

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF SUMMERWOOD HOMES ASSOCIATION

THIS DECLARATION, made on the date hereinafter set forth by Highland Ranch Development, L.L.C., a Louisiana limited liability company, represented herein by the undersigned duly authorized officer, hereinafter referred to as "Declarant."

WITNESSETH:

WHEREAS, Declarant is the owner of certain property in the Parish of Caddo, State of Louisiana, which is more particularly described as:

(Insert description when provided)

NOW THEREFORE, Declarant hereby declares that all of the properties described above shall be held, sold and conveyed subject to the following easements, restrictions, covenants, and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with, the real property and be binding on all parties having any right, title or interest in the described properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I

DEFINITIONS

Section 1. "Association" shall mean and refer to Summerwood Homes Association, Inc., its successors and assigns.

Section 2. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 3. "Properties" shall mean and refer to that certain real property hereinbefore described, and such additions thereto as may hereafter be brought within jurisdiction of the Association.

Section 4. "Common Area" shall mean all real property (including the improvements thereto) owned by the Association for the common use and enjoyment of the owners. The Common Area to be owned by the Association at the time of the conveyance of the first Lot is described as follows:

(Insert description when provided)

Section 5. "Lot" shall mean and refer to any plot of land shown upon that certain plat of Summerwood Homes Association, recorded in Plat Book _____, pages _____, of the records of Caddo Parish, Louisiana, and such other properties as may be annexed pursuant to the terms of this Declaration. The term "Lot" shall not include Common Area.

Section 6. "Declarant" shall mean and refer to Highland Ranch Development, L.L.C., a Louisiana limited liability company, its successors and assigns if such successors and assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development and is so designated by Declarant herein.

ARTICLE II

PROPERTY RIGHTS

Section 1. Owner's Easements of Enjoyment . Every Owner shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

The right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the common Area;

The right of the Association to suspend the voting rights, water rights and right to use of the recreational facilities by an Owner for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed 60 days for an infraction of its published rules and regulations;

The right of the Association to dedicate or transfer all or any part of the common Area to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Members. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer signed by 2/3rds of each class of Members has been recorded.

Section 2. Delegation of Use. Any Owner may delegate, in accordance with the By-Laws, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the property.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

Section 1. Every Owner of a Lot which is subject to assessment shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

Section 2. The Association shall have two classes of voting membership:

Class A. Class A Members shall be all Owners, with the exception of the Declarant except as herein provided at termination of Class B membership, one person holds an interest in any Lot, all such persons shall be Members. 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.

Class B. The Class B Member(s) shall be the Declarant and shall be entitled to three (3) votes for each Lot owned. The class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

the total votes outstanding in the class A membership equals the total votes outstanding in the Class B membership provided however that subsequent connections can recreate Class B membership, or

on January 1, 2017.

ARTICLE IV

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within the Properties, hereby covenants, and each owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments. The assessment levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents in the Properties and for the improvement and maintenance of the Common Area.

Section 3. Basis and Maximum of Annual Assessment of Charges. Until January 1st of each year immediately following the conveyance of the first lot to an Owner, the maximum assessment or charge shall be as follows:

For each Lot contained in the subdivision on which there is located an improvement which is, or has been, inhabited, the annual assessment shall be \$ 240.00. All other Lots shall have an annual assessment of \$60.00.

From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased effective January 1 of each year without vote of the membership in conformance with the rise, if any, of the Consumer Price Index (published by the Department of Labor, Washington, D.C.)

For the preceding month of July.

From and after January 1 of the year immediately following the conveyance of the first lot to an owner, the maximum annual assessment may be increased above that established by the Consumer Price Index formula by a vote of the members for the next succeeding two (2) years and at the end of each such period of two (2) years, for each succeeding period of two (2) years, provided that any such change shall have the assent of two-thirds (2/3) of the votes of each class of Members who are voting in person or by proxy, at a meeting duly called for this purpose, written notice of which shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting setting forth the purpose of the meeting. The limitations hereof shall not apply to any change in the maximum and basis of the assessments undertaken as an incident to a merger or consolidation in which the Association is authorized to participate under its Articles of Incorporation or to increases in water and sewer charges paid by the Association.

After consideration of current maintenance costs and future needs of the Association, the Board of directors may fix the annual assessment or charge at an amount not in excess of the maximum hereinabove provided for.

