

**ACT OF DONATION
OF PERPETUAL REAL RIGHTS**

BY: JOHN W. HOUGHTALING, II

**TO: THE PRESERVATION ALLIANCE
OF NEW ORLEANS, INC. d/b/a
PRESERVATION RESOURCE
CENTER OF NEW ORLEANS**

UNITED STATES OF AMERICA

STATE OF LOUISIANA

PARISH OF ORLEANS

BE IT KNOWN, that on the 27 day of December, 2010,

BEFORE ME, the undersigned Notary Public, duly commissioned and qualified in and for the Parish of Orleans, State of Louisiana, therein residing, and in the presence of the undersigned witnesses,

PERSONALLY CAME AND APPEARED:

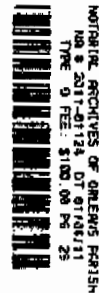
JOHN W. HOUGHTALING, II, whose mailing address is 4717 St. Charles Avenue, New Orleans, Louisiana 70115, and whose tax identification number is [REDACTED] (hereinafter referred to as "Owner"); and

THE PRESERVATION ALLIANCE OF NEW ORLEANS, INC. d/b/a PRESERVATION RESOURCE CENTER OF NEW ORLEANS (hereinafter referred to as "Donor"), a Louisiana non-profit corporation authorized to do business in Louisiana under La. R.S. 12:301, et seq., Title 12, Chapter II of the Louisiana Revised Statutes (R.S. 12:301, et seq., 1950), before Patrick D. Bredon, Notary Public, May 31, 1974, and recorded in the Office of the Louisiana Secretary of State on June 20, 1974, the date that corporate existence began, herein represented by its Executive Director, Patricia H. Gay, duly authorized to act for said Donor;

WHO HEREBY DECLARE, stipulate, covenant, and agree as follows:

WITNESSETH:

WHEREAS, Owner possesses full and complete ownership of that certain immovable property and the ownership of improvements located thereon, including any scenic view and development rights associated with such location known as the W.P. Brown Mansion, located at the corner of St. Charles Avenue and Valence Street, New Orleans, Louisiana 70115, in the **SIXTH DISTRICT** of the City of New Orleans, Parish of Orleans, State of Louisiana, Square Number 411



and more particularly described on Exhibit "A" attached hereto and made a part hereof and on the survey marked as Exhibit "A-1" attached hereto and made a part hereof; and

WHEREAS, the above described immovable property (herein referred to as "Land") and the improvements located thereon (hereinafter referred to as "Improvements" and/or "Buildings") including any scenic view and development rights associated with such Land and Buildings, is hereinafter collectively referred to as the "Property"; and

WHEREAS, the Improvements consists of a residence and outdoor living area and other ancillary improvements; and

WHEREAS, Donee is a non-profit corporation, duly established under the laws of Louisiana and authorized to do business under the laws of Louisiana, operated exclusively for charitable, educational, and historical purposes in order to facilitate public participation in the preservation of sites, buildings, and objects significant in the history and culture of Louisiana, and in furtherance of such purposes is authorized under Louisiana law, including without limitation, Section 1252 and Section 1271, et. seq. of Title 9 of the Louisiana Revised Statutes to accept grants of perpetual real rights burdening the whole or any part of immovable property, including, but not limited to, the facade of any improvements thereof, the open space associated therewith and the Restriction on Development Rights in order to protect property significant to such history and culture; and

WHEREAS, Owner warrants that there exists no servitude, lease, mortgage, lien or other interest affecting or encumbering the Property which would prohibit, prime, interfere or otherwise limit the effectiveness of any of the rights and benefits herein created by this Act of Donation of Perpetual Real Rights and granted to Donee, except that certain Multiple Indebtedness Mortgage (the "Mortgage") in the principal amount of ONE MILLION NINE HUNDRED THOUSAND Dollars, dated July 23, 2010, made by Owner in favor of First NBC Bank, recorded with the Recorder of Mortgages for Orleans Parish, Louisiana, on July 26, 2010 at Instrument Number 1015566, which Mortgage shall be and is subordinated to the rights of Donee under this Act of Donation of Perpetual Real Rights; and

