment of any assessment therein stated to have been paid.

ARTICLE 16. INSURANCE

Insurance is essential to protect the interests of the various Owners and to assure that funds will be available for rebuilding after a casualty. However, because insurance costs may increase significantly or new types of coverage made available, this Article gives some flexibility to the Association Boards to select insurance coverage that is reasonable for the conditions that exist at that time.

Section 16.1 Review of Coverage. The Association Boards shall review limits of coverage for each type of insurance at least once each year.

Section 16.2 Casualty Insurance. The Residential Association Boards may obtain and, if additional Commons with significant insurable Improvements are added to Walnut Grove, shall be required to obtain and maintain casualty insurance on the Commons for fire damage. Endorsements for extended coverage, vandalism, malicious mischief, flood and windstorm should be obtained where available at reasonable cost. Coverage shall be in an amount not less than necessary to comply with the coinsurance percentage stipulated in the policy, but in any event not less than 80% of the insurable value (based upon replacement) of the Improvements constructed on the Commons.

Section 16.3 Public Liability. The Association Boards may obtain public liability insurance in such limits as the Association Board may from time to time determine, insuring against any liability arising out of, or incident to, the ownership and use of the Commons and any water access located on or adjoining Walnut Grove. Whenever practicable, such insurance should be issued on a comprehensive liability basis and should contain a "severability of interest" endorsement which shall preclude the insurer from denying the claim of an Owner because of negligent acts of an Association, the Association Boards or other Owners.

Section 16.4 Director Liability Insurance. The Association Boards may obtain liability insurance insuring against personal loss for actions taken by members of the Association Boards and advisory members in the performance of their duties. Such insurance shall be of the type and amount determined by each Association Board in its discretion.

Section 16.5 Other Coverage. The Association Boards shall obtain and maintain workman's compensation insurance if and to the extent necessary to meet the requirements of law, and such other insurance as the Association Board may determine or as may be requested from time to time by a majority vote of the Members.

Section 16.6 Lot Coverage. Each Owner shall obtain casualty insurance for Improvements on his/her/its Lot, naming the Association of which it is a member as an additional insured. Coverage shall be in an amount not less than necessary to comply with the co-insurance percentage stipulated in the policy, but in any event not less than 80% of the insurable value (based upon replacement) of the Improvements constructed on the Lot. Each Owner by accepting title to a Lot in Walnut Grove agrees that each policy of casualty insurance insuring the Lot and any Improvements thereon shall contain a waiver of all subrogation rights as against the Association of which it is a member.

Section 16.7 Repair and Reconstruction after Fire or Other Casualty.

A. **Commons.** If fire or other casualty damages or destroys any of the Improvements on the Commons, the Residential Association Board shall arrange for and supervise the prompt repair and restoration of the Improvements. The Residential Association Board shall obtain funds for such reconstruction first from the insurance proceeds, then from reserves for the repair and replacement of such Improvements, and then from any Special Assessments that may be necessary after exhausting insurance and reserves. The Residential Association Board is under no obligation to replace any damaged improvements to their previously existing condition, and, may instead authorize the construction of different types and designs of new improvements.

B. **Lot Improvements.** If fire or other casualty damages or destroys a Building or any other Improvements on a Lot, the Owner of that Lot shall immediately proceed to rebuild and restore the Improvements to the condition existing immediately prior to such damage or destruction, unless other plans are approved by the Design Review Board. In doing so, the Owner shall comply with the provisions of this Declaration. If the Owner fails to clean and secure a Lot within 30 days after a casualty, the Association of which such Owner is a member may, in accordance with the provisions of Section 13.10, Subpart E, remove debris, raze or remove portions of damaged structures and perform any other clean

up the Association deems necessary to make the Lot safe and attractive. The cost of such clean-up shall be assessed to the Lot Owner as an Individual Lot Assessment pursuant to Section 15.7.

ARTICLE 17. AMENDMENT AND TERMINATION

Property Owners should be able to rely on the Declaration and the general principles it states. Amendment should not be easy. However, the Declaration must change over time, just as land uses will inevitably change over time. New solutions will be proposed from time to time to make the Associations operate more efficiently or to adjust to these changing conditions. Where clearly to the community's benefit, these new provisions should be incorporated into the Declaration.

Section 17.1 Amendment.

A. **By Members.** Except as stated elsewhere in this Declaration (including without limitation in Subparts B and F of this Section 17.1), this Declaration may be amended at any time by the affirmative vote of two-thirds of all Owners; such amendment shall be evidenced by an instrument signed by the president or vice-president and secretary of the Residential Association, certifying approval in writing by two-thirds (2/3) of the total votes. Notwithstanding the foregoing, Article 9 and any other provision of this Declaration that solely affects Commercial Owners (including but not limited to the right to impose any charge, fee or assessment against the Commercial Owners) may only be amended by the affirmative vote of two-thirds of the Commercial Owners; such amendment shall be evidenced by an instrument signed by the president or vice-president and secretary of the Commercial Association, certifying approval in writing by two-thirds (2/3) of the total votes. Rights reserved to Declarant may not be amended without the specific consent of Declarant. It is expressly stated that any Supplemental Declaration may, without any approval of the Owners, add, modify or otherwise supplement provisions of this Declaration, as originally filed or as same may be subsequently amended, and which will effectively (1) change (whether through increasing, lessening or otherwise) any or all restrictions on use otherwise, which would otherwise be applicable to property added to Walnut Grove pursuant to a Supplemental Declaration, but such changes shall only relate to and affect the Lots and other property added to Walnut Grove pursuant to the Supplemental Declaration, and (2) change (whether through increasing, lessening or otherwise) any or all building restrictions and/or other covenants, which would otherwise be applicable to property added to Walnut Grove pursuant to a Supplemental Declaration including without limitation all such building restrictions and/or other covenants contained in Article 5, in the Design Code and in the Landscape Code, but such changes shall only relate to and affect the Lots and other property added to Walnut Grove pursuant to the Supplemental Declaration. Notwithstanding any inference herein to the contrary, no Supplemental Declaration shall be deemed to have modified any provisions of this Declaration applicable to Lots included within Walnut Grove prior to the filing of such Supplemental Declaration unless Supplemental Declaration expressly states such intention and unless the Supplemental Declaration also qualifies as an amendment to this Declaration pursuant to this Subpart A, or the following Subpart B.

B. **By Declarant.** Notwithstanding any statement or inference to the contrary in this Declaration, Declarant specifically reserves and has the absolute and unconditional right, so long as it is a Class B Member, to amend this Declaration without the consent or joinder of any party (i) to conform to the requirements of the Federal Home Loan Mortgage Corporation, Veterans Administration, Federal National Mortgage Association or any other generally recognized institution involved in the guarantee or purchase and sale of home loan mortgages, (ii) to conform to the requirements of institutional mortgage lenders or title insurance companies, or (iii) to clarify the Declaration's provisions or correct errors.

C. **Limitation.** Whenever any action described in this Declaration requires approval of greater than two-thirds (2/3) of the total votes of an Association's Members, amendment of that provision shall require the same percentage vote as would be required to accomplish that action directly.

D. **Recording.** Any amendment to this Declaration shall take effect upon recording in the public records.

E. **Effective Date of Amendments.** Notwithstanding any inference herein to the contrary, no amendment or modification of this Declaration shall affect or bear on the construction of Buildings within Walnut Grove to the extent that such Buildings have been constructed prior to the adoption of such modifications or other amendment; but such modifications and changes shall be effective with respect to any alterations or other additions to Buildings constructed after the date of such amendments or modifications to this Declaration. Amendments and modifications to this Declaration shall be effective with respect to any conduct within Walnut Grove, or use of Lots, made after the date of such amendment or modification including without limitation thereto any such conduct or use occurring prior to such amendment or modification, and whether or not such conduct or use is continuing at the time of such amendment or modification.

F. **Supplemental Declarations and Amendments to Design Code.** Notwithstanding any inference herein to the contrary, (i) Declarant and the Associations shall always have the right to make Supplemental Declarations pursuant to Section 3.2, without the consent of any Association Members, (ii) the Design Review Board shall always have the right to amend and modify the Design Code as provided in Section 6.4, without the consent of Association Members, (iii) the Association Boards shall always have the right to adopt and have filed amendments to this Declaration which contain

modifications of the Design Code adopted by the Design Review Board pursuant to Section 11.5(F), and (iv) the rights of Declarant and the Associations set forth in Subpart B of this Section 17.1, and in this Subpart F, may not be withdrawn or otherwise modified without the consent of Declarant and the Association Boards.

Section 17.2 Duration; Termination. The covenants and restrictions contained in this Declaration shall run with and bind Walnut Grove and shall inure to the benefit of and be enforceable by Declarant, the Associations, and all Owners of Lots within Walnut Grove, their respective legal representatives, heirs, successors or assigns for twenty years, and shall be automatically extended for each succeeding ten year period unless an instrument signed by Owners representing 90% of the votes of the Owners shall have been recorded, agreeing to terminate the Declaration as of a specified date. This Declaration may also be terminated in any of the following ways:

A. **Unanimous Consent.** The Declaration may be terminated at any time by the consent in writing of all Owners.

B. **Dedication of Commons.** The Declaration may be terminated by consent in writing by Association Members representing two-thirds (2/3) of the votes in both Associations, if the Commons have been accepted for dedication or taken by eminent domain by the appropriate Governmental Authority (except that Alleys or footpaths between two Lots may be divided evenly between the adjacent Lot Owners in accordance with Section 8.6).

Section 17.3 Rerecording. Unless this Declaration is terminated, the Association shall rerecord this Declaration or other notice of its terms at intervals, if any, necessary under Louisiana law to preserve its effect.

Section 17.4 Condemnation. If all or part of the Commons is taken or condemned by any Governmental Authority having the power of eminent domain, all compensation and damages shall be paid to the Association charged with maintenance of such Commons. The Association Board shall have the right to act on behalf of such Association with respect to the negotiation and litigation of the taking or condemnation affecting such property.

ARTICLE 18. GENERAL PROVISIONS

Section 18.1 Sales Offices. Notwithstanding any language in this Declaration to the contrary, as long as Declarant or any nominee of Declarant owns any immovable property in Walnut Grove, Declarant or its nominees shall have the right and privilege to maintain general and sales offices in and about Walnut Grove, including model homes and offices, and to have their employees present on the premises to show property within Walnut Grove, use the Commons and, without limitation, to do any and all other things necessary or appropriate by them to sell or lease Lots, homes, office space or other property, all without charge or contribution to the Associations except that Declarant will owe Assessments just as any other Owner; provided, however, that such activities shall be carried on in such a manner as will not unreasonably interfere with enjoyment of the Lot(s).

Section 18.2 Interpretation. The provisions of this Declaration shall be liberally construed to effectuate their purpose of creating a uniform and consistent plan for the development and operation of Walnut Grove as a community as a TND. The italicized portions at the beginning of each Article are intended to state the purposes for the provisions that follow and may be used as an aid to interpretation. However, if the italicized portion conflicts with the operative provision, the operative provision shall govern. The captions of the various articles and provisions in this Declaration are for convenience only and in no way define, limit, or describe the scope of this Declaration, or the intent of any provision hereof. All references to particular Sections or Articles shall, except as otherwise expressly stated, be deemed to be references to those particular Sections or Articles of this Declaration.

Section 18.3 Enforcement of Declaration.

A. **Arbitration.** At the election of Declarant and in its sole discretion, any dispute with an Owner or any other party or entity with rights or obligations arising pursuant to this Declaration, involving the rights or obligations of Declarant shall be resolved pursuant to arbitration under the rules, and under the auspices, of the American Arbitration Association (the "AAA") subject to the following, which shall be deemed modifications of the applicable rules of the AAA, to the extent the rules of the AAA are inconsistent, to-wit: (i) there shall be only one (1) arbitrator and that arbitrator shall be a lawyer licensed to practice in the State of Louisiana, (ii) the arbitration proceeding shall be held in Lake Charles, Louisiana, and (iii) to the extent that an expedited process is available under the rules of the AAA, the arbitration shall be expedited. At the election of an Association Board, in its sole discretion, any dispute with an Owner or other party or entity (other than Declarant involving the rights or obligations of the Association, the Association Board, the Design Review Board or any member of the Association Board, arising under this Declaration shall be resolved pursuant to arbitration under the rules, and under the auspices, of the American Arbitration Association subject to exceptions numbered (i), (ii) and (iii) of the first sentence of this Section 18.3, Subpart A. At the election of the Institute Board, in its sole discretion, any dispute with an Owner or other party or entity (other than Declarant) involving the rights or obligations of the Institute, the Institute Board or any member of the Institute Board, arising under this Declaration

shall be resolved pursuant to arbitration under the rules, and under the auspices, of the AAA subject to exceptions numbered (i), (ii) and (iii) of the first sentence of this Section 18.3, Subpart A.

B. **General Remedies.** Claims may be brought in arbitration, or suit may be brought in a court with jurisdiction, against any person, persons or entity violating or attempting to violate the provisions of this Declaration, including the provisions of the Design Code, either to restrain violation or to recover damages, and against his, her or its property to enforce any lien created by this Declaration, or to obtain declaratory judgment. To enforce this Declaration, including the provisions of the Design Code, or any Rules and Regulations of the Associations, the Associations, Declarant, or any Owner may bring an action for damages, specific performance, declaratory judgment or injunction, or any other remedy at law or in equity, subject at all times to the rights of certain parties to insist that such actions be brought by way of arbitration pursuant to the preceding Subpart A of this Section 18.3. The Association Boards shall be empowered to bring suits on behalf of the applicable Association and on behalf of the Institute.

C. **Injunctive Relief.** Should the Association Boards, the Associations, or Declarant elect to bring an action in any court seeking injunctive relief as authorized in this Declaration (including without limitation thereto in the preceding Subpart B), then and in that event: (1) the party seeking injunctive relief (including without limitation thereto a temporary restraining order, a preliminary injunction and a permanent injunction) need not prove irreparable injury or harm, it being acknowledged and agreed that there will be damage, which is not susceptible of a monetary valuation, caused by a breach of the requirements of this Declaration, of the Design Code or of any Rules and Regulations of the Associations; and (2) if any party against whom a claim is made in the proceeding seeking injunctive relief has a claim which said party wishes to assert against the party seeking such relief (the "filing party"), then and in that event the filing of the suit seeking injunctive relief shall not be considered a waiver by the said filing party of that party's right, if any, to have the claim against said filing party submitted to arbitration pursuant to Section 16.3, Subpart A.

D. **Association's Legal Fees.** Any and all costs, including but not limited to reasonable attorneys' fees and court costs, which may be incurred by Declarant, the Associations or the Institute in the enforcement of any of the provisions of this Declaration, whether or not a claim is made in arbitration or a suit is brought shall be assessed as an Individual Lot Assessment to the Owner against whom such action was taken.

Section 18.4 Use of Materials or Components. The use of any material or components as indicated within the Design Code or this Declaration shall be solely at the risk of the Owner of a Lot and shall import no liability to the Associations, Declarant, the Design Review Board, or their assigns. The materials listed in the Design Code or in this Declaration are not intended to constitute or otherwise create any representations, guarantees, or warranties to any party in relation to the structural integrity or adequacy when used for any component of Improvements to be built within Walnut Grove. It shall be the responsibility of the Owner, or other proposer, when considering usage of any material on any project within Walnut Grove to have an independent review and evaluation of the adequacy of any component or element contained herein to assure their acceptability for the intended end uses.

Section 18.5 Written Consents of Members of the Associations and/or the Institute in Absence of Meeting. Whenever the vote of the Association Members or the Institute Members is required to authorize or constitute action by the Associations or the Institute, the consent in writing to such action signed only by those members of the entity whose authority or other decision is sought, holding that proportion of the membership interest that is required by law, the Articles of Incorporation of the entity in question or this Declaration (whichever provides the applicable voting requirements), to take such action shall be sufficient for the purposes of obtaining such authority or decision, without the necessity for a meeting of the members of that particular entity.

Section 18.6 No Waiver. The waiver by any party of a breach of any provision of this Declaration, the Design Code or the Rules and Regulations of the Associations, shall not operate or be construed as a waiver of any subsequent breach of that provision by any party. Failure to enforce any provision of this Declaration, the Design Code or the Rules and Regulations of the Associations, shall not be deemed a waiver of the right to do so at any time thereafter and shall not operate or be construed as a waiver of the right to enforce such provision at a later date, even if under identical circumstances and even if involving the same parties.

Section 18.7 Notices. Any notice required to be sent to the Owner shall be deemed to have been properly sent when mailed, postage prepaid, or hand delivered to the Lot and, if different, to the last known address of the person who appears as Owner of the Lot as that address is stated on the records of the Associations, as described in Section 12.4, at the time of the mailing. The date of mailing shall be deemed the date of giving of notice, except that the date of actual receipt shall be the date of the giving of any notice of change of address.

Section 18.8 Gender and Number. The use of the masculine gender in this Declaration shall be deemed to include the feminine, or neuter, and the singular shall include the plural, wherever the context so requires.

Section 18.9 Law to Govern. This Declaration shall be construed in accordance with the laws of the State of Louisiana.

Section 18.10 Validity. If any one or more of the provisions (or any part thereof) of this Declaration, the Design Code or of the Rules and Regulations of the Associations, shall be held invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions (or any part thereof) shall not in any way be affected or impaired thereby and the balance of this Declaration, the Design Code and the said Rules and Regulations of the Associations shall remain in full force and effect. If any provision, or subpart of a provision, of this Declaration is for any reason and at any time determined to be invalid, illegal or unenforceable (a) it is expressly stated that such determination shall be applicable only to the parties involved in the arbitration or court proceeding in which such determination has been rendered, and then only to the particular facts and circumstances presented to the arbitrator(s) or court; (b) where a provision is determined to be invalid, illegal or unenforceable because it is determined to be excessively broad, the court or arbitrator(s) making that determination are requested and authorized, where reasonably possible, to reform the subject provision by declaring it limited and reduced to make it compatible with applicable law; and (c) the court or arbitrator(s) making that determination are requested and authorized, where reasonably possible, to declare that provision or subpart reformed so as to eliminate only the portion of same which is determined to be invalid, illegal or otherwise unenforceable, so that the balance of said provision is allowed to remain in full force and effect.

Section 18.11 Owner's Acceptance. By accepting title to any of the Lots or other property included now, or in the future, within Walnut Grove, each Owner agrees that he accepts title to said Lot or other property subject to the terms, provisions and acknowledges of; (a) this Declaration, (b) the Design Code, (c) any Rules and Regulations of the Associations that may be subsequently adopted, from time to time, by the Associations or the Association Boards, and all modifications thereto, and (d) any future amendments to this Declaration and/or the Design Code adopted pursuant to the terms and provisions of this Declaration.

IN WITNESS WHEREOF, the undersigned has executed this Declaration on the day and year first above written, before the undersigned competent witnesses, Judy Yelverton and Aaron Brown, and Theresa Boukready, the undersigned Notary Public.

WITNESSES:

Judy Yelverton

Name: Judy Yelverton

Aaron Brown

Name: Aaron Brown

DECLARANT

WALNUT GROVE DEVELOPMENT, L.L.C., a Louisiana limited liability company

By: Gus W. Schram III

GUS, W. SCHRAM, III
Executive Vice President and COO

Theresa Boukready
Notary Public

Print Name: _____
Bar Roll/Notary No.: _____
My Commission Expires: _____

IN WITNESS WHEREOF, the undersigned has executed this Declaration on the day and year first above written, before the undersigned competent witnesses, Judy Yelverton and Aaron Brown, and Teresa Boudeau, the undersigned Notary Public.

WITNESSES:

WGLC:

WGLC, L.L.C., a Louisiana limited liability company

Judy Yelverton

Name: Judy Yelverton

[Signature]

Name: Aaron Brown

By: Gus W. Schram III

GUS, W. SCHRAM, III
Executive Vice President and COO

Teresa Boudeau
Notary Public

Print Name: Teresa Boudeau
Bar Roll/Notary No.: Notary #17 06203
My Commission Expires: 01/01/2015

IN WITNESS WHEREOF, the undersigned has executed this Declaration on the day and year first above written, before the undersigned competent witnesses, Judy Yelverton and Aaron Brown, and Theresa Bondreau, the undersigned Notary Public.

WITNESSES:

WGMC:
WGMC, L.L.C., a Louisiana limited liability company

Judy Yelverton

Name: Judy Yelverton

Aaron Brown

Name: Aaron Brown

By: Gus W. Schram III

GUS, W. SCHRAM, III
Executive Vice President and COO

Theresa Bondreau
Notary Public

Print Name: Theresa Bondreau
Bar Roll/Notary No.: Notary ID # 56293
My Commission Expires: Commission Expires at 12:00

IN WITNESS WHEREOF, the undersigned has executed this Declaration on the day and year first above written, before the undersigned competent witnesses, Judy Yelverton and Aaron Brown, and Theresa Bondreay, the undersigned Notary Public.

WITNESSES:

URBAN:
URBAN INVESTMENT COMPANY, L.L.C., a Louisiana limited liability company

Judy Yelverton
Name: Judy Yelverton
[Signature]
Name: Aaron Brown

By: [Signature]
GUS, W. SCHRAM, III
Executive Vice President and COO

[Signature]
Notary Public
Print Name: Theresa Bondreay
Bar Roll/Notary No.: Notary ID # 51203
My Commission Expires: Commission Expires 12/31/2014

EXHIBIT A

PROPERTY DESCRIPTION

Lots 9, 10, 11, 12 and 13 of Deesport Subdivision in Section 12, Township 10 South, Range 9 West, Calcasieu Parish, Louisiana Meridian. **7.6 acres, m/l**

LOTS FOUR (4) AND FIVE (5) OF THE SUBDIVISION OF THE ORIGINAL BARTHELMY LEBLEU SUBDIVISION LYING SOUTH OF SALLIER STREET, NORTH OF CONTRABAND BAYOU AND WEST OF BLOCK FOUR (4) OF BARBE ADDITION AND BEING SITUATED IN SECTION 38, TOWNSHIP 10 SOUTH, RANGE 9 WEST, WITH ALL RIPARIAN RIGHTS, RECORDS OF CALCASIEU PARISH, LOUISIANA, LESS & EXCEPT THAT PART THEREOF ACQUIRED BY BARBE GOODEAU BY PARTITION DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHWEST CORNER OF LOT SIX (6) OF

BLOCK FOUR (4) OF BARBE ADDITION TO THE CITY OF LAKE CHARLES, AS PER PLAT IN CONVEYANCE BOOK 26, PAGE 264, THENCE WEST 600 FEET, THENCE SOUTHWESTERLY PARALLEL TO THE WEST LINE OF SAID BLOCK FOUR (4) OF BARBE ADDITION TO CONTRABAND BAYOU, THENCE EASTERLY ALONG BANK OF CONTRABAND BAYOU TO THE SOUTHWEST CORNER OF LOT SIX (6) OF BLOCK FOUR (4) OF BARBE ADDITION, THENCE NORTHEASTERLY ALONG THE WEST LINE OF LOT SIX (6) OF BLOCK FOUR (4) OF BARBE ADDITION, TO THE POINT OF COMMENCEMENT, BEING A PART OF LOTS FOUR (4) AND FIVE (5) OF THE ORIGINAL BARTHELMY LEBLEU SUBDIVISION LYING SOUTH OF SALLIER STREET, NORTH OF CONTRABAND BAYOU AND WEST OF BLOCK FOUR (4) OF SAID BARBE ADDITION, AND BEING SITUATED IN SECTION 38, TOWNSHIP 10 SOUTH, RANGE 9 WEST, TOGETHER WITH ALL RIPARIAN RIGHTS, CONTAINING **9.7 acres, m/l**;

A TRACT OF LAND LYING IN LOT 4, LESS RIO HONDO ESTATES SUBDIVISION, AND IN LOTS 5 AND 6 OF THE BARTHELMY LEBLEU SUBDIVISION, PER PLAT RECORDED IN SHERIFFS SALE DEED BOOK A AT PAGE 28, PER THE RECORDS OF CALCASIEU PARISH, LOUISIANA, SAID TRACT OF LAND LYING SOUTH OF SALLIER STREET NORTH OF CONTRABAND BAYOU AND WEST OF BLOCK 4 OF THE BARBE ADDITION TO THE CITY OF LAKE CHARLES AND BEING SITUATED IN SECTION 38: TOWNSHIP 10 SOUTH, RANGE 9 WEST AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: COMMENCE AT A POINT ON THE WEST LINE OF SAID LOT 6 OF THE BARTHELMY LEBLEU SUBDIVISION, SAID POINT ALSO LYING ON THE SOUTH LINE OF A 50 FOOT WIDE RIGHT-OF-WAY FOR THE LAKE CHARLES HARBOR & TERMINAL DISTRICT (LCH&TD) RAILROAD, THENCE S88°24'30"E, ALONG SAID SOUTH LINE OF THE LCH&TD RAILROAD RIGHT-OF-WAY, A DISTANCE OF 1253.4 FEET TO THE NORTHWEST CORNER OF RIO HONDO ESTATES SUBDIVISION, PER PLAT RECORDED IN PLAT BOOK NO. 20 AT PAGE 36, PER THE RECORDS OF CALCASIEU PARISH, LOUISIANA; THENCE S22°58'30"W, ALONG THE WEST LINE OF SAID RIO HONDO ESTATES SUBDIVISION, A DISTANCE OF 1800 FEET, MORE OR LESS, TO THE SOUTHEAST CORNER OF PROPOSED WALNUT GROVE SUBDIVISION AND THE POINT OF BEGINNING; THENCE S22°58'30"W, ALONG THE WEST LINE OF SAID RIO HONDO ESTATES SUBDIVISION, A DISTANCE OF 384 FEET, MORE OR LESS, TO THE RIGHT DESCENDING BANK OF CONTRABAND BAYOU; THENCE WESTERLY, ALONG SAID RIGHT DESCENDING BANK OF CONTRABAND BAYOU, A DISTANCE OF 1250 FEET, MORE OR LESS, TO THE WEST LINE OF SAID LOT 6 OF THE BARTHELMY LEBLEU SUBDIVISION, THENCE N23°10'39"E ALONG THE WEST LINE OF SAID LOT 6 OF THE BARTHELMY LEBLEU SUBDIVISION, A DISTANCE OF 879 FEET, MORE OR LESS, TO THE SOUTHWEST CORNER OF PROPOSED WALNUT GROVE SUBDIVISION, THENCE EASTERLY FOLLOWING THE SOUTH LINE OF PROPOSED WALNUT GROVE SUBDIVISION, A DISTANCE OF 1665 FEET, MORE OR LESS, TO THE SOUTHEAST CORNER OF PROPOSED WALNUT GROVE SUBDIVISION AND THE POINT OF BEGINNING, CONTAINING **15.9 ACRES, M/L**;

THAT PART OF LOT SIX (6) OF BARTHELMY LEBLEU CLAIM IN SECTION 38, TOWNSHIP 10 SOUTH, RANGE 9 WEST, LYING NORTH OF CONTRABAND BAYOU AND SOUTH OF THE EXTENSION OF SALLIER STREET, BEING A PUBLIC ROAD RUNNING THE SECTION LINE BETWEEN SECTIONS 6 AND 7, TOWNSHIP 10 SOUTH, RANGE 8 WEST, AND EXTENDING WEST, BEING MORE FULLY DESCRIBED AS FOLLOW: COMMENCING AT A POINT SOUTH A DISTANCE OF 63.09 FEET AND SOUTH 89°29'08" EAST A DISTANCE OF 900.19 FEET FROM THE NORTHWEST CORNER OF SECTION 12, TOWNSHIP 10 SOUTH, RANGE 9 WEST, THENCE SOUTH 89°29'08" EAST A DISTANCE OF 95.4 FEET, THENCE SOUTH 22°12'09" WEST A DISTANCE OF 460.2 FEET, THENCE NORTH 89°49'13" WEST A DISTANCE OF 74.1 FEET, THENCE NORTH 19°39'59" EAST DISTANCE OF 453.13 FEET TO THE POINT OF COMMENCEMENT; LESS AND EXCEPT: RIGHT OF WAY GRANTED TO THE LAKE CHARLES HARBOR AND TERMINAL DISTRICT FOR A RAILROAD, CONTAINING **11.6 acres, m/l**;

