

West Cal Patio Homeowners Association

The Homeowners Association's (HOA) goal is to maintain and protect our neighborhood with a community of owners who exhibit a pride of home ownership. Membership in the West Cal Patio Homeowners Association is partnered with your Residential Duplex ownership. Each buyer of a Residential Duplex is bound by the governing documents of the Association that include the Declaration, By-laws, and Rules & Regulations.

Your Homeowners Association (HOA) fees which are paid by owners (not tenants) will be used to:

- Pay for landscaping services for the subdivision: This will include lawn services for all Residential Duplex Homeowners. The HOA will also maintain the trees and shrubs of all Residential Duplex Homeowners.
- Maintain the fencing on the north, south and east side of West Cal Patio Homes.
- Maintain the land on the north side of the subdivision.
- Maintain the signage, seasonal flowers and sprinkler system located on the southwest corner of the subdivision.
- Provide liability insurance for the Common Area.
- Legal, accounting, taxes and office expenses of the HOA.

Assessment Fees shall be due and payable quarterly in advance on the 1st.

Any owner purchasing a Residential Duplex between due dates shall pay a prorated share.

The HOA is a "not for profit" corporation.

The Board of Directors do not receive any payment for their services.

Any surplus funds of the HOA remaining at the close of the Association's fiscal year shall be retained by the Association as unallocated reserves.

Homeowners Association fees will be assessed at \$250.00 per quarter per building (\$125.00 per unit).

By-Laws as adopted by 100% vote of membership 9-6-2014

EXHIBIT "D"

By-Laws
Of
West Cal Homeowners Association

ARTICLE I
Name and Location

The name of the corporation is West Cal Homeowners Association, hereinafter referred to as the "Association". The principal office of the corporation shall be located in Westlake, Louisiana, but meeting of Voting Members and Directors may be held at such places within the State of Louisiana, Parish of Calcasieu, as may be designated by the Board of Directors.

ARTICLE II
Definitions and Purpose

1. The terms in Article I and Article III of the Declaration of Covenants, Conditions and Restrictions for West Cal Patio Homes to which these By-Laws have been appended as an exhibit, shall apply to these By-Laws to the extent such terms and conditions are defined therein and are applicable here.
2. The Association shall be responsible for the general management and supervision of the Property and shall have all of the powers to perform and shall be responsible to perform all the obligations provided in the Declaration. Further, the Association shall have all powers now or hereafter granted by the General Not-for-Profit Corporation Act of the State of Louisiana which shall be consistent with the purposes specified herein and in the Declaration.

ARTICLE III
Meeting of Voting Members

1. Annual Meetings. The first annual meeting of the Voting Members shall be held within one (1) year from the date of proper recordation of the Declaration in Calcasieu Parish, Louisiana and each subsequent regular annual meeting of the Voting Members shall be held on the first Thursday of May of each year. If the day for the annual meeting of the Members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.
2. Special Meeting. Special meetings of the Voting members may be called at any time by written notice authorized by a majority of the Board of Directors or upon written request of the Voting Members who are entitled to vote a total of one-fifth (1/5) of the votes and received no less than ten (10) days prior to the date fixed for said meeting.

3. Notice of Meetings. Except as may be otherwise provided by the Declaration, written notice of each meeting of the Voting Members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting by mailing a copy of such notice, postage prepaid, at least ten (10) days, but not more than forty (40) days, before such meeting to each Voting Member entitled to vote thereat, addressed to the voting Member's address last appearing on the books of the Association or supplied by such Voting Member of the Association for the purpose of notice or to the Duplex Residence Lot Owner pursuant to Section 3.05 of the Declaration. 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.
4. Quorum. The presence at the meeting of Voting Members entitled to cast, or of proxies entitled to cast, thirty percent (30%) of the votes of each class of membership shall constitute a quorum for any action, except as otherwise provided in the Articles of Incorporation, the Declaration or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the Voting Members entitled to vote thereafter shall have 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.
5. Proxies. At all meeting of Voting Members, each Voting Member may vote in person or by 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 Voting Member of his or her Duplex Residence Lot.

ARTICLE IV

Board of Directors; Selection; Term of Office

1. Number. The affairs of this Association shall be managed by a Board of Directors (the "Board") who shall be Voting Members of the Association, except for those directors designated by Declarant. Until the first annual meeting, the Board shall consist of three (3) Directors designated by the Declarant.
2. Determination of Board to the Binding. All matters of dispute or disagreement between Owners or with respect to interpretation or application of the provisions of the Declaration or these By-Laws shall be determined by the Board as hereinafter provided, which determination shall be final and binding on the Association and on all Owners.
3. Election. At the first annual meeting, the Voting Members shall elect three (3) Directors. The person receiving the highest number of votes shall be elected to the Board for a term of three (3) years. The person receiving the next highest number of votes shall be elected to the Board for a term of two (2) years. The person receiving the third highest number of votes shall be elected to the Board for a term of one (1) year. Directors may succeed themselves. Cumulative voting shall not be permitted.

