

STATE OF MISSISSIPPI

COUNTY OF RANKIN

PLAN AND DECLARATION OF CONDOMINIUM

This Declaration, made and entered into in the County of Rankin, State of Mississippi, this the 13th day of July, 1981 by Crestwood Park, Inc., a Mississippi corporation and Centurian Interests, Inc., a Mississippi corporation, collectively hereinafter sometimes called the "Developer".

WHEREAS, the Developer is the owner of the leasehold of certain land and premises located in the County of Rankin, State of Mississippi, and more particularly described on "EXHIBIT A" attached hereto and by this reference made a part hereof; and

WHEREAS, the Developer is the owner of certain buildings and other improvements heretofore or to be hereafter constructed upon the aforesaid premises, which property constitutes a "condominium project" pursuant to the Mississippi Condominium Law, Chapter 9, Section 89-9-1, et seq., Mississippi Code of 1972, as amended, and it is the desire and intention of the Developer to divide said property and the improvements thereon into condominium units to sell and convey the same subject to the covenants, restrictions, uses, limitations, obligations, easements, equitable servitudes, charges and liens, hereinafter set forth, each of which is for the benefit of said property and the subsequent owners thereof; and

WHEREAS, the Developer desires and intends by the recordation of this Declaration, to submit the property described on "EXHIBIT A" attached hereto, together with the improvements heretofore or hereafter constructed thereon, and all appurtenances thereto belonging, to the provisions

of the Mississippi Condominium Law, being Chapter 9, Section 89-9-1, et seq., of the Mississippi Code 1972, as amended, as a condominium project and to impose upon the property the restrictions herein contained;

NOW, THEREFORE, the Developer hereby declares that all of the property described on "EXHIBIT A" attached hereto, together with all improvements heretofore or hereafter constructed thereon, and all appurtenances thereto, shall be held, conveyed, divided or subdivided, leased, rented and occupied, improved, hypothecated or encumbered subject to the covenants, restrictions, uses, limitations, obligations, easements, equitable servitudes, charges and liens, hereinafter set forth including the provisions of the By-Laws of Woodlake Condominium Association, Inc., attached hereto as EXHIBIT "B" and by this reference incorporated herein, all of which are declared and agreed to be in aid of a plan for improvement of said property, and the division thereof into condominiums which condominium project shall be known as Woodlake Condominium and shall be deemed to run with and bind the land, and shall inure to the benefit of and be enforceable by the Developer, its successors and assigns, and any person acquiring or owning an interest in said property and improvements.

Additional lands may become subject to this Declaration in any of the following manners:

(a) At any one or more times on or prior to December 31, 1986, and without the assent of the Dwelling Unit Owners, the Developers may add additional property or properties to the scheme of this Declaration by filing of record a Supplementary Plan and Declaration which shall extend the scheme of the covenants, conditions, and restrictions of this Declaration to such property or properties; provided, however, that such other Declaration may contain such complementary additions

and modifications of the covenants, conditions, and restrictions contained herein as may be necessary to reflect the different character, if any, of the added properties but which are not generally inconsistent with the concept of this Declaration.

(b) The owner (other than Developer) of any property who desires to add such property to the scheme of this Declaration may do so by:

(i) first obtaining the affirmative approval of a majority of the Dwelling Unit Owners subject to the instant Declaration; and then by

(ii) filing of record a Supplementary Plan and Declaration which shall extend the scheme of the covenants, conditions and restrictions of this Declaration to such property; however in no event shall such Supplementary Plan and Declaration otherwise modify the covenants established by this Declaration for the existing properties.

Any additions made pursuant to Paragraphs (a) or (b) of this Section, when made, shall automatically extend the jurisdiction, functions, duties and membership of the Association to the properties added.

I. DEFINITIONS: Unless the context shall plainly require otherwise, the following words when used in this Declaration and/or any and all exhibits hereto shall have the following meanings:

1. "Dwelling Unit(s)" or "Unit(s)". Any one of those parts of a building which is separately described on "Surveyor's Plans" attached as Exhibit "C" as a Dwelling Unit, followed by a number and which are not owned in common with other owners.

2. "Association". "The Woodlake Condominium Association, Inc.," a non profit corporation, and its successors, the by-laws of which are annexed hereto and made a part hereof as Exhibit "B", the members of which shall be the owners of a

Unit or Units. All present or future owners, tenants, future tenants or their employees, or any other person who might use the facilities of this condominium project, in any manner are subject to the regulations set forth in these by-laws. The mere acquisition, rental or occupancy of any of said Dwelling Units of the project will signify and constitute a ratification and acceptance of these by-laws by any such Owner.

3. "Common Elements" or "Common Areas". The entire project not contained within the boundaries of any Dwelling Unit are owned as tenants in common by the unit owners, in equal shares, one for each unit. Except as otherwise set forth on the record plat, the common areas shall mean and include at least the following:

- (a) The property described on "EXHIBIT A", attached hereto and made a part hereof; and
- (b) the slabs, bearing walls, perimeter walls, main walls, roofs, halls, columns, girders, beams, supports, corridors, fire escapes, lobbies, atrium, atrium balconies, stairways, and entrance and exit or communication ways; and
- (c) the roofs, yards, streets, parking areas, and gardens, except as otherwise provided; and
- (d) the compartments or installations of central services such as power, light, gas, hot and cold water, heating, air conditioning, water storage tanks, pumps, and the like, including, but in no way limited to, all pipes, ducts, flues, chutes, conduits and wire outlets and other utility lines; and
- (e) the elevators, if any, garbage and trash incinerators of the like and, in general, all devices or installations existing for common use; and
- (f) any clubhouse, swimming pool, pier, dock, deck,

pool pumps, filters and all recreational facilities incident thereto; and

(g) all other elements of the property rationally of common use or necessary to its existence, upkeep and safety.

4. "Common Expenses". The actual estimated costs of:

(a) Ad Valorem taxes and taxes of all kinds which might be lawfully assessed against the project, lease and/or ground rent charges of all kinds, utilities not otherwise paid by the individual owners, insurance, maintenance, operation, repair and replacement of the Common Elements and those parts of the dwelling units as to which pursuant to other provisions hereof it is the responsibility of the Association to maintain, repair and replace;

(b) Management and Administration of the Association, including, without limiting the same to any compensation paid by the Association to a managing agent, accountants, attorneys and other employees'

(c) Maintenance obligations of Developer pursuant to that Joint Maintenance Agreement dated July 13, 1981, and recorded in Book 420 at Page 260 in the office of the Chancery Clerk of Rankin County, Mississippi. Anything herein to the contrary notwithstanding, Developer agrees to hold the Association harmless from any and all maintenance expenses pursuant to the aforesaid Agreement during the period of construction of the improvements situated or to be situated upon the Property and also during the period of construction of subsequent phases, if any, added to the scheme of this Declaration.

(d) Any other items held by or in accordance with other documents to be common expense.

5. "Owner" or "Co-Owners". Shall mean and refer to the record owner, whether one or more persons or entities, of a leasehold title to any unit which is a part of the Property, contract purchasers, but excluding those having such interest as security for the performance of an obligation.

6. "Property". Shall mean and refer to that certain real property hereinbefore described, and such additions thereto as may hereinafter be brought within the jurisdiction of the Association.

7. "Plan" or "Surveyor's Plat". Means the plan consisting of the land included within the project and disgrammatic floor plans of the buildings located thereon identifying each unit, its relative location and approximate dimensions, recorded by the Developer and attached hereto as Exhibit "C";

8. "Building". Collectively, the buildings as shown on the surveyor's plat attached hereto as Exhibit "C", and being composed of Dwelling Units.

9. "District". The Pearl River Valley Water Supply District.

II. COMMON ELEMENTS USE: The common elements shall be used in accordance with and usbject to the following provisions:

1. Covenant against Partition. In order to effectuate the intent hereof and to preserve the condcminium and the condominium method of ownership, the Property shall remain undivided and no person, irrespective of the nature of his interest in the Property, shall bring any action or preceding or partition or division of the Property or any part thereof until the termination of the Declaration in accordance with provisions herein elsewhere contained or until the Building is no longer tenatable, whichever first occurs.

2. Rules and Regulations Promulgated by Association. No person shall use the Common Elements or any part thereof

in any manner contrary to or not in accordance with such rules and regulations pertaining thereto as from time to time may be promulgated by the Association. Without in any manner intending to limit the generality of the foregoing, the Association shall have the right but not the obligation to promulgate rules and regulations limiting the use of the Common Elements to members of the Association and their respective families, guests, invitees and servants, as well as to provide for the exclusive use by a Dwelling Unit Owner and his guests, for specific occasions, of the swimming pool, recreation room or other similar facilities. Such use may be conditioned upon, among other things, the payment by the Dwelling Unit Owner of such assessment as may be established by the Association for the purpose of defraying costs thereof.

3. Maintenance, repair, management, and operation of the Common Elements shall be the responsibility of the Association, but nothing herein contained, however, shall be construed so as to preclude the Association from delegating to persons, firms or corporations of its choice, such duties as may be imposed upon the Association by the terms of this sub-article II (3) and as are approved by the Board of Governors of the Association.

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

5. Subject to the rules and regulations from time to time pertaining thereto, all dwelling Unit Owners may use the Common Elements, in such manner as will not restrict, interfere with, or impede the use thereof by other dwelling unit owners.

6. Alterations and Improvements. The Association shall have the right to make or cause to be made such alterations and improvements to the Common Elements (which do not prejudice the right of any Unit Owner unless his written consent has been obtained), provided the making of such alterations and improvements are first approved by the Board of Governors of the Association and all first mortgagees of individual units. The costs of such alterations and improvements shall be assessed as Common Expenses, unless in the judgment of not less than 80% of the Board of Governors, the same are exclusively or substantially exclusively for the benefit of the Dwelling Unit Owner or Owners requesting the same, in which case such requesting Dwelling Unit Owner shall be assessed therefor in such proportions as they approve jointly and failing such approval, in such proportions as may be determined by the Board of Governors of the Association.