WALNUT GROVE PART ONE, A SUBDIVISION OF A TRACT OF LAND LYING IN LOT 4, LESS RIO HONDO ESTATES SUBDIVISION, AND IN LOTS 5 AND 6 OF THE BARTELMY LEBLEU SUBDIVISION, PER PLAT RECORDED IN SHERIFF'S SALE DEED BOOK A, AT PAGE 28, PER THE RECORDS OF CALCASIEU PARISH, LOUISIANA, SAID TRACT OF LAND LYING SOUTH OF SALLIER STREET, NORTH OF CONTRABAND BAYOU AND WEST OF BLOCK 4 OF THE BARBE ADDITION TO THE CITY OF LAKE CHARLES AND BEING SITUATED IN SECTION 38, TOWNSHIP 10 SOUTH, RANGE 9 WEST AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN AT THE NORTHWEST CORNER OF RIO HONDO ESTATES SUBDIVISION, PER PLAT RECORDED IN PLAT BOOK NO 20, AT PAGE 36, PER THE RECORDS OF CALCASIEU PARISH, LOUISIANA, SAID POINT ALSO LYING ON THE SOUTH LINE OF A 50-FOOT WIDE RIGHT-OF-WAY FOR THE LAKE CHARLES HARBOR & TERMINAL DISTRICT (LCH&TD) RAILROAD; THENCE S22°58'30" W, ALONG THE WEST LINE OF SAID RIO HONDO ESTATES SUBDIVISION, A DISTANCE OF 778.40 FEET; THENCE N67°01'30" W, A DISTANCE OF 141.50 FEET; THENCE N22°58'30"E, A DISTANCE OF 24.00 FEET; THENCE N22°01'30"W, A DISTANCE OF 7.07 FEET; THENCE N67°01'30" W, A DISTANCE OF 105.16 FEET TO THE POINT OF CURVATURE OF A CURVE TO THE LEFT, SAID CURVE HAVING A RADIUS OF 41.00 FEET, A CENTRAL ANGLE OF 23°24'47" AND A CHORD WHICH BEARS N78°43'54"W AND MEASURES 16.64 FEET; THENCE ALONG SAID CURVE TO THE LEFT, A DISTANCE OF 16.75 FEET TO THE POINT OF TANGENCY OF SAID CURVE; THENCE S89°33'43" W, A DISTANCE OF 113.27 FEET; THENCE S66°39'55", A DISTANCE OF 3.39 FEET; THENCE N43°24'30"W, A DISTANCE OF 14.00 FEET; THENCE N46°35'30"E, A DISTANCE OF 7.48 FEET; THENCE N43°24'30"W, A DISTANCE OF 115.94 FEET; THENCE S46°35'30"W, A DISTANCE OF 2.60 FEET; THENCE N43°24'30"W, A DISTANCE OF 39.00 FEET; THENCE N46°35'30" E, A DISTANCE OF 5.00 FEET; THENCE N43°24'30" W, A DISTANCE OF 100.00 FEET; THENCE S46°35'30"W, A DISTANCE OF 5.50 FEET; THENCE N43°24'30" W, A DISTANCE OF 39.00 FEET; THENCE N01°35'30"E, A DISTANCE OF 19.80 FEET; THENCE N43°24'30"W, A DISTANCE OF 7.00 FEET; THENCE N46°35'30"E, A DISTANCE OF 33.00 FEET; THENCE S43°24'30"E, A DISTANCE OF 1.90 FEET; THENCE N80°19'49"E, A DISTANCE OF 12.47 FEET; THENCE N24°04'14"E, A DISTANCE OF 191.56 FEET; THENCE N01°35'30"E, A DISTANCE OF 136.70 FEET; THENCE N43°24'30"W, A DISTANCE OF 7.07 FEET; THENCE N88°24'30"W, A DISTANCE OF 2.00 FEET; THENCE N01°35'30"E, A DISTANCE OF 20.00 FEET TO A POINT ON SAID SOUTH LINE OF A 50-FOOT WIDE RIGHT-OF-WAY FOR THE LAKE CHARLES HARBOR & TERMINAL DISTRICT (LCH&TD) RAILROAD; THENCE S88°24'30"E, ALONG SAID SOUTH LINE OF THE LCH&TD RAILROAD RIGHT-OF-WAY, A DISTANCE OF 756.68 FEET TO THE POINT OF BEGINNING, CONTAINING **9.383 ACRES m/l**;

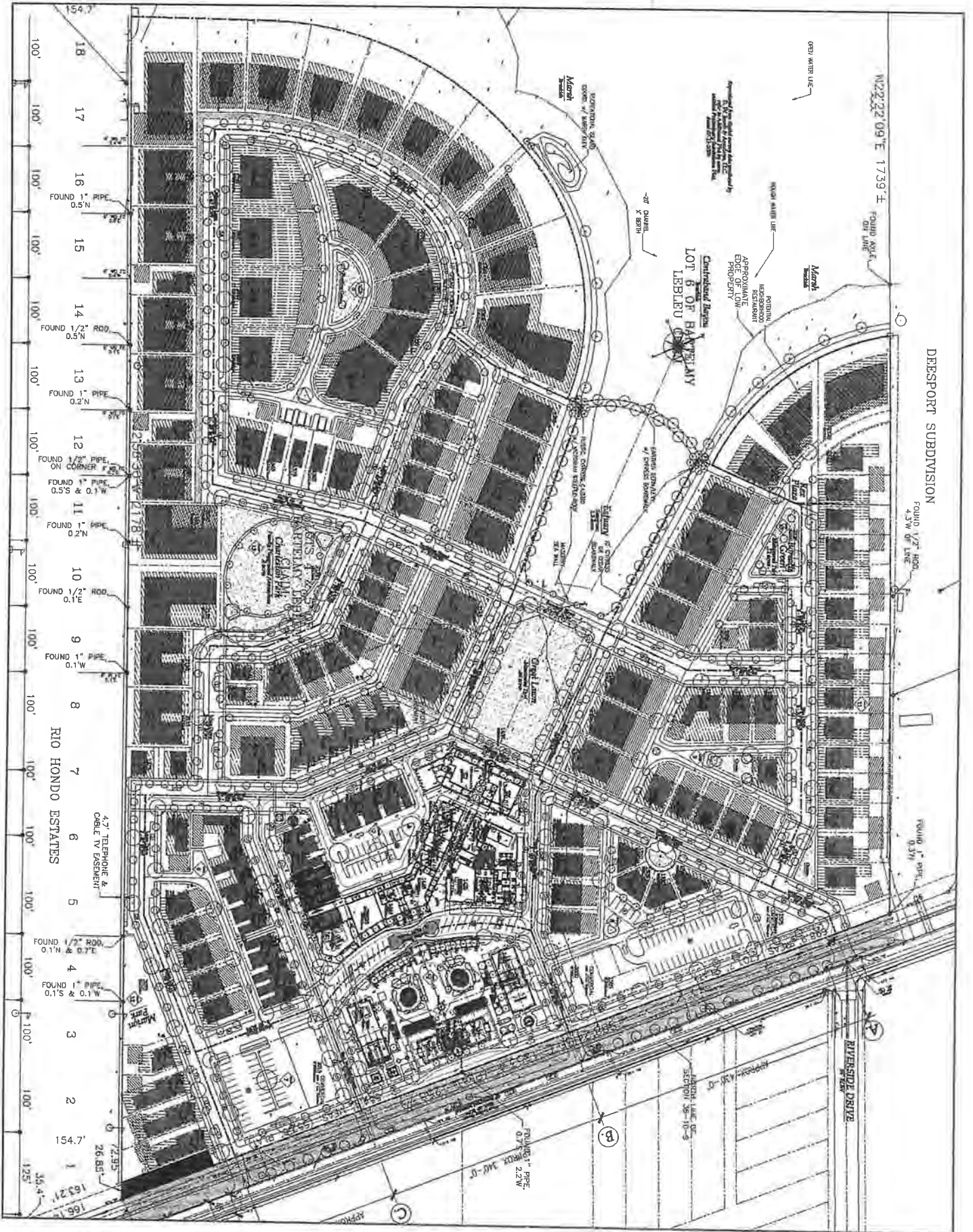
AND

WALNUT GROVE PART TWO, A SUBDIVISION OF A TRACT OF LAND LYING IN LOT 4, LESS RIO HONDO ESTATES SUBDIVISION, AND IN LOTS 5 AND 6 OF OF THE BARTELMY LEBLEU SUBDIVISION, PER PLAT RECORDED IN SHERIFF'S SALE DEED BOOK A AT PAGE 28, PER THE RECORDS OF CALCASIEU PARISH, LOUISIANA, SAID TRACT OF LAND LYING SOUTH OF SALLIER STREET, NORTH OF CONTRABAND BAYOU AND WEST OF BLOCK 4 OF THE BARBE ADDITION TO THE CITY OF LAKE CHARLES AND BEING SITUATED IN SECTION 38, TOWNSHIP 10 SOUTH, RANGE 9 WEST, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN AT THE NORTHWEST CORNER OF SAID LOT 6 OF OF THE BARTELMY LEBLEU SUBDIVISION, SAID CORNER ALSO LYING ON THE SOUTH LINE OF A 50-FOOT WIDE RIGHT-OF-WAY FOR THE LAKE CHARLES HARBOR & TERMINAL DISTRICT (LCH&TD) RAILROAD; THENCE S88°24'30"E, ALONG SAID SOUTH LINE OF LCH&TD RAILROAD, A DISTANCE OF 496.68 FEET TO THE NORTHWEST CORNER OF PROPOSED WALNUT GROVE PART ONE; THENCE ALONG THE WEST LINE OF SAID PROPOSED WALNUT GROVE PART ONE, THE FOLLOWING CALLS: S01°35'30"W, A DISTANCE OF 20.00 FEET; THENCE S88°24'30"E, A DISTANCE OF 2.00 FEET; THENCE S43°24'30"E, A DISTANCE OF 7.07 FEET; THENCE S01°35'30"W, A DISTANCE OF 136.70 FEET; THENCE S24°04'14"W, A DISTANCE OF 191.56 FEET; THENCE S80°19'49"W, A DISTANCE OF 12.47 FEET; THENCE N43°24'30"W, A DISTANCE OF 1.90 FEET; THENCE S46°35'30"W, A DISTANCE OF 33.00 FEET TO THE SOUTHWEST CORNER OF SAID PROPOSED WALNUT GROVE PART ONE; THENCE N43°24'30"W, A DISTANCE OF 89.94 FEET; THENCE N88°24'30"W, A DISTANCE OF 7.07 FEET; THENCE S46°35'30"W, A DISTANCE OF 111.60 FEET; THENCE N43°24'30"W, A DISTANCE OF 14.00 FEET; THENCE N02°07'16"W, A DISTANCE OF 7.14 FEET; THENCE N42°20'58"W, A DISTANCE OF 9.26 FEET; THENCE N68°59'27"W, A DISTANCE OF 182.32 FEET; THENCE S66°41'21"W, A DISTANCE OF 7.15 FEET; THENCE N67°37'51"W, A DISTANCE OF 33.00 FEET; THENCE N22°22'09"E, A DISTANCE OF 3.40 FEET; THENCE N67°37'51" W, A DISTANCE OF 118.46 FEET TO A POINT ON THE WEST LINE OF SAID LOT 6 OF THE BARTELMY LEBLEU SUBDIVISION; THENCE N22°22'09"E, ALONG THE WEST LINE OF SAID LOT 6 OF THE BARTELMY LEBLEU SUBDIVISION, A DISTANCE OF 256.95 FEET TO THE POINT OF BEGINNING. CONTAINING 3.931 ACRES.

EXHIBIT A-1

SITE PLAN



FRANCK & JOHNSON
ARCHITECTS

100 N. WASHINGTON
WASHINGTON, DC 20004
TEL: (202) 233-8400
FAX: (202) 233-8400

Checked and Seal for Execution
I, **FRANCK & JOHNSON**, a limited liability partnership, do hereby certify that the above is a true and correct copy of the original as submitted to the City of Chicago for recording. I am a duly Licensed Professional Engineer in the State of Illinois, No. 123456789.

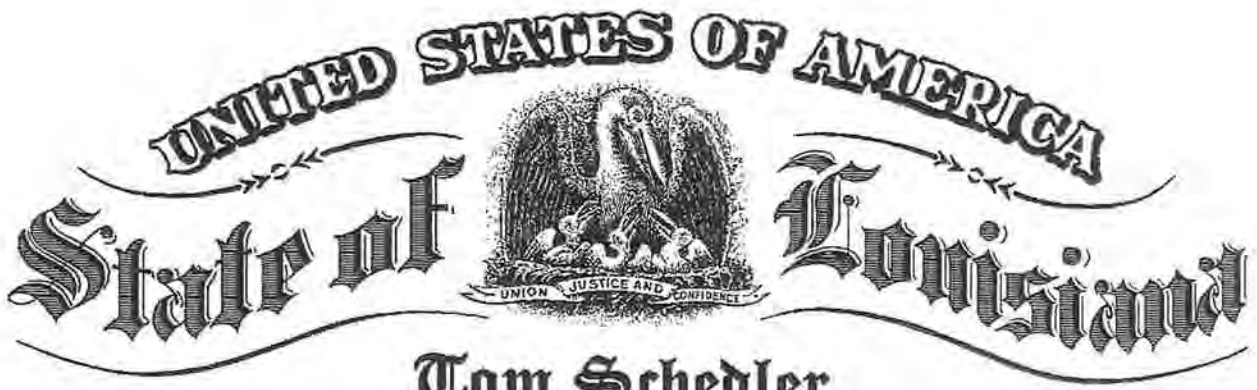
WAINUT GROVE
SITE
PLAN

LARI GARIBOLDI, L.A.
-Landscape Architect-

MATTHEW LARSEN
-Landscape Architect-

DATE: 08/15/08
SCALE: 1" = 40'-0"
SHEET NO.: A2.0

DESIGNED BY: FRANK & JOHNSON
DRAWN BY: FRANK & JOHNSON



Tom Schedler
SECRETARY OF STATE

As Secretary of State of the State of Louisiana, I do hereby Certify that
the attached document(s) of

THE NEIGHBORS OF WALNUT GROVE, INC.

are true and correct and are filed in the Louisiana Secretary of State's Office.
Original Filing 07/01/2013 7 pages

In testimony whereof, I have hereunto set my
hand and caused the Seal of my Office to be
affixed at the City of Baton Rouge on,

July 2, 2013

Secretary of State

JL 41219412N



Certificate ID: 10396993#WAR93

To validate this certificate, visit the following
web site, go to **Commercial Division,**
Certificate Validation, then follow the
instructions displayed.

www.sos.louisiana.gov

ARTICLES OF INCORPORATION
OF
THE NEIGHBORS OF WALNUT GROVE, INC.

BE IT KNOWN, that on this 28th day of June, 2013, before the undersigned Notary Public, personally came and appeared GUS W. SCHRAM, III, a resident of lawful age of Calcasieu Parish, Louisiana, who declared before me, in the presence of the undersigned competent witnesses, that, availing itself of the laws of the State of Louisiana relating to non-profit corporations (La. R.S. 12:201 *et seq.*) (the "Act") does hereby organize a non-profit corporation pursuant thereto and to these Articles.

ARTICLE I
NAME

The name of the corporation shall be **The Neighbors of Walnut Grove, Inc.**

ARTICLE II
DEFINITIONS

As used in these Articles of Incorporation, hereinafter referred to as the "Articles", unless the context requires otherwise, the following capitalized terms shall have the following meanings:

- A. "Association" means the non-profit corporation created by these Articles.
- B. "Walnut Grove" means the traditional neighborhood development established by the Declaration (defined herein).
- C. "Property" means the immovable property described or designated as Residential Commons in the Declaration, and the buildings and other improvements now or hereafter constructed thereon all of which are subject to the terms and provisions of the Declaration, and all rights, ways, appurtenances, servitudes and other rights attaching or pertaining thereto.
- D. "Declaration" means that instrument entitled "Declaration of Covenants, Conditions, Restrictions and Servitudes for Walnut Grove", executed in conformity with the provisions of applicable law to be recorded in the Office of the Clerk and Recorder of Conveyances of Calcasieu Parish, Louisiana. These Articles are attached as Exhibit "B" to the Declaration.
- E. "Founder" means Walnut Grove Development, L.L.C., a Louisiana limited liability company, and its successors and assigns; provided, however, that no such assignment shall make any assignee the "Founder" for purposes hereof unless such assignment is an assignment of all of Founder's rights hereunder and is exclusive, and the assignee assumes all of the obligations of Founder under the Declaration from and after the date of the assignment.
- F. "Member" means an Owner who, by virtue of these Articles and his status as Owner, is a member of the Association.
- G. "Owner" means the owner(s) of record title to a Residential Lot or unit designated for residential use on a Mixed Use Lot, as defined in the Declaration.

All other words or phrases used herein shall have the meanings given to them in the Declaration. As used herein, reference to the masculine gender shall include the feminine gender, and reference to the singular shall include the plural, and vice versa, unless the context clearly requires otherwise.

**ARTICLE III
PURPOSE**

The Association is organized pursuant to the Act, for the purpose of operating and managing the Property for the use and benefit of the Owners. The Association is organized as a non-profit corporation and shall make no distribution of income to its members, directors or officers.

**ARTICLE IV
DURATION**

The Association shall enjoy perpetual existence unless and until the Declaration is terminated in accordance therewith.

**ARTICLE V
POWERS**

The powers of the Association shall include the following:

A. To operate and manage the Property that is designated Residential Commons in the Declaration for the use and benefit of the Owners.

B. To carry out all the powers and duties vested in it pursuant to the Declaration affecting the Property.

C. To exercise and enjoy all of the powers, rights and privileges granted to or conferred upon non-profit corporations by the Act.

D. To exercise and enjoy all of the powers and duties reasonable and necessary to operate the Property as set forth in the Declaration, as it may be amended from time to time, including but not limited to the following:

1. To adopt and amend bylaws and rules and regulations;
2. To adopt and amend budgets for revenues, expenditures and reserves and make and collect assessments as provided in the Declaration, including for Assessments from Owners;
3. To hire and terminate managing agents and other employees, agents and independent contractors;
4. To institute, defend or intervene in litigation or administrative proceedings in its own name on behalf of itself or two or more Owners on matters affecting the Property;
5. To make contracts and incur liabilities;
6. To regulate the use, maintenance, repair, replacement and modification of Residential Commons;
7. To cause additional improvements to be made as a part of the Residential Commons;
8. To acquire, hold, encumber and convey in its own name any right, title or interest to real or personal property;
9. To grant servitudes, leases, licenses, and concessions through or over the Residential Commons;
10. To impose and receive any payments, fees or charges for the use, rental or operation of the Residential Commons;

11. To impose charges for late payment of Assessments and, after notice and an opportunity to be heard, to levy reasonable fines for violations of the Declaration, Bylaws, and Rules and Regulations of the Association and, when the violation is a failure to pay for services, to interrupt those services until the violation has ceased;

12. To impose reasonable charges for the preparation and recordation of amendments to the Declaration, certificates of resale or statements of unpaid Assessments;

13. To provide for the indemnification of its officers and executive board and maintain directors' and officers' liability insurance;

14. To enter into management agreements for the operation and administration the Residential Commons, and to manage the Property;

15. To exercise all other powers that may be exercised in this state by legal entities of the same type as the Association; and

16. To exercise any other powers necessary and proper for the governance and operation of the Association.

The powers of the Association shall be subject to and shall be exercised in accordance with the provisions of the Declaration and the Bylaws.

ARTICLE VI MEMBERSHIP

The qualification of Members, manner of admission, and voting rights shall be as follows:

A. The Association is organized on a non-stock basis.

B. Class "A" Members shall consist exclusively of all Owners of Residential Lots and units in Walnut Grove, and no other person or other entity shall be entitled to Class "A" membership.

C. The Class "B" Member shall consist exclusively of the Founder, and no other person or other entity shall be entitled to Class "B" membership.

D. After the Declaration has been recorded, a change in membership of the Association shall be established by recording in the Conveyance Records of the Clerk and Recorder of Calcasieu Parish, Louisiana, a sale or other instrument establishing record title to a Lot and the delivery to the Association of a certified copy of such instrument. The Owner designated by such instrument shall thereby become a Member and the membership of the prior Owner shall thereby be terminated.

D. The interest of any Member in the Association and the shares of a Member in the funds and assets of the Association and membership voting rights cannot be assigned, alienated, sold, transferred, mortgaged, pledged, pawned, hypothecated, encumbered or conveyed in any manner except as an appurtenance to his Lot or unit.

E. The voting rights of the Members shall be determined in accordance with the provisions of the Declaration and the Bylaws.

ARTICLE VII BOARD OF DIRECTORS

The affairs of the Association shall be governed by a Board of Directors, whose number, qualification, powers, duties and term of office shall be set forth in the Bylaws. All of the powers and duties of the Association existing under the Act, the Declaration, the Articles and the Bylaws shall be exercised exclusively by the Board of Directors.

The names and addresses of the initial members of the Board of Directors, who shall hold office until their successors are elected and qualified in accordance with the provisions of the Bylaws, or until removed, are as follows:

<u>Name:</u>	<u>Address:</u>
Jack E. Lawton, Jr.	1409 Kirkman Street Lake Charles, Louisiana 70601
Gus W. Schram, III	1409 Kirkman Street Lake Charles, Louisiana 70601
Holly B. Lawton	1409 Kirkman Street Lake Charles, Louisiana 70601

ARTICLE VIII OFFICERS

The Officers of the Association shall be selected by the Board of Directors in the manner provided for in the Bylaws. The Officers shall consist of a President, Secretary and Treasurer and any other officer that the Board of Directors may deem necessary. The powers, duties and term of office of the Officers shall be set forth in the Bylaws.

The names and addresses of the initial Officers, who shall hold office until their successors are selected in accordance with the provisions of the Bylaws, or until removed, are as follows:

<u>Name and Address:</u>	<u>Title:</u>
Jack E. Lawton, Jr. 1409 Kirkman Street, Lake Charles, LA 70601	President
Gus W. Schram, III 1409 Kirkman Street, Lake Charles, LA 70601	Vice President
Theresa B. Mitchell 1409 Kirkman Street, Lake Charles, LA 70601	Secretary
Nancy Mott Clooney 1409 Kirkman Street, Lake Charles, LA 70601	Treasurer

ARTICLE IX INCORPORATOR

The name and address of the incorporator of the Association is: Gus W. Schram, III, 1409 Kirkman Street, Lake Charles, Louisiana 70601.

ARTICLE X REGISTERED OFFICE AND AGENT

The registered office of the Association shall be located at 1409 Kirkman Street, Lake Charles, Louisiana 70601. The registered agent upon whom service of process may be effected for the Association shall be Gus W. Schram, III. The registered agent's address is 1409 Kirkman Street, Lake Charles, Louisiana 70601. The registered agent's acknowledgement and acceptance of such designation is attached hereto.

ARTICLE XI BYLAWS

The Association shall be governed by the Bylaws. The Bylaws shall be adopted by the initial Board of Directors. The amendment, alteration or rescission of the Bylaws shall be by vote of not less than seventy-five percent (75%) of the Board of Directors subject to the approval of Owners representing not less than seventy-five percent (75%) of the total number of Residential Lots and Residential units in Walnut Grove.

{B0787796.1}

**ARTICLE XII
AMENDMENT TO ARTICLES OF INCORPORATION**

A. The Articles may be amended by the vote of Owners representing not less than seventy-five (75%) of the total number of Residential Lots and Residential units in Walnut Grove present at the annual meeting or at any special meeting called for that purpose; provided, however, that no amendment shall take effect unless approved by a majority of the members of the Board of Directors. Notice of the subject matter on any proposed amendment shall be included in the notice of any meeting at which a proposed amendment will be considered.

B. No amendment to the Articles which in any way changes or modifies the voting rights of any Members, or which in any way modifies the percentage of the assessment to be levied against any Member for the operation and maintenance of the Property may be made without the written approval of one hundred percent (100%) of the Members.

C. No amendment to the Articles shall be effective until it has been recorded with the Secretary of State of the State of Louisiana and a certified copy in the Conveyance Records of the Office of the Clerk and Recorder of Calcasieu Parish, Louisiana.

**ARTICLE XIII
ASSESSMENTS AND FUNDS**

A. All Assessments paid by the Owners for the maintenance and operation of the Property shall be utilized by the Association to pay for the costs of maintaining and operating the Property. The Association shall have no interest in any funds received by it through Assessments from the Owners except to the extent necessary to carry out the powers vested in it for the benefit of the Owners and the Property.

B. The Association shall make no distribution of income to its Members, directors, or officers, and shall be conducted as a non-profit corporation.

C. Any funds held by the Association from its receipts, over and above the budgeted expenses shall be held for the use and benefit of the Members in proportion to the percentage of their obligation to pay Assessments of the Property, and may be handled or distributed as the Board of Directors in its sole discretion determines.

D. Upon termination of the Declaration and dissolution or final liquidation of this Association, any distribution to the Members, in accordance with the provisions of this Article and the Declaration, shall not constitute or be deemed to be a dividend or distribution of income.

**ARTICLE XIV
INDEMNIFICATION**

Every director and every officer of the Association shall be indemnified by the Association against all expenses and liabilities, including attorneys' fees, reasonably incurred or imposed upon him in connection with any proceeding to which he may be a party, or in which he may become involved by reason of his being or having been a director or officer of the Association, or any settlement thereof, whether or not he is a director or officer at the time such expense is incurred, except in such cases wherein the director or officer is adjudged guilty of willful misconduct or misconduct in the performance of his duties to the Association; provided that in the event of a settlement, the indemnification herein shall apply only when the Board of Directors approves such settlement and reimbursement as being in the best interests of the Association. This right of indemnification shall be in addition to and not exclusive of any and all other rights to which such director or officer may be entitled.

THIS DONE AND PASSED, before me and in the presence of the undersigned competent witnesses, at Lake Charles, Louisiana, on the date and year first above written, after due reading of the whole.

WITNESSES:

INCORPORATOR:

D. Alston
Name: Dicki Alston

Gus W. Schram III
GUS W. SCHRAM, III

Caroline Landry
Name: Caroline Landry

Theresa Bourgeois

NOTARY PUBLIC

Theresa Bourgeois

Notary ID # 54203

Printed Name of Notary Public: _____

Commission Expires at Death

Notary Public or Bar Roll No. _____

My Commission expires on _____

ACKNOWLEDGMENT

STATE OF LOUISIANA

PARISH OF CALCASIEU

BEFORE ME, the undersigned Notary Public, in and for the Parish of Calcasieu, Louisiana, on this 28th day of JUNE, 2013, personally came and appeared, GUS W. SCHRAM, III, who declared and acknowledged in the presence of the undersigned competent witnesses, that he is the person who is designated in the foregoing instrument as the registered agent of the Association, that his signature hereof is his own true and genuine signature and that he accepted such designation of his own free will and accord, and for the uses, purposes and consideration therein expressed.

THUS DONE AND PASSED on the day and year first above written, in the presence of the undersigned Notary and witnesses, who have hereunto subscribed their names, together with said appearer after due reading of the whole.

WITNESSES:

W. Alston
Name: W. Alston

Gus W Schram III
GUS W. SCHRAM, III

Caroline Landry
Name: Caroline Landry

Theresa Boudreaux

NOTARY PUBLIC Theresa Boudreaux
Printed Name of Notary Public: _____ Notary ID # 54203
Notary Public or Bar Roll No. _____ Commission Expires at Death
My Commission expires on _____



Tom Schedler
SECRETARY OF STATE

As Secretary of State of the State of Louisiana I do hereby Certify that
the attached document(s) of

THE MERCHANTS OF WALNUT GROVE, INC.

are true and correct and are filed in the Louisiana Secretary of State's Office.
Original Filing 07/01/2013 7 pages

In testimony whereof, I have hereunto set my hand and caused the Seal of my Office to be affixed at the City of Baton Rouge on,

July 2, 2013

Secretary of State

JL 41219428N



Certificate ID: 10397001#KUL73

To validate this certificate, visit the following web site, go to **Commercial Division, Certificate Validation**, then follow the instructions displayed.

www.sos.louisiana.gov

ARTICLES OF INCORPORATION
OF
THE MERCHANTS OF WALNUT GROVE, INC.

BE IT KNOWN, that on this 28th day of June, 2013, before the undersigned Notary Public, personally came and appeared GUS W. SCHRAM, W, a resident of lawful age of Calcasieu Parish, Louisiana, of the full age of majority, who declared before me, in the presence of the undersigned competent witnesses, that, availing itself of the laws of the State of Louisiana relating to non-profit corporations (La. R.S. 12:201 *et seq.*) (the "Act") does hereby organize a non-profit corporation pursuant thereto and to these Articles.