4. Removal. From and after the first annual meeting, any director may be removed from the Board, with or without cause, by a vote of two-thirds (2/3) of the Voting 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 until the time of the next election of Directors.
5. 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.
6. Action Taken Without a Meeting. The Directors shall have the right to take any action in the absence of a meeting which 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 through taken at a meeting of the Directors.
7. Election of Officers. The Board shall elect from among its members a President who shall preside over both its meetings and those of the Members and who shall be the chief executive officer of the Board and Association; a Secretary who will keep the minutes of all meetings of the Voting Members and of the Board and who shall, in general, perform all the duties incident to the office of Secretary; a Treasurer to keep the financial records and books of account; and additional officers as the Board shall see fit to elect. All officers shall be elected at each annual meeting of the Board and shall hold office at the pleasure of the Board.

ARTICLE V

Nomination and Election of Directors

1. Nomination. Nomination for election to the Board of Directors shall be made from the floor at the annual meeting. Such nominations may be made from among Voting Members.
2. Election. Election to the Board 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.

ARTICLE VI

Meetings of Directors

1. Annual Meetings. Annual meetings of the Board of Directors shall be held 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 time on the next day which is not a legal holiday.

2. Special Meeting. Special meetings of the Board of Directors shall be held when called by the President of the Association or by any two (2) Directors, after not less than two (2) days' notice to each Director.
3. Quorum. The majority of the number of Directors then constituting the Board 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
Powers and Duties of the Board of Directors

1. Powers. The Board of Directors shall have the power to:
 - a. Adopt and publish rules and regulations governing the use of the Property, including the Landscape Area and any facilities thereon, and the personal conduct of the Owners and their guest thereon, and to establish penalties for the infraction thereof;
 - b. Suspend the voting rights of a Voting Member during any period in which such Voting 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 sixty (60) days, for infraction of published rules and regulations;
 - c. Exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation or the Declaration;
 - d. Exercise all the powers and duties referred to in General Not-for-Profit Corporation Act.
2. Duties. It shall be the duty of the Board of Directors to:
 - a. 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 sixty percent (60%) of the Voting Members who are entitled to vote;
 - b. Supervise all officers, agents and employees of this Association and to see that their duties are properly performed;
 - c. As more fully provided in the Declaration, to:
 - (i) fix the amount of the annual assessment to be payable quarterly against each Duplex Residence Lot at least thirty (30) days in advance of said assessment period and any special assessments; and
 - (ii) send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and
 - (iii) foreclose the lien against any Duplex Residence Lot Owner for which assessments are not paid within thirty (30) days after due date or bring an action at law against the Owner personally obligated to pay same.

- d. Issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;
 - e. Procure and maintain adequate liability and hazard insurance on property owned by the Association as provided in the Declaration;
 - f. Cause all officers or employees having fiscal responsibilities to be bonded as it may deem appropriate;
 - g. Cause the Property including the Landscape Area to be maintained.
3. Rules and Regulations; Management.
- a. Rules. The Board may adopt such reasonable rules and regulations as it may deem advisable for the maintenance, conservation and beautification of the Property and for the health, comfort, safety and general welfare of the Owners and Occupants of the Property. Written notice of such rules and regulations shall be given to all Owners and Occupants and the entire Property shall at all times be maintained subject to such rules and regulations.
 - b. Management. The Declarant or the Board shall engage the initial management organization under contracts expiring not later than ninety (90) days after the date the initial meeting of the Members is held. Thereafter, the Board may engage the services of an agent to manage the Property to the extent deemed advisable by the Board.
 - c. Noting hereinabove contained shall be construed to give the Board authority to conduct an active business for profit on behalf of all of the Owners or any of them.
4. Liability of the Board of Directors. The Members of the Board and the officers of the Association shall not be personally liable to the Owners or others for any mistake of judgment, or for any acts or omissions made in good faith by such officers or Board Members. The Owners shall indemnify the hold harmless each of the members of the Board and each of the officers against all contractual liability to others arising out of contracts made by the Board of Directors or officers on behalf of the Owners unless such contract shall have been made in bad faith or contrary to the provisions of the Declaration. The liability of any Owner arising out of any such contract made by the Board, officers or out of the aforesaid indemnity in favor of the members of the Board or officers, to the extent not covered by insurance, shall be limited to a proportionate share of the total liability thereunder.

ARTICLE VIII
Officers and Their Duties

1. Enumeration of Officers. The officers of this Association shall be a president, a secretary and a treasurer and such other officers as the Board may determine from time to time by resolution create. The president, secretary and treasurer shall at all times be members of the Board of Directors.

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 Voting Members.
3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless they shall sooner resign, or shall be removed or otherwise be disqualified to serve.
4. Special Appointment. 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.
5. Resignation and Removal. Any officer may be removed from office, with or without cause by the Board. Any officer may resign at any time 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.
6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.
7. Multiple offices. The offices of secretary and treasurer may be held by the same person. The president may not hold any other office.
8. Duties. The duties of the officers shall be those usually vested in their respective office of a not-for-profit corporation, including, but not limited to, the following:
 - 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 promissory notes;
 - b. Vice-President. A vice-president, if appointed by the Board, 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 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 resolution of the Board of Directors; shall sign all 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; 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 of each to the Owner.