7. Interests in Common Elements. Each Dwelling Unit is an estate in real property, and the Owners or Co-Owners of any Dwelling Unit shall hold the same in Leasehold and shall have a common right to share, with the other Owners or Co-Owners an undivided interest in the Common Elements in equal shares pursuant to the provisions of The Mississippi Condominium Law, Chapter 9, Section 89-9-13 (2) Mississippi Code (1972) as amended. The undivided interest in the Common Elements shall not be separated from the Dwelling Unit to which it appertains and shall be deemed conveyed or encumbered with the Unit even though such interest is not expressly mentioned or described in the conveyance or other instrument. The percentage of undivided interest of the Owners in the Common Elements may be altered in the event additional lands are added to the scheme of this Declaration as herein provided. Each Owner of a Unit, by acceptance of a deed therefor, consents and agrees to the alteration of a

the percentage ownership appurtenant to his Unit and further agrees that said percentage ownership at any particular time shall be the percentage derived by dividing 100 percent by the total number of Units then subject to the scheme of this Declaration. The interest of a Dwelling Unit Owner in the Common Elements is appurtenant to the Dwelling Unit owned by him and inseparable from Dwelling Unit ownership.

8. The Association shall not be liable for any failure of water supply or other services to be obtained by the Association or paid out of the common expense funds, or for injury or damage to person or property caused by the elements or by the Owner of any condominium unit, or other person, or resulting from electricity, water, snow or ice which may leak or flow from any portion of the Common Areas or from any wire, pipe, drain, conduit, appliance or equipment. The Association shall not be liable to the Owner of any condominium unit for loss or damage, by theft or otherwise, of articles which may be stored upon any of the Common Area.

III. MAINTENANCE AND REPAIR OF DWELLING UNITS:

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

(a) All portions of the Dwelling Unit which contribute to the support of the Building, excluding, however, interior walls, ceiling and floor surfaces, and including, without intending to limit the same, to outside walls of the Building, structural slabs, roof, interior boundary walls, of Dwelling Units and loadbearing columns and walls;

(b) All conduits, ducts, plumbing, wiring and other facilities for the furnishing of utility services which may be contained in the Dwelling Unit but excluding therefrom, appliances and plumbing fixtures;

(c) All incidental damage caused to a Dwelling Unit by such work as may be done or caused to be done by the Association in accordance herewith.

2. By the Dwelling Unit Owner: The responsibility of the Dwelling Unit Owner shall be as follows:

(a) To maintain, repair, replace at his expense, all portions of the Dwelling Unit except the portions of each to be maintained, repaired and replaced by the Association.

(b) To perform his responsibilities in such manner so as not unreasonably to disturb other persons within the Building.

(c) Not to paint or otherwise decorate or change the appearance of any portion of the Building not within the walls of the Dwelling Unit, unless the written consent of the Association is obtained.

(d) To promptly report to the Association or its agent any defect or need for repairs, the responsibility for the remedying of which is with the Association.

(e) Not to make any alterations in the portions of the Dwelling Unit or the Building which are to be maintained by the Association or remove any portion thereof or make any additions thereto or do anything which would or might jeopardize or impair the safety or soundness of the Building without first obtaining the written consent of the Board of Governors of the Association and all first mortgagees of individual Units, nor shall any Dwelling Unit Owner impair any easement without first obtaining written consent of the

Association and of the Dwelling Unit Owner or Owners, for whose benefit such easement exists.

3. Nothing herein contained, however, shall be construed so as to impose a contractual liability upon the Association for maintenance, repair and replacement, but the Association's liability shall be limited to damages resulting from negligence.

IV. DWELLING UNITS SHALL BE CONSTITUTED AS FOLLOWS:

1. Real Property. Each Dwelling Unit, together with the space within it as shown on the Plans and together with all appurtenances thereto, shall, for all purposes, constitute the leasehold interest of a separate parcel of real property, which may be owned and which may be conveyed, transferred and encumbered in the same manner as any other parcel of real property, independently of all other parts of the Property, subject only to the provisions of this Declaration.

2. Boundaries. Each Dwelling Unit shall be bounded as to both horizontal and vertical boundaries as shown on the Plans, subject to such encroachments as are contained in the Building, whether the same exist now or are created by construction, settlement or movement of the Building, or permissible repairs, reconstruction or alterations. Said boundaries are intended to be as follows:

(a) The boundaries of the Unit are the interior surfaces of the perimeter walls, floors, ceilings, windows and doors thereof, and the Unit includes both the portions of the Building so described and the airspace so encompassed. The following are not part of the Unit: bearing walls, columns, floors, roofs, foundations, reservoirs, tanks, pumps and other central services, pipes, ducts, flues, chutes, conduits, wires and other utility

installations, wherever located, except the outlets thereof when located within the Unit.

3. Appurtenances. Each Dwelling Unit shall include and the same shall pass with each Dwelling Unit as an inseparable appurtenances thereto, whether or not separately described, conveyed or encumbered, all of the rights, title and interest of a Dwelling Unit Owner in the property, which shall include but not be limited to:

(a) Common Elements: The common elements are owned by the Owners of the Units as tenants in common, in equal shares, one for each Unit.

(b) A license to maintain a private passenger automobile at and on a parking space in accordance with the Rules and Regulations of the Association.

(c) Easements for the benefit of the Dwelling Unit.

(d) Association membership and funds and assets held by the Association for the benefit of the Dwelling Unit Owner.

(e) All such appurtenances, however, shall be and continue to be subject to the easements for the benefit of other Dwelling Units.

(f) In addition to and not in derogation of the ownership of the space described on the Surveyor's Plans, an exclusive easement for the use of the space not owned by the Dwelling Unit Owner and which is occupied by the Dwelling Unit, which easement shall exist until the earlier of such time as this Declaration is terminated in accordance with provisions herein elsewhere contained, or the building is no longer tenantable.

(g) The following easements from each Dwelling Unit Owner to each other Dwelling Unit Owner and to the Association:

(i) Ingress and Egress. Easements through the Common Elements for ingress and egress for all persons making use of such Common Elements in accordance with the terms of the condominium documents.

(ii) Maintenance, repair and replacement. Easements through the Dwelling Units and Common Elements for maintenance, repair and replacement of the Dwelling Units and Common Elements. However, use of the easements through the Dwelling Units shall be limited to reasonable hours, except that access to the Dwelling Units may be had at any time in case of emergency.

(iii) Structural Support. Every portion of a Dwelling Unit which contributes to the structural support of the Building shall be burdened with an easement of structural support for the benefit of the Common Elements.

(iv) Utilities. Easements through the Dwelling Units and Common Elements for all facilities for the furnishing of utility service within the Building, which facilities shall include but not be limited to conduits, ducts, plumbing and wiring; provided, however, that the easements for such facilities through a Dwelling Unit shall be only substantially in accordance with the plans of the building.

(v) Emergency easements of Ingress and Egress. Easements over all balconies whenever reasonably required for emergency ingress and egress.

(vi) Each Dwelling Unit and the Common Elements shall be subject to an easement for encroachments created by construction settlings and overhangs as designed or constructed by the Developers. A valid easement for said encroachments and for the maintenance of same, so long as they stand, shall and does exist. In the event that any part of the property is partially or totally destroyed and then rebuilt, the Owners of the Units so affected agree that minor encroachments of parts of the adjacent Units or Common Elements due to construction shall be permitted and that a valid easement for said encroachments and the maintenance thereof shall exist.

V. USE RESTRICTIONS:

In order to provide for a congenial occupation of the Property and to provide for the protection of the value of the Dwelling Units, the use of the Property shall be restricted to and be in accordance with the following provisions:

1. The Dwelling Units shall be used for single-family residences only.
2. The Common Elements shall be used for the furnishing of services and facilities for which the same are reasonably intended, for the enjoyment of the Dwelling Units.
3. Nuisances. No nuisances shall be allowed upon the Property nor shall any use or practice be allowed which is a source of annoyance to residents or which interferes with the peaceful possession and proper use of the Property by its residents.
4. Lawful Use. No immoral, improper, offensive or unlawful use shall be made of the Property, nor any part thereof and all valid laws, zoning ordinances and regulations

of all governmental bodies having jurisdiction thereof shall be observed. The respective responsibilities of Dwelling Unit Owners and the Association of complying with the requirements of governmental bodies which require maintenance, modification or repair of the Property shall be the same as hereinabove provided for the maintenance and repair of that portion of the Property subjected to such requirements.

5. Interpretation. In interpreting leases, mortgages and plans the existing physical boundaries of the unit or of a unit reconstructed in substantial accordance with the original plans thereof shall be conclusively presumed to be its boundaries rather than the metes and bounds expressed in the lease, mortgage or plan, regardless of settling or lateral movement of the building and regardless of minor variance between boundaries shown on the plan or in the lease and those of the building.

6. Regulations. Regulations concerning use of the Property may be promulgated by the Association as hereinabove set forth; provided, however, that copies of such regulations are furnished to each Dwelling Unit Owner prior to the time that the same become effective. The initial regulations, which shall be deemed effective until amended by the Association are annexed hereto and made a part hereof as Exhibit "C". Any amendments thereto shall be recorded in the official records of Rankin County, as amendments to said Exhibit. Such regulations shall not impair or limit the rights of mortgagees, as elsewhere recited.

7. Leasing. Without the prior written consent of the Board of Governors, no Dwelling Unit within the project shall be rented for transient or hotel purposes, or in any event for a period less than six (6) months. No portion of any Dwelling Unit (other than the entire unit) shall be leased, for any period. Any Owner of any Dwelling Unit who shall

lease such unit, shall promptly, following the execution of any such lease, forward a conformed copy thereof to the Board of Governors. Any such lease shall contain a provision to the effect that the rights of the tenant to use and occupy the Dwelling Unit shall be subject and subordinate in all respects to the provisions of the Declaration and by-laws, and to such other reasonable rules and regulations relating to the use of the Common Elements, or other "house rules", as the Board of Governors may from time to time promulgate. The provisions of this subsection shall not apply to any institutional mortgagee of any Dwelling Unit who comes into possession of the unit by reason of any remedies provided by law, or in such mortgage, or as a result of a foreclosure sale or other judicial sale, or as a result of any proceeding, arrangement, or deed in lieu of foreclosure.

8. Nothing shall be done or maintained in any condominium Unit or upon the Common Area which will increase the rate of insurance on any unit or Common Area, or result in the cancellation thereof, without the prior written approval of the Board of Governors. Nothing shall be done or maintained in any unit or upon the Common Area which would be in violation of any law. No waste shall be committed upon the Common Area.

