

BYLAWS
OF
TWELVE OAKS HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

NAME AND LOCATION

The name of the Corporation is Twelve Oaks Homeowners Association, Inc., hereinafter referred to as the "Association". The principal office of the corporation shall be located at 9258 Wallace Lake Road, Shreveport, Louisiana, but meetings of members and directors may be held at such places within the State of Louisiana, Parish of Caddo, as may be designated by the Board of Directors.

ARTICLE II

DEFINITIONS

Section 1. "Association" shall mean and refer to Twelve Oaks Homeowners Association, Inc., its successors and assigns.

Section 2. "Participating Association" shall mean and refer to a separate Homeowners Association, who because of the physical location of their properties, require access through the main entry of Twelve Oaks, and who agree to pay the annual assessment charged hereunder per lot on an annual basis.

Section 2. "Properties" shall mean and refer to that certain real property described in the Declaration of Covenants, Conditions and Restrictions, within the jurisdiction of the Association.

Section 3. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the members of the Association.

Section 4. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area, or of any re-subdivision of said Properties.

Section 5. "Member" shall mean and refer to every person or entity who holds a membership in the Association.

Section 6. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 7. "Declarant" shall mean and refer to Shreveport Development Corporation, its officers, heirs, successors and assigns if such heirs, successors or assigns should acquire more than one undeveloped lot from the Declarant for the purpose of development, and if such purchaser is specifically designated as a "Declarant".

Section 8. "Declaration" shall mean and refer to those specific Declaration of Covenants, Conditions, and Restrictions applicable to the Twelve Oaks and Middleton Place Subdivisions, and other such the Properties that may be annexed in the future and recorded in the records of Caddo Parish, Louisiana.

ARTICLE III

MEMBERSHIP

Section 1: Membership. Every person or entity who is a record owner of a fee or undivided fee interest to any Lot which is subject by covenants or record to assessment by the Association, including contract sellers, shall be a member of the Association. The foregoing is not intended to include persons or entities that hold an interest merely as security for the performance of an obligation. No Owner shall have more than one membership. Membership shall be appurtenant to and may not be separated from ownership of any Lot that is subject to assessment by the Association. Ownership of such Lot shall be the sole qualification for membership. Members in good standing of Participating Associations shall be members of this Association.

Section 2: Suspension of Membership. During any period in which a member shall be in default in the payment of any annual or special assessment levied by the Association, the voting rights and right to use of the recreational facilities of such member may be suspended by the Board of Directors until such assessment has been paid. Such rights of a member may also be suspended, after notice and hearing, for a period not to exceed sixty (60) days, for violation of any rules and regulations established by the Board of Directors governing the use of the Common Area and facilities.

ARTICLE IV

PROPERTY RIGHTS - RIGHTS OF ENJOYMENT

Section 1. Each member shall be entitled to the use and enjoyment of the Common Area and facilities as provided in the Declaration. Any member may delegate his rights of enjoyment of the Common Area and facilities to the members of his family, his tenants or contract purchasers, who reside on the property. Such member shall notify the secretary in writing of the name of any such delegate. The rights and privileges of such delegate are subject to suspension to the same extent as those of the members.

ARTICLE V

BOARD OF DIRECTORS SELECTION TERM OF OFFICE

Section 1: Number. A Board of Directors consisting of Nine (9) Directors shall manage the affairs of this Association. Directors need not be members of this Association.

Section 2: Election. At the first annual meeting the members shall elect three directors for a term of one year, and three directors for a term of two years; and three directors for a term of three years; and at each annual meeting thereafter, the members shall elect three directors for a term of three years.

Section 3: Removal. Any directors may be removed from the Board, with or without cause, by a majority vote of the members of the Association. In the event of death, resignation or removal of a director, his successor shall be selected by the remaining members of the Board and shall serve for the un-expired term of his predecessor.

Section 4: Compensation. No director shall receive compensation for any service he may render to the Association. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties, and for professional services that may be rendered by him.

Section 5: Action Taken without a Meeting. The directors shall have the right to take any action in the absence of a meeting that they could take at a meeting by obtaining the written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

ARTICLE VI

MEETINGS OF DIRECTORS

Section 1: Regular Meetings. Regular meetings of the Board of Directors shall be held quarterly without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same hour on the next day which is not a legal holiday.