ARTICLE IX
Committees

The Board of Directors shall appoint committees as deemed appropriate in carrying out its purposes.

ARTICLE X
Books and Records

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

ARTICLE XI
Assessments

As more fully provided in the Declaration, each Owner is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the highest legal rate allowed by law plus any late fees assessed by the Board and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs and reasonable attorneys' fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of any of the Property of by abandonment of his or her Lot. Every Owner, except Declarant, who has mortgaged his or her Duplex Residence Lot authorizes his or her mortgagee to collect and pay to the Association this assessment. Should the mortgagee decline to do so, then payments shall be made periodically as determined by the Association to the Association.

ARTICLE XII
Interim Procedure

Until the initial meeting of the Voting Members, the Declarant (or its beneficiary or designee) may appoint the Board which shall have the same powers and authority as given to the Board generally.

ARTICLE XIII
Amendments and Interpretation

1. These By-Laws may be amended, at a regular or special meeting of the Members, by a vote of fifty-one percent (51%) of the Voting Members of the Association and the Declarant if Declarant still owns any Lots.
2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles of Incorporation shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

ARTICLE XIV
Miscellaneous

1. The fiscal year of the Association shall begin on the first (1st) day of January and end on the thirty-first (31st) day of December of every year, except that the first fiscal year shall begin on the date of incorporation.
2. With respect to each fiscal year, the Board shall estimate the amount required by the Association to meet cash requirements for such year, including, but not limited to, the following items:
 - a. Management and administration expenses;
 - b. The estimated cost of repairs, maintenance and replacements of the Property including the Landscape Area;
 - c. The amount of such reserves as may be reasonably established by the Board, including general operating reserves, reserves for contingencies and reserves for replacements;
 - d. Such other expenses of the Association as may be approved by the Board of Directors, including operating deficiencies, if any, for prior periods.

The differences between the estimated cash requirements of the Association and any non-membership income, plus unexpected assessments for the prior year not reallocated to reserves (prior year's savings), shall be an amount referred to as membership assessments. All amounts collected by the Association as a reserve shall be held in trust for the members in accordance with the provisions of Article VII of the Declaration.

Within the time stated in accordance with the provisions of Article VII of the Declaration, the Board shall cause an estimated annual budget to be prepared based on its estimations of annual expense, any non-membership income, prior year's savings and membership assessments, and copies of such budget shall be furnished to each Owner.

On or before the first (1st) day of the first month of the fiscal year covered by such estimated annual budget, and every quarter thereafter, each Owner shall pay, as his respective annual assessment, one-quarter of his annual share of the amount designated in the estimated annual budget as Association Assessments.

If any Owner shall fail or refuse to make payment of his share of the Association Expenses when due, the amount thereof shall constitute a lien on the interest of such Owner in the Property. The Association and the Board shall have the authority to exercise and enforce any and all rights and remedies provided in the Declaration or these By-

Laws, or which are otherwise available at law or in equity for the collection of all unpaid assessments.

Upon ten (10) days' notice to the Board and the payment of such reasonable fee, if any, established by the Board, any Owner shall be furnished a statement of his or her account setting forth the amount of any unpaid assessments or other charges due and owing from such Owner.

EXHIBIT "A"

LEGAL DESCRIPTION

Lots 1 through 18 of West Cal Patio Homes and the Common Area as shown on that Subdivision Plat recorded under Clerks File Number 3032150 and in Miscellaneous Book 28 Page 310 of the Records of Calcasieu Parish, Louisiana.

EXHIBIT B

Capitalization Policy of West Cal Homeowners Association Inc.

(Adopted May 2015 annual meeting to be added as Exhibit B to bylaws)

The HOA hereby adopts the following policies, which collectively will be referred to as our Capitalization Policy. This Policy is intended to be used for the HOA's financial accounting purposes.

- 1.** All assets, whether an improvement, betterment, restoration, or adaption. Or materials and supplies expenditures of \$500.00 or less will be expenses for our books and records when the expenditure is paid or incurred. Items below this threshold will not be considered for capitalization, whether they are, in fact, an improvement, betterment, or adaption, but will be expensed as an ordinary and necessary business expense. The purpose of the policy is to comply with Treasury Regulations **1.263(a)-1(f)**.
- 2.** The threshold amount in the prior section will be applied on a per item, per invoice basis.
- 3.** This policy applies to any and all assets, whether leased or purchased, and whether financed or purchased outright by our HOA.
- 4.** Expenditures for assets that are expected to last one year or less when placed in service in our trade or business, no matter the dollar amount, will be written off when the expenditure is paid or incurred, in accordance with our regular method of accounting employed in our books and records. The purpose of this policy is to comply with Treasury Regulations **1.162-3 (c)**.
- 5.** This policy does not apply to the purchase of land, inventory, or any expenditure that we elect to capitalize and depreciate in our books and records.
- 6.** This policy will remain in effect until amended.