VI. ADMINISTRATION:

The administration of the Property, including but not limited to the acts required by the Association, shall be governed by the following provisions:

1. The Association shall be a non-profit association of the Owners of the Units with a Board of Governors elected by said Owners.

2. The by-laws of the Association shall be in the form attached as Exhibit "B" until such are amended in the manner therein provided.

3. The duties and powers of the Association shall be those set forth in this Declaration and the by-laws, together

with those reasonably implied to effect the purposes of the association and this Declaration; provided, however, that if there are conflicts or inconsistencies between this Declaration and the by-laws, the terms and provisions of this Declaration shall prevail and the Dwelling Unit Owners covenant to vote in favor of such amendments in the by-laws as will remove such conflicts or inconsistencies. The powers and duties of the Association shall be exercised in the manner provided by the by-laws and any duties or rights of the Association which are granted by or to be exercised in accordance with the provisions of this Declaration shall be so exercised except that wherever this Declaration required the act or approval of the Board of Governors of the association, such act or approval must be that of the Board done or given in accordance with the by-laws.

4. Notices or demands, for any purpose, shall be given by the association to Dwelling Unit Owners and by Dwelling Unit Owners to the Association and other Dwelling Unit Owners in the manner provided for notices to members of the Association by the by-laws of the Association.

5. All funds and titles of all properties acquired by the Association and the proceeds thereon after deduction therefrom the costs incurred by the Association in acquiring the same shall be held for the benefit of the Dwelling Unit Owners for the purposes herein stated.

6. All income received by the Association from the rental or licensing of any part of the Common Elements (as well as such income anticipated) shall be used for the purpose of reducing prospective Common Expenses prior to establishing the annual assessment for Common Expenses.

VII. INSURANCE:

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

1. Authority to Purchase. Except builder's risk and

other required insurance furnished by Developer during construction, all insurance policies upon the Property (except hereinafter provided) shall be purchased by the Association for the benefit of the Dwelling Unit Owners and their respective mortgagees as their interest may appear and shall provide for the issuance of certificates of insurance mortgage endorsements to the holders of mortgages on the Dwelling Units or any of them, and, if insurance companies will agree, shall provide that the insurer waives its rights of subrogation as to any claims against Dwelling Unit Owners, the Association and their respective servants, agents, and guests. Such policies and endorsements shall be deposited with the Insurance Trustee, (as hereinafter defined) who must first acknowledge that the policies and any proceeds thereof will be held in accordance with the terms hereof, and such acknowledgement shall be in writing duly delivered to the Board of Governors.

2. Dwelling Unit Owners Personal Property and Liability. Each Dwelling Unit Owner may obtain insurance, at his own expense, affording coverage upon his personal property and for his personal liability, and as may be required by law, but all such insurance shall contain the same waiver of subrogation as that referred to in Article VII (1) hereof (if same is available).

3. Mandatory Coverage:

(a) Casualty. The Building and all other insurable improvements upon the land and all personal property as may be owned by the Association shall be insured in an amount equal to the maximum insurable replacement value thereof (exclusive of excavation and foundations) as determined annually by the insurance company affording such coverage. Such coverage shall afford protection against:

(i) Loss or damage by fire and other hazards

covered by the standard extended coverage endorsement;

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

(b) Public Liability and property damage in such amounts and in such forms as shall be required by the Association including but not limiting the same to water damage, legal liability, hired automobile, non-owned automobile and off-premises employee coverages;

(c) Workmens Compensation policy to meet the requirements of law;

(d) All liability insurance shall contain cross-liability endorsements to cover liabilities of the Dwelling Unit Owners as a group to a Dwelling Unit Owner.

4. Premiums. Premiums upon insurance policies purchased by the association shall be paid by the association and charged to Common Expenses.

5. Insurance. The association shall obtain and continue in effect master or blanket policies (including, without limitation, fire and other hazards) and liability insurance to insure the Property and the Owners thereof against risks of whatever character, without prejudice to the right of each Owner to additionally insure his own family unit on his own account and for his own benefit. Such insurance shall be written in the name of the association or any person designated in the by-laws of this Declaration as a trustee for each family Unit Owner and each

family Unit Owner and each family Unit Owner's mortgagee, if any. Each Owner and his mortgagee, if any, shall be a beneficiary, even though not expressly named, in the percentages or fractions established in this Declaration. In the event of loss the Association is irrevocably designated as trustee of each of the Owners for purposes of adjusting losses with the carrier on the master policy, and shall have full control of the proceeds for purposes of reconstruction.

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

(a) Waiver of subrogation by insurer as to any claims against the Association, manager and Owners, their respective families, servants, agents and guests;

(b) That the master policy not be cancellable, invalidated or suspended on account of the conduct of one or more of the individual Owners, or their respective families, servants, agents and guests;

(c) That the master policy not be cancellable, invalidated or suspended on account of the conduct of the Association or manager without prior demand that the Association or manager cure the defect; and

(d) That the no "other insurance" clause in the master policy exclude Owners' policies from consideration.

The insurance cost and premiums for any such blanket or master insurance coverage shall be a Common Expense to be paid by monthly or other periodic assessments as determined by the Association, and all such payments collected for insurance shall be used solely for the payment of such insurance cost of premiums as the same become due.

In the event an Owner may carry property or liability insurance individually upon his interest in the project, which, in case of loss, results in proration of insurance

proceeds between the master policy carried by the Association and the Owner's insurer, the proceeds available under the Owner's policy shall be payable to the Association, who is irrevocably designated as trustee of each insuring Owner for the purpose of reconstruction. Any over-plus remaining upon completion of reconstruction directly affecting any such Owner shall thereupon be paid by Association to Owner.

Each Owner acquiring additional separate insurance coverage will furnish Association with a copy of each such policy within ten (10) days following acquisition. Insofar as may be permitted by law, each such policy acquired by Owner shall contain waivers of subrogation and of any defense based on co-insurance and shall further provide that any such policy shall not be cancellable, invalidated or suspended on account of the conduct of one or more of the Owners, or his respective family, servants, agents and guests.

VIII. RECONSTRUCTION OR REPAIR OF CASUALTY DAMAGE:

A. If any part of the Common Elements shall be damaged by casualty, the determination of whether or not to reconstruct or repair the same shall be made as follows:

1. Partial destruction, which shall be deemed to mean destruction which does not render one-half (1/2) or more of the Dwelling Units untenable - shall be reconstructed or repaired unless at a meeting of the members of the Association which shall be called prior to commencement of such reconstruction or repair, this Declaration is terminated.

2. Total destruction, which shall be deemed to mean destruction which does render one-half (1/2) or more of the Dwelling Units untenable - shall not be reconstructed or repaired unless at a meeting which shall be called within ninety (90) days after the occurrence of the casualty or if by such date, the insurance loss has not been finally adjusted, then within thirty (30) days thereafter, Dwelling Unit Owners

who, in the aggregate, own 80 percent or more of the shares, vote in favor of such reconstruction or repair.

3. Any such reconstruction or repair shall be substantially in accordance with the original plans and specifications.

4. Encroachments upon, or in favor of Dwelling Units, which may be created as a result of such reconstruction or repair shall not constitute a claim or basis of a proceeding or action by the Dwelling Unit Owner upon whose property such encroachment exists, provided that such reconstruction was either substantial in accordance with the original plans and specifications or as the Building was originally constructed. Such encroachments shall be allowed to continue in existence for so long as the Building stands.

B. Responsibility. If the damage is only to those parts of one dwelling unit for which the responsibility of maintenance and repair is that of the Dwelling Unit Owner, then the Dwelling Unit Owner shall be responsible for reconstruction and repair after casualty. In all other instances, the responsibility of reconstruction and repair after casualty shall be that of the Association.

1. Estimate of Costs. Immediately after a casualty causing damage to property for which the Association has the responsibility of maintenance and repair, the Association shall obtain reliable and detailed estimates of the cost to place the damaged property in condition as good as that before the casualty. Such costs may include professional fees and premiums for such bonds as the Board of Governors desires.

2. Assessments. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction (including the aforesaid fees and premiums, if any) assessments shall be made against the Dwelling Unit Owners who own the

damaged property in sufficient amounts to provide funds to pay the estimated costs. If at any time during reconstruction and repair, or upon completion of reconstruction and repair, the funds for the payment of the costs thereof are insufficient, assessments shall be made against the Dwelling Unit Owners who own the damaged property in sufficient amounts to provide funds for the payment of such costs.

3. Insurance Adjustments. Each Dwelling Unit Owner shall be deemed to have delegated to the Board of Governors his right to adjust with insurance companies all losses under policies purchased by the Association except in any case where the damage is restricted to one Dwelling Unit, subject to the rights of mortgagees of such Dwelling Unit Owners.

IX. TAXES AND SPECIAL ASSESSMENTS:

1. The assessment of each of the Dwelling Units for taxes and special assessments by governmental bodies shall be done in the following manner:

(a) Determination of value. The total value for the tax or assessment roll for the Property shall be determined without regard to the Dwelling Units against which taxes and assessments ultimately are to be levied.

(b) Allocation of Assessments to Dwelling Units. The assessments for each Dwelling Unit shall be the Dwelling Unit's respective share of the assessment of Units.

(c) Certificate. Any tax assessor may rely upon a Certificate of the Association as to the share of each Dwelling Unit and upon request or whenever appropriate, the Association shall issue such Certificate.

2. During the period of time the taxes and special assessments upon the Property or any portion thereof are not assessed to Dwelling Units as aforesaid, the taxes and assessments not separately assessed to Dwelling Units shall be included in the budget of the Association and shall be paid by the Association. The Association shall assess each Dwelling Unit Owner in accordance with the manner hereinabove set forth for allocation of taxes and special assessments by tax assessors.

X. ASSESSMENTS:

Assessments against the Dwelling Unit Owners shall be made or approved by the Board of Governors of the Association and paid by the Dwelling Unit Owners to the Association in accordance with the following provisions:

1. Shares of Expense. Common Expenses - Each Dwelling Unit Owner shall be liable for his Share of the Common Expenses; and, any Common Surplus shall be owned by each Dwelling Unit Owner in a like share.

2. Assessments other than Common Expenses. Any assessments, the authority to levy which is granted to the Association or its Board of Governors by the condominium documents, shall be paid by the Dwelling Unit Owners to the Association in the proportions set forth in the provision of the condominium documents authorizing the assessment.