Section 2: Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two Directors, after not less than three (3) days notice to each Director.

Section 3: Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VII

NOMINATION AND ELECTION OF DIRECTORS

Section 1: Nomination. A Nominating Committee shall make nomination for election to the Board of Directors. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be from among members or non-members.

Section 2: Election. Election to the Board of Directors shall be by secret written ballot. At such election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VIII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1: Powers. The Board of Directors shall have the power:

- a) To adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;
- b) To suspend the voting rights and right to use of the recreational facilities of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed 60 days for infraction of published rules and regulations;
- c) To exercise for the Association all powers, duties and authority vested in or delegated to this Association not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation, or the declaration;
- d) To declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent for three (3) consecutive regular meetings of the Board of Directors; and,
- e) To employ a manager, a professional attorney or accountant, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

Section 2. Duties. It shall be the duty of the Board of Directors:

- a) To cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members or at any special meeting, when such statement is requested in writing by one-fourth (1/4) of the Class A members who are entitled to vote;
- b) To supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;
- c) As more fully provided herein and in the Declaration;
 - i. To fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period, as hereinafter provided in Article XII, and

- ii. To send written notice of each assessment to every owner subject thereto at least thirty (30) days in advance of each annual assessment period;
- iii. To foreclose the lien against any property for which assessments are not paid within thirty (30) days after the due date or to bring an action at law against the owner personally obligated to pay the same.
- iv. To issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether any assessment has been paid. The Board of Directors may assess a reasonable charge for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;
- v. To procure and maintain adequate liability insurance, and to procure adequate hazard insurance or property owned by the Association;
- vi. To cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate; and
- vii. To cause the Common Area to be maintained.

ARTICLE IX

COMMITTEES

The Association shall appoint an Architectural Control Committee as provided in the Declaration and a Nominating Committee as provided in these By-Laws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purposes.

ARTICLE X

MEETING OF MEMBERS

Section 1: Annual Meetings. The first annual meeting of the members shall be held within one year of the date of incorporation of the Association, and each subsequent regular annual meeting of the members shall be held in the same month of each year thereafter.

Section 2: Special Meetings. Special meetings of the members may be called at any time by the President or by the Board of Directors, or upon written request by one-fourth (1/4) of the entire membership.

Section 3: Notice of Meetings. Written notice of each meeting of the members shall be given by, or at the discretion of, the Secretary or person authorized to call the meeting, by mailing a copy of such notice, at least 30 days before such meeting to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting and, in the case of a special meeting, the purpose of the meeting.

Section 4: Quorum. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, one-tenth (1/10) of the votes of each class of membership shall constitute a quorum for any action except as otherwise provided in the Article of Incorporation, the Declaration, or by these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5: Proxies. At all meetings of members, each member may vote in person or in proxy. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his Lot.

ARTICLE XI

OFFICERS AND THEIR DUTIES

Section 1: Enumeration of Offices. The officers of this Association shall be a President and Vice-President, who shall at all times be members of the Board of Directors, a Secretary and a Treasurer and such other officers as the Board may from time to time by resolution create.

Section 2: Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.

Section 3: Term. The Board shall elect the officers of this Association annually and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise be disqualified to serve.

Section 4: Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5: Resignation and Removal. The Board may remove any officer from office with or without cause. Any Officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6: Vacancies. A vacancy in any office may be filled in the manner prescribed for regular election. The officer elected to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7: Multiple Offices. The same person may hold the offices of Secretary and Treasurer. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8: Duties. The duties of the officers are as follows:

- a) President. The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds, and other written instruments and shall co-sign all checks and promissory notes.
- b) Vice-President. The Vice President shall act in the place and stead of the President in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.
- c) Secretary. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with their current addresses, and shall perform such other duties as required by the Board.
- d) Treasurer. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by the resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to

be made by a public accountant at the completion of each fiscal year; to insure that all tax returns are filed in a timely manner; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy to each of the members.

ARTICLE XII

ASSESSMENTS

Section 1: Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each lot owned within the Properties, hereby covenants, and owner of any Lot by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) Annual assessments, fee or charges, and (2) Special Assessments for capital improvements, such assessments to be established and collected as hereinafter provided for herein. The annual and special assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time the assessment was due. On each and every Lien field by the Association, costs shall include but not be limited to an additional \$1,500.00 grievance fee due the Association. The personal obligation for the delinquent assessments shall not pass to the successor in title and shall be paid or extinguished prior to title conveyance unless expressly assumed by them.