ARTICLE I
NAME

The name of the corporation shall be **The Merchants of Walnut Grove, Inc.**

ARTICLE II
DEFINITIONS

As used in these Articles of Incorporation, hereinafter referred to as the "**Articles**", unless the context requires otherwise, the following capitalized terms shall have the following meanings:

- A. "**Association**" means the non-profit corporation created by these Articles.
- B. "**Walnut Grove**" means the traditional neighborhood development established by the Declaration (defined herein).
- C. "**Property**" means the immovable property described or designated as **Commercial Commons** in the Declaration, and the buildings and other improvements now or hereafter constructed thereon all of which are subject to the terms and provisions of the Declaration, and all rights, ways, appurtenances, servitudes and other rights attaching or pertaining thereto.
- D. "**Declaration**" means that instrument entitled "**Declaration of Covenants, Conditions, Restrictions and Servitudes for Walnut Grove**", executed in conformity with the provisions of applicable law to be recorded in the Office of the Clerk and Recorder of Conveyances of Calcasieu Parish, Louisiana. These Articles are attached as Exhibit "C" to the Declaration.
- E. "**Founder**" means **Walnut Grove Development, L.L.C.**, a Louisiana limited liability company, and its successors and assigns; provided, however, that no such assignment shall make any assignee the "**Founder**" for purposes hereof unless such assignment is an assignment of all of Founder's rights hereunder and is exclusive, and the assignee assumes all of the obligations of Founder under the Declaration from and after the date of the assignment.
- F. "**Member**" means an Owner who, by virtue of these Articles and his status as Owner, is a member of the Association.
- G. "**Owner**" means the owner(s) of record title to a Commercial Lot or unit designated for commercial use on a Mixed Use Lot, as defined in the Declaration.

All other words or phrases used herein shall have the meanings given to them in the Declaration. As used herein, reference to the masculine gender shall include the feminine gender, and reference to the singular shall include the plural, and vice versa, unless the context clearly requires otherwise.

**ARTICLE III
PURPOSE**

The Association is organized pursuant to the Act, for the purpose of operating and managing the Property for the use and benefit of the Owners. The Association is organized as a non-profit corporation and shall make no distribution of income to its members, directors or officers.

**ARTICLE IV
DURATION**

The Association shall enjoy perpetual existence unless and until the Declaration is terminated in accordance therewith.

**ARTICLE V
POWERS**

The powers of the Association shall include the following:

A. To operate and manage the Property that is designated Commercial Commons in the Declaration for the use and benefit of the Owners.

B. To carry out all the powers and duties vested in it pursuant to the Declaration affecting the Property.

C. To exercise and enjoy all of the powers, rights and privileges granted to or conferred upon non-profit corporations by the Act.

D. To exercise and enjoy all of the powers and duties reasonable and necessary to operate the Property as set forth in the Declaration, as it may be amended from time to time, including but not limited to the following:

1. To adopt and amend bylaws and rules and regulations;
2. To adopt and amend budgets for revenues, expenditures and reserves and make and collect assessments as provided in the Declaration, including for Assessments from Owners;
3. To hire and terminate managing agents and other employees, agents and independent contractors;
4. To institute, defend or intervene in litigation or administrative proceedings in its own name on behalf of itself or two or more Owners on matters affecting the Property;
5. To make contracts and incur liabilities;
6. To regulate the use, maintenance, repair, replacement and modification of Commercial Commons;
7. To cause additional improvements to be made as a part of the Commercial Commons;
8. To acquire, hold, encumber and convey in its own name any right, title or interest to real or personal property;
9. To grant servitudes, leases, licenses, and concessions through or over the Commercial Commons;
10. To impose and receive any payments, fees or charges for the use, rental or operation of the Commercial Commons;

11. To impose charges for late payment of Assessments and, after notice and an opportunity to be heard, to levy reasonable fines for violations of the Declaration, Bylaws, and Rules and Regulations of the Association and, when the violation is a failure to pay for services, to interrupt those services until the violation has ceased;

12. To impose reasonable charges for the preparation and recordation of amendments to the Declaration, certificates of resale or statements of unpaid Assessments;

13. To provide for the indemnification of its officers and executive board and maintain directors' and officers' liability insurance;

14. To enter into management agreements for the operation and administration of Walnut Grove, and to manage the Property;

15. To exercise all other powers that may be exercised in this state by legal entities of the same type as the Association; and

16. To exercise any other powers necessary and proper for the governance and operation of the Association.

The powers of the Association shall be subject to and shall be exercised in accordance with the provisions of the Declaration and the Bylaws.

ARTICLE VI MEMBERSHIP

The qualification of Members, manner of admission, and voting rights shall be as follows:

A. The Association is organized on a non-stock basis.

B. Class "A" Members shall consist exclusively of all Owners of Commercial Lots and units in Walnut Grove, and no other person or other entity shall be entitled to Class "A" membership.

C. The Class "B" Member shall consist exclusively of the Founder, and no other person or other entity shall be entitled to Class "B" membership.

D. After the Declaration has been recorded, a change in membership of the Association shall be established by recording in the Conveyance Records of the Clerk and Recorder of Calcasieu Parish, Louisiana, a sale or other instrument establishing record title to a Lot and the delivery to the Association of a certified copy of such instrument. The Owner designated by such instrument shall thereby become a Member and the membership of the prior Owner shall thereby be terminated.

D. The interest of any Member in the Association and the shares of a Member in the funds and assets of the Association and membership voting rights cannot be assigned, alienated, sold, transferred, mortgaged, pledged, pawned, hypothecated, encumbered or conveyed in any manner except as an appurtenance to his Lot or unit.

E. The voting rights of the Members shall be determined in accordance with the provisions of the Declaration and the Bylaws.

ARTICLE VII BOARD OF DIRECTORS

The affairs of the Association shall be governed by a Board of Directors, whose number, qualification, powers, duties and term of office shall be set forth in the Bylaws. All of the powers and duties of the Association existing under the Act, the Declaration, the Articles and the Bylaws shall be exercised exclusively by the Board of Directors.

The names and addresses of the initial members of the Board of Directors, who shall hold office until their successors are elected and qualified in accordance with the provisions of the Bylaws, or until removed, are as follows:

<u>Name:</u>	<u>Address:</u>
Jack E. Lawton, Jr.	1409 Kirkman Street Lake Charles, Louisiana 70601
Gus W. Schram, III	1409 Kirkman Street Lake Charles, Louisiana 70601
Holly B. Lawton	1409 Kirkman Street Lake Charles, Louisiana 70601

ARTICLE VIII OFFICERS

The Officers of the Association shall be selected by the Board of Directors in the manner provided for in the Bylaws. The Officers shall consist of a President, Secretary and Treasurer and any other officer that the Board of Directors may deem necessary. The powers, duties and term of office of the Officers shall be set forth in the Bylaws.

The names and addresses of the initial Officers, who shall hold office until their successors are selected in accordance with the provisions of the Bylaws, or until removed, are as follows:

<u>Name and Address:</u>	<u>Title:</u>
Jack E. Lawton, Jr. 1409 Kirkman Street, Lake Charles, LA 70601	President
Gus W. Schram, III 1409 Kirkman Street, Lake Charles, LA 70601	Vice President
Theresa B. Mitchell 1409 Kirkman Street, Lake Charles, LA 70601	Secretary
Nancy Mott Clooney 1409 Kirkman Street, Lake Charles, LA 70601	Treasurer

ARTICLE IX INCORPORATOR

The name and address of the incorporator of the Association is: Gus W. Schram, III, 1409 Kirkman Street, Lake Charles, Louisiana 70601.

ARTICLE X REGISTERED OFFICE AND AGENT

The registered office of the Association shall be located at 1409 Kirkman Street, Lake Charles, Louisiana 70601. The registered agent upon whom service of process may be effected for the Association shall be Gus W. Schram, III. The registered agent's address is 1409 Kirkman Street, Lake Charles, Louisiana 70601. The registered agent's acknowledgement and acceptance of such designation is attached hereto.

ARTICLE XI BYLAWS

The Association shall be governed by the Bylaws. The Bylaws shall be adopted by the initial Board of Directors. The amendment, alteration or rescission of the Bylaws shall be by vote of not less than seventy-five percent (75%) of the Board of Directors subject to the approval of Owners representing not less than seventy-five percent (75%) of the total number of Commercial Lots and commercial units in Walnut Grove.

**ARTICLE XII
AMENDMENT TO ARTICLES OF INCORPORATION**

A. The Articles may be amended by the vote of Owners representing not less than seventy-five (75%) of the total number of Commercial Lots and commercial units in Walnut Grove present at the annual meeting or at any special meeting called for that purpose; provided, however, that no amendment shall take effect unless approved by a majority of the members of the Board of Directors. Notice of the subject matter on any proposed amendment shall be included in the notice of any meeting at which a proposed amendment will be considered.

B. No amendment to the Articles which in any way changes or modifies the voting rights of any Members, or which in any way modifies the percentage of the assessment to be levied against any Member for the operation and maintenance of the Property may be made without the written approval of one hundred percent (100%) of the Members.

C. No amendment to the Articles shall be effective until it has been recorded with the Secretary of State of the State of Louisiana and a certified copy in the Conveyance Records of the Office of the Clerk and Recorder of Calcasieu Parish, Louisiana.

**ARTICLE XIII
ASSESSMENTS AND FUNDS**

A. All Assessments paid by the Owners for the maintenance and operation of the Property shall be utilized by the Association to pay for the costs of maintaining and operating the Property. The Association shall have no interest in any funds received by it through Assessments from the Owners except to the extent necessary to carry out the powers vested in it for the benefit of the Owners and the Property.

B. The Association shall make no distribution of income to its Members, directors, or officers, and shall be conducted as a non-profit corporation.

C. Any funds held by the Association from its receipts, over and above the budgeted expenses shall be held for the use and benefit of the Members in proportion to the percentage of their obligation to pay Assessments of the Property, and may be handled or distributed as the Board of Directors in its sole discretion determines.

D. Upon termination of the Declaration and dissolution or final liquidation of this Association, any distribution to the Members, in accordance with the provisions of this Article and the Declaration, shall not constitute or be deemed to be a dividend or distribution of income.

**ARTICLE XIV
INDEMNIFICATION**

Every director and every officer of the Association shall be indemnified by the Association against all expenses and liabilities, including attorneys' fees, reasonably incurred or imposed upon him in connection with any proceeding to which he may be a party, or in which he may become involved by reason of his being or having been a director or officer of the Association, or any settlement thereof, whether or not he is a director or officer at the time such expense is incurred, except in such cases wherein the director or officer is adjudged guilty of willful misconduct or misconduct in the performance of his duties to the Association; provided that in the event of a settlement, the indemnification herein shall apply only when the Board of Directors approves such settlement and reimbursement as being in the best interests of the Association. This right of indemnification shall be in addition to and not exclusive of any and all other rights to which such director or officer may be entitled.

THUS DONE AND PASSED, before me and in the presence of the undersigned competent witnesses, at Lake Charles, Louisiana, on the date and year first above written, after due reading of the whole.

WITNESSES:

W. Alston
Name: W. Alston

Carlin Landry
Name: Carlin Landry

INCORPORATOR:

Gus W. Schram III
GUS W. SCHRAM, III

Theresa Boudreau

NOTARY PUBLIC

Printed Name of Notary Public: Theresa Boudreau
Notary Public or Bar Roll No. Notary ID # 24283
My Commission expires on Commission Expires 12/31/14

ACKNOWLEDGMENT

STATE OF LOUISIANA

PARISH OF CALCASIEU

BEFORE ME, the undersigned Notary Public, in and for the Parish of Calcasieu, Louisiana, on this 28th day of JUNE, 2013, personally came and appeared, GUS W. SCHRAM, III, who declared and acknowledged in the presence of the undersigned competent witnesses, that he is the person who is designated in the foregoing instrument as the registered agent of the Association, that his signature hereof is his own true and genuine signature and that he accepted such designation of his own free will and accord, and for the uses, purposes and consideration therein expressed.

THUS DONE AND PASSED on the day and year first above written, in the presence of the undersigned Notary and witnesses, who have hereunto subscribed their names, together with said appearer after due reading of the whole.

WITNESSES:

W. Alston
Name: Walter Alston

Gus W Schram III
GUS W. SCHRAM, III

Carol Linder
Name: Carol Linder

Theresa Bondreau
NOTARY PUBLIC

Printed Name of Notary Public: Theresa Bondreau
Notary Public or Bar Roll No. Notary 02 11 2003
My Commission expires on Commission 02 11 2011

EXHIBIT D

INITIAL FORM OF BYLAWS OF RESIDENTIAL ASSOCIATION

BYLAWS

OF

THE NEIGHBORS OF WALNUT GROVE, INC.

These are the Bylaws of The Neighbors of Walnut Grove, Inc. adopted concurrently with the Declaration of Covenants, Conditions and Restrictions for Walnut Grove to which these Bylaws are attached as **Exhibit "D"**. Capitalized terms used herein without definition shall have the meanings specified for such terms in the Declaration.

ARTICLE I

GENERAL

Section 1. Applicability. These Bylaws provide for the governance of that certain traditional neighborhood development known as "Walnut Grove" located in the City of Lake Charles, Parish of Calcasieu, Louisiana, pursuant to the requirements of the Louisiana Non-Profit Corporation Law. The Property is described in the Declaration and Exhibits attached thereto, which Declaration and Exhibits have been or will be recorded in the Conveyance Records of Calcasieu Parish, Louisiana. These Bylaws shall apply only to those Owners of Residential Lots in Walnut Grove.

Section 2. Compliance. Every Owner of a Residential Lot in Walnut Grove and all those subject to the Residential Restrictions contained in Article 7 of the Declaration shall comply with these Bylaws.

Section 3. Office. The office of the Corporation and the Board of Directors of the Corporation shall be located at Walnut Grove or at such other place as may be designated from time to time by the Board of Directors.

ARTICLE II

OWNERS CORPORATION

Section 1. Composition.

(a) There shall be two (2) types of membership in the Corporation: Class "A" membership and Class "B" membership. The Class "A" membership shall consist of all of the Owners of Residential Lots and those Owners of residential units located in a Mixed Use Lot., acting as a group in accordance with the Act pursuant to the Declaration and these Bylaws. The Class "B" membership shall consist of the Founder, as defined in the Declaration, until termination of the Class "B" membership, as set forth in the Declaration. After termination of the Class "B" membership, the Corporation shall consist only of Class "A" Members.

(b) For all purposes, the Corporation shall act merely as an agent for the Owners as a group. The Corporation shall have the responsibility of administering Walnut Grove, establishing the means and methods of collecting assessments and charges, arranging for the management of Walnut Grove and performing all other acts that may be required or permitted to be performed by the Corporation by the Declaration and applicable law. Except as to those matters which applicable law specifically requires to be performed by the vote of the Corporation, the foregoing responsibilities shall be performed by the Board of Directors as more particularly set forth in Article III of these Bylaws.

Section 2. Annual Meetings. The annual meeting of the Corporation shall be held each year on or before March 1 of each year. At such annual meeting, the Board of Directors shall be elected by ballot of the Members in accordance with the requirements of Sections 3 and 4 of Article III of these Bylaws. So long as Founder shall be a Class "B" Member of the Corporation, Founder shall be entitled to designate the members of the Board of Directors. Founder shall select the members of the initial Board of Directors as listed in the Articles of Incorporation.

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

Section 4. Special Meetings.

(a) The President shall call a special meeting of the Corporation if so directed by resolution of the Board of Directors or upon a petition signed and presented to the Secretary by Owners of not less than fifty percent (50%) of total number of Residential Lots and units in Walnut Grove. The notice of any special meeting shall state the time, place, and purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

(b) Pursuant to the terms of the Declaration, upon termination of the Class "B" membership, a special meeting of the Corporation shall be held at which all of the members of the Board of Directors designated by Founder shall resign, and the Owners, including Founder if Founder owns one or more Residential Lots, shall thereupon elect successor members of the Board of Directors.

Section 5. Notice of Meetings. The Secretary shall mail to each Owner a notice of each annual and special meeting of the Owners at least ten (10) days but not more than sixty (60) days prior to the date fixed for the meeting. Such notice of the annual meeting shall state the time and place of the meeting and shall also state the purpose of the meeting if a specified action is to be taken at the meeting. In the case of a special meeting, such notice shall state the purpose of the meeting. Notice shall have been deemed to have been given upon delivery, or if the notice is mailed, when such notice is placed in the united States mail, postage prepaid and addressed to an Owner at his or her last known address on record with the Corporation.

Section 6. Quorum and Adjournment of Meetings. Except as otherwise provided in these Bylaws, the presence in person or by proxy of the Owners holding over forty percent (40%) of the total number of Lots and units shall constitute a quorum at any meeting of the Corporation.

If at any meeting of the Corporation a quorum is not present, or the withdrawal of enough Members leaves less than a quorum present at a meeting already called to order, Owners may continue to transact business, or a majority of the total number of Owners of Lots or units present at such meeting in person or by proxy may adjourn the meeting to a time and place they determine all in accordance with the provisions of La.R.S.12:231 of the Louisiana Nonprofit Corporation Law. Notice of such second meeting shall be attempted pursuant to Section 5 of this Article.

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

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

Section 8. Title to Lots. Title to a Residential Lot may be taken in the name of one or more Persons, in any manner permitted by law. The Corporation may acquire, hold and transfer full legal title to one or more Residential Lots in Walnut Grove in its own name, but only if the unanimous consent of the Members of the Corporation is obtained.

Section 9. Voting. Each Association shall have two classes of voting membership:

Class A: Class A members shall be all Owners of either Residential or Commercial Lots in Walnut Grove, with the exception of Declarant for so long as Declarant remains a Class B member of such Association. Class A members who are Residential Owners shall be entitled to one vote for each Lot owned in Walnut Grove. Class A members who are Commercial Owners shall be entitled to one vote for each one-thousand (1,000) square feet of rentable square feet of commercial area owned, or such other allotment of votes as set forth by the Commercial Association. When more than one person holds an interest in any Lot, all such persons shall be members, but the vote for such Lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Lot. Corporations, limited liability companies, partnerships and other entities shall notify the Association of the natural person who shall be considered a member of the Association for the purpose of exercising its vote; such entities shall provide such evidence of appointment and authority as the Board of Directors of the Association may require. In the event the Association agrees to assess two (2) Lots, or parts of Lots, as a

single Lot as authorized under Section 15.2 of the Declaration, the Owner(s) of such Lots or portions of Lots, shall have only one (1) vote, with respect to such Lots or parts of Lots.

Class B: Declarant shall be the sole Class B member of each Association. As the Class B Member, Declarant shall be entitled to three (3) votes for each Lot owned by Declarant in Walnut Grove and may vote at an Association meeting according to either the number of Residential Lots or the number of Commercial Lots held, depending on which Association meeting is being held. The Class B membership shall cease and be converted to Class A membership after the first to occur of the following:

A. the date on which the last Lot within Walnut Grove that is owned by Declarant or any of its affiliates is sold to a third party purchaser; or

B. the date as of which the Class B member elects in writing to become a Class A member.

Section 10. Amendment of Bylaws. These Bylaws may be amended, altered or rescinded only by the vote of not less than seventy-five percent (75%) of the members of the Board of Directors, subject to the approval of the Owners representing not less than seventy-five (75%) percent of the total number of Residential Lots and units in Walnut Grove.

Section 11. Proxies. A vote may be cast in person or by proxy. Such proxy may be granted by any Owner in favor of only another Owner, a mortgagee or Founder. Proxies shall be duly executed in writing, shall be valid only for the particular meeting designated therein and must be filed with the Secretary before the appointed time of the meeting. Such proxy shall be deemed revoked only upon actual receipt by the person presiding over the meeting of notice of revocation from the Owner owning such Residential Lot. Except with respect to proxies in favor of a mortgagee, no proxy shall in any event be valid for a period in excess of one hundred and eighty (180) days after the execution thereof.

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

ARTICLE III

BOARD OF DIRECTORS

Section 1. Number and Qualification. The affairs of the Corporation shall be governed by a Board of Directors. Until termination of the Class "B" Control Period, and thereafter until their successors shall have been elected by the Owners, the Board of Directors shall consist of such persons as may be designated by Founder.

The Board of Directors shall be composed of seven (7) persons, all of whom shall be Owners or spouses of Owners, mortgagees (or designees of mortgagees) or designees of Founder. The seven (7) person Board shall consist of Owners elected from the Residential Lots or units.

The Owners shall enjoy the benefits of cumulative voting in the election of Board members, meaning each Lot Owner shall be entitled to cast five (5) votes per seat being filled.

Section 2. Powers and Duties. The Board of Directors shall have all of the powers and duties necessary for the administration of the affairs of the Corporation and may do all such acts and things as are not required to be exercised and done by the Corporation or Owners by applicable law, the Declaration or these Bylaws. The Board of Directors shall have the power from time to time to adopt any Rules and Regulations deemed necessary for the benefit and enjoyment of Walnut Grove; provided, however, that such Rules and Regulations shall not be in conflict with applicable law, the Declaration or these Bylaws. In addition to the duties imposed by applicable law, the Articles of Incorporation, the Declaration, and these Bylaws or by any resolution of the Corporation that may hereafter be adopted, the Board of Directors shall on behalf of the Corporation:

(a) prepare an annual budget in which there shall be established the Assessments of Owners.

(b) make assessments against Owners to defray the costs and expenses of Walnut Grove, establish the means and methods of collecting such assessments from the Owners and establish the period of the installment payment of the General Assessment. Unless otherwise determined by the Board of Directors, the annual assessment against each Owner shall be payable in equal monthly installments, each such installment to be due and payable in advance on the first day of each month.

(c) provide for the operation, care, upkeep and maintenance of all of the Commons and services thereof.

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

(e) collect the Assessments against the Owners, deposit the proceeds thereof in Bank depositories designated by the Board of Directors and use the proceeds to carry out the administration of Walnut Grove.

(f) make and amend the Rules and Regulations.

(g) open bank accounts on behalf of the Corporation and designate the signatories thereon.

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

(i) enforce by legal means the provisions of the Declaration, these Bylaws and the Rules and Regulations and act on behalf of the Owners with respect to all matters arising out of any eminent domain proceeding.

(j) obtain and carry insurance against casualties and liabilities, as necessary, pay the premiums therefor and adjust and settle any claims thereunder.

(k) pay the cost of all authorized services rendered to the Corporation and not charged to Owners of Lots or otherwise provided for in these Bylaws.

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

(m) notify a Mortgagee of any default hereunder by the Owner of the Residential Lot subject to such Mortgage, in the event such default continues for a period exceeding thirty (30) days.

(n) borrow money on behalf of Walnut Grove when required in connection with the operation, care, upkeep and maintenance of the Commons, provided, however, that the consent of Owners representing at least seventy-five (75%) of the total number of Lots and units in Walnut Grove, obtained at a meeting duly called and held for such purpose in accordance with the provisions of these Bylaws, shall be required to borrow any sum in excess of Twenty-Five Thousand Dollars (\$25,000.00).

(o) acquire, hold and dispose of Lots and Commons and mortgage the same if such expenditures and hypothecations are included in the budget adopted by the Corporation and the purchase is approved by all of the Owners.

(p) do such other things and acts not inconsistent with applicable law, Declaration or these Bylaws which the Board of Directors may be authorized to do by a resolution of the Corporation.

Section 3. Election and Term of Office.

(a) The term of the initial directors appointed by Founder shall be three (3) years. At the special meeting referred to in Article II, Section 4(b) above, the Owners shall elect the Board of Directors, and their terms of office shall be as follows: the term of office of three (3) of the members of the Board of Directors shall be fixed at three (3) years, the term of office of three (3) of the members of the Board of the Directors shall be fixed at two (2) years, and the term of office of one (1) of the members of the Board of Directors shall be fixed at one (1) year. At the expiration of the initial term of office of each member of the initial Board of Directors selected at that special meeting, a successor shall be elected to serve for a term of three (3) years. The members of the Board of Directors shall hold office until their respective successors shall have been elected by the Corporation except in the case of earlier removal or resignation.

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

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

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

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

Section 5. Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a Director by a vote of the Owners shall be filled by a vote of a majority of the remaining Directors at a special meeting of the Board of Directors called for such purpose promptly after the occurrence of any such vacancy, even though the Directors present at such meeting may constitute less than a quorum. Each person so elected shall be a member of the Board of Directors for the remainder of the term of the member being replaced and until a successor shall be elected at the next annual meeting of the Corporation. Notwithstanding anything to the contrary in this Section or in the preceding Section 4, during the Class "B" membership, Founder shall designate the successor to any resigned or removed member of the Board of Directors previously designated by Founder.

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

Section 7. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as is determined from time to time by a majority of the Board of Directors, but such meetings shall be held at least once every four (4) months during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each Director, by mail, at least three (3) business days prior to the date of such meeting.

Section 8. Special Meetings. Special meetings of the Board of Directors may be called by the President on three (3) business day notice to each Director, given by mail, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of at least three (3) Directors.

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

Section 10. Quorum of Board of Directors. At all meetings of the Board of Directors a majority of the Directors shall constitute a quorum for the transaction of business, and the votes of a majority of the Directors present at a meeting at which a quorum is present shall constitute the decision of the Board of Directors. If at any meeting of the Board of Directors there shall be less than a quorum present, a majority of those present may adjourn the meeting.

Section 11. Conduct of Meetings. The President shall preside over all meetings of the Board of Directors and the Secretary shall keep a minute book of the Board of Directors recording therein all resolutions adopted by the Board of Directors and a record of all transactions and proceedings occurring at such meetings.

Section 12. Action Without Meeting. Any action by the Board of Directors required or permitted to be taken at any meeting may be taken without a meeting if all of the members of the Board of Directors shall individually or collectively consent in writing to such action. Any such written consent shall be filed with the minutes of the proceedings of the Board of Directors.

Section 13. Compensation. No Director shall receive any compensation from the Corporation for acting in such capacity.

Section 14. Fidelity Bonds. The Board of Directors shall obtain and maintain adequate fidelity bonds in an amount not less than 125% of the total annual Assessments for the year (in such form and in such greater amounts as may be required by the mortgagees) to protect against dishonest acts on the part of the officers, directors, and employees of the Corporation who handle or are responsible for Walnut Grove funds. The premiums on such bonds shall be paid as part of the General Assessment. Such fidelity bonds shall: (i) name the Corporation as an obligee; (ii) contain waivers of any defense based upon the exclusion of persons who serve without compensation from any definition of "employee" or similar expression; and (iii) provide that such bonds may not be cancelled or substantially modified (including cancellation for non-payment of premium) without at least thirty (30) days prior written notice to the mortgagees.

Section 15. No Liability of the Board of Directors, Officers, Owners, Corporation.

(a) The officers and members of the Board of Directors shall not be liable to the Corporation for any mistake of judgment, negligence or otherwise, except for their own individual willful misconduct or bad faith. The Corporation shall indemnify and hold harmless each of the officers and directors from and against all contractual liability to others arising out of contracts made by the officers or the Board of Directors on behalf of the Corporation unless any such contract shall have been made in bad faith or contrary to the provisions of applicable law, the Declaration or these Bylaws, except to the extent such liability is covered by directors and officers liability insurance. Officers and members of the Board of Directors shall have no personal liability with respect to any contract made by them on behalf of the Corporation. Every agreement made by the officers, the Board of Directors or a manager on behalf of the Corporation shall, if obtainable, provide that the officers, members of the Board of Directors or the manager, as the case may be, are acting only as agents of the Corporation and shall have no personal liability thereunder (except as Owners). No Owner, as a Member of the Corporation, shall be personally liable for any obligation of the Corporation.

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

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

(a) The fact of the common directorate or interest is disclosed or known to the Board of Directors or the committee, and the Board of Directors or committee authorizes, approve or ratifies such contract or transaction in good faith by a vote sufficient for the purpose without counting the vote of the interested director or directors; or

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

(c) The contract or transaction is fair to the Corporation at the time it is authorized, ratified, approved or executed.

Any common or interested directors may be counted in determining the presence of a quorum of any meeting of the Board of Directors or committee thereof which authorizes, approves or ratifies any contract or transaction.

Section 17. Committees. The Board of Directors may establish committees as it determines are necessary in their sole discretion to assist with the duties and responsibilities of the Board in maintaining and governing the Corporation.

ARTICLE IV

OFFICERS

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

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

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

Section 4. President. The President shall be the chief executive officer of the Corporation, preside at all meetings of the Corporation and of the Board of Directors, and have all of the general powers and duties which are incident to the office of president of a non-profit corporation organized under the Louisiana Nonprofit Corporation Law including without limitation the power to appoint committees from among the Owners from time to time as the President may in his discretion decide is appropriate to assist in the conduct of the affairs of the Corporation.