3. Reserve Fund for Capital Improvements, Replacements, and Repair. All sums collected by the Association from assessments, may be co-mingled in a single fund, but they shall be held for the Dwelling Unit Owners in the respective shares in which they are paid, and may be credited to separate accounts, from which shall be paid Common Expenses, alterations and improvements, reconstruction and repairs, and emergency needs. Such a fund will be established and maintained to meet the

estimated expenditures for a minimum of two (2) months operation of the condominium. The proportionate interest of any Dwelling Unit Owner, in any reserve fund, shall be considered an appurtenance of his Dwelling Unit, and shall not be separately withdrawn, assigned, or transferred, or otherwise separated from the Dwelling Unit from which it is appurtenant, and shall be deemed to be transferred with the conveyance of such Dwelling Unit. Such accounts shall be as follows:

- (a) Common Expense Account - to which shall be credited collections of assessments for all Common Expenses as well as payments received for defraying costs of the use of Common Elements;
- (b) Alteration and Improvement Account - to which shall be credited all sums collected for alteration and improvement assessments;
- (c) Reconstruction and Repair Account - to which shall be credited all sums collected for reconstruction and repair assessments;
- (d) Emergency Account - to which shall be credited all sums collected for emergencies.

4. Assessments for Common Expenses. Assessments for Common Expenses shall be made for the calendar year annually in advance on or before the second Monday in December of the year preceding for which the assessments are made and at such other and additional times as in the judgment of the Board of Governors, additional Common Expenses assessments are required for the proper management, maintenance and operation of the Common Elements. Such annual assessments shall be due and payable in twelve (12) equal consecutive monthly payments, on the first day of each month, beginning with January of the year for which the assessments are made.

The total of the assessments shall be in the amount of the estimated Common Expenses for the year including a reasonable allowance for contingencies and reserves less than the amounts of unneeded Common Expense Account balance and less the estimated payments to the Association for defraying the costs of the use of Common Elements. If an annual assessment is not made as required, a payment in the amount required by the last prior assessment shall be due upon each assessment payment date until changed by a new assessment.

5. Other assessments shall be made in accordance with the provisions of the condominium documents; and if the time of payment is not set forth in the condominium documents, the same shall be determined by the Board of Governors of the Association.

6. Assessments for Emergencies. Assessments for Common Expenses of emergencies which cannot be paid from the Common Expense Account shall be made only by the Board of Governors of the Association.

7. Assessments for Liens. all liens of any nature including taxes and special assessments levied by governmental authority which are a lien upon more than one (1) Dwelling Unit, or upon any portion of the Common Elements, shall be paid by the Association as a Common Expense and shall be assessed against the Dwelling Units in accordance with the Shares of the Dwelling Units concerned or charged to the Common Expense Account, whichever in the judgment of the Board of Governors is appropriate.

8. Assessment Roll. The assessments against all Dwelling Unit Owners shall be set forth upon a roll of the Dwelling Unit which shall be available in the office of the Association for inspection at all reasonable times by the Dwelling Unit Owners or their duly authorized representatives,

such authorization to be presented in writing signed by the Owner. Such roll shall indicate for each Dwelling Unit the name and address of the Owner or Owners, the assessments for all purposes and the amounts of all assessments paid and unpaid. The Association shall issue such certificates to such persons as a Dwelling Unit Owner may request in writing.

9. Liability for Assessments. Subject to the provisions of Section 89-9-21, Mississippi Code (1972), as amended, the Owner of a Dwelling Unit and his grantee shall be jointly and severally liable for all unpaid assessments due and payable at the time of a conveyance but without prejudice to the rights of the grantee to recover from the grantor the amounts paid by the grantee therefor. Such liability may not be avoided by a waiver of the use or enjoyment of any Common Element or by abandonment of the Dwelling Unit for which the assessments are made. A purchaser of a Dwelling Unit at a judicial or foreclosure sale or a first mortgagee who accepts a deed in lieu of foreclosure shall be liable only for assessments coming due after such sale and for that portion of due assessments prorated to the period after the date of such sale. Such a purchaser as aforesaid shall be entitled to the benefit of all prepaid assessments paid beyond the date such purchaser acquires title.

10. Lien for Assessments. The unpaid portion of an assessment which is due shall be secured by a lien.

(a) The Dwelling Unit and all appurtenances thereto when a notice claiming the lien has been recorded by the Association in the public records of Rankin County. The Association shall not, however, record such claim of lien until the assessment is unpaid for not less than fifteen (15) days after it is due. Such a claim of lien shall also secure all assessments which come due thereafter until the claim of lien is satisfied,

except that such lien shall be subordinate to prior bona fide liens of record and to the right of the District to collect rents and other payments under recorded leases, subleases or assignments.

(b) All tangible personal property located in the Dwelling Unit except that such lien shall be subordinate to prior bona fide liens of record.

11. Application.

(a) Interest: Application of Payments. Assessments and installments thereof paid on or before fifteen (15) days after the date when due shall not bear interest but all sums not paid on or before fifteen (15) days after the date when due shall bear interest at the rate of 8% per annum from the date when due until paid. All payment upon account shall be applied first to interest and then to the assessment payment first due. All interest collected shall be credited to the Common Expense Account.

(b) Suit: The Association at its option may enforce collection of delinquent assessments by suit at law or by foreclosure of the liens securing the assessments or by any other competent proceeding and in either event, the Association shall be entitled to recover in the same action, suit or proceeding the payments which are delinquent at the time of judgment or decree together with interest thereon at the rate of 8% per annum, and all costs incident to the collection and the action, suit or proceedings, including, without limiting the same, to reasonable attorneys' fees.

XI. COMPLIANCE AND DEFAULT:

Each Dwelling Unit Owner shall be governed by and shall comply with the terms of the Condominium documents and Regulations adopted pursuant thereto and said documents and regulations as they may be amended from time to time. A default shall entitle the Association or other Dwelling Unit Owners to the following

relief.

(a) Legal Proceeding: Failure to comply with any of the terms of the condominium documents and regulations adopted pursuant thereto, shall be ground for relief which may include, without intending to limit the same, an action to recover sums due for damages, injunction relief, foreclosure of lien or any combination thereof, and which may include, without intending to limit the same, an action to recover sums due for damages, injunctive relief, foreclosure of lien or any combination thereof, and which relief may be sought by the Association or if appropriate, by an aggrieved Dwelling Unit Owner.

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

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

(d) No Waiver of Rights. The failure of the Association or of a Dwelling Unit Owner to enforce any right, provision, covenant or condition which may be granted by the condominium documents shall not constitute a waiver of the right of

the Association or Dwelling Unit Owner to enforce such right, provisions, covenant or condition in the future.

(e) All rights, remedies and privileges granted to the Association or a Dwelling Unit Owner pursuant to any terms, provisions, covenants or conditions of the Condominium documents shall be deemed to be cumulative, and the exercise of any one or more shall not be deemed to constitute an election of remedies or privileges as may be granted to such party by the condominium documents or at law or in equity.

XII. AMENDMENT:

Except for alterations in the Shares which cannot be done except with the consent of all Dwelling Unit Owners whose Shares are being affected, and their mortgagees, the condominium documents may be amended in the following manner:

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

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

(b) Resolution. A Resolution adopting a proposed amendment may be proposed by either the Board of Governors of the Association or by the Dwelling Unit Owners meeting as members of the Association and after being proposed and approved by the others. Governors and Dwelling Unit Owners not present at the meeting considering such amendment may express their approval in writing or by proxy. Such approvals must be by not less than seventy-five (75%) of the Governors and seventy-five (75%) of the Dwelling Unit Owners and their mortgagees. No amendment shall be effective unless consented to by the District.

(c) Recording. A copy of each amendment shall be certified

by at least two (2) officers of the Association as having been duly adopted and shall be effective when recorded in the office of the Chancery Clerk of Rankin County, Mississippi. Copies of same shall be sent to each Dwelling Unit Owner and his mortgagee in the manner elsewhere provided for the giving of notices but the same shall not constitute a condition precedent to the effectiveness of such amendment.

2. Association By-Laws. The by-laws of the Association shall be amended in the manner provided by such document.

XIII. TERMINATION:

The condominium shall be terminated, if at all, in the following manner:

1. The termination of the condominium may be effected by the agreement of all Dwelling Unit Owners, First Mortgagees, and the District, which agreement shall be evidenced by an instrument or instruments executed in the manner required for conveyances of land. The termination shall become effective when such agreement has been recorded in the public record of Rankin County, Mississippi.

2. Destruction. If it is determined in the manner elsewhere provided, that the property shall not be reconstructed after casualty, the condominium plan of ownership will be terminated and the condominium documents revoked. The determination not to reconstruct after casualty shall be evidenced by a Certificate of the Association certifying as to the facts effecting the termination, which certificates shall become effective upon being recorded in the public records of Rankin County, Mississippi.

3. Shares of Dwelling Unit Owners after Termination. After termination of the condominium, the Dwelling Unit Owners shall own leasehold title to the property as tenants in common in undivided shares of the Dwelling Unit Owners. All funds held by the Association and insurance proceeds, if

any, shall be the amount of the assessments paid by each Dwelling Unit Owner. The costs incurred by the Association in connection with the termination shall be a Common Expense.

4. Following termination, the property may be partitioned and sold upon the application of any Dwelling Unit Owner, provided however, that such partition shall be a partition of leasehold title only, subject to the terms and conditions of all leases of the Property in which the District is lessor. If the Board of Governors following termination, by not less than a three-fourths vote, determines to accept an offer for the sale of the Property, each Dwelling Unit Owner shall be bound to execute such deeds and other documents reasonably required to effect such sale at such times and in such forms as the Board of Governors directs. In such event, any action for partition or other division of the Property shall be held in abeyance pending such sale, and upon the consummation thereof shall be discontinued by all parties thereto.

5. The members of the Board of Governors acting collectively as agents for Dwelling Unit Owners, shall continue to have such powers as in this Article are granted, notwithstanding the fact that the Association itself may be dissolved upon a termination.