Section 4. Method of Computation when Using the Consumer Price Index. The Consumer Price Index establishes the United States City Average numerical rating for the month of July, 1968 at 104.5%. This will be the base rating. To determine the percentage to be applied to the maximum annual assessment for each subsequent year, divide this base rating into the numerical rating established by the consumer Price Index (1967 equals 100%) for the month of July preceding the proposed assessment year. This adjustment percentage, if in excess of 100 percentum, is multiplied by the original maximum annual assessment to obtain the maximum assessment for the subsequent year.

Section 5. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of Members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 6. Notice and Quorum for Any Action Authorized under Sections 3 and 5. Written notice of any meeting called for the purpose of taking any action authorized under Sections 3 or 5 shall be sent to all Members not less than 30 days nor more than 60 days in advance of the meeting. At the first such meeting called, the presence of Members or of proxies entitled to cast sixty percent (60%) of all votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than 60 days following the preceding meeting.

Section 7. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for each class of Lots and may be collected annually, in advance, or on a monthly basis.

Section 8. Date of commencement of Annual Assessments: Due Dates: The assessments provided for herein shall commence as to all Lots on the first day of the month following the conveyance of the Common Area. The Board of Directors shall fix the amount of the annual or monthly assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance.

Section 9. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of twelve percent (12%) per annum. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

Section 10. Subordination of the Lien to Mortgage. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

ARTICLE V

ARCHITECTURAL CONTROL

No building, fence, wall or other structure shall be commenced, erected or maintained upon any Lot, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials, and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the Association, or by an architectural committee composed of three (3) or more representatives appointed by the Board. In the event said Board, or its designated committee, fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with. The Architectural Committee, or in lieu thereof, the Board of Directors shall have the authority to grant variances from the requirements of this Declaration.

ARTICLE VI

USE RESTRICTIONS

Section 1. Land Use and Building Type for Lots. No Lot shall be used except for residential purposes. No building shall be erected, altered, placed and permitted to remain on any Lot other than one single-family dwelling not to exceed three stories in height above the ground level of highest elevation on which any portion of the main building is erected, and a private garage and such out-buildings as are customarily appurtenant to dwellings, every building except a greenhouse to correspond in style and architecture to the dwelling to which it is appurtenant. No out-building shall exceed the dwelling to which it is appurtenant in height, number of stories and size.

Section 2. Plans and Specifications. No building shall be erected, placed or altered on any Lot until the construction plans and specifications and a plan showing the location of the structure have been approved by the Architectural Committee as to natural harmony of exterior design with the existing structure and as to location with respect to topography and finished grade elevations. No fence or wall more than two (2) feet in height shall be erected, placed or altered nearer to any street than the minimum setback line. Construction of set back lines shall be thirty (30) feet from the street, five (5) feet from the sideline of a lot (unless the sideline is on the street side of a corner lot, in which case the setback requirement shall be twenty (20) feet off the street), and the rear line set back shall be ten (10) feet. No fence or wall shall be constructed without prior approval of the Architectural Control Committee as to type, materials, location, height, etc.

The Committee's approval or disapproval as required in these covenants shall be in writing. In the event the committee, or its designated representative, fails to approve or disapprove within thirty (30) days after plans and specifications have been submitted to it, approval will not be required and the related covenants shall be deemed to have been fully complied with.

Section 3. Fees Payable to the Architectural Control Committee. The Architectural Control Committee may charge a fee for services attendant approval of plans not to exceed \$10.00 per thousand square feet of floor area or fraction thereof if plans are submitted for prior approval. The Committee may charge a fee of \$100.00 per thousand square feet of total floor area or fraction thereof, plus reasonable attorney's fees, if the plans are submitted after construction has begun.

Section 4. Dwelling Size. No dwelling erected on any Lot shall contain less than 1475 square feet, heated area only, exclusive of garage, carports, storage and other open area.

Section 5. Lot Size. No dwelling shall be erected or placed on any Lot platted other than as shown on the approved plat unless approved by Declarant. No Residential Lot or Lots shall be resubdivided without prior approval of Declarant. The special approval of Declarant provided in this paragraph terminates January 1, 2017.

Section 6. Easements. Easements for installation and maintenance of utilities and drainage facilities are reserved as shown on the recorded plats. In addition, an easement where necessary for the reasonable overhang of a roof and for the maintenance of walls located adjacent to a common property line is hereby established.