Section 5. Secretary. Except as provided in Section 7 of this Article relating to the appointment of a Vice President, the Secretary shall take the place of the President and perform the duties of the President whenever the President shall be absent or unable to act. If neither the President nor the Secretary is able to act, the Board of Directors shall appoint some other member of the Board of Directors to act in the place of the President, on an interim basis.

The Secretary shall keep the minutes of all meetings of the Corporation and of the Board of Directors, have charge of such books and records as the Board of Directors may direct, maintain a register setting forth the place to which all notices to Owners and mortgagees hereunder shall be delivered, and in general perform all the duties incident to the office of secretary of a non-profit corporation organized under the Louisiana Nonprofit Corporation Law.

Section 6. Treasurer. The Treasurer shall have the responsibility for Corporation funds and shall be responsible for keeping full and accurate financial records and books showing all receipts and disbursements, and for the preparation of all required financial data, and be responsible for the deposit of all monies and other valuable effects in the name of the Board of Directors, the Corporation or the manager, in such depositories as may from time to time be designated by the Board of Directors, and in general perform all the duties incident to the office of treasurer of a non-profit corporation organized under the Louisiana Nonprofit Corporation Law.

Section 7. Vice President and Other Officers. In the event the Board of Directors appoints a Vice President, the Vice President shall take the place of the President and perform the President's duties whenever the President shall be absent or unable to act. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Directors or by the President.

In the event the Board of Directors appoints such other officers as it deems necessary, such officers shall perform such duties as shall from time to time be imposed upon them by the Board of Directors or by the President.

Section 8. Execution of Documents. All agreements, contracts, deeds, leases, checks and other instruments of the Corporation for expenditures or obligations in excess of Five Thousand Dollars (\$5,000.00) shall be executed by any two (2) officers designated by the Board of Directors. All such instruments for expenditures or obligations of Five Thousand Dollars (\$5,000.00) or less may be executed by any one (1) officer designated by the Board of Directors.

Section 9. Compensation of Officers. No officer who is also a member of the Board of Directors shall receive any compensation from the Corporation for acting as such officer. All other permitted compensation for officers shall be determined by the Board of Directors.

ARTICLE V

OPERATION OF THE PROPERTY

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

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

(b) **Preparation and Approval of Budget.**

(i) At least forty-five (45) days before the beginning of the fiscal year, the Board of Directors shall adopt a budget for the Corporation containing an estimate of the total amount considered necessary to pay the cost of maintenance, management, operation, repair and replacement of the Commons, and the cost of wages, materials, insurance premiums, services, supplies and other expenses that may be declared to be payable by General Assessment by the Declaration, these Bylaws or a resolution of the Corporation and which will be required during the ensuing fiscal year for the administration, operation, maintenance and repair of Walnut Grove and the rendering to the Owners of all related services.

(ii) Such budget shall also include such reasonable amounts as the Board of Directors considers necessary to provide working capital, a general operating reserve and reserves for contingencies and replacements. At least thirty (30) days before the beginning of each fiscal year, the Board of Directors shall send to each Owner a copy of the budget in a reasonably itemized form which sets forth the estimated amount of the General Assessment and any Special Assessment payable by each Owner. Such budget shall constitute the basis for determining each Owner's Assessment.

(c) **Assessment and Payment of Common Expenses.** Subject to the provisions of Article 13 of the Declaration, the total amount of the estimated funds required for the operation of Walnut Grove set forth in the budget adopted by the Board of Directors shall be a lien against each Owner's Lot as provided in Article 13 of the Declaration. On or before the first day of each fiscal year, and the first day of each of the succeeding eleven months in such fiscal year, each Owner shall be obligated to pay to the Board of Directors or the manager (as determined by the Board of Directors) one-twelfth (1/12) of such Assessment. Within ninety (90) days after the end of each fiscal year, the Board of Directors shall supply to all Owners an itemized accounting of the Assessments for such fiscal year actually incurred and paid, together with a tabulation of the amounts collected pursuant to the budget adopted by the Board of Directors for such fiscal year, and showing the net amount over or short of the actual expenditures plus reserves. Any amount accumulated in excess of the amount required for actual expenses and reserves shall, if the Board of Directors deems it advisable, be credited according to each Owner's Assessments to the next monthly installments due from Owners under the current fiscal year's budget, until exhausted. Any net shortage shall be assessed promptly against the Owners in accordance with their Assessments and shall be payable either (1) in full with payment of the next monthly Assessment due, or (2) in not more than six (6) equal monthly installments, as the Board of Directors may determine.

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

(e) **Initial Capital Payment.**

(i) Upon taking office, the first Board of Directors elected or designated pursuant to these Bylaws shall determine the budget, as defined in this Section, for the period commencing thirty (30) days after such election and ending on the last day of the fiscal year in which such election occurs. Assessments shall be levied and become a lien against the Owners during such period as provided in paragraph (c) of this Section.

(ii) Founder, as the agent of the Board of Directors, shall collect from each initial purchaser of a Lot at the time of closing an "***initial capital payment***" equivalent to three times the estimated monthly Assessment for such Lot. Founder shall deliver the funds so collected to the Board of Directors to provide the necessary working capital for the Corporation.

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

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

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

ARTICLE VII

MISCELLANEOUS

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

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

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

Section 4. Construction. These Bylaws are intended to comply with all applicable provisions of law and shall be so interpreted and applied.

Section 5. Severability. The invalidity in whole or in part of any article, section, subsection, sentence, clause, phrase or word or other provision of these Bylaws shall not affect the validity of the remaining portions thereof.

EXHIBIT E

INITIAL FORM OF BYLAWS OF COMMERCIAL ASSOCIATION

BYLAWS

OF

THE MERCHANTS OF WALNUT GROVE, INC.

These are the Bylaws of The Merchants of Walnut Grove, Inc. adopted concurrently with the Declaration of Covenants, Conditions and Restrictions for Walnut Grove to which these Bylaws are attached as **Exhibit "E"**. Capitalized terms used herein without definition shall have the meanings specified for such terms in the Declaration.

ARTICLE I

GENERAL

Section 1. Applicability. These Bylaws provide for the governance of that certain traditional neighborhood development known as "Walnut Grove" located in the City of Lake Charles, Parish of Calcasieu, Louisiana, pursuant to the requirements of the Louisiana Non-Profit Corporation Law. The Property is described in the Declaration and Exhibits attached thereto, which Declaration and Exhibits have been or will be recorded in the Conveyance Records of Calcasieu Parish, Louisiana. These Bylaws shall apply only to those Owners of Commercial Lots in Walnut Grove.

Section 2. Compliance. Every Owner of a Commercial Lot in Walnut Grove and all those subject to the Commercial Restrictions contained in Article 8 of the Declaration shall comply with these Bylaws.

Section 3. Office. The office of the Corporation and the Board of Directors of the Corporation shall be located at Walnut Grove or at such other place as may be designated from time to time by the Board of Directors.

ARTICLE II

OWNERS CORPORATION

Section 1. Composition.

(a) There shall be two (2) types of membership in the Corporation: Class "A" membership and Class "B" membership. The Class "A" membership shall consist of all of the Owners of Commercial Lots and those Owners of commercial units located in a Mixed Use Lot., acting as a group in accordance with the Act pursuant to the Declaration and these Bylaws. The Class "B" membership shall consist of the Founder, as defined in the Declaration, until termination of the Class "B" membership, as set forth in the Declaration. After termination of the Class "B" membership, the Corporation shall consist only of Class "A" Members.

(b) For all purposes, the Corporation shall act merely as an agent for the Owners as a group. The Corporation shall have the responsibility of administering Walnut Grove, establishing the means and methods of collecting assessments and charges, arranging for the management of Walnut Grove and performing all other acts that may be required or permitted to be performed by the Corporation by the Declaration and applicable law. Except as to those matters which applicable law specifically requires to be performed by the vote of the Corporation, the foregoing responsibilities shall be performed by the Board of Directors as more particularly set forth in Article III of these Bylaws.

Section 2. Annual Meetings. The annual meeting of the Corporation shall be held each year on or before March 1 of each year. At such annual meeting, the Board of Directors shall be elected by ballot of the Members in accordance with the requirements of Sections 3 and 4 of Article III of these Bylaws. So long as Founder shall be a Class "B" Member of the Corporation, Founder shall be entitled to designate the members of the Board of Directors. Founder shall select the members of the initial Board of Directors as listed in the Articles of Incorporation.

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

Section 4. Special Meetings.

(a) The President shall call a special meeting of the Corporation if so directed by resolution of the Board of Directors or upon a petition signed and presented to the Secretary by Owners of not less than fifty percent (50%) of total number of Commercial Lots and units in Walnut Grove. The notice of any special meeting shall state the time, place, and purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

(b) Pursuant to the terms of the Declaration, upon termination of the Class "B" membership, a special meeting of the Corporation shall be held at which all of the members of the Board of Directors designated by Founder shall resign, and the Owners, including Founder if Founder owns one or more Commercial Lots, shall thereupon elect successor members of the Board of Directors.

Section 5. Notice of Meetings. The Secretary shall mail to each Owner a notice of each annual and special meeting of the Owners at least ten (10) days but not more than sixty (60) days prior to the date fixed for the meeting. Such notice of the annual meeting shall state the time and place of the meeting and shall also state the purpose of the meeting if a specified action is to be taken at the meeting. In the case of a special meeting, such notice shall state the purpose of the meeting. Notice shall have been deemed to have been given upon delivery, or if the notice is mailed, when such notice is placed in the United States mail, postage prepaid and addressed to an Owner at his or her last known address on record with the Corporation.

Section 6. Quorum and Adjournment of Meetings. Except as otherwise provided in these Bylaws, the presence in person or by proxy of the Owners holding over forty percent (40%) of the total number of Lots and units shall constitute a quorum at any meeting of the Corporation.

If at any meeting of the Corporation a quorum is not present, or the withdrawal of enough Members leaves less than a quorum present at a meeting already called to order, Owners may continue to transact business, or a majority of the total number of Owners of Lots or units present at such meeting in person or by proxy may adjourn the meeting to a time and place they determine all in accordance with the provisions of La.R.S.12:231 of the Louisiana Nonprofit Corporation Law. Notice of such second meeting shall be attempted pursuant to Section 5 of this Article.

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

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

Section 8. Title to Lots and Commercial Parcels. Title to a Commercial Lot may be taken in the name of one or more Persons, in any manner permitted by law. The Corporation may acquire, hold and transfer full legal title to one or more Commercial Lots in Walnut Grove in its own name, but only if the unanimous consent of the Members of the Corporation is obtained.

Section 9. Voting. Each Association shall have two classes of voting membership:

Class A: Class A members shall be all Owners of either Residential or Commercial Lots in Walnut Grove, with the exception of Declarant for so long as Declarant remains a Class B member of such Association. Class A members who are Residential Owners shall be entitled to one vote for each Lot owned in Walnut Grove. Class A members who are Commercial Owners shall be entitled to one vote for each one-thousand (1,000) square feet of rentable square feet of commercial area owned, or such other allotment of votes as set forth by the Commercial Association. When more than one person holds an interest in any Lot, all such persons shall be members, but the vote for such Lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Lot. Corporations, limited liability companies, partnerships and other entities shall notify the Association of the natural

person who shall be considered a member of the Association for the purpose of exercising its vote; such entities shall provide such evidence of appointment and authority as the Board of Directors of the Association may require. In the event the Association agrees to assess two (2) Lots, or parts of Lots, as a single Lot as authorized under Section 15.2 of the Declaration, the Owner(s) of such Lots or portions of Lots, shall have only one (1) vote, with respect to such Lots or parts of Lots.

Class B: Declarant shall be the sole Class B member of each Association. As the Class B Member, Declarant shall be entitled to three (3) votes for each Lot owned by Declarant in Walnut Grove and may vote at an Association meeting according to either the number of Residential Lots or the number of Commercial Lots held, depending on which Association meeting is being held. The Class B membership shall cease and be converted to Class A membership after the first to occur of the following:

A. the date on which the last Lot within Walnut Grove that is owned by Declarant or any of its affiliates is sold to a third party purchaser; or

B. the date as of which the Class B member elects in writing to become a Class A member.

Section 10. Amendment of Bylaws. These Bylaws may be amended, altered or rescinded only by the vote of not less than seventy-five percent (75%) of the members of the Board of Directors, subject to the approval of the Owners representing not less than seventy-five (75%) percent of the total number of Commercial Lots and units in Walnut Grove.

Section 11. Proxies. A vote may be cast in person or by proxy. Such proxy may be granted by any Owner in favor of only another Owner, a mortgagee or Founder. Proxies shall be duly executed in writing, shall be valid only for the particular meeting designated therein and must be filed with the Secretary before the appointed time of the meeting. Such proxy shall be deemed revoked only upon actual receipt by the person presiding over the meeting of notice of revocation from the Owner owning such Commercial Lot. Except with respect to proxies in favor of a mortgagee, no proxy shall in any event be valid for a period in excess of one hundred and eighty (180) days after the execution thereof.

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

ARTICLE III

BOARD OF DIRECTORS

Section 1. Number and Qualification. The affairs of the Corporation shall be governed by a Board of Directors. Until termination of the Class "B" Control Period, and thereafter until their successors shall have been elected by the Owners, the Board of Directors shall consist of such persons as may be designated by Founder.

The Board of Directors shall be composed of seven (7) persons, all of whom shall be Owners or spouses of Owners, mortgagees (or designees of mortgagees) or designees of Founder. The seven (7) person Board shall consist of Owners elected from the Commercial Lots or units.

The Owners shall enjoy the benefits of cumulative voting in the election of Board members, meaning each Lot Owner shall be entitled to cast five (5) votes per seat being filled.

Section 2. Powers and Duties. The Board of Directors shall have all of the powers and duties necessary for the administration of the affairs of the Corporation and may do all such acts and things as are not required to be exercised and done by the Corporation or Owners by applicable law, the Declaration or these Bylaws. The Board of Directors shall have the power from time to time to adopt any Rules and Regulations deemed necessary for the benefit and enjoyment of Walnut Grove; provided, however, that such Rules and Regulations shall not be in conflict with applicable law, the Declaration or these Bylaws. In addition to the duties imposed by applicable law, the Articles of Incorporation, the Declaration, and these Bylaws or by any resolution of the Corporation that may hereafter be adopted, the Board of Directors shall on behalf of the Corporation:

(a) prepare an annual budget in which there shall be established the Assessments of Owners.

(b) make assessments against Owners to defray the costs and expenses of Walnut Grove, establish the means and methods of collecting such assessments from the Owners and establish the period of the installment payment of the General Assessment. Unless otherwise determined by the Board of Directors, the annual assessment against each Owner shall be payable in equal monthly installments, each such installment to be due and payable in advance on the first day of each month.

(c) provide for the operation, care, upkeep and maintenance of all of the Commercial Commons and services thereof.

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

(e) collect the Assessments against the Owners, deposit the proceeds thereof in Bank depositories designated by the Board of Directors and use the proceeds to carry out the administration of Walnut Grove.

(f) make and amend the Rules and Regulations.

(g) open bank accounts on behalf of the Corporation and designate the signatories thereon.

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

(i) enforce by legal means the provisions of the Declaration, these Bylaws and the Rules and Regulations and act on behalf of the Owners with respect to all matters arising out of any eminent domain proceeding.

(j) obtain and carry insurance against casualties and liabilities, as necessary, pay the premiums therefor and adjust and settle any claims thereunder.

(k) pay the cost of all authorized services rendered to the Corporation and not charged to Owners of Lots or otherwise provided for in these Bylaws.

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

(m) notify a Mortgagee of any default hereunder by the Owner of the Commercial Lot subject to such Mortgage, in the event such default continues for a period exceeding thirty (30) days.

(n) borrow money on behalf of Walnut Grove when required in connection with the operation, care, upkeep and maintenance of the Commercial Commons, provided, however, that the consent of Owners representing at least seventy-five percent (75%) of the total number of Lots and units in Walnut Grove, obtained at a meeting duly called and held for such purpose in accordance with the provisions of these Bylaws, shall be required to borrow any sum in excess of Twenty-Five Thousand Dollars (\$25,000.00).

(o) acquire, hold and dispose of Lots and Commercial Commons and mortgage the same if such expenditures and hypothecations are included in the budget adopted by the Corporation and the purchase is approved by all of the Owners.

(p) do such other things and acts not inconsistent with applicable law, Declaration or these Bylaws which the Board of Directors may be authorized to do by a resolution of the Corporation.

Section 3. Election and Term of Office.

(a) The term of the initial directors appointed by Founder shall be three (3) years. At the special meeting referred to in Article II, Section 4(b) above, the Owners shall elect the Board of Directors, and their terms of office shall be as follows: the term of office of three (3) of the members of the Board of Directors shall be fixed at three (3) years, the term of office of three (3) of the members of the Board of the Directors shall be fixed at two (2) years, and the term of office of one (1) of the members of the Board of Directors shall be fixed at one (1) year. At the expiration of the initial term of office of each member of the initial Board of Directors selected at that special meeting, a successor shall be elected to serve for a term of three (3) years. The members of the Board of Directors shall hold office until their respective successors shall have been elected by the Corporation except in the case of earlier removal or resignation.

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

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

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

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

Section 5. Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a Director by a vote of the Owners shall be filled by a vote of a majority of the remaining Directors at a special meeting of the Board of Directors called for such purpose promptly after the occurrence of any such vacancy, even though the Directors present at such meeting may constitute less than a quorum. Each person so elected shall be a member of the Board of Directors for the remainder of the term of the member being replaced and until a successor shall be elected at the next annual meeting of the Corporation. Notwithstanding anything to the contrary in this Section or in the preceding Section 4, during the Class "B" membership, Founder shall designate the successor to any resigned or removed member of the Board of Directors previously designated by Founder.

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

Section 7. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as is determined from time to time by a majority of the Board of Directors, but such meetings shall be held at least once every four (4) months during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each Director, by mail, at least three (3) business days prior to the date of such meeting.

Section 8. Special Meetings. Special meetings of the Board of Directors may be called by the President upon a three (3) business day notice to each Director, given by mail, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of at least three (3) Directors.

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

Section 10. Quorum of Board of Directors. At all meetings of the Board of Directors a majority of the Directors shall constitute a quorum for the transaction of business, and the votes of a majority of the Directors present at a meeting at which a quorum is present shall constitute the decision of the Board of Directors. If at any meeting of the Board of Directors there shall be less than a quorum present, a majority of those present may adjourn the meeting.

Section 11. Conduct of Meetings. The President shall preside over all meetings of the Board of Directors and the Secretary shall keep a minute book of the Board of Directors recording therein all resolutions adopted by the Board of Directors and a record of all transactions and proceedings occurring at such meetings.

Section 12. Action Without Meeting. Any action by the Board of Directors required or permitted to be taken at any meeting may be taken without a meeting if all of the members of the Board of Directors shall individually or collectively consent in writing to such action. Any such written consent shall be filed with the minutes of the proceedings of the Board of Directors.

Section 13. Compensation. No Director shall receive any compensation from the Corporation for acting in such capacity.

Section 14. Fidelity Bonds. The Board of Directors shall obtain and maintain adequate fidelity bonds in an amount not less than 125% of the total annual Assessments for the year (in such form and in such greater amounts as may be required by the mortgagees) to protect against dishonest acts on the part of the officers, directors, and employees of the Corporation who handle or are responsible for Walnut Grove funds. The premiums on such bonds shall be paid as part of the General Assessment. Such fidelity bonds shall: (i) name the Corporation as an obligee; (ii) contain waivers of any defense based upon the exclusion of persons who serve without compensation from any definition of "employee" or similar expression; and (iii) provide that such bonds may not be cancelled or substantially modified (including cancellation for non-payment of premium) without at least thirty (30) days prior written notice to the mortgagees.

Section 15. No Liability of the Board of Directors, Officers, Owners, Corporation.

(a) The officers and members of the Board of Directors shall not be liable to the Corporation for any mistake of judgment, negligence or otherwise, except for their own individual willful misconduct or bad faith. The Corporation shall indemnify and hold harmless each of the officers and directors from and against all contractual liability to others arising out of contracts made by the officers or the Board of Directors on behalf of the Corporation unless any such contract shall have been made in bad faith or contrary to the provisions of applicable law, the Declaration or these Bylaws, except to the extent such liability is covered by directors and officers liability insurance. Officers and members of the Board of Directors shall have no personal liability with respect to any contract made by them on behalf of the Corporation. Every agreement made by the officers, the Board of Directors or a manager on behalf of the Corporation shall, if obtainable, provide that the officers, members of the Board of Directors or the manager, as the case may be, are acting only as agents of the Corporation and shall have no personal liability thereunder (except as Owners). No Owner, as a Member of the Corporation, shall be personally liable for any obligation of the Corporation.

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

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

(a) The fact of the common directorate or interest is disclosed or known to the Board of Directors or the committee, and the Board of Directors or committee authorizes, approve or ratifies such contract or transaction in good faith by a vote sufficient for the purpose without counting the vote of the interested director or directors; or

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

(c) The contract or transaction is fair to the Corporation at the time it is authorized, ratified, approved or executed.

Any common or interested directors may be counted in determining the presence of a quorum of any meeting of the Board of Directors or committee thereof which authorizes, approves or ratifies any contract or transaction.

Section 17. Committees. The Board of Directors may establish committees as it determines are necessary in their sole discretion to assist with the duties and responsibilities of the Board in maintaining and governing the Corporation.

ARTICLE IV

OFFICERS

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

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

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

Section 4. President. The President shall be the chief executive officer of the Corporation, preside at all meetings of the Corporation and of the Board of Directors, and have all of the general powers and duties which are incident to the office of president of a non-profit corporation organized under the Louisiana Nonprofit Corporation Law including without limitation the power to appoint committees from among the Owners from time to time as the President may in his discretion decide is appropriate to assist in the conduct of the affairs of the Corporation.

Section 5. Secretary. Except as provided in Section 7 of this Article relating to the appointment of a Vice President, the Secretary shall take the place of the President and perform the duties of the President whenever the President shall be absent or unable to act. If neither the President nor the Secretary is able to act, the Board of Directors shall appoint some other member of the Board of Directors to act in the place of the President, on an interim basis.

The Secretary shall keep the minutes of all meetings of the Corporation and of the Board of Directors, have charge of such books and records as the Board of Directors may direct, maintain a register setting forth the place to which all notices to Owners and mortgagees hereunder shall be delivered, and in general perform all the duties incident to the office of secretary of a non-profit corporation organized under the Louisiana Nonprofit Corporation Law.

Section 6. Treasurer. The Treasurer shall have the responsibility for Corporation funds and shall be responsible for keeping full and accurate financial records and books showing all receipts and disbursements, and for the preparation of all required financial data, and be responsible for the deposit of all monies and other valuable effects in the name of the Board of Directors, the Corporation or the manager, in such depositories as may from time to time be designated by the Board of Directors, and in general perform all the duties incident to the office of treasurer of a non-profit corporation organized under the Louisiana Nonprofit Corporation Law.

Section 7. Vice President and Other Officers. In the event the Board of Directors appoints a Vice President, the Vice President shall take the place of the President and perform the President's duties whenever the President shall be absent or unable to act. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Directors or by the President.

In the event the Board of Directors appoints such other officers as it deems necessary, such officers shall perform such duties as shall from time to time be imposed upon them by the Board of Directors or by the President.

Section 8. Execution of Documents. All agreements, contracts, deeds, leases, checks and other instruments of the Corporation for expenditures or obligations in excess of Five Thousand Dollars (\$5,000.00) shall be executed by any two (2) officers designated by the Board of Directors. All such instruments for expenditures or obligations of Five Thousand Dollars (\$5,000.00) or less may be executed by any one (1) officer designated by the Board of Directors.

Section 9. Compensation of Officers. No officer who is also a member of the Board of Directors shall receive any compensation from the Corporation for acting as such officer. All other permitted compensation for officers shall be determined by the Board of Directors.

ARTICLE V

OPERATION OF THE PROPERTY

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

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

(b) **Preparation and Approval of Budget.**

(i) At least forty-five (45) days before the beginning of the fiscal year, the Board of Directors shall adopt a budget for the Corporation containing an estimate of the total amount considered necessary to pay the cost of maintenance, management, operation, repair and replacement of the Commercial Commons, and the cost of wages, materials, insurance premiums, services, supplies and other expenses that may be declared to be payable by General Assessment by the Declaration, these Bylaws or a resolution of the Corporation and which will be required during the ensuing fiscal year for the administration, operation, maintenance and repair of Walnut Grove and the rendering to the Owners of all related services.

(ii) Such budget shall also include such reasonable amounts as the Board of Directors considers necessary to provide working capital, a general operating reserve and reserves for contingencies and replacements. At least thirty (30) days before the beginning of each fiscal year, the Board of Directors shall send to each Owner a copy of the budget in a reasonably itemized form which sets forth the estimated amount of the General Assessment and any Special Assessment payable by each Owner. Such budget shall constitute the basis for determining each Owner's Assessment.

(c) **Assessment and Payment of Common Expenses.** Subject to the provisions of Article 13 of the Declaration, the total amount of the estimated funds required for the operation of Walnut Grove set forth in the budget adopted by the Board of Directors shall be a lien against each Owner's Lot as provided in Article 13 of the Declaration. On or before the first day of each fiscal year, and the first day of each of the succeeding eleven months in such fiscal year, each Owner shall be obligated to pay to the Board of Directors or the manager (as determined by the Board of Directors) one-twelfth (1/12) of such Assessment. Within ninety (90) days after the end of each fiscal year, the Board of Directors shall supply to all Owners an itemized accounting of the Assessments for such fiscal year actually incurred and paid, together with a tabulation of the amounts collected pursuant to the budget adopted by the Board of Directors for such fiscal year, and showing the net amount over or short of the actual expenditures plus reserves. Any amount accumulated in excess of the amount required for actual expenses and reserves shall, if the Board of Directors deems it advisable, be credited according to each Owner's Assessments to the next monthly installments due from Owners under the current fiscal year's budget, until exhausted. Any net shortage shall be assessed promptly against the Owners in accordance with their Assessments and shall be payable either (1) in full with payment of the next monthly Assessment due, or (2) in not more than six (6) equal monthly installments, as the Board of Directors may determine.

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

(e) **Initial Capital Payment.**

(i) Upon taking office, the first Board of Directors elected or designated pursuant to these Bylaws shall determine the budget, as defined in this Section, for the period commencing thirty (30) days after such election and ending on the last day of the fiscal year in which such election occurs. Assessments shall be levied and become a lien against the Owners during such period as provided in paragraph (c) of this Section.

(ii) Founder, as the agent of the Board of Directors, shall collect from each initial purchaser of a Lot at the time of closing an "***initial capital payment***" equivalent to three times the estimated monthly Assessment for such Lot. Founder shall deliver the funds so collected to the Board of Directors to provide the necessary working capital for the Corporation.

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

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

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

ARTICLE VII

MISCELLANEOUS

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

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

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

Section 4. Construction. These Bylaws are intended to comply with all applicable provisions of law and shall be so interpreted and applied.

Section 5. Severability. The invalidity in whole or in part of any article, section, subsection, sentence, clause, phrase or word or other provision of these Bylaws shall not affect the validity of the remaining portions thereof.



Tom Schedler
SECRETARY OF STATE

As Secretary of State of the State of Louisiana, I do hereby Certify that
the attached document(s) of

WALNUT GROVE INSTITUTE, INC.

are true and correct and are filed in the Louisiana Secretary of State's Office.
Original Filing 07/01/2013 6 pages

In testimony whereof, I have hereunto set my
hand and caused the Seal of my Office to be
affixed at the City of Baton Rouge on,

July 2, 2013

A handwritten signature in black ink, appearing to read "Muedel" with a stylized flourish at the end.

Secretary of State

JL 41219443N



Certificate ID: 10397015#9RK73

To validate this certificate, visit the following
web site, go to **Commercial Division,**
Certificate Validation, then follow the
instructions displayed.

www.sos.louisiana.gov

**ARTICLES OF INCORPORATION
OF
WALNUT GROVE INSTITUTE, INC.**

BE IT KNOWN, that on this 28th day of June, 2013, before the undersigned Notary Public, personally came and appeared GUS W. SCHRAM, III, [Signature] resident of lawful age of Calcasieu Parish, Louisiana, who declared before me, in the presence of the undersigned competent witnesses, that, availing himself of the laws of the State of Louisiana relating to non-profit corporations (La. R.S. 12:201 et seq.) (the "Act") does hereby organize a non-profit corporation pursuant thereto and to these Articles.