WHEREAS, the Property has historical and/or architectural merit and contributes significantly to the architectural and cultural heritage and visual beauty of the City of New Orleans and is located in the Uptown New Orleans National Historic District and should be preserved; and

WHEREAS, the term "Restriction on Development Rights" as used herein consists of Owner's agreement and obligation not to develop any portion of the existing open space of the Land, including any space above the Building, and in the event of uncertainty, the open space depicted on the photographs in Exhibit "B" and on file with Donee shall control, with the exception of those development rights reserved by Owner and set forth below (hereinafter sometimes referred to as the "Open Space Servitude" and/or "Scenic View Servitude"); and

WHEREAS, the term "Reservation of Development Rights" as used herein consists of Owner's reservation of his right to construct a carriage house and additional garage space on the Land as part of Owner's eventual development plans. Owner agrees to consult with and obtain Donee's approval for any proposed construction or addition to the Building, as well as the design and use of materials.

WHEREAS, the term "Façade" as used herein consists of all exterior surfaces of the Buildings, including without limitation all walls, roofs, windows, awnings, terraces, patios, stairs, tiles and chimneys as those depicted in the copies of the photographs in the attached Exhibit "C" and on file with Donee, being essentially those exterior surfaces of the aforesaid Buildings which are visible from St. Charles Avenue and Valence Street, New Orleans, Louisiana, but in the event of uncertainty, the open space depicted in the photographs on file with the Donee shall control; and

WHEREAS, the restrictions set forth in this Act of Donation of Perpetual Real Rights constitute a "conservation servitude" pursuant to Louisiana law, including without limitation, La. R.S. 9:1252 and La. R.S. 9:1271 et seq. and within the meaning of Treasury Regulations Section 1.170A-13 and Section 1.170A-14, but the invalidity of such provisions or any part thereof shall not affect the validity and enforceability of this servitude according to its terms, it being the intent of the parties that this instrument create a conservation servitude which is an interest in real property, freely transferable, perpetual in duration, running with the land and enforceable by Donee and its successors and assigns, notwithstanding any lack of privity of contract; and

WHEREAS, the Scenic View servitude, Open Space servitude, Restriction on Development Rights and Façade servitude donated by the Owner to Donee (collectively the "Servitude" or "Conservation Servitude") by this Act of Donation of Perpetual Real Rights is created herein for

charitable, educational and historical purposes and will assist in preserving and maintaining the Property and the architectural ensemble of the City of New Orleans; and

WHEREAS, to this end, Owner desires to donate, grant, transfer and convey to Donee, and Donee desires to accept, the Conservation Servitude as a perpetual real right in and to said Property as hereinafter described.

NOW, THEREFORE, pursuant to Louisiana law, including without limitation, La. R.S. 9:1252 and La. R.S. 9:1271 et seq., as amended, and in accordance with applicable provisions of the Code, Owner does hereby create, establish, grant, donate, convey and transfer to Donee a perpetual real right (which perpetual real right is more particularly described below) in and to the Property as follows: (1) Owner agrees to not make any other improvements to the land, the open space, the scenic view and the Façade, except for parking and landscaping improvements to the Property and Owner agrees at all times to maintain the Land, the open space (including the open space above the Building), the scenic view and the Façade in its present condition and make no material changes thereto without the consent of the Donee, which changes, if any, will conform with the appropriate local, state and/or federal standards for construction or rehabilitation within the historic district in which the Property is located and the land, the open space, the scenic view and the Façade may not be changed in a manner inconsistent with the historical character of the exterior of said Building; all as set forth in this Act of Donation of Perpetual Real Rights for the purpose of preserving the scenic view, open space, and Façade of the Buildings located on the Land.

The perpetual real rights created and donated herein shall constitute a binding servitude upon the Property, and to that end Owner covenants on behalf of Owner, its heirs, successors, and assigns, and all subsequent owners of the Property, with Donee, its successors and assigns (such covenants being deemed to run as a binding servitude, in perpetuity with the land) to do (and refrain from doing) upon the Property each of the following terms and stipulations, which contribute to the public purpose in that they aid significantly in the preservation of historic property:

1. The parties declare that the foregoing WHEREAS clauses are true and are incorporated herein.
2. The present scenic view, open space of the Property and Façade is as depicted in the photographs on file with the Donee being essentially that which is visible from St. Charles Avenue

[REDACTED]

and Valence Street, New Orleans, Louisiana, but in the event of uncertainty, the scenic view, open space of the Property and Facade visible in the photographs on file with the Donee shall control.