Section 7. Nuisances. No noxious or offensive activity shall be carried on upon any Lot, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood. No unsightly condition shall be created on any Lot or permitted to remain thereon which specifically, without limitation by reference thereto, prohibits the storage and/or repair of a wrecked vehicle and/or vehicles on said premises.

Section 8. Temporary Structures. No structure of a temporary character, trailer, basement, tent, shack, garage, barn, or other outbuilding shall be used on any Lot at any time as a residence, either temporarily or permanently.

Section 9. Signs. No signs of any kind shall be displayed to the public view on any Lot except one sign of not more than five square feet advertising the property for sale, rent, or signs used by builder to advertise the property during the construction and sales period. Signs of a larger size advertising the subdivision may be erected by the Declarant.

Section 10. Oil and Mining Operations. No oil drilling, oil development operations, oil refining, quarry or mining operations of any kind shall be permitted upon or in any Lot, nor shall oil, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon in any Lot. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted on any Lot.

Section 11. Livestock and Poultry. No animals, livestock, or poultry of any kind shall be raised, bred or kept on any lot, except that dogs, cats or other household pets may be kept provided that they are not kept, bred or maintained for any commercial purpose or kept outdoors. The Association shall have the right to regulate policies concerning pets' usage of the Common Area.

Section 12. Garbage and Refuse Disposal. No Lot shall be used for or maintained as a dumping ground for rubbish; trash, garbage or other waste shall not be kept except in sanitary containers. All incinerators or other equipment for the storage or disposal of such material shall be kept in clean and sanitary condition, and screening provided therefor as approved by the Architectural Control Committee.

Section 13. Drainage. For drainage purposes, the grades and low elevations as left by the Developer shall be considered the natural drainage.

Section 14. Transport Vehicles. Trucks exceeding 1 ton shall not be permitted to park on the Common Area or any of the Lots overnight, and no vehicles of any size which normally transport inflammatory or explosive cargo may be kept in this subdivision at any time.

Section 15. Water Supply. No individual water supply system shall be permitted on any Lot unless such system is located, constructed and equipped in accordance with the requirements, standards and recommendations of the City of Shreveport and the Caddo-Shreveport Health Unit. Approval of such system as installed shall be obtained from such authority and Declarant prior to construction. The special approval of Declarant provided in this paragraph terminates December 31, 2004.

Section 16. Relocation of Buildings. Construction of new buildings only shall be permitted, it being the intent of this covenant to prohibit the moving of any existing building onto a Lot and remodeling or converting same into a dwelling unit in this subdivision.

Section 17. Completion of Construction. Construction of a home on a Lot, once started, must be diligently pursued and completed within a reasonable time.

Section 18. Parking. Parking of automobiles and other motor vehicles on the Common Area shall be prohibited except to the extent authorized and permitted by the Association. The Association may permit the construction of garages and/or carports upon the Common Area provided that (1) the location of said garages and/or carports are approved by the

Board of Directors prior to construction, (2) that the expense of the construction of reconstruction, insurance and maintenance not provided by the Association beneath Article VIII hereunder are the responsibility of the Owner making use of same and (3) that evidence of the Records of Caddo Parish, Louisiana. Once Assigned to an Owner, said right shall be held by the Owner of said Lot in perpetuity and shall be transferred to successive Owners whether or not described in the conveyance of title to the Lot to which said right is appurtenant.

Section 19. Antennas. No satellite dish or antenna of any nature shall be placed on the exterior of the improvements located on the Lots without approval of the Board of Directors.

Section 20. Lighting. The Owner of each Lot upon which a structure has been completed shall provide and maintain in an operable manner a light fixture on the exterior of the garage with illumination wattage of not less than 300 watts controlled by an automatic photo electric cell so as to illuminate at dusk and go off at dawn. Replacement of the bulbs and photo electric cell, as needed, shall be the responsibility of the Association.

ARTICLE VII

GENERAL PROVISIONS

Section 1. Enforcement. The Association or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions which shall remain in full force and effect.

Section 3. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) years from the date the Declaration is recorded, after which time they shall be automatically extended for successive period of ten (10) years. This Declaration may be amended during the first twenty (20) year period by an instrument signed by not less than ninety percent (90%) of the Lot Owners, and thereafter by an instrument signed by not less than seventy-five percent (75%) of the Lot Owners. Any amendment must be recorded.

Section 4. Annexation. Except for such annexations as may occur from properties desired on the attached Exhibit "A" members, additional residential property and Common Area may be annexed to the Properties with the consent of two-thirds (2/3) of each class of Members.