**ARTICLE I
NAME**

The name of the corporation shall be **Walnut Grove Institute, Inc.** The corporation is a nonprofit corporation organized pursuant to the Act.

**ARTICLE II
DEFINITIONS**

As used in these Articles of Incorporation, hereinafter referred to as the "Articles", unless the context requires otherwise, the following capitalized terms shall have the following meanings:

- A. "Institute" means the non-profit corporation created by these Articles.
- B. "Walnut Grove" means the traditional neighborhood development established by the Declaration (defined herein) on the Property.
- C. "Property" means the immovable property described in Exhibit "A" attached to the Declaration, and the buildings and other improvements now or hereafter constructed thereon, all of which are subject to the terms and provisions of the Declaration, and all rights, ways, appurtenances, servitudes and other rights attaching or pertaining thereto.
- D. "Declaration" means that instrument entitled "Declaration of Covenants, Conditions, Restrictions and Servitudes for Walnut Grove", executed in conformity with the provisions of applicable law to be recorded in the Office of the Clerk and Recorder of Conveyances of Calcasieu Parish, Louisiana. These Articles are attached as Exhibit "F" to the Declaration.

All other words or phrases used herein shall have the meanings given to them in the Declaration. As used herein, reference to the masculine gender shall include the feminine gender, and reference to the singular shall include the plural, and vice versa, unless the context clearly requires otherwise.

**ARTICLE III
PURPOSE**

- A. The Institute is organized and shall be operated exclusively for charitable, literary, artistic, scientific and educational purposes, all as contemplated and permitted by Sections 170(c)(2) and 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"). The Institute shall not conduct or carry on activities not permitted to be conducted or carried on by an organization described in Section 501(c)(3) of the Code, or by an organization contributions to which are deductible under Section 170(c)(2) of the Code. The core mission of the Institute is the development, maintenance and operation of programs and activities within a well-designed, safe environment for relaxation, education, interaction, entertainment, cultural and artistic education and activities, socialization and recreation which will enhance the quality of life for the present and future generations of Walnut Grove, and the greater Lake Charles, Louisiana region.

B. The Institute is not organized for profit, and no part of the Institute's net earnings shall inure to the benefit of or be distributed to any member, Director, trustee, officer, employee or individual. However, the Institute shall be empowered and authorized to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of its charitable purposes.

C. The Institute shall not engage in any activity inconsistent with its status as a nonprofit corporation. These Articles of Incorporation shall be construed accordingly, and all powers and activities of the Institute hereunder shall be limited accordingly.

D. In connection with the above purpose(s), to the extent permitted by Section 501(c)(3) of the Code, the Institute is empowered to engage in any lawful activity for which nonprofit corporations may be formed under the Act, including, without limitation, the right and power to receive gifts, bequests, and contributions in any form, to collect dues and to use, apply, invest and reinvest the principal and/or income therefrom or to distribute the same for the above purposes.

ARTICLE IV DURATION

The Institute shall enjoy perpetual existence.

ARTICLE V DISSOLUTION

Upon dissolution of the Institute, the Board of Directors shall, after paying or making provisions for payment of all liabilities of the Institute, dispose of the assets of the Institute exclusively for the purposes set forth in Article III hereof, or to any organization established and operated exclusively for the purposes set forth in Article III hereof, which shall at the time of such dissolution qualify as an organization exempt from federal income taxation and described in Section 501(c)(3) of the Code, as the Directors shall determine. No part of the assets of the Institute shall ever be distributed to or used for the benefit of any member, trustee, Director or officer of the Institute, or any private individuals or corporation, unless such entity is a tax-exempt government entity or unit or an organization exempt from taxation under Section 501(c)(3) of the Code.

ARTICLE VI MEMBERSHIP

The qualification of Members, manner of admission, and voting rights shall be as set forth in the Bylaws.

ARTICLE VII BOARD OF DIRECTORS

The affairs of the Institute shall be governed by a Board of Directors, whose number, qualification, powers, duties and term of office shall be set forth in the Bylaws. All of the powers and duties of the Institute existing under the Act, the Declaration, the Articles and the Bylaws shall be exercised exclusively by the Board of Directors.

The names and addresses of the initial members of the Board of Directors, who shall hold office until their successors are elected and qualified in accordance with the provisions of the Bylaws, or until removed, are as follows:

Name:

Jack E. Lawton, Jr.

Gus W. Schram, III

Holly B. Lawton

Address:

1409 Kirkman Street
Lake Charles, Louisiana 70601

1409 Kirkman Street
Lake Charles, Louisiana 70601

1409 Kirkman Street
Lake Charles, Louisiana 70601

**ARTICLE VIII
OFFICERS**

The Officers of the Institute shall be selected by the Board of Directors in the manner provided for in the Bylaws. The Officers shall consist of a President, Secretary and Treasurer and any other officer that the Board of Directors may deem necessary. The powers, duties and term of office of the Officers shall be set forth in the Bylaws. The names and addresses of the initial Officers, who shall hold office until their successors are selected in accordance with the provisions of the Bylaws, or until removed, are as follows:

<u>Name and Address:</u>	<u>Title:</u>
Jack E. Lawton, Jr. 1409 Kirkman Street, Lake Charles, LA 70601	President
Gus W. Schram, III 1409 Kirkman Street, Lake Charles, LA 70601	Vice President
Theresa B. Mitchell 1409 Kirkman Street, Lake Charles, LA 70601	Secretary
Nancy Mott Clooney 1409 Kirkman Street, Lake Charles, LA 70601	Treasurer

**ARTICLE IX
INCORPORATOR**

The name and address of the incorporator of the Institute is: Gus W. Schram, III, 1409 Kirkman Street, Lake Charles, Louisiana 70601.

**ARTICLE X
REGISTERED OFFICE AND AGENT**

The registered office of the Institute shall be located at 1409 Kirkman Street, Lake Charles, Louisiana 70601. The registered agent upon whom service of process may be effected for the Institute shall be Gus W. Schram, III. The registered agent's address is 1409 Kirkman Street, Lake Charles, Louisiana 70601. The registered agent's acknowledgement and acceptance of such designation is attached hereto.

**ARTICLE XI
BYLAWS**

The Institute shall be governed by the Bylaws. The Bylaws shall be adopted by the initial Board of Directors. The Bylaws must be consistent with these Articles, with Louisiana law, including, but not limited to, the Act, and with federal statutes and regulations applicable to organizations exempt from federal income taxation and described in Section 501(c)(3) of the Code.

**ARTICLE XII
AMENDMENTS**

A. An amendment altering these Articles shall be adopted by a majority of the Board of Directors at a regular or a special meeting called for such purpose; provided that no amendments shall be adopted that may affect the status of the Institute as a nonprofit corporation formed under the Act.

B. If, at any time, the Internal Revenue Service asserts, or the Institute receives an opinion from recognized national tax counsel, that the continued existence of any provisions of the Articles or Bylaws violate federal statutes and regulations applicable to organizations exempt from federal income taxation to the extent that there is a likelihood that the Institute may lose its tax-exempt status or that any Director or officer of the Institute may be criminally or civilly sanctioned as a result of the existence of those provisions, the Members may amend those provisions. If the Members fail to amend those provisions, any Director or officer of the Institute may petition a court of competent jurisdiction to effect the amendment and these Articles shall be amended in accordance with the judgment of such court. Notwithstanding the foregoing, reasonable measures shall be taken to preserve the corporate governance provisions herein; provided that no measures will be taken which, in the judgment of the Members (after consultation with recognized national tax counsel) may result in a revocation of the Institute's tax-

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THUS DONE AND PASSED, before me and in the presence of the undersigned competent witnesses, at Lake Charles, Louisiana, on the date and year first above written, after due reading of the whole.

WITNESSES:

INCORPORATOR:

W. Alston
Name: W. Alston

Gus W. Schram III
Name: GUS W. SCHRAM, III

Capline Landry
Name: Capline Landry

exempt status or in a material risk of fines or penalties against the Institute or any of its Directors, officers or employees.

ARTICLE XIII INDEMNIFICATION

Every Director and every officer of the Institute shall be indemnified by the Institute against all expenses and liabilities, including attorneys' fees, reasonably incurred or imposed upon him in connection with any proceeding to which he may be a party, or in which he may become involved by reason of his being or having been a director or officer of the Institute, or any settlement thereof, whether or not he is a director or officer at the time such expense is incurred, except in such cases wherein the director or officer is adjudged guilty of willful misconduct or misconduct in the performance of his duties to the Institute; provided that in the event of a settlement, the indemnification herein shall apply only when the Board of Directors approves such settlement and reimbursement as being in the best interests of the Institute. This right of indemnification shall be in addition to and not exclusive of any and all other rights to which such director or officer may be entitled.

ARTICLE XIV RESTRICTIONS

A. No part of the net earnings of the Institute shall inure to the benefit of, or be distributable to, its Directors, officers or other private persons, except that the Institute shall be authorized and empowered to pay reasonable compensation for services rendered to or for the Institute affecting one or more of its purposes.

B. No substantial part of the activities of the Institute shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Institute shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of these Articles, the Institute shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax and described in Section 501(c)(3) of the Code or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Code.

C. At any time during which this Institute is classified as a "private foundation" as that term is defined by Section 509 of the Code.

1. The Institute shall not engage in any act of self-dealing as defined in Section 4941(d) of the Code or the corresponding provisions of any subsequent federal tax laws;
2. The Institute shall make distributions of such amounts for each taxable year at any time and in such manner as not to become subject to the tax imposed by Section 4942 of the Code or the corresponding provisions of any subsequent federal tax laws;
3. The Institute shall not retain any excess business holdings as defined in Section 4943(c) of the Code or the corresponding provisions of any subsequent federal tax laws;
4. The Institute shall not make any investments in such manner as to subject it to tax under Section 4944 of the Code or the corresponding provisions of any subsequent federal tax laws; and
5. The Institute shall not make any taxable expenditures defined in Section 4945 of the Code or the corresponding provisions of any subsequent federal tax laws.

ARTICLE XV NONDISCRIMINATION POLICY

The Institute shall not discriminate on the basis of race, color, national origin or ethnic origin.

ACKNOWLEDGMENT

**STATE OF LOUISIANA,
PARISH OF CALCASIEU**

BEFORE ME, the undersigned Notary Public, in and for the Parish of Calcasieu, Louisiana, on this 28th day of JUNE, 2013, personally came and appeared, **GUS W. SCHRAM, III**, who declared and acknowledged in the presence of the undersigned competent witnesses, that he is the person who is designated in the foregoing instrument as the registered agent of the Institute, that his signature hereof is his own true and genuine signature and that he accepted such designation of his own free will and accord, and for the uses, purposes and consideration therein expressed.

THUS DONE AND PASSED on the day and year first above written, in the presence of the undersigned Notary and witnesses, who have hereunto subscribed their names, together with said appearer after due reading of the whole.

WITNESSES:

W. Alston
Name: W. Alston
Caroline Landry
Name: Caroline Landry

Gus W Schram III
GUS W. SCHRAM, III

Theresa Bondreau
NOTARY PUBLIC
Printed Name of Notary Public: _____
Notary Public or Bar Roll No. _____
My Commission expires on _____

EXHIBIT G

BYLAWS OF WALNUT GROVE INSTITUTE, INC.

BYLAWS

OF

WALNUT GROVE INSTITUTE, INC.

These are the Bylaws of Walnut Grove Institute, Inc. adopted concurrently with the Declaration of Covenants, Conditions and Restrictions for Walnut Grove to which these Bylaws are attached as **Exhibit "G"**. Capitalized terms used herein without definition shall have the meanings specified for such terms in the Declaration.

ARTICLE I

GENERAL

Section 1. Applicability. These Bylaws provide for the governance of that certain traditional neighborhood development known as "Walnut Grove" located in the City of Lake Charles, Parish of Calcasieu, Louisiana, pursuant to the requirements of the Louisiana Non-Profit Corporation Law. The Property is described in the Declaration and Exhibits attached thereto, which Declaration and Exhibits have been or will be recorded in the Conveyance Records of Calcasieu Parish, Louisiana. These Bylaws shall apply to Owners of Lots in Walnut Grove.

Section 2. Compliance. Every Owner of a Lot in Walnut Grove and all those subject to the Declaration shall comply with these Bylaws.

Section 3. Office. The office of the Institute and the Board of Directors of the Institute shall be located at Walnut Grove or at such other place as may be designated from time to time by the Board of Directors.

ARTICLE II

OWNERS INSTITUTE

Section 1. Composition.

(a) There shall be two (2) types of membership in the Institute: Class "A" membership and Class "B" membership. The Class "A" membership shall consist of all of the Owners of Lots, acting as a group in accordance with the Act pursuant to the Declaration and these Bylaws. The Class "B" membership shall consist of the Founder, as defined in the Declaration, until termination of the Class "B" membership, as set forth in the Declaration. After termination of the Class "B" membership, the Institute shall consist only of Class "A" Members.

(c) For all purposes, the Institute shall act merely as an agent for the Owners as a group. The Institute shall have the responsibility of administering Walnut Grove, establishing the means and methods of collecting Institute Assessments and charges, arranging for the management of Walnut Grove and performing all other acts that may be required or permitted to be performed by the Institute by the Declaration and applicable law. Except as to those matters which applicable law specifically requires to be performed by the vote of the Institute, the foregoing responsibilities shall be performed by the Board of Directors as more particularly set forth in Article III of these Bylaws.

Section 2. Annual Meetings. The annual meeting of the Institute shall be held each year on or before March 1 of each year. At such annual meeting, the Board of Directors shall be elected by ballot of the Members in accordance with the requirements of Sections 3 and 4 of Article III of these Bylaws. So long as Founder shall be a Class "B" Member of the Institute, Founder shall be entitled to designate the members of the Board of Directors. Founder shall select the members of the initial Board of Directors as listed in the Articles of Incorporation.

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

Section 4. Special Meetings.

(a) The President shall call a special meeting of the Institute if so directed by resolution of the Board of Directors or upon a petition signed and presented to the Secretary by Owners of not less than fifty percent (50%) of total number of Lots and units in Walnut Grove. The notice of any special meeting shall state the time, place, and purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

(b) Pursuant to the terms of the Declaration, upon termination of the Class "B" membership, a special meeting of the Institute shall be held at which all of the members of the Board of Directors designated by Founder shall resign, and the Owners, including Founder if Founder owns one or more Lots, shall thereupon elect successor members of the Board of Directors.

Section 5. Notice of Meetings. The Secretary shall mail to each Owner a notice of each annual and special meeting of the Owners at least ten (10) days but not more than sixty (60) days prior to the date fixed for the meeting. Such notice of the annual meeting shall state the time and place of the meeting and shall also state the purpose of the meeting if a specified action is to be taken at the meeting. In the case of a special meeting, such notice shall state the purpose of the meeting. Notice shall have been deemed to have been given upon delivery, or if the notice is mailed, when such notice is placed in the United States mail, postage prepaid and addressed to an Owner at his or her last known address on record with the Institute.

Section 6. Quorum and Adjournment of Meetings. Except as otherwise provided in these Bylaws, the presence in person or by proxy of the Owners holding over forty percent (40%) of the total number of Lots and units shall constitute a quorum at any meeting of the Institute.

If at any meeting of the Institute a quorum is not present, or the withdrawal of enough Members leaves less than a quorum present at a meeting already called to order, Owners may continue to transact business, or a majority of the total number of Owners of Lots or units present at such meeting in person or by proxy may adjourn the meeting to a time and place they determine all in accordance with the provisions of La.R.S.12:231 of the Louisiana Nonprofit Corporation Law. Notice of such second meeting shall be attempted pursuant to Section 5 of this Article.

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

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

Section 8. Title to Lots. Title to a Lot may be taken in the name of one or more Persons, in any manner permitted by law. The Institute may acquire, hold and transfer full legal title to one or more Lots in Walnut Grove in its own name, but only if the unanimous consent of the Members of the Institute is obtained.

Section 9. Voting. Each Association shall have two classes of voting membership:

Class A: Class A members shall be all Owners of either Residential or Commercial Lots in Walnut Grove, with the exception of Declarant for so long as Declarant remains a Class B member of such Association. Class A members who are Residential Owners shall be entitled to one vote for each Lot owned in Walnut Grove. Class A members who are Commercial Owners shall be entitled to one vote for each one-thousand (1,000) square feet of rentable square feet of commercial area owned, or such other allotment of votes as set forth by the Commercial Association. When more than one person holds an interest in any Lot, all such persons shall be members, but the vote for such Lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Lot. Corporations, limited liability companies, partnerships and other entities shall notify the Association of the natural person who shall be considered a member of the Association for the purpose of exercising its vote; such entities shall provide such evidence of appointment and authority as the Board of Directors of the Association may require. In the event the Association agrees to assess two (2) Lots, or parts of Lots, as a

single Lot as authorized under Section 15.2 of the Declaration, the Owner(s) of such Lots or portions of Lots, shall have only one (1) vote, with respect to such Lots or parts of Lots.

Class B: Declarant shall be the sole Class B member of each Association. As the Class B Member, Declarant shall be entitled to three (3) votes for each Lot owned by Declarant in Walnut Grove and may vote at an Association meeting according to either the number of Residential Lots or the number of Commercial Lots held, depending on which Association meeting is being held. The Class B membership shall cease and be converted to Class A membership after the first to occur of the following:

A. the date on which the last Lot within Walnut Grove that is owned by Declarant or any of its affiliates is sold to a third party purchaser; or

B. the date as of which the Class B member elects in writing to become a Class A member.

Section 10. Amendment of Bylaws. These Bylaws may be amended, altered or rescinded only by the vote of not less than seventy-five percent (75%) of the members of the Board of Directors, subject to the approval of the Owners representing not less than seventy-five percent (75%) of the total number of Lots and units in Walnut Grove.

Section 11. Proxies. A vote may be cast in person or by proxy. Such proxy may be granted by any Owner in favor of only another Owner, a mortgagee or Founder. Proxies shall be duly executed in writing, shall be valid only for the particular meeting designated therein and must be filed with the Secretary before the appointed time of the meeting. Such proxy shall be deemed revoked only upon actual receipt by the person presiding over the meeting of notice of revocation from the Owner owning such Lot. Except with respect to proxies in favor of a mortgagee, no proxy shall in any event be valid for a period in excess of one hundred and eighty (180) days after the execution thereof.

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

ARTICLE III

BOARD OF DIRECTORS

Section 1. Number and Qualification. The affairs of the Institute shall be governed by a Board of Directors. Until termination of the Class "B" Control Period, and thereafter until their successors shall have been elected by the Owners, the Board of Directors shall consist of such persons as may be designated by Founder. The Board of Directors shall be composed of seven (7) persons, all of whom shall be Owners or spouses of Owners, mortgagees (or designees of mortgagees) or designees of Founder. The seven (7) person Board shall consist of Owners elected from the Lots or units. The Owners shall enjoy the benefits of cumulative voting in the election of Board members, meaning each Lot Owner shall be entitled to cast five (5) votes per seat being filled.

Section 2. Powers and Duties. The Board of Directors shall have all of the powers and duties necessary for the administration of the affairs of the Institute and may do all such acts and things as are not required to be exercised and done by the Institute or Owners by applicable law, the Declaration or these Bylaws. The Board of Directors shall have the power from time to time to adopt any Rules and Regulations deemed necessary for the benefit and enjoyment of Walnut Grove; provided, however, that such Rules and Regulations shall not be in conflict with applicable law, the Declaration or these Bylaws. In addition to the duties imposed by applicable law, the Articles of Incorporation, the Declaration, and these Bylaws or by any resolution of the Institute that may hereafter be adopted, the Board of Directors shall on behalf of the Institute:

(a) prepare an annual budget in which there shall be established the Institute Assessments of Owners.

(b) make Institute Assessments against Owners to defray the costs and expenses of the Institute, establish the means and methods of collecting such Institute Assessments from the Owners and establish the period of the installment payment of the Institute Assessment. Unless otherwise determined by the Board of Directors, the annual Institute Assessment against each Owner shall be payable in equal monthly installments, each such installment to be due and payable in advance on the first day of each month.

(c) provide for the operation of the Institute.

(d) designate, hire and dismiss the personnel necessary for the operation of the Institute and provide services for Walnut Grove and, where appropriate, provide for the compensation of such personnel and for the purchase of equipment, supplies and material to be used by such personnel in the performance of their duties, which supplies and equipment shall be deemed part of Walnut Grove.

(e) collect the Institute Assessments against the Owners, deposit the proceeds thereof in Bank depositories designated by the Board of Directors and use the proceeds to carry out the administration of the Institute.

(f) open bank accounts on behalf of the Institute and designate the signatories thereon.

(g) make, or contract for the provision of services for the Institute, in accordance with these Bylaws.

(h) enforce by legal means the provisions of the Declaration and these Bylaws.

(i) obtain and carry insurance against casualties and liabilities, as necessary, pay the premiums therefor and adjust and settle any claims thereunder.

(j) pay the cost of all authorized services rendered to the Institute and not charged to Owners of Lots or otherwise provided for in these Bylaws.

(k) keep books with detailed accounts in chronological order of the receipts and expenditures affecting the Institute and the administration of the Institute specifying the expenses incurred. Such books and vouchers accrediting the entries thereupon shall be available for examination by the Owners, their duly authorized agents or attorneys, during general business hours on business days at the times and in the manner set and announced by the Board of Directors for the general knowledge of the Owners. All books and records shall be kept in accordance with good and accepted accounting practices, and the same shall be audited at least once each year by an independent accountant retained by the Board of Directors who shall not be an occupant of Walnut Grove or an Owner. The cost of such audit shall be included in the Institute Assessment.

(l) notify a Mortgagee of any default hereunder by the Owner of the Lot subject to such Mortgage, in the event such default continues for a period exceeding thirty (30) days.

(m) borrow money on behalf of the Institute when required in connection with the operation of the Institute, provided, however, that the consent of Owners representing at least seventy-five percent (75%) of the total number of Lots and units in Walnut Grove, obtained at a meeting duly called and held for such purpose in accordance with the provisions of these Bylaws, shall be required to borrow any sum in excess of Twenty-Five Thousand Dollars (\$25,000.00).

(n) do such other things and acts not inconsistent with applicable law, Declaration or these Bylaws which the Board of Directors may be authorized to do by a resolution of the Institute.

Section 3. Election and Term of Office.

(a) The term of the initial directors appointed by Founder shall be three (3) years. At the special meeting referred to in Article II, Section 4(b) above, the Owners shall elect the Board of Directors, and their terms of office shall be as follows: the term of office of three (3) of the members of the Board of Directors shall be fixed at three (3) years, the term of office of three (3) of the members of the Board of the Directors shall be fixed at two (2) years, and the term of office of one (1) of the members of the Board of Directors shall be fixed at one (1) year. At the expiration of the initial term of office of each member of the initial Board of Directors selected at that special meeting, a successor shall be elected to serve for a term of three (3) years. The members of the Board of Directors shall hold office until their respective successors shall have been elected by the Institute except in the case of earlier removal or resignation.

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

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

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

Section 4. Removal or Resignation of Members of the Board of Directors. Except with respect to Directors designated by Founder, at any regular or special meeting duly called, any one or more of the members of the Board of Directors may be removed with or without cause by a majority vote of the Owners and a successor may then and there be elected to fill the vacancy thus created. Any Director whose removal has been proposed by the Owners shall be given at least seven (7) days' notice

of the time, place and purpose of the meeting and shall be given an opportunity to be heard at the meeting at which his removal is to be considered. A member of the Board of Directors may resign at any time. A member of the Board of Directors shall be deemed to have resigned upon disposition of his Lot.

Section 5. Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a Director by a vote of the Owners shall be filled by a vote of a majority of the remaining Directors at a special meeting of the Board of Directors called for such purpose promptly after the occurrence of any such vacancy, even though the Directors present at such meeting may constitute less than a quorum. Each person so elected shall be a member of the Board of Directors for the remainder of the term of the member being replaced and until a successor shall be elected at the next annual meeting of the Institute. Notwithstanding anything to the contrary in this Section or in the preceding Section 4, during the Class "B" membership, Founder shall designate the successor to any resigned or removed member of the Board of Directors previously designated by Founder.

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

Section 7. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as is determined from time to time by a majority of the Board of Directors, but such meetings shall be held at least once every four (4) months during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each Director, by mail, at least three (3) business days prior to the date of such meeting.

Section 8. Special Meetings. Special meetings of the Board of Directors may be called by the President upon a three (3) business day notice to each Director, given by mail, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of at least three (3) Directors.

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

Section 10. Quorum of Board of Directors. At all meetings of the Board of Directors a majority of the Directors shall constitute a quorum for the transaction of business, and the votes of a majority of the Directors present at a meeting at which a quorum is present shall constitute the decision of the Board of Directors. If at any meeting of the Board of Directors there shall be less than a quorum present, a majority of those present may adjourn the meeting.

Section 11. Conduct of Meetings. The President shall preside over all meetings of the Board of Directors and the Secretary shall keep a minute book of the Board of Directors recording therein all resolutions adopted by the Board of Directors and a record of all transactions and proceedings occurring at such meetings.

Section 12. Action Without Meeting. Any action by the Board of Directors required or permitted to be taken at any meeting may be taken without a meeting if all of the members of the Board of Directors shall individually or collectively consent in writing to such action. Any such written consent shall be filed with the minutes of the proceedings of the Board of Directors.

Section 13. Compensation. No Director shall receive any compensation from the Institute for acting in such capacity.

Section 14. Fidelity Bonds. The Board of Directors shall obtain and maintain adequate fidelity bonds in an amount not less than 125% of the total annual Institute Assessments for the year (in such form and in such greater amounts as may be required by the mortgagees) to protect against dishonest acts on the part of the officers, directors, and employees of the Institute who handle or are responsible for Walnut Grove funds. The premiums on such bonds shall be paid as part of the Institute Assessment. Such fidelity bonds shall: (i) name the Institute as an obligee; (ii) contain waivers of any defense based upon the exclusion of persons who serve without compensation from any definition of "employee" or similar expression; and (iii) provide that such bonds may not be cancelled or substantially modified (including cancellation for non-payment of premium) without at least thirty (30) days prior written notice to the mortgagees.

Section 15. No Liability of the Board of Directors, Officers, Owners, Institute.

(a) The officers and members of the Board of Directors shall not be liable to the Institute for any mistake of judgment, negligence or otherwise, except for their own individual willful misconduct or bad faith. The Institute shall indemnify and hold harmless each of the officers and directors

from and against all contractual liability to others arising out of contracts made by the officers or the Board of Directors on behalf of the Institute unless any such contract shall have been made in bad faith or contrary to the provisions of applicable law, the Declaration or these Bylaws, except to the extent such liability is covered by directors and officers liability insurance. Officers and members of the Board of Directors shall have no personal liability with respect to any contract made by them on behalf of the Institute. Every agreement made by the officers, the Board of Directors or a manager on behalf of the Institute shall, if obtainable, provide that the officers, members of the Board of Directors or the manager, as the case may be, are acting only as agents of the Institute and shall have no personal liability thereunder (except as Owners). No Owner, as a Member of the Institute, shall be personally liable for any obligation of the Institute.

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

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

(a) The fact of the common directorate or interest is disclosed or known to the Board of Directors or the committee, and the Board of Directors or committee authorizes, approve or ratifies such contract or transaction in good faith by a vote sufficient for the purpose without counting the vote of the interested director or directors; or

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

(c) The contract or transaction is fair to the Institute at the time it is authorized, ratified, approved or executed.

Any common or interested directors may be counted in determining the presence of a quorum of any meeting of the Board of Directors or committee thereof which authorizes, approves or ratifies any contract or transaction.

Section 17. Committees. The Board of Directors may establish committees as it determines are necessary in their sole discretion to assist with the duties and responsibilities of the Board in maintaining and governing the Institute.

ARTICLE IV

OFFICERS

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

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

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

Section 4. President. The President shall be the chief executive officer of the Institute, preside at all meetings of the Institute and of the Board of Directors, and have all of the general powers and duties which are incident to the office of president of a non-profit corporation organized under the

Louisiana Nonprofit Corporation Law including without limitation the power to appoint committees from among the Owners from time to time as the President may in his discretion decide is appropriate to assist in the conduct of the affairs of the Institute.

Section 5. Secretary. Except as provided in Section 7 of this Article relating to the appointment of a Vice President, the Secretary shall take the place of the President and perform the duties of the President whenever the President shall be absent or unable to act. If neither the President nor the Secretary is able to act, the Board of Directors shall appoint some other member of the Board of Directors to act in the place of the President, on an interim basis.