3. Owner agrees at all times to maintain the present scenic view and open space of the Property and not develop or change any of the open spaces or scenic view of the Property and/or any of the air space of the Property, including without limitation, the air space above the Building and not to violate the Restriction on Development Rights, and Owner agrees at all times to preserve and maintain the Facade and the foundations and structural support of the Building located on the Property in a good and sound state of repair, ordinary wear and tear excepted. Owner further agrees to use special care to continuously maintain the exterior of the Building in a good and sound state of repair in conformity with the Secretary of the Interior's Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings published by the Secretary of the U.S. Department of the Interior (or, if such publication is discontinued, any successor or analogous set of generally accepted guidelines for the rehabilitation and maintenance of historic structures) (the "Secretary's Standards"), so as to preserve the historical and architectural integrity of the features, materials, appearances, workmanship and environment of the open space and scenic view of the Property, and the Facade. Maintenance shall be continuously provided using as close to the same materials and workmanship as exists on the Property and the Buildings as of the date of recordation of this Servitude. Notwithstanding anything in this Act of Donation of Perpetual Real Rights to the contrary, no change in the Facade, present scenic view and open space of the Property will be made without the consent of the Donee and no change to the Facade, present scenic view and open space of the Property will be made which is inconsistent with the historical character of said such exterior of the Property and/or with the present scenic and/or open space of the Property.

4. Without the express written permission of the Donee, its successors or assigns, within their sole and absolute discretion but subject to Owner's Reservation of Development Rights, signed by a duly authorized representative thereof, based upon written plans submitted by Owner to Donee, Owner shall commence no construction, change, alteration, remodeling, renovation, or any other thing which would affect the Conservation Servitude, including, without limitation, the Facade, the Open Space Servitude and/or the Scenic View Servitude, and/or the Restriction on Development Rights, including without limitation, the height, or alter the Facade or the appearance of the Building

located thereon insofar as same is depicted in the photographs on file with the Donee, or which would adversely affect the structural soundness of the Building. In the event that the reconstruction, repair, repainting, or refinishing of presently existing parts or elements of the Property subject to the Servitude created and granted herein, is required due to casualty loss, deterioration, or wear and tear, such reconstruction, repair, repainting or refinishing shall not be permitted without the prior written approval of Donee, provided that such reconstruction, repair, repainting, or refinishing is performed in a manner which will not alter the appearance of those elements of the Property subject to this perpetual real rights as set forth in this Act of Donation of Perpetual Real Rights. Notwithstanding anything in the foregoing to the contrary, any such construction, change, alteration, remodeling, renovation or any other thing that would affect the Property subject to the Servitude shall to the extent applicable to the Property, conform with appropriate local, state or federal standards for construction or rehabilitation within the district in which the Property is located, and no portion of the exterior of the Building may be changed in a manner inconsistent with the historical character of such exterior.

5. From and after the date hereof, the following additional acts or uses are expressly forbidden except as otherwise provided in this Section: (a) the erection on or growth in or on the Property subject to this Servitude of anything which would substantially impair the visibility of the Property from street level, provided, however, that street trees that are planted and maintained in accordance with duly approved streetscape plans shall be permitted; (b) the erection or placement on the Land and/or the Building of any other properties or structures, including satellite receiving dishes (with the exclusion of antennas and small rooftop dishes of one meter or less in diameter used to receive direct broadcast satellite ("DBS") service or other direct to home satellite service) except for temporary structures required for the maintenance or rehabilitation, of the Property; (c) the dumping or storage on the Property any trash, rubbish, ashes, sawdust, construction materials, junk, scrap or other unsightly or offensive materials which are visible from public roads or streets, except temporarily during construction or remodeling carried out in conformity with this Conservation Servitude, except ordinary trash pick up for the operation of the present use; (d) the development of any portion of the existing Open Space of the Land, including any space above the Building; and (e) except for the present signage and temporary political signage placed on the Property by Owner at