XIV. MORTGAGE PROTECTION:

Notwithstanding any provision herein to the contrary, it is expressly understood and agreed that:

1. For the purposes of this Article, a "recorded first mortgage" shall be deemed to mean a mortgage or deed of trust, properly recorded in the office of the Chancery Clerk of Rankin County, Mississippi, or other public office designated by the statutes and laws of the State of Mississippi for the recording of mortgages in Rankin County, Mississippi the lien of which is prior, paramount, and superior to the lien of all other mortgages and deeds of trust; provided, further, however that a purchase money mortgage or purchase money deed of trust executed in favor of an individual unit owner to secure the payment or part or all of the purchase price of the unit shall not be deemed to be a recorded first

mortgage for the purpose of this Article. However, any recorded mortgage or deed of trust executed in favor of the Developer, the lien of which is prior, paramount, and superior to all other mortgages and deeds of trust, shall be deemed to be a "recorded first mortgage".

2. The liens for assessments created hereunder upon any condominium unit shall be subject and subordinate to the lien of any recorded first mortgage. The holder of any recorded first mortgage who comes into possession of any unit pursuant to the remedies provided in the mortgage (whether by way of foreclosure of the mortgage, or deed (or assignment) in lieu of foreclosure) shall take the property free of any claims for unpaid assessments or charges against the mortgaged unit which accrued prior to the time such holder comes into possession of the unit; provided that, after the foreclosure of any such mortgage, or after the granting of any deed or assignment in lieu of foreclosure, there may be a lien created on the interest of such purchaser, grantee, or assignee to secure all subsequent assessments, whether regular or special, which may be assessed hereunder (after such foreclosure or sale in lieu thereof) to such purchaser, assignee, or grantee as an owner and that such subsequent assessment lien shall have the same effect and be enforced in the same manner as provided herein. Sale or transfer of any unit shall not affect the assessment lien; however, the sale or transfer of any unit pursuant to foreclosure of a recorded first mortgage or any proceeding in lieu thereof shall extinguish the lien of such assessments as to payments which became due prior to such foreclosure sale or deed or assignment in lieu thereof; provided, however, the lien shall continue and attach to any proceeds from any foreclosure sale (or sale in lieu thereof) which might be due unto the mortgagor of the unit being foreclosed, or his

successors in interest. No sale or other transfer of a unit (other than ones in lieu of foreclosure of a recorded first mortgage) shall relieve such unit from liability for any assessments or from the lien thereof, and no foreclosure (or transfer in lieu thereof) or any other deed of trust or mortgage shall relieve any unit owners from personal liability for assessments coming prior to such foreclosure or transfer in lieu thereof.

3. No amendment to this Declaration shall affect the rights of the holder of any recorded first mortgage recorded prior to recordation of such amendment who does not join in the execution thereof.

4. No mortgagee and no beneficiary or Trustee under a deed of trust shall become personally liable for an obligation of any unpaid maintenance funds assessment.

5. Any recorded first mortgage upon a condominium unit in the project may provide that any default by the mortgagor in the payment of any assessment levied pursuant to this Declaration or by-laws or any installment thereof shall likewise by a default in such mortgage or the indebtedness secured thereby, but failure to include such provision in any mortgage shall not affect the validity or priority thereof nor diminish the protection extended to the holder of such mortgage or the indebtedness secured thereby.

6. The holder of any recorded first mortgage shall be entitled to written notification from the Association of any default by the mortgagor of such unit in the performance of such mortgagor's obligations under the condominium documents which is not cured within thirty (30) days.

7. The holder of any recorded first mortgage shall be entitled to a prior written notification of any change of managing agent of the condominium project, which notification shall be furnished to such mortgage holders not less than thirty (30) days in advance of such change.

8. The holder of any recorded first mortgage shall be entitled to written notice of any proceeding for the condemnation of the condominium project or any part thereof promptly after the commencement of such proceeding.

9. The holder of any recorded first mortgage shall be entitled, upon demand, to examine the books and records of the Association, at the office of the Association and during regular business hours, and to require the submission to him of the annual reports of the Association and such other financial data as he may reasonably request.

10. Unless all of the holders of recorded first mortgages (based upon one vote for each mortgage owned) of condominium units and the District have given their prior written approval, neither the Association nor the Owners shall be entitled to;

(a) by act or omission seek to abandon the condominium status of the project or remove the project from the provisions of this Declaration; except that if such abandonment is allowed by statute or the condominium documents in the case of substantial loss to the units and common elements, the prior written approval of the holders of only seventy-five percent (75%) or more of the holders of recorded first mortgage shall be required;

(b) change the pro rata interest or obligations of any condominium unit for (i) purposes of levying assessments or charges or allocating distribution of hazard insurance proceeds or condemnation awards or (ii) determining the pro rata share of ownership by each unit of the common elements within the project;

(c) partition or subdivide any condominium unit;

(d) by act or omission, seek to abandon, partition, subdivide, encumber, sell, or transfer, the common Elements. The granting of easements for public

utilities or for other public purposes consistent with the intended use of the common elements by the condominium project shall not be deemed a transfer within the meaning of this clause.

XV. COVENANTS RUNNING WITH THE LAND:

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

XVI. LIENS:

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

2. Notice of Lien: A Dwelling Unit Owner shall give notice to the Association of every lien upon his Dwelling Unit other than for permitted mortgages, taxes and special assessments within five (5) days after the attaching of the lien.

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

4. Failure to comply with this Article concerning liens will not affect that validity of any judicial sale.

5. The Association shall maintain a register of all permitted mortgages.

XVII. JUDICIAL SALES:

1. No judicial sale of a Dwelling Unit nor any interest therein shall be valid unless the sale is a result of a public sale, with open bidding, in compliance with applicable law.

2. Unauthorized Transactions. Any sale, mortgage or lease which is not authorized pursuant to the terms of this Declaration or for which authorization has been obtained pursuant to the terms of this Declaration, shall be void unless subsequently approved by the Board of Governors of the Association, in writing, duly executed by the Board of Governors or executive officer thereof.

3. In the event proceedings are instituted to foreclose any mortgage on any Dwelling Unit, the Association on behalf of one or more Dwelling Unit Owners, shall have the right to purchase the mortgage for the amount of indebtedness remaining unpaid thereon, provided the holder of the mortgage agrees to assign it to the Association; and, or to bid upon said unit at the foreclosure sale, in accordance with the provisions of Sections 89-1-55 and 89-9-21, Mississippi Code (1972), as amended. Nothing herein contained shall preclude a mortgage institution bank, savings and loan association, insurance company, or any other recognized lending institution, from owning a mortgage on any Dwelling Unit; and, such lending institution shall have an unrestricted absolute right to accept title to the Dwelling Unit in settlement and satisfaction of said mortgage, or to foreclose the mortgage, in accordance with the terms thereof, and the laws of the State of Mississippi, and to bid upon said Dwelling Unit, at the foreclosure sale. If the Association, or any member, as aforesaid, redeems such mortgage, or cures such default, it shall have a lien against

the Dwelling Unit for all sums expended in connection therewith, and shall have the same rights to collect such sums as in the case of a past due assessment. If the Association or any member as aforesaid, redeems such mortgage or cures such default, it shall have a lien against the Dwelling Unit for all sums expended in connection therewith, and shall have the same rights to collect such sums as in the case of a past-due assessment.

4. In the event proceedings are instituted by the District to terminate any lease on any Dwelling Unit, the Association on behalf of one or more Dwelling Unit Owners shall have the right to obtain an assignment of the lease for the amount of rental or other payment remaining unpaid thereon, provided that the Association agrees to assume the obligation under any such lease and complies with the provision of the lease for assignments. Nothing herein contained shall preclude the District from terminating any lease nor shall this document be construed as an amendment or alteration to any such lease.

XVIII. PROVISIONS PERTAINING TO DEVELOPER:

For so long as the Developer continues to own any of the Dwelling Units, the following provisions shall be deemed to be in full force and effect:

1. When an assessment is computed for Dwelling Units, all or a portion of such assessment shall be payable to the Association by the Unit Owner according to the status of the Unit as follows:

(i) When the Dwelling Unit is improved and owned by an individual(s) other than Developer; the full assessment shall be payable.

(ii) When the Dwelling Unit is owned by Developer and is vacant or the Unit is not completed and occupied, no part of the assessment shall be payable.

2. The Developer specifically disclaims any intent to have made any warranty or representation in connection with the Property or the condominium documents except as specifically

set forth therein and no person shall rely upon any warranty or representation not so specifically made therein. The estimates of Common Expenses are deemed accurate, but no warranty or guaranty is made nor intended, nor may one be relied upon.

XIX. If any term, covenant, provision, phrase or other element of the condominium documents is held to be invalid or unenforceable for any reason whatsoever, such holding shall not be deemed to affect, alter, modify or impair in any manner whatsoever any other term, provision, covenant or element of the condominium documents.

XX. DWELLING UNIT LEASES:

Any transfer of a Dwelling Unit shall include all appurtenances thereto whether or not specifically described.

XXI. CAPTIONS:

Captions used in the condominium documents are inserted solely as a matter of convenience and shall not be relied upon or used in construing the effect or meaning or meaning of any of the text of the condominium documents.

XXII. GENDER, SINGULAR, PLURAL:

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

XXIII. SEVERABILITY:

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

XXIV. ADDITIONAL PROVISION: All provisions of this Declaration are in addition to the provisions of Chapter 9, Section 89-9-1, et seq., Mississippi Code (1972), as amended,

which said statutes are made a part hereof, as though fully copies herein in words and figures.

IN WITNESS WHEREOF, THE DEVELOPERS HAVE EXECUTED THIS DECLARATION, this the 13th day of July A.D., 1981.

CRESTWOOD PARK, INC.

CENTURIAN INTERESTS, INC.

BY: Jerry Jackson
JERRY JACKSON, VICE
PRESIDENT

BY: Kevin M. Smith
KEVIN M. SMITH, PRESIDENT

STATE OF MISSISSIPPI

COUNTY OF HINDS

Personally appeared before me, the undersigned authority in and for said jurisdiction, the within named Kevin M. Smith who acknowledged that he is President of Centurian Interests, Inc., a corporation, and that for and on behalf of said corporation and as its act and deed, he signed and delivered the above and foregoing instrument of writing on the day and year therein mentioned, he having been first duly authorized so to do.

Given under my hand and seal this the 13th day of

July, 1981.

Maury M. Papper
NOTARY PUBLIC

My Commission Expires:

Aug 1985

STATE OF MISSISSIPPI

COUNTY OF HINDS

Personally appeared before me, the undersigned authority in and for said jurisdiction, the within named Jerry Jackson who acknowledged that he is Vice President of Crestwood Park, Inc., a corporation; and that for and on behalf of said corporation and as its act and deed, he signed and delivered the above and foregoing instrument of writing on the day and year therein mentioned, he having been first duly authorized so to do.