The Secretary shall keep the minutes of all meetings of the Institute and of the Board of Directors, have charge of such books and records as the Board of Directors may direct, maintain a register setting forth the place to which all notices to Owners and mortgagees hereunder shall be delivered, and in general perform all the duties incident to the office of secretary of a non-profit corporation organized under the Louisiana Nonprofit Corporation Law.

Section 6. Treasurer. The Treasurer shall have the responsibility for Institute funds and shall be responsible for keeping full and accurate financial records and books showing all receipts and disbursements, and for the preparation of all required financial data, and be responsible for the deposit of all monies and other valuable effects in the name of the Board of Directors, the Institute or the manager, in such depositories as may from time to time be designated by the Board of Directors, and in general perform all the duties incident to the office of treasurer of a non-profit corporation organized under the Louisiana Nonprofit Corporation Law.

Section 7. Vice President and Other Officers. In the event the Board of Directors appoints a Vice President, the Vice President shall take the place of the President and perform the President's duties whenever the President shall be absent or unable to act. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Directors or by the President.

In the event the Board of Directors appoints such other officers as it deems necessary, such officers shall perform such duties as shall from time to time be imposed upon them by the Board of Directors or by the President.

Section 8. Execution of Documents. All agreements, contracts, deeds, leases, checks and other instruments of the Institute for expenditures or obligations in excess of Five Thousand Dollars (\$5,000.00) shall be executed by any two (2) officers designated by the Board of Directors. All such instruments for expenditures or obligations of Five Thousand Dollars (\$5,000.00) or less may be executed by any one (1) officer designated by the Board of Directors.

Section 9. Compensation of Officers. No officer who is also a member of the Board of Directors shall receive any compensation from the Institute for acting as such officer. All other permitted compensation for officers shall be determined by the Board of Directors.

ARTICLE V

OPERATION OF THE PROPERTY

Section 1. Determination of Institute Assessments Against Owners.

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

(b) **Preparation and Approval of Budget.**

(i) At least forty-five (45) days before the beginning of the fiscal year, the Board of Directors shall adopt a budget for the Institute containing an estimate of the total amount considered necessary to pay the cost of operations for the Institute, and the cost of wages, materials, insurance premiums, services, supplies and other expenses that may be declared to be payable by Institute Assessment by the Declaration, these Bylaws or a resolution of the Institute and which will be required during the ensuing fiscal year for the administration and operation of the Institute and the rendering to the Owners of all related services.

(ii) Such budget shall also include such reasonable amounts as the Board of Directors considers necessary to provide working capital, a general operating reserve and reserves for contingencies and replacements. At least thirty (30) days before the beginning of each fiscal year, the Board of Directors shall send to each Owner a copy of the budget in a reasonably itemized form which sets forth the estimated amount of the Institute Assessment payable by each Owner. Such budget shall constitute the basis for determining each Owner's Institute Assessment. The budget must be approved by the Residential Association prior to submission to the Owners.

(c) **Institute Assessment.** Subject to the provisions of Article 13 of the Declaration, the total amount of the estimated funds required for the operation of the Institute set forth in the budget adopted by the Board of Directors shall be a lien against each Owner's Lot as provided in Article 13 of the Declaration. On or before the first day of each fiscal year, and the first day of each of the succeeding eleven months in such fiscal year, each Owner shall be obligated to pay to the Board of Directors or the manager (as determined by the Board of Directors) one-twelfth (1/12) of such Institute Assessment. Within ninety (90) days after the end of each fiscal year, the Board of Directors shall supply to all Owners an itemized accounting of the Institute Assessments for such fiscal year actually incurred and paid, together with a tabulation of the amounts collected pursuant to the budget adopted by the Board of Directors for such fiscal year, and showing the net amount over or short of the actual expenditures plus reserves. Any amount accumulated in excess of the amount required for actual expenses and reserves shall, if the Board of Directors deems it advisable, be credited according to each Owner's Institute Assessments to the next monthly installments due from Owners under the current fiscal year's budget, until exhausted. Any net shortage shall be assessed promptly against the Owners in accordance with their Institute Assessments and shall be payable either (1) in full with payment of the next monthly Institute Assessment due, or (2) in not more than six (6) equal monthly installments, as the Board of Directors may determine.

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

(e) **Initial Capital Payment.**

(i) Upon taking office, the first Board of Directors elected or designated pursuant to these Bylaws shall determine the budget, as defined in this Section, for the period commencing thirty (30) days after such election and ending on the last day of the fiscal year in which such election occurs. Institute Assessments shall be levied and become a lien against the Owners during such period as provided in paragraph (c) of this Section.

(ii) Founder, as the agent of the Board of Directors, shall collect from each initial purchaser of a Lot at the time of closing an "***initial capital payment***" equivalent to three times the estimated monthly Institute Assessment for such Lot. Founder shall deliver the funds so collected to the Board of Directors to provide the necessary working capital for the Institute.

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

Section 2. Collection of Institute Assessments. The Board of Directors, or the manager at the request of the Board of Directors, shall take prompt action to collect any Institute Assessments for Common Expenses due from any Owner which remains unpaid for more than thirty (30) days from the due date for payment thereof.

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

ARTICLE VII

MISCELLANEOUS

Section 1. Notices. All notices, demands, bills, statements or other communications under these Bylaws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by registered or certified mail, return receipt requested, postage prepaid (or otherwise as the Board of Directors may determine), (i) if to an Owner, at the address which the Owner shall designate in writing and file with the Secretary or, if no such address is designated, at the address of the Lot of such Owner, or (ii) if to the Institute, the Board of Directors or the manager, at the principal office of the manager or at

such other address as shall be designated by notice in writing to the Owners pursuant to this Section. If a Lot is owned by more than one Person, each such Person who so designates an address in writing to the Secretary shall be entitled to receive all notices hereunder.

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

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

Section 4. **Construction.** These Bylaws are intended to comply with all applicable provisions of law and shall be so interpreted and applied.

Section 5. **Severability.** The invalidity in whole or in part of any article, section, subsection, sentence, clause, phrase or word or other provision of these Bylaws shall not affect the validity of the remaining portions thereof.

EXHIBIT H

WALNUT GROVE DESIGN CODE

Section I. Architectural Regulations by Typology

The Approved Architectural Typologies that shall be represented throughout Walnut Grove are ones that are prevalent and appropriate to the place that is South Louisiana. To enhance the recognition of the neighborhood's geographical location, the majority of the buildings shall be Acadian or Creole in nature. However, due to the influx of popular turn-of-the-century typologies in the region, Arts & Crafts, Colonial Revival, Georgian, Greek Revival and Neoclassical should also be well represented. There will also be a small amount of "spice" styles permitted in the neighborhood; such as, Tudor Revival, Shingle Style, Victorian, Italianate, Federal, Prairie, Romanesque and French Eclectic. These were common typologies built in "Garden District" neighborhoods throughout the country, and specifically the South, at the beginning of the 20th Century, but were less common than others in this region. This mixture, by priority, will enhance the authenticity of the neighborhood, as it will feel like a place that developed over a long period of time.

The descriptions in this section specifically describe the aspects of the historical typologies themselves. While we understand and will be utilizing current construction techniques and materials, it's important that the buildings be as true to their historical precedents as possible so that they may be recognizable and authentic to their style. Following this section, the expectations as to how these typologies may be built within the neighborhood will be laid out. Having a mix of building styles, but a higher percentage of Creole and Acadian, will add to the authenticity of the neighborhood in relating to its place in Southwest Louisiana.

➤ **Creole**

Materials: As a part of the French Colonial Style, there are frequently masonry lower levels (exposed or coated in plaster) with wood-sided floor above in rural residences. Urban buildings were commonly plaster-covered masonry on all levels. Roofs were commonly clad in cypress shakes, but later replaced by slate.

Elements: Creole buildings were typically identified by steeply pitched roofs, usually hipped. Due to their French ancestry, masonry chimneys were usually internal to the mass of the house. They would typically be built on a masonry pier foundation or a masonry slab-on-grade with a masonry "basement" level below the formal, wood-framed floor. Masonry walls were commonly clad in lime plaster. Dormers were typically only on larger buildings, with occupy-able attic levels. The foundation level columns were typically square piers or chunky Doric columns on large plinth blocks. The houses typically had large porches/balconies/overhangs to protect the buildings from the intense heat. Tall ceilings on the living levels are of the utmost importance. It was also typical for them to have tall, narrow door and window openings with paired doors. Shutters were a typical addition to these buildings for protection. Railings were typically very simple and rustic, and with smooth transitions. Exterior stairs were common up to the porches and beneath the balconies of a raised-basement house. Smaller panes of glass were common in the earlier examples of Creole architecture, but later became very large, simple panes with minimal articulation.

Methods: Architecture of the French West Indies is a key influence to this picturesque style of architecture. Creole homes were most typically done as "raised cottages".

Lot Improvements: Improvements to a site should take form as Garconiers and Pigeonniers. There are many historical examples of these. Carriage houses in an urban-Creole style may also be included. Gardens should be similar to French, country gardens...casual, yet organized.

Prohibitions: The houses should lack a perfect, organized rhythm to the fenestration. The order should come solely from the columniation, if applicable, but may even be missing from this. There should be a casual simplicity to their form and organization. Stone is not to be used on this style of architecture, with the exception of limited applications of slate.

➤ **Acadian**

Materials: As another adaptation of the French Colonial Style, Acadian architecture tends to also be identified by masonry pier foundations and wood-sided houses, although, raised masonry foundations with plaster houses were also common. Sometimes even plaster over heavy timber on a pier foundation would be used. They would most typically have large gable roofs with an occupy-able attic level. There were also examples of "raised cottages" with the lower "basement" level in masonry; wood sided on the upper level and a "pavilion" roof influenced by the Caribbean. The roofs were commonly clad in cypress shakes, although metal was sometimes used in later replacements.

Elements: Acadian buildings are most typically rural buildings and cottages that were less refined than Creole buildings. They maintained the highly pitched roofs from their Canadian ancestry. They would typically be built on a masonry pier foundation or a masonry slab-on-grade with a masonry "basement" level below the living, wood-framed floor. Masonry walls were commonly clad in lime plaster. Cypress siding was typically "white washed" (lime washed), while the shutters were usually washed with {B0677904.7}

an additional pigment added from brick powder or other natural elements. Dormers were not typical of Acadian buildings, even with occupy-able attic levels. The foundation level columns were typically square piers. The houses typically had large porches/balconies/overhangs to protect the buildings from the intense heat. Front porches would extend across the entire width of the building. Additions were typically done as simple lean-to's at the rear. Tall ceilings on the living levels are of the utmost importance. It was also typical for them to have tall, narrow door and window openings with paired doors. Shutters were a typical addition to these buildings for protection. Railings were typically very simple and rustic. Exterior stairs were common up to the balconies of a raised-basement house, or up to the attics (garnier/garconier) of a simple cottage. Wealthier "raised cottages" typically employed garconiers that looked like smaller Acadian cottages, detached from the main house. Larger panes of glass were common in Acadian architecture, once windows began being a regular addition, but with simple muntins with minimal articulation.

Methods: Architecture of Nova Scotia Canada and the Caribbean came together to influence the design of Acadian buildings.

Lot Improvements: Improvements to a site should take form as Garconiers and Pigeonniers. There are many historical examples of these. Both take on simpler forms than in Creole architecture. Landscaping should be informal and mostly green.

Prohibitions: The houses should lack a perfect, organized rhythm to the fenestration. The order should come solely from the columniation, if applicable, but may even be missing from this. Fenestration should work best for the rooms within. There should be a casual simplicity to their form and organization. Stone is not to be used on this style of architecture.

➤ **Colonial**

Materials: Early Colonial-style buildings were typically wood-sided on stone/brick foundations. However, plaster, stone and brick examples all were prevalent during the Colonial Revival period around the turn of the 20th century. They used different roof forms depending on their origin; gable, hip and Dutch gambrels were all common. They were typically clad in shakes, and later, slate. They typically had masonry chimneys at the ends on the exterior of the building, although early Dutch examples had a central one.

Elements: Their roof pitches were of more conventional levels (typically 8:12). They were usually slightly above grade and on a stone or masonry foundation. There is an expected level of refinement in their siding and trim or masonry work. Dormers were commonly used, and refined, on Colonial Revival, less common on early Colonial, as they had lower-pitched roofs with sometimes un-occupy-able attic levels. They did not have large overhangs, except for a few adaptations to the Southern climate. They are often identified by a front door accented by decorative crown and/or an entry porch. The facades are usually symmetrically balanced with a centered door and windows on each side. Windows were usually double-hung, with multi-pane glazing in the top or both sashes. Windows would frequently be set in adjacent pairs or triples in Colonial Revival buildings. Shutters were commonly used to aid in adjusting climate conditions. Railings and spindles were from simple to ornate, but always well crafted with lovely newel posts. Windows were typically well designed and with wonderful detail.

Methods: Colonial and Colonial Revival architecture was commonly influenced from English and Dutch architecture. Colonial Revival was very common for "Garden Districts" at the turn of the century.

Lot Improvements: Improvements to a site should typically only take the form of a garden pavilion or folly. Formal gardens and landscaping are totally appropriate as is the use of a lot of color.

Prohibitions: The houses should not have a lack of order or organization to their composition. It should be balanced and rational. Everything should connect back to the overall scheme and it should feel harmonious. Fenestration should align vertically, or have a sound architectural reason not to. There should be a formal simplicity to their form and organization. Most materials are appropriate for their cladding, but heavy walls should maintain as a constant.

➤ **Greek Revival**

Materials: Greek Revival buildings are most typically wood-sided or brick, on either stone or brick foundations. They most typically had low pitched, gabled or hipped roofs clad in slate. Masonry chimneys could be set to the interior or exterior, depending on the precedent.

Elements: The roofs were pitched a bit lower than other Southern styles (6:12), but their overhangs were determined by the depth of their classical, Greek cornices. They were typically close to grade and sitting on a masonry or stone foundation. There is normally elaborate wood working; columns, cornices, architraves, etc. Dormers were not typically used. Occupy-able attics would have windows on the ends of gabled roofs. The most notable feature is a large, multi-story "temple front" entry porch with the house being defined by its "giant orders". But an entry sequence should always be defined by a porch (entry or full-width) with columns and/or a door surround with columns and/or pilasters at a lesser order. A front door should always be embellished by a narrow line of sidelights and a transom, usually with rectangular panes. All Greek Revival buildings should have a large, Greek, cornice at its cap. The facades are usually symmetrical, especially on larger buildings. The windows are usually double-hung

and shutters are common. Windows are most typically 6-over-6 and well detailed. Railings and spindles are typically very ornate and intricately carved, although sometimes even wrought iron would be used. Jefferson's own Greek Revival/Jeffersonian buildings typically had chinoiserie patterned railings.

Methods: Greek Revival architecture was the most prevalent style of mid-19th century American architecture and became the first purely American style that became known as the "National style of American architecture".

Lot Improvements: Improvements to a site shall be very well organized and in keeping with the Greek Revival style. There should be an order and rigor used in landscaping and garden design. All outbuildings should be in keeping with this order.

Prohibitions: The building should not have any lack of order or definition. Everything should be tied to the overall language of the style. Proportions are of the utmost importance. Fenestration should align vertically, or have a sound architectural reason not to. There should be a formal organization to the overall massing and building's composition. Wood and brick are the most common exterior materials, but plaster and stone may also be used. The most important factor is that the level of intricate detail follows through all of the construction pieces and materials.

➤ **Neoclassical**

Materials: Neoclassical buildings are most typically stone, plaster or brick, on either stone or brick foundations, although some wood-sided examples were done as well. They most typically had low pitched, gabled or hipped roofs clad in slate or clay tile, or even metal if they were low enough to be concealed by an attic level. Masonry chimneys could be set to the interior or exterior, depending on the precedent. Terra cotta was commonly used for columns, cornices and architraves in lieu of stone.

Elements: The roofs were often pitched a bit lower than other Southern styles (6:12), and their overhangs were determined by the depth of their classical, Roman cornices. They were typically close to grade and sitting on a masonry or stone foundation. There is normally elaborate wood working; columns, cornices, architraves, etc. Dormers, when used, were very nicely, and sometimes ornately, detailed. They were treated as a jewel on the building. The most notable feature is the typically large, multi-story front portico with the house being defined by its "giant orders". Ionic and Corinthian were commonly used. But an entry sequence should always be defined by a porch (entry or full-width) with columns and/or a door surround with columns and/or pilasters at a lesser order. A front door should always be highly embellished with intricate woodworking or stone detailing. Most Neoclassical buildings are capped by a well designed classical cornice. The facades are usually symmetrical, with a balanced arrangement of windows and a centered door. The windows are usually double-hung and sometimes grouped. Windows are often 1-over-1, but well detailed. Railings and spindles are typically very ornate and intricately carved, and sometimes are done as solid balustrades.

Methods: Neoclassical architecture was brought to life from the Chicago World's Fair in 1893 and was often done in a highly decorated Beaux Arts style. It uses the simple massing of the Greek Revival but evolves for a more attenuated, Roman influence. It became one of the prominent, defining styles of American buildings.

Lot Improvements: Improvements to a site shall be very well organized and in keeping with the Neoclassical style. There should be an order and rigor used in landscaping and garden design. All outbuildings should be in keeping with this order.

Prohibitions: The building should not have any lack of order or definition. Everything should be tied to the overall language of the style. Proportions are of the utmost importance. Fenestration should align vertically, or have a sound architectural reason not to. There should be a formal organization to the overall massing and building's composition. Stone, brick, terracotta and plaster are the most common exterior materials, but wood may also be used. The most important factor is that the level of intricate detail follows through all of the construction pieces and materials.

➤ **Georgian**

Materials: Georgian buildings are most typically brick, on either stone or brick foundations, although some wood-sided, plaster and stone examples were done as well. They most typically had low pitched, gabled, English gambrel or hipped roofs clad in slate or clay tile, or even metal and wood shakes were used on some applications. Masonry chimneys could be set to the interior or exterior, depending on the precedent. Extensive mouldings, cornices, columns and architraves were typically made of wood or stone, sometimes even terra cotta.

Elements: The roofs were pitched a bit lower than other Southern styles (6-8:12), but their overhangs were determined by the depth of their classical cornices or detailed eave conditions, usually as a scaled down cornice with dentil molding. They were typically close to grade and sitting on a masonry or stone foundation. There is normally elaborate mill/stone work; columns, cornices, architraves, etc. Dormers, when used, were very nicely, and sometimes ornately, detailed. They were treated as a jewel on the building. The building's primary entry is always well defined. Usually by a paneled door with decorative crown and pilasters and/or columns. A pedimented entry stoop/porch is quite common. The facades are almost always symmetrical and well balanced, with windows symmetrically placed in vertical

rows around a central door. The windows are typically double-hung and shutters are common. Windows are most typically 6 to 12 panes per sash, and well detailed. Railings and spindles are typically very ornate and intricately carved, although sometimes even wrought iron would be used. All millwork details should be up to the same par.

Methods: Georgian architecture has its roots in 18th century England. However, it was again a popular style at the turn of the 20th century in America, not to mention, shortly after the Colonial period. There is a simple massing that sometimes has symmetrical secondary and tertiary additions, but always rational and organized.

Lot Improvements: Improvements to a site shall be very well organized and in keeping with the Georgian style. There should be an order and rigor used in landscaping and garden design, often based on English precedent. All outbuildings should be in keeping with this order and organization.

Prohibitions: The building should be well ordered and defined. Everything should be tied to the overall language of the style. Proportions are of the utmost importance. Fenestration should align vertically, or have a sound architectural reason not to. There should be a formal organization to the overall massing and building's composition. Additions should be purposeful and linked to the overall style/massing. The most important factor is that the level of intricate detail follows through all of the construction pieces and materials.

➤ **Arts & Crafts**

Materials: Arts & Crafts buildings are most commonly wood-sided, on brick pier foundations, although some plaster and brick examples were done as well. They most typically had low pitched, gabled or hipped roofs clad in wood shakes or metal, and slate was used on some applications. Masonry chimneys would typically be set to the exterior of the building as an additive element. Eaves were often left open with exposed, decoratively cut, rafter tails. Wood columns, often tapered, usually sat atop large brick, stone or stucco bases which linked into the structure of the porch.

Elements: The roofs were pitched a bit lower than many Southern styles (6-8:12), but they had deep overhangs to shade the facades, usually with exposed, decoratively cut, rafter tails and interesting brackets on the gable ends. They could be set high above (as raised cottages) or close to grade and sitting on a masonry or stone pier foundation. There is normally simple millwork that is well crafted and usually detailed with nice, natural wood joints. Dormers, when used, were of the same "craftsman" nature, also with exposed rafters. They commonly could have banks of windows and a shed roof, while more traditionally shaped dormers were sometimes used as well. They were typically clad in the same material/color as the house proper. The building's primary entry is almost always under a large porch. The porch columns were very often tapered, wood columns set atop large masonry bases that linked with the base of the entire porch and building. They were usually not symmetrically set onto the façade. The front doors would usually have the same natural-wood-joint details and often a smaller window with a ledge with taller panels below. The facades are typically not symmetrical. The windows are typically double-hung and shutters are common. Windows often only have divided panes in the upper sash, if at all, but would sometimes be done as a series of vertical panes or a large pane outlined with smaller ones, and nicely detailed. Railings and spindles are usually simple in form, but very well crafted and would have nice joinery. The most important architectural detail of the style is the craftsmanship of the wood connections and pieces. While they may be simple, well executed is of the utmost importance. Charming bays held by brackets, and towers, were common elements of the style.

Methods: Arts & Crafts architecture became common around the turn of the 20th century in California, and quickly throughout the rest of the country. It was a dominant style for nearly 3 decades, as it offered lovely details to all classes and sizes of homes. Even the simplest details were very well done.

Lot Improvements: Any improvements to a site should be casual and comfortable with lots of color and texture. There should be places for seating and garden pavilions/pergolas/arbors were common and well crafted, connecting back to the style of the house itself. There should be a "simple life" casualness to the gardens. Picket fences and arbor gates were common ways of "marking the entry" of craftsman homes.

Prohibitions: The building should be made of rational forms. Their plans shall not be overly complex, and should minimize hallways. Although, having a central wall was common. Their fenestration and porches should display their relaxed nature by not being overly formal or symmetrical. However, the building should have a sense of balance. Windows may be grouped in a larger opening, but may not be mulled directly together. Shutters, when used, must be able to function for all windows.

➤ **Spice Styles:** Tudor Revival, Shingle Style, Victorian, Italianate, Federal (Biedermeier, Empire, Regency), Prairie, Richardsonian Romanesque, French Norman/French Eclectic

When using any/all of the listed "spice styles", one is required to do extensive research into their historical precedents and heed their direction. These styles will only be allowed to be used sparingly throughout the neighborhood, as they were never overly prevalent, even at the height of their popularity. Please take note of their materials, unique elements, landscaping and methods that made them each special and desired.

Section II Building Elements

Roofs: Roofs shall be simple, laid over rational building massing and of traditional forms. Overly complicated roofs will not be permitted. Gables, hips, pavilion, mansard and gambrel shall be used on appropriate typologies. Pitches shall follow their historical precedents. Typical hips and gables shall not be either too low slung or too tall. They should be built between 8:12 and 10:12 for most conditions, although may be different where appropriate, for principal building mass. Roof overhangs shall be appropriate for the architecture of the building. Overhangs shall protect the building from solar gain; 16-24" is preferred, but 12-32" is appropriate for the region. Eaves shall not have boxed returns (i.e. "pork chops"), but shall be simple and in keeping with the vernacular. Any/all roof penetrations shall not be visible on the principal façade. If exposed, they shall be painted to match the roofing material. However, they may be built within a false chimney or portion of a real chimney.

Chimneys: Chimneys shall be finished in brick or stone. Plaster over masonry may be approved for some applications. Wood chimneys are not permitted. Exterior chimneys must extend from ground foundation to code-designated height minimum.

Foundations: All foundations must be built above the required Flood Plane Elevation "FPE" (designated by FEMA) of 10'-0". Residences within neighborhood should strive for 11'-0" or better. Slab-on-Grade, Deep Slab and Pier construction are all appropriate. Piers and foundation walls shall be clad in masonry. Any exposed concrete (i.e. – slab on grade) shall be hidden by native plantings.

Masonry: Traditional masonry construction techniques shall be utilized. I.e. Lintels shall be splayed with graduated brick for structural integrity. Traditional bond patterns should be utilized. Building massing shall be designed to minimize field-cutting of masonry. Masonry openings shall also use the material in the most efficient way. An approved masonry list will be available to select from.

Dormers: Dormers shall be in keeping with the architectural style of the building. Dormers shall be slender and tall (within reasonable proportion), only with enough width beside the window for the structure. Wider, banking dormers are only to be used in appropriate architectural typologies. Dormers shall be detailed to a level in keeping with the building as a whole.

Bays: Bays shall be finely crafted and treated as a special, unique piece of the building. Their detailing shall be in keeping with the rest of the building, or finer. They shall extend to the ground, or be rationally/visually supported by base/brackets. They shall not appear too heavy, as their intent shall be for a connection to the outside. Their roofs shall enhance their character and be clad in traditional materials. A bay should be graceful and add to the charm and character of the building as a whole.

Columns/Orders: Columns, cornices, placement & spacing shall all be based on the Classical Orders (except where other styles or vernaculars are being used, and even then, the principals shall be used) as they are depicted in the American Vignola. The materials used shall be in keeping with historical precedents, and be of long-lasting quality. They should be well detailed and supported/connected in traditional/rational techniques. When non-orders are used, they too shall be well detailed and in keeping with the tradition of the vernacular.

Porches/Balconies: Porches & balconies shall be built of lasting organic materials. They shall be detailed to be in keeping with the building itself. They shall be built with rational/traditional connections and details. They should be of a depth and height that is proportional with the building itself, and of a size that is adequate for occupying. The underside of the structure may be exposed, or a bead-board or an appropriate wood ceiling may be dropped below. The floor should be built of tongue & groove finished wood, sloping away to shed water.

Railings: All railings shall be traditionally detailed. They shall be historically appropriate for the chosen style and at the minimum height for code. Metal extension rods may be provided if a railing is below code height for aesthetic reasons. They shall be built of noble materials and be in keeping with the building and its materials and details. A rake shall be included in the lower rail to shed water.

Exterior Stairs: Exterior stairs shall be built of noble materials. They shall be traditionally detailed and protected. Creole houses should use under-porch stairs as a primary circulation alternative. Low entry/porch stairs may be wood, wrought iron or masonry while Creole porch stairs shall be wood. Their rails and pickets shall be in keeping with the style and details of the building.

Lighting: All residences should provide gas, copper lanterns as principal architectural lighting at the principal entryways to the building. Secondary, hidden task/security lighting may also be used. Style of lighting should be in keeping with the building, and chosen lights shall be able to patina naturally and be built of a lasting quality standard.

Screening: Screen porches shall be built within architecturally secondary porches. Utility screening must be provided discreetly. It may be done by architectural fencing or plantings. Rear-yard screening shall be provided with an architecturally appropriate solution. It may be a garden wall, wrought iron, architectural wooden fencing or a living-wall fencing.

Building Massing

Height: Unless further restricted by applicable zoning ordinances, commercial buildings are permitted to be up to 3 ½ floors (~ 56'). Residential buildings may be up to 3 floors (~36') in the Urban Core; 2 ½ occupied floors (36'), measured from the level of the first finished floor to center of roof mass, elsewhere. Houses may be raised on piers or extended foundations that are not included in the overall height limitations.

Massing: Building massing should be simple, creating rational roof forms. Over-complicated roofs will not be permitted. The exterior forms shall directly relate to the interior spaces. Massing should be historically accurate with primary, secondary and tertiary masses that appropriately relate to the function within the building. Roof forms shall be allowed to be as simple as possible. Houses designed from the interior without regard for the massing and the chosen historical style will not be approved.

Fenestration Patterns

Fenestration should have hierarchy (Front – Active-side – Rear – Passive-side). Windows should align vertically, or have good architectural reason not to if they won't. They should also be appropriately proportioned for their location. There should be a historically appropriate proportion for the wall-to-window ratio.

Products

Doors: Exterior doors shall be made of solid wood. It is recommended that interior doors shall be wood or Masonite (or similar approved). Doors should be historically detailed. Doors may be chosen from approved manufacturers and series/designs.

Windows: Windows may be either clad or wood on the exterior, but must be wood on the interior with Simulated Divided Light or True Divided Light and thin muntins. They may be chosen from approved brand and series. Windows shall be set at the center of the wall and prepared for functional shutters and historically trimmed. Wood windows must be maintained and will be brought to the attention of the Design Review Board if not.