Owner's sole discretion, no signs, markers, notices, billboards, advertisements, plaques, decorations or other items shall be displayed, erected, mounted or placed on the exterior surfaces of the Building or on the Property without the prior express written consent of Donee, which consent Donee may withhold in its reasonable and sole discretion. Notwithstanding the above, it is agreed that Owner shall be allowed to temporarily construct or place structures (including but not limited to tents and/or bleachers) on the Property for special events and fundraisers, including Mardi Gras and other events which may be held at the Property. Owner agrees to remove any structures from the Property as soon as practicable after their use.

6. In all events, Owner, in painting the exterior of the Buildings, agrees to obtain the prior written consent of Donee, its successors or assigns, signed by a duly authorized representative thereof, as to the quality and color of paint to be used, if significantly different from that presently existing, which consent shall not be unreasonably withheld or delayed.

7. All work for preserving, maintaining, altering, or renovating the Property subject to the Servitude shall be performed and conducted by Owner at Owner's sole cost and expense. In the event either reconstruction, change, alteration or renovation is performed without the prior written approval of Donee as required herein, Donee shall have the right to require any changes to such work as Donee, in its sole discretion, deems proper to restore the Property subject to the Servitude (including without limitation, the Facade, open space, scenic view and Restriction on Development Rights Servitude) shall be performed to restore the Property subject to this Servitude to the condition that existed prior to the reconstruction, change, alteration or renovation. All such construction or changes shall be commenced at Owner's sole cost and expense within a reasonable time after Donee's written notice to Owner and pursued with diligence until completion, or, at the Donee's sole option, Donee may compel curative work to be performed at Owner's sole cost and expense, in addition to all rights and remedies provided herein or by law.

8. For the purpose of maintaining and preserving the Facade, present scenic view and open space of the Property in its condition at the time of this Act of Donation of Perpetual Real Rights and enforcement of the Restriction on Development Rights, Donee shall have the right, in Donee's sole discretion, to require the Owner, at Owner's expense, to perform and conduct such repairs and maintenance work reasonably deemed necessary in order to preserve, maintain, or repair

such scenic view, open space and Facade. All such work shall be commenced, at Owner's sole cost and expense, within a reasonable time after Owner's receipt of Donee's written notice and reasons for requiring the work, which Owner shall have ten (10) days to respond or accept in which case such work shall be pursued with due diligence until completion. In the event that said repairs and maintenance work are not completed by Owner within a reasonable time thereafter, after giving Owner written notice and an opportunity to complete the work, Donee may (a) cause such work to be performed at Owner's sole cost and expense, (b) proceed against Owner by summary process in a court of competent jurisdiction to compel such repairs and maintenance, and/or (c) exercise all other rights and remedies provided herein or by law. Whenever the Donee causes work to be performed or causes materials to be furnished to the Property subject to this Servitude, for any purpose authorized under this Section or elsewhere in this Act of Donation of Perpetual Real Rights, Donee shall obtain a written bid for such work or materials and provide Owner with such written bid at least fifteen (15) days prior to commencing work.

9. All rights granted to Donee herein, including such rights which Donee may exercise pursuant to Sections 7 and 8 above, shall be exercised in a reasonable and prudent manner and with least possible cost to Owner, calculated so as not to interfere with Owner's reasonable use and enjoyment of the Property while accomplishing the purposes of this Act of Donation of Perpetual Real Rights.

10. Owner hereby consents and agrees that representatives of Donee, its successors and assigns, shall be permitted to inspect the Property including the Building once annually, upon forty-eight (48) hours prior written notice given by Donee to Owner. Inspections will normally take place from the street; however, Owner consents and agrees that representatives of Donee, its successors and assigns, shall be permitted to enter and inspect the interior of the Building and other Improvements on the Property for the purpose of verifying the maintenance of the structural condition and soundness of such Building and Improvements and protecting the rights of Donee herein. Inspection of the interior will be made at a time mutually agreed upon by the Owner and Donee, its successors and assigns, and Owner covenants not to withhold unreasonably its consent in establishing a date and time for such inspection. [In addition to the annual rights of inspection provided for above, Donee shall have the right to require that the Owner cause an inspection of the