Section 2: Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the residents in the properties and for the improvement and maintenance of the Common Area and facilities located thereon.

Section 3: Basis and Maximum of Annual Assessment of Charges. Until January 1st of the year immediately following the conveyance of the first lot to an Owner, the maximum assessment or charge shall be \$250.00 per lot.

- a) From and after January 1 of the year immediately following the conveyance of the first lot to an owner, the maximum annual assessment may be increased by not more than five percent (5%) effective January 1 of each year without a vote of the membership.
- b) From and after January 1 of the year immediately following the conveyance of the first lot to an owner, the maximum annual assessment may be increased by more than five percent (5%) provided that any such change shall have the assent of two-thirds

(2/3) of the votes of each class of members who are voting in person or by proxy, at a meeting duly called for this purpose, written notice of which shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting setting forth the purpose of the meeting. The limitations hereof shall not apply to any change in the maximum and basis of the assessments undertaken as an incident to a merger or consolidation in which the Association is authorized to participate under its Articles of Incorporation.

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

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 5. Notice and Quorum for any action under Sections 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 and 4 shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, sixty percent of the presence of members and or of proxies entitled to cast votes shall constitute a quorum. If the required quorum is not present, the purpose of the meeting may be discussed but not voted on, and another meeting may be called subject to the same notice and quorum requirements.

Section 6. Uniform rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for each class of Lots and shall be billed separately in total as they become due. The Board of Directors may allow payment of any annual or special assessment on a monthly basis, provided that a request from the Lot Owner is made in writing prior to the billing of said assessment.

Section 7. Date of Commencement of Annual Assessments: Due Dates: The Annual assessments provided for herein shall commence as to all Lots on January 1st of the year immediately following the conveyance of the Common Area. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner

subject thereto. The Board of Directors shall establish the Due Date. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the association setting forth whether the assessments on a specified Lot or Unit have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance.

Section 8. Effect of Nonpayment of Assessments, Fees and other charges: Remedies of the Association: Any assessment, fee or charge not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of twelve percent (12%) per annum. The Association may bring an action at law against the Owner personally obligated to pay the assessment or fee, or file a Lien against the property. No owner may waive or otherwise escape the liability for the assessments or fees provided for herein by non-use of the Common Area or abandonment of his Lot. Following an affirmative majority vote of those Directors present at a duly constituted Board of Directors meeting, the Association may effect such other remedies as are available to the Association hereunder or under applicable Louisiana law, and deliver to the Owner of said Lot a copy of such Board action.

Section 9. Subordination of the Lien to Mortgage: The Lien of the assessments provided for herein shall be subordinate to the lien of the first mortgage. Sale or transfer of any Lot or Unit shall not affect the assessment Lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceedings in Lien thereof, shall not extinguish the assessment lien as to the payments and interest that are due prior to the sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

Section 10: Exempt Property. The following property subject to the Declaration shall be exempt from the assessments created therein: (a) all properties dedicated to and accepted by a local public authority; (b) the Common Area, and (c) all properties owned by a charitable or nonprofit organization exempt from taxation by the laws of the State of Louisiana.

ARTICLE XIII

BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member. The Declaration, the Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any member at the principal office of the Association where copies may be purchased at a reasonable cost.

ARTICLE XIV

CORPORATE SEAL

The Association may have a seal in circular form having within its circumference the words: " Twelve Oaks Homeowners Association, L.L.C., Caddo Parish, Louisiana" or an abbreviation thereof.

ARTICLE XV

AMENDMENTS

Section 1: These By-Laws may be amended, at a regular or special meeting of the members, by a vote of a majority of a quorum of members present in person or by proxy.

Section 2: In the case of any conflict between the Articles of Incorporation, and these By-Laws, the Articles shall control; and in the case between the Declaration of Covenants and these By-Laws, the Declaration shall control.

ARTICLE XVI

MISCELLANEOUS

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

THUS DONE AND PASSED before me, Notary, and the undersigned competent witnesses, in Shreveport, Caddo Parish, Louisiana on this the ____ day of _____ 2004.

WITNESSES:

DECLARANT
SHREVEPORT DEVELOPMENT CORPORATION

Donnie Juneau, President