Shutters: Shutters shall be encouraged on windows where appropriate. Shutters, when used, must be operable and built of noble materials. They shall have appropriate hardware to function for storm protection.

Garage Doors: Garage doors facing a principal street shall be wood or other approved, paintable material. They should also be single-car doors and designed to look/function as double, swinging carriage doors.

Columns: Columns may be wood, brick, brick covered with plaster, or concrete. They shall be made with appropriate details and by approved manufacturers.

Colors: All exterior colors and schemes must be approved by the neighborhood's Design Review Board. Pre-approved schemes may also be available. These pre-approved, or specifically approved, schemes must be used for all future changes to any/all buildings.

Maintenance: Materials or products which are not properly maintained will be brought to the attention of the Design Review Board for corrective action.

Lot Improvements

Out-buildings: Any/all out-buildings must be in keeping with the architectural character of the principal building. They must appear appropriate, both in style and location on lot. They must be an integral part of the site plan. Any changes to the site must be approved. This includes, but is not limited to, landscape, hardscape, outbuildings, colors, additions, etc.

Garage/Carport: Garages and carports should have separate massing, where possible, should be detached and have charming scale/massing. Many lots only require one protected parking spot, although, creative site design should provide additional parking. Carriage house units may be permitted to have small-businesses in the occupy-able portion, with Residential Association approval.

Driveways: Street-loaded parking should have "tire-track" driveways to minimize visual and water run-off impacts. They may be made of brick or concrete.

Landscape: Landscaping shall be entirely made up of local species. An approved list will be specified in the Landscape Code and available from the Design Review Board. Design must be intentional and should incorporate seating and other functional areas.

Gutters: Gutters may be ½-round copper/approved aluminum/galvanized or integral. Either shall be approved by the neighborhood Design Review Board. Copper gutters and down spouts shall be allowed to patina naturally. Gutters shall send water to collection systems on-site or underground to the neighborhood storm drainage system.

Address: Numbers shall be clearly placed in a logical, visible location and with traditional lettering. Their style and location must be approved by the Design Review Board.

Signs: Permanent residential signage is not allowed. No "For Sale" or "For Lease" signs or construction signs will be permitted except with the prior written approval of the Association, which may place conditions on the design and placement of such signs. Commercial signage must be approved by the neighborhood Design Review Board. They may be on the building façade, on the glass or perpendicular to the building's façade.

Flags: Flags must be on an approved (6') flagpole mounted on the building's façade a minimum of 8' above the pedestrian public space and at a 45° angle. Any/all flags/banners are subject to regulation by the Residential Association. Holiday flags are only acceptable during the said holiday season.

Section III - Lot Constraints

Setbacks & Conditions

Civic

Façade placement may be at the lot-lines designated for the building being built. Balconies and porches are allowed to overhang the property boundaries above the public domain. However, if they are supported by columns, they must be approved by the DRB for adequate setbacks to other urban conditions. Entry steps (if necessary) may protrude over property boundaries (subject to DRB approval). Parking for civic buildings will be accounted for by neighborhood, on-street parking.

Commercial

Façade placement may be at the lot-lines designated for the building being built. However, upper levels may overhang the property boundaries above the public domain as long as supporting columns are within acceptable setbacks from other urban conditions. These situations must be brought to the DRB for approval. Balconies are allowed to overhang the property boundaries above the public domain. However, if they are supported by columns, they must be approved by the DRB for adequate setbacks to other urban conditions. Entry steps (if necessary) may protrude over property boundaries (subject to DRB approval). Parking for commercial buildings will be accounted for by a shared-parking-factor in public lots and by neighborhood on-street parking.

Live/Work

Façade placement shall be at the lot-lines designated for the building being built. Balconies are allowed to overhang property boundaries above public domain. Entry steps (if necessary) may protrude over property boundaries (subject to DRB approval).

Townhomes

Façade placement may be at the lot-lines designated for the building being built. Party-walls are expected to have their center-line on the property boundary. Porches may extend to the front property boundary line or the front right of way line, whichever is more restrictive. Balconies are allowed to overhang above the public domain if supported by brackets and approved by the DRB. Entry steps may be permitted to protrude over property boundaries (subject to DRB approval). Buildings not being built up to front right of way line or the front property boundary, whichever is more restrictive, and may have retained/privatized lawns to aid in their entry-sequence transition above the street (subject to DRB approval). A minimum of one covered, on-site, parking spot will be provided at rear of each unit. Additional parking will be accounted for by a shared-parking-factor in public lots and by neighborhood on-street parking.

Village Homes

Façade placement may be at the lot-lines designated for the building being built. However, the entire frontage of the principal house-mass may not be against the front property boundary line or the front right of way line, whichever is more restrictive. Front setback of the façade of the principal house-mass must be 8'-0" behind the front property boundary line or the front right of way line, whichever is more restrictive. Rear garage setback of 3' must be maintained. Side setback on passive-side may be on property boundary. Side setback on active-side must be a minimum of 5' for principal, front, house-mass; however, 8' is preferred. House should try to encapsulate an inner court, yard, or green space on the active-side. Porches are allowed up to the front property boundary line or the front right of way line, whichever is more restrictive, but must be at least 3' from the side-yard boundary. Balconies shall be built within property boundaries. Rear balconies are allowed to overhang property boundaries, but must be

supported by brackets and approved by the DRB. However, exceptions may be made per DRB approval. Entry steps shall be built within property boundaries. A minimum of one covered, on-site, parking spot will be provided at rear of each lot. Additional parking may be available on-site, however neighborhood on-street parking will be available.

Mansion-Flats

Front façade placement shall be 16'-20' off of the front property boundary line or the front right of way line, whichever is more restrictive. Side setbacks for building mass of at least 5'-0" must be maintained. Rear garage setbacks of 3'-0" must be maintained. Balconies and porches on front of principal building mass are allowed to extend 10'-12' in front of principal house mass. Side porches must be at least 3'-0" from property boundary. Entry steps shall be provided within property boundaries. On-site parking will be provided at rear of lot for at least 4 cars (2/unit). These buildings may be built in a condo or co-op arrangement to protect the integrity of the buildings and their required maintenance.

Cottages

Façade placement shall be a minimum of 6'-0" from the front property boundary line or the front right of way line, whichever is more restrictive. Porches may extend to the front property boundary line or the front right of way line, whichever is more restrictive. On corner lots, both street-sides may be utilized as "fronts". Balconies must be contained within property boundaries. Entry steps may be permitted to protrude over property boundaries (subject to DRB approval). Buildings not being built up to front property boundary may have retained/privatized lawns to aid in their entry-sequence transition above the street (subject to DRB approval). A minimum of one, on-site, parking spot shall be provided except where lot constraints do not allow; in which case, a nearby designated spot must be accounted for. Additional parking will be accounted for by a shared-parking-factor in public lots and by neighborhood on-street parking.

Courtyard Homes

Courtyard Homes have the most flexibility in their layouts. However, no building facades may be built within 6'-0" from the front property boundary line or the front right of way line, whichever is more restrictive. There must be side setbacks from any facades of at least 5'-0". Rear setbacks to any building façade must be at least 10'-0" in typical condition. Any and All setbacks must be reviewed by the DRB. Courtyard Homes are anticipated to be made up of multiple "buildings". Two-story portions must be set deeper within lot than one-story areas. Garages are permitted to be built at the minimum setback requirements (but shall try to not face the street front) while occupied spaces should be set deeper within lot. Porches and Balconies may extend beyond the building façade setback, but must be contained within property boundary and approved by the DRB. Houses should attempt to create private and/or public courts/yards. A minimum of 2 covered parking spots must be located on-site. No more than 4 covered parking spots shall be built on-site. Additional parking will be available through neighborhood on-street parking and may be allowed within on-site motor courts.

Estate Homes

Estate Homes shall have front facades a minimum of 12'-0" from front property boundary line or the front right of way line, whichever is more restrictive. A minimum of 5'-0" must be maintained as the side setbacks. The principal house-mass must maintain a 10'-0" min. rear yard setback. Porches may be allowed up to property boundary for certain internal lots, but must maintain a 4'-0" minimum setback for others. Garages must maintain a 3'-0" side and rear setback on internal lots; a 6'-0" front yard setback, 4'-0" side yard setback and a 30'-0" rear yard setback for water-front lots or 20'-0" forward of the rear principal façade. A minimum of 2 covered parking spots must be located on-site. No more than 4 covered parking spots shall be built on-site. Additional parking will be available through neighborhood on-street parking and may be allowed within on-site motor courts.

Fences & Garden Walls/Gates

Fences and Garden Walls/Gates are only to be used on Residential and/or Mixed-Use lots. They are to be set back, at least, to the front edge of the main house-mass façade. Front "garden", picket-style fences and low garden walls are allowed up to the sidewalk edge. Courtyard and Estate lots may have entry walls that are beyond the house façade, but must be approved by the DRB. Any such fences, walls or gates that face a primary public domain must be approved by the DRB. They should be of materials and construction quality in keeping with the house itself. Rear/side privacy fences may be made as "living fences" in lieu of walls or wooden fences (with boards in one plane). Except for the perimeter boundary of Walnut Grove, solid wood privacy fences are not preferred and will be allowed only with Design Review Board approval. Garden gates are encouraged to be designed as entry doors to encourage use of outdoor spaces. All garden improvements, including fences, are subject to DRB approval.

Corner Lot conditions

Residential corner lots shall attempt to maintain the same setback for the main house-mass on the (street) side as at the front property boundary. Corner lot houses may have the option as to which street their house enters from, and therefore, their address.

Parking conditions and General regulations

On-site parking must be utilized. Neighborhood on-street parking is intended for overflow use for residences with more cars than on-site spaces and for guests. Garages are intended to be used for the parking of automotive vehicles. Carports must remain uncluttered and able to shelter appropriate automotive vehicles only, and should be utilized to minimize the impact to on-street parking. RVs, boats, trailers, ATVs, etc are not allowed to be parked on the streets or driveways within the neighborhood. On-site residential parking shall be landscaped to soften appearance of space and alley. Off-street public parking shall be landscaped to provide shade and shelter along with an urban edge for minimizing its appearance while providing through-block connection for access.

Utility meters shall be shaded from view while maintaining their accessibility. Trash cans shall be placed in appropriate or specifically designated public locations on trash-day, but otherwise must be contained within an enclosed area out of public view.

Section IV Building Constraints

Porches, Balconies, & Stoops

All porches, balconies and stoops on primary public facades of a residence must be within the designated setbacks and/or overhang allotments and approved by the DRB. They must be appropriately detailed for the style of the house and in keeping with its character, materials and finishes.

Building Constraints Particular to Urban Core

First Level Elevation & Ceiling Heights

Commercial/ Civic buildings should be at an accessible elevation from the sidewalk, but no less than 10'-6" above sea-level. Commercial/Civic buildings shall have first floor ceiling heights of 12'-24'. Live/Work units are included with the commercial buildings as their main level is commercial space. Residential buildings within the Urban Core must be raised an appropriate amount above the sidewalk elevation to increase privacy within the home, and a minimum of 10'-6" above sea level. Urban Core residences must have ceiling heights on the primary level between 10'-18'. Local city ordinance dictates the total maximum height for all buildings.

Upper Level Ceiling Heights

Commercial/Civic buildings should have upper floor ceiling heights between 10'-18'. Residences within the Urban Core shall have upper level ceiling heights between 9'-14'.

Maximum Building Heights

Commercial/Civic buildings shall be no taller in height than 3.5 occupy-able stories. Residential buildings within the Urban Core shall be no taller than 3 stories.

Corner Lot conditions

All buildings on Block corners must address corner in an appropriate fashion. All buildings on such lots shall be a minimum of 1 1/2 stories in height. Their massing must be appropriate to their architectural style. Buildings that occupy a corner lot must be sensitive to their orientations and architectural landmarks are encouraged as a visual feature to 'hold' the corner.

Vista conditions are equally sensitive and buildings in these situations must take advantage of that with their massing and other architectural features.

Roofs

A building's roof form and materials must be in keeping with the architectural style of the building. No complicated roof forms will be allowed. Roof eaves must provide adequate protection to the building's façade and have details in keeping with the rest of the building. Flat roofs will be permitted if appropriately screened behind parapet walls with details matching the rest of the building. Roof terraces are allowed under certain situations. In the urban core, there may be a roof terrace on a townhome, but furnishings may not be visible from the street below. Roof terraces may also be allowed behind parapets or solid guard rails in other parts of the neighborhood, but are subject to DRB approval.

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Building Constraints Particular to Neighborhood Center

Porches, Balconies, & Stoops

All porches, balconies and stoops on primary public facades of a residence must be within the designated setbacks and/or overhang allotments and approved by the DRB. They must be appropriately detailed for the style of the house and in keeping with its character, materials and finishes.

First Level Elevation & Ceiling Heights

- Commercial/ Civic buildings should be at an accessible elevation from the sidewalk, but no less than 10'-6" above sea-level. Commercial/Civic buildings shall have first floor ceiling heights of 12'-24'. The floor elevation of the first floor living area of Residential buildings within the Neighborhood Center shall be raised an appropriate amount above the sidewalk elevation to increase privacy within the home (2'-6" is encouraged for houses less than 10' from front property boundary), and a minimum of 11'-0" above the sea level. Neighborhood Center residences must have ceiling heights on the primary level between 9'-16'. Local city ordinance dictates the total maximum height for all buildings.

➤ Upper Level Ceiling Heights

- Commercial/Civic buildings should have upper floor ceiling heights between 10'-18'. Residences within the Neighborhood Center shall have upper level ceiling heights between 8'-12'.

➤ Maximum Building Heights

- Commercial/Civic buildings shall be no taller in height than 3.5 occupy-able stories. Residential buildings within the Neighborhood Center shall be no taller than 2.5 occupy-able stories. Local city ordinance dictates the total maximum height for all buildings.

➤ Corner Lot conditions

- Residential corner lots shall attempt to the same setback for the main house-mass on the (street) side as at the front property boundary. Corner lot houses may have the option as to which street their house enters from, and therefore, their address. All buildings on Block corners must address corner in an appropriate fashion. All buildings on such lots shall be a minimum of 2 stories in height. Their massing must be appropriate to their architectural style. Buildings that occupy a corner lot must be sensitive to their orientations and architectural landmarks are encouraged as a visual feature to 'hold' the corner.
- Vista conditions are equally sensitive and buildings in these situations must take advantage of that with their massing and other architectural features.

➤ Roofs

- A building's roof form and materials must be in keeping with the architectural style of the building. No complicated roof forms will be allowed. Roof eaves must provide adequate protection to the building's façade and have details in keeping with the rest of the building. Flat roofs will be permitted if appropriately screened behind parapet walls with details matching the rest of the building.

Building Constraints Particular to Garden District

➤ Porches, Balconies, & Stoops

- All porches, balconies and stoops on primary public facades of a residence must be within the designated setbacks and/or overhang allotments and approved by the DRB. They must be appropriately detailed for the style of the house and in keeping with its character, materials and finishes.

➤ First Level Elevation & Ceiling Heights

- The floor elevation of the first floor living area of Residential buildings within the Garden district neighborhood shall be raised an appropriate amount above the sidewalk elevation to increase privacy within the home (2'-6" is encouraged for houses less than 10' from front property boundary), and a minimum of 11'-0" above the sea level. Garden District neighborhood residences must have ceiling heights on the primary level between 10'-16'.

➤ **Upper Level Ceiling Heights**

- Residences within the Garden District neighborhood shall have upper level ceiling heights between 9'-14'.

➤ **Maximum Building Heights**

- Residential buildings within the Garden District neighborhood shall be no taller than 2.5 occupy-able stories.

➤ **Corner Lot conditions**

- Residential corner lots shall attempt to maintain the same setback for the main house-mass on the (street) side as at the front property boundary. Corner lot houses may have the option as to which street their house enters from, and therefore, their address. All buildings on Block corners must address corner in an appropriate fashion. All buildings on such lots shall be a minimum of 2 stories in height. Their massing must be appropriate to their architectural style. Buildings that occupy a corner lot must be sensitive to their orientations and architectural landmarks are encouraged as a visual feature to 'hold' the corner.
- Vista conditions are equally sensitive and buildings in these situations must take advantage of that with their massing and other architectural features.

➤ **Roofs**

- A building's roof form and materials must be in keeping with the architectural style of the building. No complicated roof forms will be allowed. Roof eaves must provide adequate protection to the building's façade and have details in keeping with the rest of the building. Flat roofs will be permitted if appropriately screened behind parapet walls with details matching the rest of the building.

EXHIBIT I

WALNUT GROVE LANDSCAPE CODE

LANDSCAPE DESIGN CONCEPT

Walnut Grove is envisioned to be a stately, timeless community that evokes feelings of prosperity, stability, security, and quality of life, such as existed in Louisiana during the Victorian era. As the primary roadways to enter Walnut Grove and access commercial businesses, East and West Walnut Streets are designed as grand streets lined with graceful trees and classic street furnishings, which give the entire community a strong sense of identity. These streets will themselves be landmarks of Walnut Grove.

Private street yards, whether commercial or residential, along East and West Walnut Streets employ smaller flowering trees and simple ground planes of native grasses, ground covers, or small shrubs to create a landscape hierarchy along these corridors and further emphasize the clean, classical lines.

Other streets in Walnut Grove, including Bartelmy Street, William Street, Catherine Lane, Rex Drive, and Jabez Drive, are designed with larger deciduous trees and clean ground planes, creating shaded pedestrian areas along the streets. Plant species palettes have been established for each of these streets to create distinctive and memorable seasonal changes. More spacious private yards along these streets provide the opportunity for a hierarchy of tree plantings, as well as for lawn areas and planting beds.

Community open spaces are designed in the classical Victorian fashion as grand, passive green spaces to stroll, dwell, and people watch. These areas are characterized by a hierarchy of trees that frame key views of the community architecture and landmarks, as well as provide shade and seasonal color. The ground planes are simply graced with native grasses, turf grasses, ground covers, and pathways. Street furnishings, which include benches, tables, trash receptacles, and site lighting, are all of timeless design and materials that evoke permanence.

PURPOSE AND INTENT

The purpose of these regulations is to establish minimum standards for the development, installation, and maintenance of the Walnut Grove landscape. The intent is to ensure visual harmony and sustainability throughout the community. Moreover, the standards define outdoor spaces, establish high quality aesthetics, and create pedestrian scale open space. The landscape is intended to follow traditional neighborhood principles adopted from successful small towns across America. These principles include shaded, tree-lined streets, pedestrian scale and connectivity, and distinctive and intimate neighborhood parks. The landscape design code applies to all development areas within Walnut Grove.

Specific Best Management Practices (BMP's) have been developed that include water conservation and stormwater management strategies, measures to preserve natural vegetation, and appropriate selection and location of plant materials.

DEFINITIONS

BMPs (Best Management Practices) - A technique, process, activity, or structure used to reduce the pollutant content of a storm water discharge. BMPs include simple nonstructural methods, such as good housekeeping and preventive maintenance.

Buffer - Something that separates two locations or entities.

Caliper - A unit of measurement in inches to determine the size of a tree trunk at a distance of 5 feet above the ground.

Chromated Copper Arsenate (CCA) - a chemical wood preservative containing chromium, copper and arsenic. CCA is used in pressure treated wood to protect wood from rotting due to insects and microbial agents. EPA has classified CCA as a restricted use product, for use only by certified pesticide applicators.

Creosote - Creosote is a wood preservative used for commercial purposes only; it has no registered residential uses. Creosote is obtained from high temperature distillation of coal tar (itself a mixture of hundreds of organic substances), and over 100 components in creosote have been identified. It is used as a fungicide, insecticide, miticide, and sporicide to protect wood.

Compliance - Conforming to a rule or standard.

Design Review Board – The entity with whom authority rests to enforce standards and regulations within the development.

Egress – The action of exiting or leaving. The right of a person to leave a property.

Habitable – Suitable to live in or inhabit.

Hardscape – Paved areas such as sidewalks, paths, plazas, water features, patios, driveways, and roads.

Heat Island Effect - Built up areas that are hotter than nearby rural areas.

Hyrdomulch - A planting process which utilizes a slurry of seed and mulch.

Impervious surfaces – Surfaces that do not allow water to pass through, impeding vertical drainage.

Ingress – The right or permission to enter. A means of entering a property.

Multi-family Dwelling – A classification for dwelling units where multiple separate residential units are contained within one structure or group of structures.

Nuisance Noise – Excess sound as a result of activity on a given site.

Overhang – To project or extend beyond.

Pentachlorophenol (PCP) - A standardized oil-borne preservative listed in the AWWA Book of Standards under P8, Section 1. It now has no registered residential uses.

Pervious surfaces – Surfaces that allow water to pass through, providing vertical drainage.

POC (Point of Connection) – The location at which individual system connects to a larger network. I.e., the water meter at a residence is the point of connection for the individual system.

Persistent organic pollutants (POPs) - Organic compounds that are resistant to environmental degradation through chemical, biological, and photolytic processes.

Right-of-Way – Legally granted access. Land covered by a public road or utility

Runoff – Overflow of rainwater from a specific surface location.

Servitude – A right possessed by one person to use another's property.

Setback – Building restrictions imposed on properties that establish distances improvements can occur from a property line.

Single Family Dwelling – A classification for dwelling units where a structure is occupied by a single family unit.

Smart Controller - controllers that automatically update the watering schedule to allow for changes in water needs throughout the year.

Variance – The act of deviating from a set standard.

Vegetated Buffer – An undeveloped area consisting of plant material that acts as a visual and physical barrier.

Vehicular Use Area – Any area of a lot not located within any enclosed or partially enclosed structure and that is devoted to a use by or for motor vehicles, including parking; storage of automobiles, trucks or other vehicles; gasoline stations; car washes; vehicle repair establishments; loading areas; and access drives and driveways.

Volatile Organic Compounds (VOCs) - Carbon-based chemicals that easily evaporate at room temperature. They are dangerous to human health.

I. LANDSCAPE DESIGN APPROVAL PROCESS

Site designs and landscape construction documents shall be prepared in accordance with the requirements of all applicable guidelines set forth in the current City of Lake Charles Code of Ordinances Landscape Requirements (Sec. 5-210). Where conflicts exist between the Lake Charles Code of Ordinances and the landscape design requirements set forth herein, the more stringent or restrictive requirements shall prevail. Questions concerning the interpretation of the City of Lake Charles Code of Ordinances or these landscape design criteria shall be directed to the Walnut Grove Design Review Board (WGDRB).

Landscape design plans shall be submitted to the Design Review Board and approved prior to the commencement of any construction on a given site. The Approval Process shall be in two phases: Landscape Design Concept and Landscape Construction Documents.

Both the Landscape Design Concept and Landscape Construction Documents shall be prepared by a professional landscape contractor with significant experience in South Louisiana landscape, and approved by the Design Review Board, whether as a consultant to the owner or as a part of a design-build contractor. A list of approved landscape contractors may be provided upon request to the Design Review Board. For residential properties requesting approval of landscape designs consisting of only plant material (no hardscape or structures), the owner may elect, at his own risk, to forego the Landscape Design Concept Submittal and submit the Landscape Construction Documents for review in one step.

A. Landscape Design Concept Submittal Requirements

The Concept Plan is intended to provide review of the landscape design prior to detail design and preparation of construction documents. The Landscape Design Concept Plan shall conform to the following minimum submittal requirements:

1. Site survey identifying structures, vehicular areas, and property lines and indicating building window and door locations, existing vegetation, existing utilities, other relevant existing features
2. 24" x 36" format, drawn to a scale appropriate to the subject property, such as 1"=10' or 1"=20', two (2) copies shall be submitted
3. Graphic scale and north arrow
4. Titleblock containing project name and address
5. License number and contact information for the project Landscape Architect
6. Illustrated distribution of plant materials
7. Annotated proposed plant materials types, such as Class A tree, Class B tree, shrubs, ground cover (Walnut Grove Approved Plant List is available through the WGDRB)
8. Quantifies of green space area and impervious surface area proposed on the property in square feet and as percentages of total property area
9. Location and identity of hardscape, such as trails, paths, plazas, decks, and courtyards
10. Location and identity of landscape elements, such as fencing, walls, pavilions, fountains, pools, and site furnishings

The Landscape Design Concept shall be reviewed at the next regular meeting of the WGDRB, following submittal at least five (5) business days prior. At the regular meeting, WGDRB will take one of the following actions:

1. Approve the Landscape Design Concept
2. Approve with minor modifications
3. Disapprove with specific modifications required for resubmittal

B. Landscape Construction Documents Submittal Requirements

Following approval of the Landscape Concept Submittal, Landscape Construction Documents shall be submitted in two (2) printed sets, 24" x 36" format, drawn to a scale appropriate to the subject property, such as 1"=10' or 1"=20'. The Construction Documents set shall include:

1. Site survey of existing conditions identifying structures, vehicular areas, and property lines and indicating building window and door locations, existing vegetation, existing utilities, and elevations, other relevant existing features
2. Demolition Plan
3. Site Layout Plan indicating proposed structures, hardscape areas, planting areas, and landscape elements
4. Planting Plan indicating proposed trees, shrubs, ground covers, and turf areas. Plants by botanical and common name, and where applicable, cultivar name; spacing and quantities of each type of plant by container size and mature height and spread
5. Landscape irrigation plan indicating point(s) of connection, design capacity, water service pressure at irrigation POCs, water meter location and size, all irrigation components, reduced-principle backflow prevention devices, precipitation rates for each valve circuit, total flow rate in gallons per minute (gpm), operating pressure (psi)
6. Either a separate specifications document or specifications annotated on the plan drawings

C. Variances

Applicants may request a variance from the Walnut Grove Landscape Code by submitting a written request for alternative compliance to the Design Review Board. A variance may be granted when compliance with the regulations would result in damage to existing infrastructure, create and unsafe condition for the public, or if unusual conditions exist.

D. Exceptions

Minor landscaping involving plant materials in fully-enclosed residential backyards do not require prior landscape plan approval as long as plant materials adhere to the designated plant palette.

II. LANDSCAPE DESIGN REQUIREMENTS

A. Streetscape Design

Street Signs:

Street sign poles in Walnut Grove shall be Brandon Industries fluted 3" x 14' poles SP3X14 with acorn finials for 3" OD poles. Street sign poles are to have Brandon Industries slip-over base for 3" OD poles. Traffic sign faces and trims are to be Brandon Industries HI R1-1/30 30" stop signs with TSTOP30N trim for 30" stop sign and 0636DS double-sided 6x36" street signs with TDS0636 trim for 6x36" street signs.

Lighting:

In order to reduce the adverse effects of light pollution on human and ecological health and to decrease the amount of energy used, provide dark-sky compliant lights along streets within Walnut Grove according to City of Lake Charles standards. Provide sidewalk and pedestrian scale lighting to encourage pedestrian activities, especially in public spaces. The use of motion-sensor lights is prohibited.

Site furnishings:

To create an invited environment for pedestrians and site users, site furnishings shall be provided as follows:

1. Litter receptacles, at minimum, shall be placed at each end of a block (one per intersection) on East Walnut, West Walnut, and at the entrance to parks and pedestrian promenades/walkways.
2. Benches shall be placed along street frontages at public facilities and commercial businesses. Provide one bench for every 25 feet of street frontage at these locations.
3. Bike racks shall be provided within 50 feet of the commercial, multi-family, and public building entrances to encourage alternative transportation use. Provide bike racks or storage that is equal to 5% of building occupants/employees.

Street Tree Plantings:

Street trees unify traditional neighborhoods, as well as define space, provide shade, and create a human scale. It is the declarant's intention to line both sides of all streets with trees. Tree species and spacing shall be appropriate to the architectural scale and size of the street. The intent of the street tree is to provide shade for pedestrians walking along the sidewalk, as well as providing a repetitive element along the streetscape which will help to calm vehicular traffic.

1. All street trees shall be Class A trees with a minimum 3" caliper, where the street trees will not conflict with underground utilities. Where conflicts occur, Class B trees with a minimum 2" caliper shall be used.
2. Street trees shall be uniform in size and shape with single trunks when planted. As larger trees mature, they shall be trimmed so branches are 7-feet clear from the ground.
3. All street trees shall be set back from intersections to provide safe viewing distance from approaching vehicles and pedestrian crosswalks. This is known as a Clear Sight Triangle, and shall be in accordance with City of Lake Charles standards set forth for the design speed of the local roads within the Walnut Grove Development.
4. If a street tree is damaged and/or dies, it is to be replaced with the same species as indicated in the approved plans, and at an appropriate scale relative to adjacent existing trees.
5. Where Class A trees are used as street trees, spacing is not to exceed 35 feet on center.
6. Street trees shall be placed no closer than 15' to street lights.
7. Where Class B trees are used as street trees, spacing is not to exceed 30 feet on center.
8. Apply 3" of mulch in a 2' radius around all street tree trunks, keeping several inches from trunk to avoid moisture impoundment at the base of the trunk.