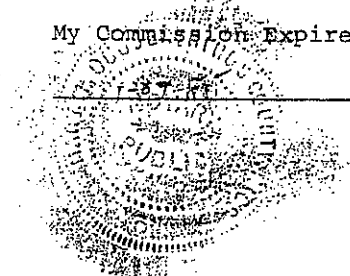
Given under my hand and seal this the 13th day of

July, 1981.

Maury M. Papper
NOTARY PUBLIC

My Commission Expires:

Aug 1985



CERTIFICATE

Pursuant to Chapter 9, Section 89-9-9, Mississippi Code (1972), as amended, the undersigned being the record owners of the fee and the leasehold of the real property, and the record holder of the security interests in said property as described in the foregoing Plan and Declaration, do hereby consent to the recordation of the foregoing Plan and Declaration.

OWNERS:

PEARL RIVER VALLEY WATER SUPPLY DISTRICT

By: Charles E. Moak
CHARLES E. MOAK, GENERAL MANAGER
CRESTWOOD PARK, INC.

By: Jerry Jackson
JERRY JACKSON, Vice President
CENTURIAN INTERESTS, INC.

By: Kevin M. Smith
KEVIN M. SMITH, PRESIDENT

SECURITY INTEREST HOLDER:

DEPOSITORS SAVINGS ASSOCIATION

By: Loren B. Means
LOREN B. MEANS, President

STATE OF MISSISSIPPI
COUNTY OF HINDS

PERSONALLY appeared before me, the undersigned Notary Public in and for the jurisdiction aforesaid, LOREN B. MEANS, President, of the above named DEPOSITORS SAVINGS ASSOCIATION, a corporation, who acknowledged that for and on behalf of said corporation, he signed and delivered the above and foregoing Certificate on the day and year therein written as the act and deed of said corporation, being thereunto first duly authorized so to do.

GIVEN under my official seal of office, this the 13th day of July, 1981.

[Signature]
NOTARY PUBLIC

My Commission Expires:
1-05-85

STATE OF MISSISSIPPI
COUNTY OF HINDS

PERSONALLY appeared before me, the undersigned Notary Public in and for the jurisdiction aforesaid, Charles E. Moak General Manager, of the above named Pearl River Valley Water Supply District, an agency of the State of Mississippi, who acknowledged that for and on behalf of said agency, he signed, and delivered the above and foregoing Certificate on the day and year therein written as the act and deed of said agency, being thereunto first duly authorized so to do.

GIVEN under my official seal of office, this the 13th day of 1-05-85 July, 1981.

[Signature]
NOTARY PUBLIC

My Commission Expires
1-5-85

STATE OF MISSISSIPPI

COUNTY OF HINDS

PERSONALLY appeared before me, the undersigned Notary Public in and for the jurisdiction aforesaid, JERRY JACKSON, a Vice President of the above named CRESTWOOD PARK, INC., a corporation who acknowledged that for and on behalf of said corporation, he signed and delivered the above and foregoing Certificate on the day and year therein written as the act and deed of said corporation, being thereunto first duly authorized so to do.

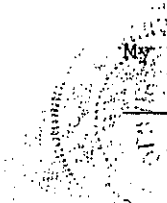
GIVEN under my official seal of office, this the 13th day of July, 1981.

[Handwritten signature]

[Handwritten signature]
NOTARY PUBLIC

My Commission Expires:

1-09-85



STATE OF MISSISSIPPI

COUNTY OF HINDS

PERSONALLY appeared before me, the undersigned Notary Public in and for the jurisdiction aforesaid, Kevin M. Smith, President, of the above named CENTURIAN INTERESTS, INC., a corporation who acknowledged that for and on behalf of said corporation, he signed and delivered the above and foregoing Certificate on the day and year therein written as the act and deed of said corporation, being thereunto first duly authorized so to do.

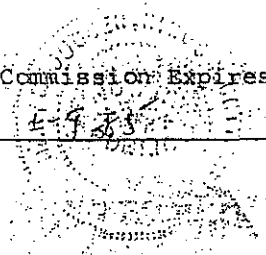
GIVEN under my official seal of office, this the 13th day of July, 1981.

[Handwritten signature]

[Handwritten signature]
NOTARY PUBLIC

My Commission Expires:

1-9-85



STATE OF MISSISSIPPI
COUNTY OF RANKIN

That certain land lying in the NE $\frac{1}{4}$ of the SW $\frac{1}{4}$, SE $\frac{1}{4}$ of the NW $\frac{1}{4}$, and the SW $\frac{1}{4}$ of the NE $\frac{1}{4}$ of Section 6, Township 6 North, Range 3 East, Rankin County, Mississippi, and being more particularly described as follows:

Commencing at the SW Corner of Section 6, Township 6 North, Range 3 East, Rankin County, Mississippi; thence run North for a distance of 1,888.80 feet; thence run East for a distance of 1,446.62 feet to the East line of Lakeshore Drive; thence run N 03°27'47"E along the East line of Lakeshore Drive for a distance of 427.30 feet to the Point of Beginning; thence run S 86°32'13"E for a distance of 235.00 feet; thence run N10°49'23"E for a distance of 330.90 feet; thence run N87°26'23"E for a distance of 275.02 feet; thence run N02°33'37"W for a distance of 215.00 feet; thence run S87°26'23"W for a distance of 233.04 feet; thence run N61°22'13"W for a distance of 266.91 feet; thence run N87°24'36"W for a distance of 83.12 feet; thence run S03°27'47"W for a distance of 542.62 feet to the East line of Lakeshore Drive; thence run S08°39'02"E along the East line of Lakeshore Drive for a distance of 139.90 feet to the Point of Beginning.

Also a fifty (50) foot wide strip of land designated as Woodlake Drive to be established as a perpetual easement for access to the aforescribed parcel of land and being twenty-five (25) feet either side of a line described as follows:

Commencing at the SW Corner of Section 6, Township 6 North, Range 3 East, Rankin County, Mississippi; thence run North for a distance of 1,888.80 feet; thence run East for a distance of 1,446.62 feet to the East line of Lakeshore Drive; thence run N03°27'47"E along the East line of Lakeshore Drive for a distance of 83.95 feet to the centerline of Woodlake Drive and the Point of Beginning of the fifty foot wide access easement; thence run along the centerline of Woodlake Drive the following bearings and distances-S86°11'09"E, 42.60 feet; around a curve to the left having a radius of 112.21 feet and a chord of N70°47'38"E, 87.76 feet; N47°46'24"E, 241.89 feet; around a curve to the left having a radius of 358.06 feet and a chord of N29°17'54"E, 226.93 feet; N10°49'23"E, 300.54 feet to the property line of WOODLAKE CONDOMINIUM and the termination of the easement.

EXHIBIT "A"

BY-LAWS OF WOODLAKE CONDOMINIUM ASSOCIATION, INC.

PREAMBLE

Crestwood Park, Inc. and Centurian Interests, Inc., Mississippi corporations, named in the attached and foregoing Plan and Declaration of Condominium and hereinafter collectively referred to as "Developer" being the sole owners of the project property submitted to the provisions of the Mississippi Condominium Law, Chapter 9, Section 89-9-1, et seq., Mississippi Code of (1972), as amended, (hereinafter called "Law") for the establishment of a condominium dwelling unit project to be known as "Woodlake Condominium" as more particularly defined, described and provided for in said attached Plan and Declaration of Condominium (hereinafter referred to as "Declaration") does hereby adopt the following By-Laws which shall govern administration of such condominium as provided for in compliance with said Law.

All present or future owners, tenants, future tenants or their employees, or any other person who might use the facilities of this condominium project, in any manner are subject to the regulations set forth in these By-Laws. The mere acquisition, rental or occupancy of any of said dwelling units of the project will signify and constitute a ratification and acceptance of these By-Laws by any such Owner or person.

1. This condominium dwelling unit project established under the foregoing and attached Declaration shall be known as Woodlake Condominium.

2. Members:

(1) Members shall be the owners of the units. The annual members' meeting shall be held at the office of the Association at 8:00 o'clock P.M. Central Standard Time, on the second Monday of January, of each year for the purpose of electing governors and of transacting any other business authorized to be transacted by the members; provided however, if that day is a legal holiday, the meeting shall be held at the same hour on the next succeeding day.

- (2) Members shall have the following voting rights:
- (a) The members other than the Developer, shall be entitled to one vote for each unit owned. When more than one person holds such an interest or interests in any unit, all such persons shall be members, and the vote for such unit shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any one unit.
- (b) The Developer shall be entitled to four votes for each unit owned. When the total non-developer vote equals or exceeds the Developer's vote, the Developer will be entitled to only one vote for each unit owned.
- (c) If on any one or more occasions Developer, owns no units, and if after such time Developer, by an annexation to the property in accordance with the declaration, should add additional property to the property theretofore subject to the declaration, then on each such occasion the computation of the Developer's votes, as provided in sub-paragraph (b) above shall be fully reinstated, and following each such occasion the Developer, or nominee or nominees, if any, of the Developer shall continue to have four votes for each unit owned until such time as the total votes outstanding of non-developer owned members resulting from the newly added property have been equalized. At such time the Developer will be entitled to only one vote for each unit owned. |

(3) Special members' meeting shall be held whenever called by the President or Vice President or by a majority of the Board of Governors, and must be called by such officers upon receipt of a written request from one-third of the entire membership.

(4) Notice of all members' meetings stating the time and place and the objects for which the meeting is called shall be given by the President or Vice President or Secretary unless waived in writing. Such notice shall be in writing to each member at his address as it appears on the books of the Association and shall be mailed not less than ten (10) days not more than sixty (60) days prior to the date of the meeting. Proof of such mailing shall be given by the affidavit of the person giving the notice. Notice of meeting may be waived before or after meetings.

(5) A quorum at members' meetings shall consist of persons entitled to cast a majority of the votes of the entire membership. The joinder of a member in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such member for the purpose of determining a quorum.

(6) The vote of the owners of a dwelling unit owned by more than one person or by a corporation or other entity shall be cast by the person named in a certificate signed by all of the owners of the dwelling units, and filed with the Secretary of the Association. Such certificate shall be

valid until revoked by a subsequent certificate. If such a certificate is not on file the vote of such owners shall not be considered in determining the requirement for a quorum nor for any other purpose.