Property, including the Building, or permit Donee to inspect the Property, including the Building, from time to time, upon Donee's reasonable belief that a special inspection is necessary to accomplish the purposes of this Act of Donation of Perpetual Real Rights. Owner shall permit Donee the right to make said special inspection within a reasonable time after Donee's request for such reasonable inspection, or, at Donee's request, within forty-five (45) days after Donee has notified the Owner, in writing, of the need for a special inspection, Owner shall deliver to Donee an inspection report prepared by a competent person as above described. In the event that the Owner fails to provide such inspection reports as are required by this Section, Donee may, at the Owner's sole cost and expense, employ for the account of Owner the services of a competent licensed structural engineer and/or a competent licensed roofer and shall submit to Owner all bills and other evidence of fees incurred or paid for such services, which shall be promptly paid by Owner. At least once every five years, Owner, at Owner's cost, should provide the Donee an inspection report of the condition of the Property subject to this Servitude and the structure elements of the Improvements, such inspection report prepared by a competent licensed structural engineer, or competent licensed roofer, or both, whichever is applicable. If as a result of said inspections Donee determines that repairs and maintenance work is necessary, then Owner shall perform such repairs and maintenance work as set forth in Section 8 above.

11. In the event of a fire or other casualty which results in damage to or loss or destruction of the Property subject to this Servitude, and provided such damage is either insured against loss by the policy(ies) of insurance obtained by Owner, or the repair and/or reconstruction of the Facade and/or the structural elements of the Improvements is economically feasible, Owner agrees within a reasonable timeframe after receipt of insurance proceeds, to repair, renovate, or reconstruct the damaged or destroyed parts of the Property with the prior written consent and approval of Donee as otherwise provided herein. Within forty-five (45) days of the date of damage or destruction, if required by Donee, Owner, at its expense, shall submit to Donee a written report prepared by a qualified restoration architect and an engineer who are acceptable to Owner and Donee, which report shall include the following: (a) an assessment of the nature and extent of the damage including a detailed description of the impact of the damage on the Property; (b) a determination of the feasibility of the restoration of the Property, and/or reconstruction of damaged

or destroyed portions of the Property; and (e) an analysis of the restoration/reconstruction work necessary to return the Façade, open space and scenic view of the Property and the structural elements of the Improvements to the condition existing as of the date of this Act of Donation of Perpetual Real Rights. Should Donee, its successors and assigns fail to respond to any prior written request as required herein within a reasonable time not to exceed sixty (60) days of the request, Donee, its successors or assigns shall be deemed to have consented to such request. Should Donee object to such plans, Donee shall provide Owner with a written notice of such objection, along with the specific reasons for such objection.

12. If, after reviewing the report provided for in Section 11 and assessing the availability of insurance proceeds, Owner and Donee agree that restoration/reconstruction of the Property is practical and possible and that the purpose of the Conservation Servitude will be served by such restoration/reconstruction, Owner and Donee shall establish a schedule under which Owner shall complete the restoration/reconstruction of the Property in accordance with plans and specifications agreed to by the parties up to at least the total proceeds of the casualty insurance available to Owner. If, after reviewing the report and assessing the availability of insurance proceeds, Owner and Donee agree that restoration/reconstruction of the Property is impractical or impossible, or agree that the purpose of this Conservation Servitude would not be served by such restoration/reconstruction, Owner may, with the prior written consent of Donee, alter, demolish, remove, or raze the Building and/or construct new improvements on the Property.

In the event of a fire or other casualty which results in the total damage or destruction of the Improvements, or in the event of a destruction not covered by a policy(ies) of insurance required herein, or in the event of a damage or destruction which is not economically feasible to reconstruct or repair, Owner shall promptly remove all debris and trash and properly maintain the Property. Owner must obtain Donee's written approval of and prior consent to any construction or reconstruction of the Property, as provided herein.