Specific Street Tree Planting requirements for East & West Walnut Streets are as follows:

1. All trees planted in tree wells along West Walnut Street shall be Sweet Bay Magnolia (*Magnolia virginiana*).
2. At the time of planting, palms shall have a minimum of 12 feet clear trunk.
3. No other tree or palm is allowed.

4. All trees planted in tree wells along East Walnut Street shall be Savannah Holly (Ilex X attenuate 'Savannah').

B. Screening and Buffers

Screening: Walls, fencing, or vegetated barriers that are employed where unsightly objects, building facades, or utilitarian areas can be seen from offsite. Objects considered unsightly include, but are not limited to the following:

1. Electrical pull cabinets and transformers
2. Electrical panels and meters
3. HVAC equipment
4. Backflow preventers (required to be in lockable enclosure)
5. Cable and telephone related equipment
6. Grease traps
7. Trash compactors
8. Garbage containers
9. Mechanical equipment

Building facades, such as service entrances, deemed unattractive by the Design Review Board must be screened in accordance with the screening guidelines. Utilitarian areas include, but are not limited to the following:

1. Dumpster enclosures
2. Delivery/loading facilities
3. Maintenance facilities
4. Sewer lift stations
5. Staging or storage areas

Any unsightly object, area, or façade shall be screened with walls, fencing, or evergreen vegetation that will completely cover or obscure the view within 3 years. Depth, mixture of plant heights, and aesthetic composition shall be considered when designing a vegetative buffer.

Buffers: Where possible, vegetated buffers are encouraged for areas between commercial and either residential or recreation uses to not only screen views, but also to minimize nuisance noise. Parking lots are to be screened according to Parking Perimeter Zone requirements.

C. Commercial Design Requirements

Commercial developments shall comply with basic landscape requirements set forth herein prior to occupancy.

All areas within commercial developments that are not covered by hardscape surface materials are to be planted and irrigated.

*Design requirements for West and East Walnut Streets are more stringent, as these streets are the most important for setting the design image for the entire community.

West and East Walnut Street Planting Requirements:

This section sets forth planting requirements for front yard plantings along West and East Walnut Street from Sallier Street to William Street.

1. Small (Class C) trees are allowed within the front yards of properties along West and East Walnut Street.
2. Turf is not allowed in front yards (except along the street frontages of 2050, 2060, 2070, and 2080 West Walnut Street).
3. Allowed plantings in front yards are:
 - Shrubs that reach max 3-4 feet mature height (no more than 3 types per lot)
 - Ornamental grasses that reach max 3-4 feet mature height (no more than 3 types per lot)
 - Groundcovers that reach max 6-18 inches mature height (no more than 3 types per lot)

Zone Design Requirements

Design Requirements by area zones are established based on visibility and uses of open areas within each property and may include materials, colors, signage, site furnishings, landscape coverage requirements, landscape character requirements, plant materials, and other streetscape elements.

Commercial area zones are:

1. Parking Lot Interiors Zone
2. Parking Perimeter Zone
3. Parking Garage Zone
4. Sidewalk/Plaza Zone (along roadways)
5. Walkway/Plaza Zone (interior spaces)
6. Ingress/Egress Zone
7. Street Yard Zone
8. Alley Zone

Parking Lot Interiors Zone

- Trees in parking areas can reduce the heat island effect, shade cars, and decrease the visual impact of large paved areas.
- Where a parking space abuts interior green spaces (BMPs, grass strips, planting areas), the length of the paved portion of the space shall be reduced to 18 feet, although the actual designated parking space shall remain 20 feet in length. The remaining 2 feet of length required for the parking space shall be considered additional green space, thus reducing impervious surfacing.
- A landscape island shall be located at the terminus of each parking row, and shall contain at least one tree. Trees shall be a minimum 2.5" caliper and 8' in height. All islands shall be planted with continuous groundcover or shrubs.
- The interior of surface parking lots shall be planted with groundcover or shrubs to interrupt the pavement expanse, to reduce the heat island effect, improve the visual appearance and to shade parked cars and pedestrians.
- The total tree count shall be no less than one (1) Class A or two (2) Class B trees per ten (10) parking lot spaces.
- Pedestrian needs shall be accommodated within parking lots. Parking lots shall include design elements to address the following:
 - a. Protecting pedestrians from high volume vehicular traffic
 - b. Linking main entrances to the parking lot
 - c. Large planting medians should incorporate pedestrian crossing paths. Bicycle racks shall be provided within 50 feet of the building entrance.

Parking Perimeter Zone

- Surface parking lots shall have a minimum three (3) foot wide buffer. The buffer shall be increased to five (5) feet if parking is perpendicular to the buffer (for vehicular overhangs). The length of the paved portion of the space shall be reduced to 18 feet, although the actual designated parking space shall remain 20 feet in length.
- All parking lots shall be screened to minimize views of parked cars from the public right-of-way, using low walls or vegetated screening along all property lines which abut the public right-of-way or residential uses. Parking perimeter plantings shall comply with these minimum requirements:
 - a. 3' minimum height of screening, except where pre-existing trees or planned additional trees require breaks.
 - b. Allow for a clear sight triangle for drivers. Refer to City of Lake Charles requirements for sight triangle distances on streets & drives.
- Perimeter trees
 - a. For lots with 20 or more spaces, the perimeter of the parking lot may incorporate up to 35 percent of the required interior parking lot trees. (see Parking Lot Interiors Zone for tree requirements)
 - b. For lots with less than 20 spaces, the perimeter of the parking lot may incorporate up to 100 percent of the required interior parking lot trees as long as those trees are placed on private property within 15' of the parking lot. (see Parking Lot Interiors Zone for tree requirements).
- Plantings are encouraged at the street side of the fence or wall when a solid masonry wall or fencing abuts public right-of-way. Vines may be planted on the street side of the base of the wall and encouraged to grow along the masonry.

Parking Garage Zone

- Plantings shall be incorporated on the top of the parking deck (in areas not able to be used for parking spaces) to effectively break up the parking expanse and decrease the heat island effect.
- Parking deck perimeters shall be planted at ground level, e.g. with climbing vines to cover walls.
- Trellises are encouraged to be incorporated to further enhance parking deck parapets or around the exterior of the parking deck, especially when visible to adjacent habitable spaces.
- Planter boxes shall be provided at the top level of the parking deck, and shall be incorporated into the design of the structure and be properly irrigated and drained.

Sidewalk/Plaza Zone

- Create a buffer zone between pedestrians, moving vehicles, and other transit modes by the use of plantings and site furniture. Examples include street trees, benches, pedestrian information kiosks, bicycle racks, and pedestrian lighting.
- Provide dark-sky compliant lights along sidewalks to encourage and extend pedestrian activities into the evening. Lights should be on poles 9 feet tall so that the luminaire height is 12 feet above the ground. Trees planted near lights should be trimmed to allow the lights to function optimally.
- Provide site amenities such as trash receptacles, benches, bike racks, and seating areas for pedestrians in open space, plaza, and courtyard areas.

Walkway/Plaza Zone

- Create a buffer zone between pedestrians and vehicular circulation or parking areas by the use of plantings and site furniture.
- Provide dark-sky compliant lights along sidewalks and pedestrian scale lighting to encourage pedestrian activities.
- Provide site amenities such as trash receptacles, seating, and bike racks for pedestrians in open space, plaza, and courtyard areas.

Ingress/Egress Zone

- Monument signage shall be placed in this area, but set far enough back from the roadway intersection to comply with Clear Sight Triangle requirements.

Alley Zone

- Planting along alley frontage is encouraged so that at least 30% is screened by the use of plants such as columnar trees, hedges, or green screens with vines. Trees are not permitted in the Alley Zone. Shrubs planted within the Alley Zone must be kept trimmed as to not impede vehicular and pedestrian uses.

D. Residential Landscape Design Requirements

*Design requirements for East Walnut Street are more stringent, as these streets are the most important for setting the design image for the entire community. The restrictions applicable to East Walnut Street are stated above, and shall apply to both Residential and Commercial Lots on East Walnut Street.

Zone Design Requirements

Design Requirements by area zones are established based on visibility and uses of open areas within each property and include materials, colors, signage, site furnishings, landscape coverage requirements, landscape character requirements, plant materials, irrigation, and other streetscape elements. The separate Zones within each Residential lot are defined as the following:

1. Front Yard Zone
2. Side Yard Zone
3. Rear Yard Zone
4. Alley Zone

1. Front Yard Zone

- The front yard zone includes all planting between the ROW and the house, including the side of the house to the fence return

- Front yard landscaping shall be comparable in quality and materials to other front yards on that block
- The Front Yard landscape is the responsibility of the builder/homeowner and planting shall be complete within 1 month of occupancy. Time extensions for installation of plant material can be granted by the Design Review Board during summer months when plants would have a higher mortality rate
- The homeowner is responsible for maintenance
- Coordination between homeowners/landscape architects in locating large trees and shrubs near property lines is encouraged in order to avoid conflicts
- A variety of plants and textures should be utilized to create visual interest, yet simple, clean designs are preferred
- Five (5) foot wide front entry walk from street sidewalk or driveway to front door of residence
- Screen all unsightly uses, bare walls, and private areas
- Apply 3" hardwood mulch or pine straw to planting beds
- Minimum of one Class A or Class B tree
- Palm trees are not allowed
- All non-paved areas are to be planted with grass, groundcover, or other plantings

2. Side Yard Zone

- The Side Yard landscape is the responsibility of the builder/homeowner and implementation shall be completed within 1 month of occupancy. Time extensions for installation of plant material can be granted by the Design Review Board during summer months when plants would have a higher mortality rate. The homeowner is responsible for maintenance.
- The following design intent shall be considered when designing for the Side Yard Zone:
 - a. Screen utilities with appropriate plant material (AC Unit, pool pumps, etc.)
 - b. Screen for privacy from exterior views
 - c. Provide for a yard work area (trash can/recycle bin storage)
 - d. Provide pathways for circulation
 - e. Provide access to utility meters and vents
 - f. Use low maintenance plants is recommended
 - g. Palm trees are not allowed
 - h. All non-paved areas are to be planted with grass, groundcover, or other plantings

3. Rear Yard Zone

- The rear yard zone includes the area behind the house
- Landscape design of the rear yard zone shall be implemented within 6 months of occupancy
- Planting shall be installed and maintained by the owner
- Rear yard shall be enclosed by a fence or wall or combination of the two
- Minimum of one Class A or Class B tree

4. Alley Zone

- The alley zone includes the area between the alley access pavement and the property line, as well as the four (4) foot utility easement from the rear property line inward.
- The builder is responsible for the design and implementation of the landscape area in the alley right-of-way (ROW line is one(1) foot off of pavement edge within the alley)
- The homeowner is responsible for design and implementation of the landscape in the rear yard and utility easement within the Alley Zone and for maintenance within all of the Alley Zone
- Only groundcover and turf plant materials are allowed in the right-of-way of the Alley Zone
- Impervious hardscape and other types of hardscape paving materials other than driveways are prohibited in the Alley Zone. The use of grass-pave systems and fiber-reinforced soils is acceptable.
- Palm trees are not allowed
- Trees are not allowed in the Alley ROW or rear utility easement

III. Landscape Material Requirements

A. Plant Materials

All plant material shall conform to the standards set forth in the following publications:

- American Standard for Nursery Stock (Latest Edition)
- Horticultural Standards, American Association of Nurserymen (Latest Edition)

- American Joint Committee on Horticultural Nomenclature (Latest Edition)

Only approved plant species shall be planted in the Walnut Grove TND. A list of approved plants adapted to thrive in Zones 8 and 9, according to the USDA's Plant Hardiness Zone Map, is available upon request from the WGDRB. The Plant Palette is established to enhance aesthetic value of the Walnut Grove Development as set forth by the Declarant. Approved plants include primarily native and naturalized vegetation, but also introduced plants where historically appropriate to specific architectural typologies.

The following minimum plant sizes shall be used:

- Class A Trees (30'+ mature height) – 3" caliper at time of installation
- Class B Trees (up to 30' mature height) – 2" caliper at time of installation
- Class C Trees (up to 15' mature height) – 1 – 1 ½" caliper at time of installation
- Shrubs (used as buffer) – min. 5' overall height at time of installation
- Shrubs (4'+ mature height) – 5 gal. container at time of installation
- Shrubs (2' to 4' mature height) – 3 gal. container at time of installation
- Groundcover (14"+ mature height) – 1 gal. container at time of installation
- Groundcover (2" to 14" mature height) – 4" container at time of installation
- Annuals and Perennials (14"+ mature height) – 1 gal. container at time of installation
- Annuals and Perennials (2" to 14" mature height) – 4" container at time of installation

B. Turf

The use of sod to quickly establish a vigorous turf and help control erosion is encouraged. Turf establishment utilizing a Hydromulch process is allowed.

1. Hydromulch applications must be performed in accordance with the mulch manufacturer's specifications and applied to a prepared seedbed free of debris. The seedbed and applied products shall be maintained throughout the turf establishment period. Any washouts, ruts or other imperfections in the seedbed shall be corrected immediately and new Hydromulch applied.
2. Turf areas shall be consolidated and limited to those areas on the site that receive pedestrian traffic, provide for recreation use, or provide soil erosion control such as on slopes or in swales; and where turf is used as a design unifier, or other similar practical use. Turf shall be placed so that it can be irrigated using separate zones. As a matter of public safety, no turf that requires mowing shall be allowed on slopes greater than 4:1 or within 10 feet of the water's, wetland, or estuary edge, except where adjacent to seawalls and bulkheads or where needed to control erosion.
3. One of the most common reasons for turf failure is over-irrigation. Irrigation systems shall be designed and operated in accordance with irrigation requirements set forth herein.

C. Irrigation

1. Irrigation systems are required on all commercial and residential properties.
2. Irrigation systems shall be designed to meet the needs of the plants in the landscape.
3. When feasible, irrigation systems shall be designed to separately serve turf and non-turf areas.
4. The irrigation system plans and specifications shall identify the materials to be used and the standard construction methods.
5. The design shall consider soil, slope, and other site characteristics in order to minimize water waste including overspray, the watering of paved surfaces, and off-site runoff.
6. The system shall be designed to minimize free flow conditions in case of damage or other mechanical failure.
7. The system shall be designed to use the lowest quality water feasible. The use of harvested rainwater for irrigation is encouraged.
8. Rain switches or other approved devices, such as soil moisture sensors, to prevent unnecessary irrigation, shall be incorporated.
9. A recommended seasonal operating schedule and average precipitation rates for each irrigation zone for both establishment and maintenance conditions shall be provided by the system's designer.
10. The use of a smart controller is encouraged. Control systems shall provide the following minimum capabilities:
 - Ability to be programmed in minutes, by day of week, season and time of day
 - Ability to accommodate multiple start times and programs

- Automatic shut off after adequate rainfall
 - Ability to maintain during power outages for a minimum of three days
 - Operational flexibility to meet applicable year-round water conservation requirements and temporary water shortage restrictions
 - Controller shall be able to be integrated with a rain sensor.
11. Recommended maintenance activities and schedules shall be included
 12. Precipitation rates for sprinklers and all other emitters in the same zone shall be matched.
 13. Irrigation systems shall be designed to maximize uniformity considering factors such as:
 - Emitter types
 - Head spacing
 - Sprinkler pattern

Water pressure at the emitter
 14. Irrigation system plans and specifications shall require the system installer to conduct final testing and adjustments to achieve design specifications prior to completion of the system and acceptance by the owner or owner's representative.
 15. Irrigation system plans and specifications shall require that the installer provide property owners and users with the following post construction documentation:
 - As-built drawings
 - Recommended maintenance activities and schedules
 - Operational schedule
 - Design precipitation rates
 - Instructions on adjusting the system to apply less water after the landscape is established
 - Water source and water shut-off method
 - Manufacturer's operational guide for their irrigation controller. Irrigation scheduling information with instructions for seasonal timer and sensor changes as well as an irrigation valve zone site map shall be made available for subsequent property transfers.
 16. The irrigation system shall be designed to correlate to the organization of plants into zones. The water use zones shall be shown on the Irrigation Plan. All plants (including turf) require watering during establishment.
 17. Irrigated areas shall not be less than 4 feet wide, except when next to contiguous property or using micro or drip irrigation

D. Hardscape Materials and Products

The primary criteria for selecting site materials are to meet functional requirements, to be long-lasting and appear permanent, and to minimize the use of natural resources.

1. Wood
 - Keep preservative use to a minimum. Treat wood in contact with the ground with ACQ (ammoniacal copper quat) preservative. Use borates or sodium silicate for the decking. Use metal post bases to elevate the post above the ground.
 - Use engineered wood when possible. Engineered wood can have less impact on the environment through the use of smaller diameter trees and lower-grade tree species. Wood waste is also reduced because a high percentage of wood fiber is used in the product.
2. Wood Preservatives
 - The use of oilborne preservatives such as coal tar creosote or pentachlorophenol (PCP) is prohibited. Both have been classified as "restricted use pesticides" by the EPA because they continue to release toxins after application. Leaching can pollute groundwater, soil, and plant life.
 - Using wood that has been pressure treated with Chromated Copper Arsenate (CCA), or any other PBT's (persistent bioaccumulative toxins), or any known carcinogens or priority toxins is prohibited.
 - The least toxic preservative treatments are water-borne zinc, fluoride, copper, and boron salts. The most common alternative to CCA is alkaline copper quat (ACQ). Use second-generation copper-based waterborne wood preservatives as an alternative to copper-based wood preservatives.
3. Paints and Stains
 - To reduce the impact on human health, the use of low-Volatile Organic Compounds (VOC) paints and stains are encouraged. As the definition of low-VOC varies depending on the type of paint or stain, it is advisable to refer to green building standards such as the United State's

Green Building Council's LEED standards or other similar rating systems. Paint with polyvinyl acetate (PVA) is prohibited.

- Avoid products that warn of neurotoxic effects that may cause cancer, birth defects, or reproductive problems.

4. Manufactured Lumber

- Use of manufactured lumber is encouraged as it is durable and environmentally friendly.
- Use a high post-consumer recycled product, made from recyclable resins such as HDPE and LDPE (high-density and low-density polyethylene)
- Limit use of wood-plastic composites because they mix biological and synthetic materials and are not easily recycled. Also limit the use of multiple commingled recycled consumer plastics because they have more contaminants and inconsistent properties.
- Both plastic and composite lumber have very low moisture absorption and resistance to decay which makes them good for ground contact.
- The use of alternative lumber replacement products other than those stated above must be approved in a variance when the concept plan is submitted.

5. Plastics and Rubber

- Use plastic products that number each component. PVC is number 3 and should be avoided. HDPE is number 2 and LDPE is number 4. ABS is listed as ABS.
- Use of composite materials for fencing, decking, and artificial turf that contain PVC or vinyl is discouraged. HDPE is an alternative to PVC in irrigation pipes and drip lines, conduits, downspout extensions, root barriers, tree guards, lawn edging, fencing, gates, trellises, decking, railings, and outdoor furniture. LDPE is a good substitute in umbrella fabric, pool and grill covers, and geotextile fabrics.
- Use of products that have a minimum of 25% post-consumer recycled content or 40% total recycled content is encouraged.

6. Concrete

- Decorative architectural concrete is encouraged in lieu of standard broom finished concrete.
- Use of pervious concrete, which allows water to flow through the pavement to minimize stormwater runoff is encouraged for driveways, parking areas, sidewalks, and courtyards.
- Use of pre-cast porous concrete pavers, available in a wide range of colors and textures, is encouraged for driveways, parking areas, sidewalks, and courtyards.
- Use of water-based sealers that contain less than 100 g/l VOCs and are free of hazardous chemicals is encouraged. Bio-based, VOC free sealers made from soybean oil are available but need more frequent application.
- Use of water based and bio-based concrete cleaners is encouraged. Citrus based cleaners are water-soluble and biodegradable.

7. Aggregates, Precast Pavers and Blocks

- Precast concrete pavers, brick pavers, natural stone veneer, and cultured stone veneer are encouraged in lieu of concrete surfaces.
- Crushed aggregate paths are prohibited in primary circulation routes within commercial areas.
- Precast Pavers with wide joints allow for infiltration of rainwater into the ground water table and are encouraged for use in driveways, parking areas, sidewalks, and courtyards. Design the paver pattern to create voids between the pavers. The size and configuration of the joints determine the capacity for stormwater drainage.
- Use coarse gravel grades for drainage areas and finer grades for pathways or driveways where people may walk. The finer grades are a more stable surface for foot traffic.

E. Fence & Wall Locations, Materials, and Heights

1. Locations and Heights of Fences or Walls

- Except for connected garden walls, fences or walls facing the street along the front of the property must be no higher than 3 feet and should have no less than a 1:1 solid to void ratio.
- Fences or walls facing the street along the side of the property must be no higher than 6 feet.
- Fences or walls adjacent to properties with the same land use must be no lower than 4 feet and no higher than 6 feet and should have no less than a 1:1 solid to void ratio.
- Fences or walls adjacent to properties with a different land use must be no lower than 6 feet and no higher than 8 feet and should create a solid visual barrier.

- Fences or walls facing the rear of properties along an alley must be 6 feet in height. Rear facing fences can be either solid or contain void.

2. Approved Materials

- Decorative metal, brick, decorative concrete block, smooth masonry materials, wood, and vine covered fences.
- Chain link, vinyl coated, and lattice fences are prohibited.
- Solid wood fences are prohibited along the front of properties.
- All fence materials must be approved by the Design Review Board.

V. LANDSCAPE MANAGEMENT AND MAINTENANCE

A. Fertilizer Management

Fertilizers are important to keep plant materials healthy and attractive, but misuse or overuse of fertilizers can cause adverse health effects to the targeted plants and can endanger nearby environments.

Mandatory

- Follow directions on the fertilizer application rates and best management practices.
- Sweep fertilizer from sidewalks and driveways into planted areas, not into storm drains.
- Never fertilize within 10 feet of any water body.
- Do not fertilize before a heavy rain.
- When broadcasting fertilizer, only use a broadcast spreader with a deflector shield. A deflector shield directs fertilizer away from your maintenance free zone.
- Apply fertilizer only if plants show signs of nutrient deficiencies.
- Apply fertilizer on lawns only when grass is actively growing.

Recommended

- Fertilizing trees and shrubs can be avoided by regular application of hardwood mulch in planted areas.
- Avoid fertilizers containing weed killer or insecticide.
- Look for fertilizers with slow-release nutrients. They should include potassium and little or no phosphorous.
- Avoid using weed and feed products. These products contain herbicides and fertilizer together and can injure some trees and shrubs. Tree and shrub root systems can extend far beyond the canopy drip line, intermingling with turf.
- Apply an iron source instead of a nitrogen fertilizer. Use chelated iron or iron sulfate to green the lawn without increasing growth in the summer.

B. Pesticide Management

Mandatory

- Use of broad-spectrum insecticides is prohibited, as they are not selective, meaning they also kill beneficial insects. Instead, choose targeted products, which are designed to harm only specific pests.
- Spot-treat only. Use pesticides to treat only the affected areas of a plant or lawn. Use of blanket applications to treat problems is prohibited.
- Read and follow all label instructions. Be careful and remember that the label is the law.
- Use products only on recommended plants. Always read the label to find out which plants a product can be applied on and which plants are sensitive to the product.

Recommended

- Monitor for pests instead of routinely treating.
- Use the least toxic methods of managing pests.
- Apply pesticides during the cooler part of the day. Heat combined with soaps, horticultural oils, and other pesticides can injure plants.
- Use products only on recommended plants. Always read the label to find out which plants a product can be applied on and which plants are sensitive to the product.

C. Landscape Planting Maintenance

Landscape maintenance is required for all properties within Walnut Grove. Landscape maintenance ensures a consistent aesthetic throughout the community, and also reduces the likelihood of plant material failure during storm and wind events. Communities with well cared for landscapes tend to

have higher property values and lower crime rates. Landscape maintenance for hire shall be performed in accordance with recommendations from the WGDRB.

Mandatory

- Turf areas are to be maintained at a regular interval appropriate to the turf species and growing season.
- In no case shall grass clippings or vegetative debris be intentionally or inadvertently washed, swept, or blown into stormwater drains, ditches, conveyances, water bodies, wetlands, or paved surfaces.
- The property owner shall maintain in perpetuity all plants and landscape elements set forth in the approved landscape plan for the property. Changes as a result of property/building modifications shall first be reviewed for approval by the WGDRB.

D. Irrigation Maintenance

Proper irrigation maintenance will preserve and enhance a quality landscape and ensure efficient water use.

Mandatory

- The property owner shall maintain in perpetuity all irrigation system components and functions set forth in the approved landscape plan for the property. Changes as a result of property/building modifications shall first be reviewed for approval by the WGDRB.
- To maintain the original performance and design integrity of the irrigation system, repair of the equipment shall be accomplished with the originally specified materials or their equivalents.
- A regular maintenance schedule shall include but not be limited to checking, adjusting, and repairing irrigation equipment on a quarterly basis; and resetting the automatic controller according to the seasons.

E. Shoreline Maintenance

Due to Walnut Grove's proximity to Contraband Bayou and adjacent water bodies, it is important to understand that no matter where you live, the surface water that leaves your landscape as runoff (either due to rain or over-watering), together with any fertilizers or pesticides in that runoff, will eventually drain into a water body. The contributing drainage area is called a watershed.

The land along the water's edge is called the riparian zone and is often filled with wetland plant species. Shoreline vegetation attracts native wildlife and reduces erosion. Wetlands play a critical role in reducing flood damage by storing stormwater when it surges and releasing it slowly over time. Wetlands keep water clean by acting as filters for pollutants, silt, and sediment. Fish, birds, and wildlife depend upon wetlands for food, nesting grounds, migratory stops, and shelter.

In areas where built structures such as seawalls and bulkheads are necessary, look for ways to encourage native vegetation in and along them.

Maintenance requirements

Property adjacent to a water body shall designate a maintenance-free zone at least 10 feet wide between the landscape and the riparian zone. This area helps to protect the water from runoff. Mowing, fertilizers, and pesticides application are prohibited in the maintenance-free zone. Select native plants that will do well without fertilization or irrigation after establishment. Prevent grass clippings from washing into the water body, as their high nutrient content can cause pollution. Remove pet wastes deposited in the landscape, as they contain excess nutrients and many harmful bacteria.

F. Parking Lot Maintenance

Mandatory

- Plantings shall be properly maintained on a weekly or monthly basis and include seasonal "clean-ups" in the spring and fall.
- Islands shall be mulched with organic hardwood mulch or pine straw, which is to be replenished once a year. Cypress mulch is prohibited
- Plants shall be regularly inspected for pests.

- Plants shall be pruned as needed.
- Trees shall not be planted on high mounds, but flush or slightly above surrounding grades to prevent water pooling adjacent to the trunk.

Recommended

- To ensure the growth of shade trees in parking lot islands, a minimum 24" soil depth and 250 cubic feet of soil is recommended per tree.

G. Yard Waste Management & Composting

Yard wastes release nutrients as they decompose which pollutes the receiving water. Improper disposal of yard wastes can also contribute to flooding by causing stormwater runoff to backup in drainage systems. In addition, improper disposal may lead to spreading of invasive plants to new areas

Mandatory

- Yard wastes shall not be disposed of or stored by water's edge, in ditches or swales, or near storm drains.

Recommended

- Shredded yard clippings and leaves should be used for mulch or composted for use as fertilizer. Diseased material should not be mulched and should be properly disposed of to avoid spreading disease.
- Composting of yard wastes provides many benefits and is strongly encouraged. The resulting materials are excellent soil amendments and conditioners.
- Grass clippings are a benefit to lawns, replacing nutrients drawn from the soil and acting as mulch that helps retain moisture, lessening the need to irrigate. Grass clippings should be left on your lawn. Mulching mowers are recommended, because the grass clippings are chopped finely by special blade and shroud configurations. If a conventional mower equipped with a side discharge chute is used, the following practices should be employed. When mowing near the water's edge, direct the chute away from the water body. When mowing upland areas, direct the chute back into the yard, not onto the road or driveway.
- Mulches applied and maintained at appropriate depths in planting beds assist soils in retaining moisture, reducing weed growth, and preventing erosion. Mulch can also be used in places where conditions aren't conducive to growing quality turf or groundcovers.