(7) Proxies: Vote may be cast in person or by proxy. Proxies shall be valid only for the particular meeting designated therein and must be filed with the Secretary before the appointed time of the meeting.

(8) Approval or disapproval of the dwelling unit owner upon any matter, whether or not the subject of the Association meeting, shall be by the same person who would cast the vote of such owner if in an Association meeting.

(9) Adjourned meetings: If any meeting of members cannot be organized because a quorum has not attended, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present.

(10) The order of business at annual members' meetings, and, as far as practical at all other members' meetings, shall be:

- (a) Election of chairman of the meeting.
- (b) Calling of the roll and certifying of proxies.
- (c) Proof of notice of meeting or waiver of notice.
- (d) Reading and disposal of any unapproved minutes.
- (e) Reports of officers.
- (f) Election of inspectors of election.
- (g) Election of governors.
- (h) Unfinished business.
- (i) New Business.
- (j) Adjournment.

3. Governors.

(1) The Board of Governors shall consist of not less than three (3) persons nor more than five as is determined from time to time by the members.

Each member of the Board of Governors shall be either the owner of a dwelling unit, have an interest therein or in the event of corporate ownership, any officer or designated agent thereof.

(2) Election of governors shall be conducted in the following manner:

(a) Members of the Board of Governors shall be elected by a plurality of the votes cast at the annual meeting of the members of the Association.

(b) Vacancies in the Board of Governors may be filled until the date of the next annual meeting by the remaining governors.

(3) The term of each governor's service shall extend until the next annual meeting of the members and thereafter until his successor is duly elected and qualified or until he is removed in the manner elsewhere provided.

(4) The organization meeting of a newly elected Board of Governors shall be held within ten (10) days of their election at such place and time as shall be fixed by the governors at the meeting at which they are elected, and no further notice of the organization meeting shall be necessary providing a quorum shall be present.

(5) Regular meetings of the Board of Governors may

be held at such time and place as shall be determined from time to time, by a majority of the governors. Notice of regular meetings shall be given to each governor, personally or by mail, telephone or telegraph at least three (3) days prior to the day named for such meetings unless such notice is waived.

(6) Special meetings of the governors may be called by the President and must be called by the Secretary at the written request of one-third of the votes of the Board. Not less than three (3) days notice of the meeting shall be given personally or by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting.

(7) Waiver of notice: Any governor may waive notice of a meeting before or after the meeting and such waiver shall be deemed equivalent to the giving of notice.

(8) A quorum at governors' meetings shall consist of the governors entitled to cast a majority of the votes of the entire board. The acts of the board approved by a majority of votes present at a meeting at which a quorum is present shall constitute the acts of the board of governors as specifically otherwise provided in the Declaration of Condominium. If at any meeting of the Board of Governors there be less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present. At an adjourned meeting any business which might have been transacted at the meeting as originally called may be transacted without further notice. The joinder of a governor in the action of a meeting by signing and concurring in the

minutes thereof shall constitute the presence of such director for the purpose of determining a quorum.

(9) The presiding officer of governors' meetings shall be the chairman of the board if such officer has been elected; and if none, then the President shall preside. In the absence of the presiding officer the governors present shall designate one of their number to preside.

(10) Governors' fees, if any, shall be determined by the members.

4. Powers and duties of the Board of Governors: All of the powers and duties of the Association shall be exercised by the Board of Governors, including those existing under the common law and statutes, the Articles of Incorporation of the Association, and the documents establishing the condominium. Such powers and duties of the governors shall be exercised in accordance with the provisions of the Declaration of Condominium which governs the use of the land, and shall include but shall not be limited to the following:

- (1) To make and collect assessments against members to defray the costs of the condominium.
- (2) To use the proceeds of assessments in the exercise of its powers and duties.
- (3) The maintenance, repair, replacement and operation of the condominium property.
- (4) The reconstruction of improvements after casualty and the further improvement of the property.
- (5) To make and amend regulations respecting the use of the property in the condominium.
- (6) To enforce by legal means the provisions of the Condominium Documents, the Articles of Incorporation, the By-Laws of the Association, the Regulations for

the use of the property in the Condominium.

(7) To contract for management of the condominium and to delegate to such contractor all powers and duties of the Association except such as are specifically required by the condominium documents to have approval of the Board of Governors or the membership of the Association. Any contracts for management of the Association shall be in writing and terminable for cause upon 30 days notice, and will have a term of not less than one year nor more than three years in duration and be renewable by agreement of the Association and the other party. No contracts for management or services required for proper administration of the purposes of the Association negotiated by the Developer will exceed one year in term, commencing from the date the first Dwelling Unit is conveyed.

(8) To pay taxes and assessments which are liens against any part of the condominium other than individual apartments and the appurtenances thereto, and to assess the same against the apartment subject to such liens.

(9) To carry insurance for the protection of dwelling unit owners and the Association against casualty and liabilities.

(10) To pay the cost of all power, water, sewer and other utility services rendered in the condominium and not billed to owners of individual dwelling units.

(11) To employ personnel for reasonable compensation to perform the services required for proper administration of the purposes of the Association.

5. Officers.

(1) The executive officers of the Association shall

be a President, who shall be a governor, a Vice President, who shall be a governor, a Treasurer, a Secretary and an Assistant Secretary. The Board of Governors shall from time to time elect such other officers and designate their powers and duties as the Board shall find to be required to manage the affairs of the Association.

(2) The President shall be the chief executive officer of the Association. He shall have all of the powers and duties which are usually vested in the office of President of an association, including, but not limited to the power to appoint committees from among the members from time to time, as he may in his discretion determine appropriate, to assist in the conduct of the affairs of the Association.

(3) The Vice President shall in the absence or disability of the President exercise the powers and perform the duties of the President. He shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the directors.

(4) The Secretary shall keep the minutes of all proceedings of the governors and the members. He shall attend to the giving and serving of all notices to the members and governors and other notices required by law. He shall keep the records of the Association, except those of the Treasurer, and shall perform all other duties incident to the office of Secretary of an association and as may be required by the Governors or the President. The Assistant Secretary shall perform the duties of the Secretary when the Secretary is absent.

(5) The Treasurer shall have custody of all property of the Association, including funds, securities and evidence of indebtedness. He shall keep the assessment rolls and accounts of the members; he shall keep the books of the Association in accordance with good accounting practices; and he shall perform all other duties incident to the office of Treasurer.

(6) The compensation of all officers and employees of the Association shall be fixed by the governors. This provision shall not preclude the contracting with the governor for the management of the condominium.

6. Removal of Governors and Officers.

(1) Removal of Governors. At a regular meeting, or special meeting duly called for such purpose, any governor may be removed with or without cause by the affirmative vote of the majority of the Dwelling Unit Owners of record and a successor may then and there be elected to fill the vacancy thus created. Any governor whose removal has been presented shall be given an opportunity to be heard at the meeting. The term of any governor who becomes more than sixty (60) days delinquent in payment of any assessment or related charges due the Association shall be automatically terminated and the remaining governors shall appoint his successor.

(2) Removal of Officers. Upon an affirmative vote of a majority of the members of the Board of Governors, any officer may be removed with or without cause, and his successor elected at any regular meeting of the Board of Governors, or at any special meeting of the Board of Governors called

for such purpose.

7. Fiscal Management: The provisions for fiscal management of the association set forth in the Declaration of Condominium shall be supplemented by the following provisions:

(1) Assessment roll: The assessment roll shall be maintained in a set of accounting books in which there shall be an account for each dwelling unit. Such an account shall designate the name and address of the owner or owners, the amount of each assessment against the owners, the dates and amounts in which the assessments come due, the amounts paid upon the account and the balance due upon assessments:

(2) Budget:

(a) The board of Governors shall adopt a budget for each calendar year which shall contain estimates of the cost of performing the functions of the Association, including, but not limited to the following items:

(1) Common Expenses Budget:

(i) Maintenance and operation of common elements;

Landscaping - Office and shop

Street and walkways

Swimming pool - guest rooms

(ii) Utility services

(iii) Casualty insurance

(iv) Liability insurance

(v) Administration

(vi) All Taxes

(2) Proposed assessments against each member.

(b) Copies of the proposed budget and proposed

assessments shall be transmitted to each member on or before January 1st of the year for which the budget is made. If the budget is subsequently amended before the assessments are made, a copy of the amended budget shall be furnished to each member concerned.

(3) The depository of the Association shall be such bank or banks as shall be designated from time to time by the governors and in which the monies of the Association shall be deposited. Withdrawal of monies from such accounts shall be only by checks signed by such persons as are authorized by the governors.

(4) An audit of the accounts of the association shall be made annually by a certified public accountant, and a copy of the report be furnished to each member not later than April 1 of the year following the year for which the report is made.

(5) Fidelity bonds shall be required by the Board of Governors from all officers and employees of the Association and from any contractor handling or responsible for Association funds. The amount of such bonds shall be determined by the governors, but shall be at least 150 per cent of the amount of the total annual operating expenses, including reserves. The fidelity bonds shall name the Association as obligee. The premiums on such bonds shall be paid by the Association.

8. Parliamentary rules: Roberts Rules of Order (latest edition) shall govern the conduct of corporate proceedings when not in conflict with the Articles of Incorporation and By-Laws of the corporation or with the Statutes of the State

of Mississippi.

9. Amendments: Amendments of the By-Laws shall be proposed and adopted in the following manner:

(1) Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is considered.

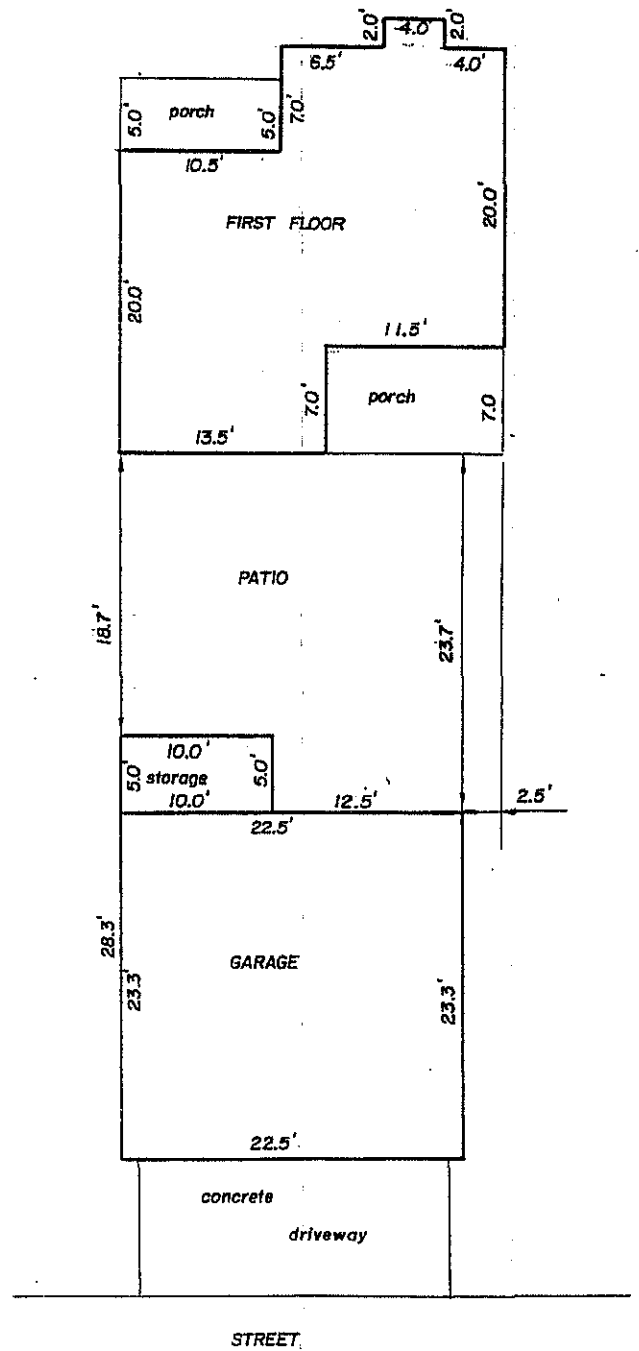
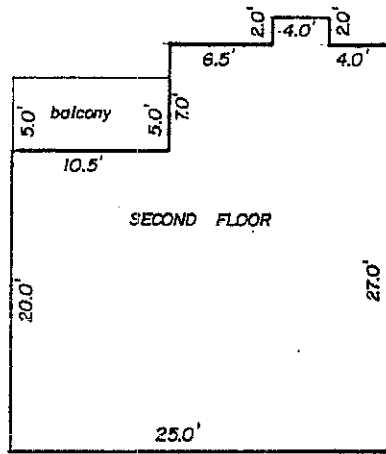
(2) A resolution adopting a proposed amendment must receive approval of two-thirds of the votes of the entire membership of the Board of Directors and 75% of the votes of the entire membership of the Association. Directors and members not present at the meetings considering the amendment may express their approval in writing.

(3) Initiation: An amendment may be proposed by either the Board of Directors or by the membership of the Association, and after being proposed and approved by one of such bodies, it must be approved by the other.

(4) Effective date: An amendment when adopted shall become effective only after being recorded in the Office of the Chancery Clerk of the First Judicial District of Harrison County, Mississippi.

(5) These By-Laws shall be amended, if necessary so as to make the same consistent with the provisions of the Plan and Declaration of Condominium.

**WOODLAKE CONDOMINIUMS
UNIT TYPE "A"**

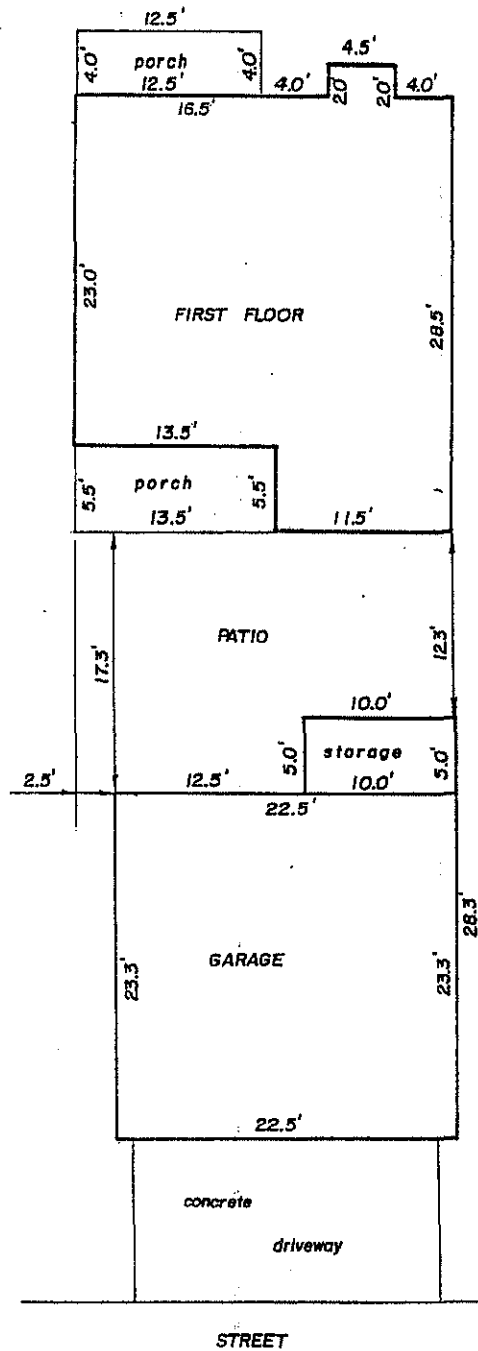
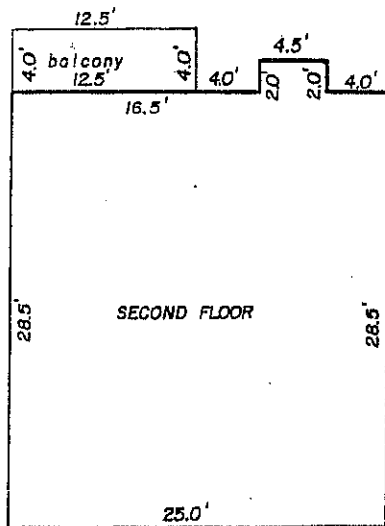


Scale 1" = 10'

Prepared By
DWAYNE SHARP AND ASSOCIATES

WOODLAKE CONDOMINIUMS UNIT TYPE "B"

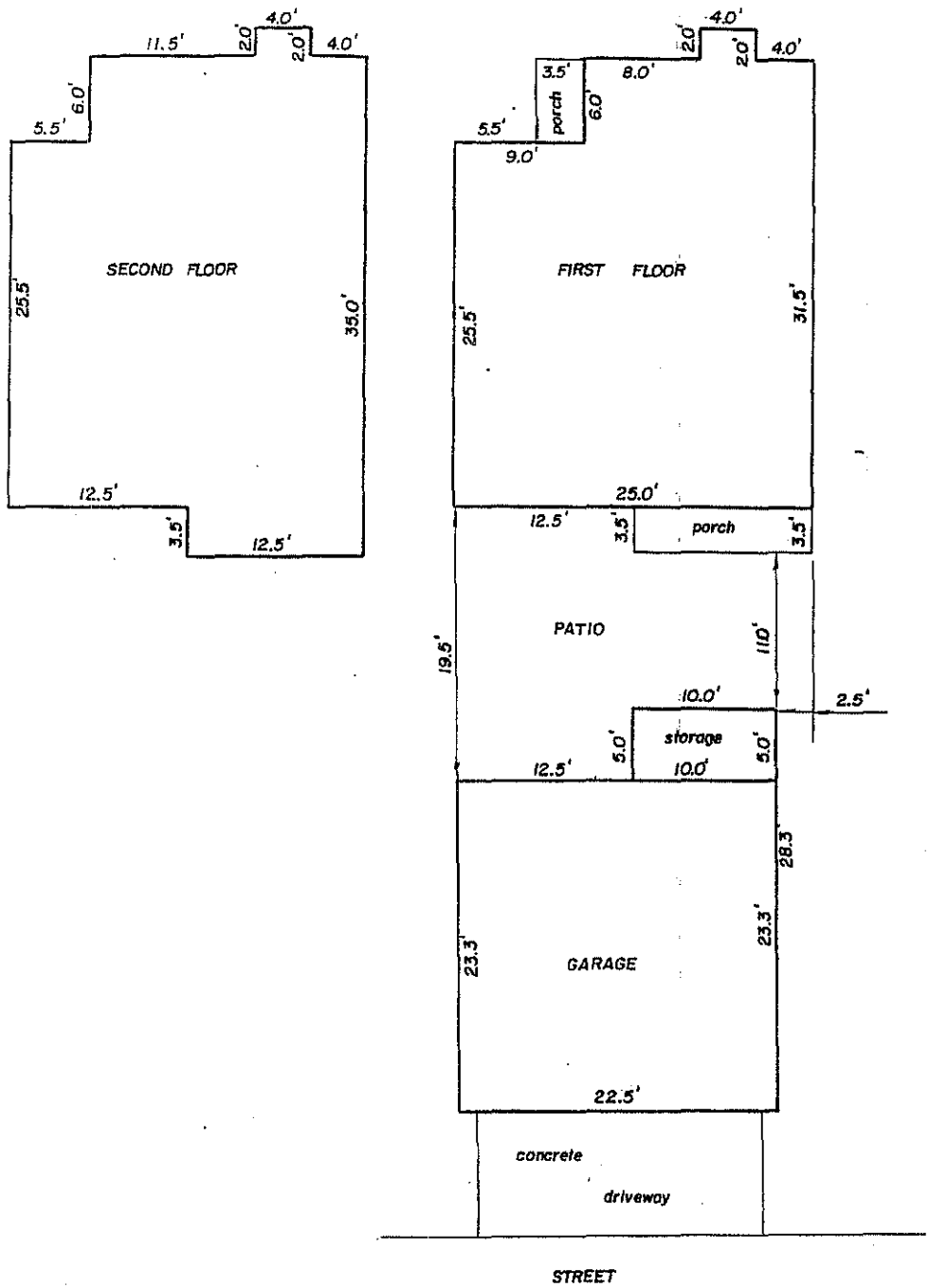
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WOODLAKE CONDOMINIUMS UNIT TYPE "D"



Scale 1" = 10'

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DWAYNE SHARP AND ASSOCIATES