13. Owner agrees at all times to carry and maintain such adequate amounts of comprehensive general bodily and property damage liability insurance, property fire, vandalism, malicious mischief, and extended coverages insurance, general construction liability insurance, and such other standard insurance coverages to provide replacement value insurance coverage in an

amount sufficient to insure the Property. The policies of insurance required to be obtained pursuant to this Section shall name Donee as an additional insured as its interest appears herein. If the Property is uninsurable, Owner shall provide such other protection which in the reasonable discretion of Donee is necessary and advisable for the maintenance and preservation of the Property, at Owner's sole cost and expense. Donee shall be provided with copies of said insurance policies. If the insurance policy obtained by Owner is insufficient to cover Donee's interest in the Property, after giving Owner written notice and an opportunity to obtain insurance in such amount, Donee shall have the right to provide insurance in an amount sufficient to protect its interest, at Owner's cost and expense, and lien the Property for the cost of the premiums in the event Owner fails to obtain the required policies or pay any premium due. For every day the Property is not covered by such insurance as reasonably required by Donee, Donee shall pay a penalty of \$100 per day that the reasonable required insurance is not in full force and effect.

14. Owner shall provide to Donee written notice of the Owner's sale or other disposition of the Property, or any part thereof, at the time of such sale or other disposition or as soon as practicable thereafter, but in no event more than seven (7) days following such sale. Owner shall insert in any agreement to sell the Property or in any act of sale of the Property a provision expressly setting forth that the Property and the purchaser thereof are subject to and bound by this Act of Donation of Perpetual Real Rights and all covenants, obligations, agreements and restrictions herein. The written notice required to be made by Owner under this Section shall contain the name and address of any purchaser and the name and address of a local agent and attorney-in-fact for an absentee purchaser.

15. In the event the Building is subdivided into condominium units, time sharing units, or other forms of multiple ownership, Owner and its heirs, successors, vendees or assigns agree to appoint and maintain a single agent and attorney-in-fact residing in the Parish of Orleans with whom Donee shall be authorized to deal exclusively in order to enforce Donee's rights under this Act of Donation of Perpetual Real Rights.

16. The rights, interests, obligations and benefits herein constitute, individually and collectively, a perpetual real right which vests immediately in Donee upon the execution of this Act of Donation of Perpetual Real Rights and shall be binding on Owner, its heirs, successors and

assigns, and on all subsequent owners of the Property. Owner agrees and acknowledges that the Servitude shall have a fair market value at all times that is at least equal to the proportionate value that the Servitude as of the date of donation bears to the total value of the Property as of the date of donation, and that such proportionate value of the Servitude shall remain constant and recognized henceforth and forevermore. Such proportionate value is hereby agreed by the parties hereto to be seventeen (17%) percent. Owner further agrees and acknowledges that in the event of a change in conditions which would give rise to the judicial extinguishment of the restrictions and obligations imposed hereunder with respect to the Facade, the Donee, on a subsequent sale, exchange, or involuntary conversion of the Property, shall be entitled to a portion of the proceeds of such sale, exchange, or involuntary conversion at least equal to the constant proportionate value of the Servitude.

17. Any notice or demand by either party to the other in connection with this Servitude shall be in writing and shall, be delivered by hand or sent by certified mail, return receipt requested, to the address of the party shown below or such other address which the party may specify in compliance with this Section. Such notice or demand, if sent by mail, shall be deemed given three (3) days after deposit in the United States mail and, if delivered by hand, shall be deemed given when delivered or refused.

To Owner: John W. Houghtaling, II
4717 St. Charles Ave.
New Orleans, LA 70115

With a copy to:

Talbott Ottinger
Becker & Hebert, APLC
910 Harding Street
Lafayette, LA 70503

To Donee: The Preservation Alliance of New Orleans, Inc. d/b/a
Preservation Resource Center Of New Orleans
Attn: Patricia H. Gay, Executive Director
923 Tchoupitoulas Street
New Orleans, LA 70130

18. In the event that the Donee shall at any time in the future acquire full and complete ownership of the Property, Donee for itself, its successors and assigns, covenants and agrees, in the event of subsequent conveyances of such Property to another, to create a new perpetual real right containing the same restrictions and provisions as are contained herein, and either to retain such

perpetual real rights in itself or to convey such real rights to a similar local or national organization whose purposes, inter alia, are to promote historic preservation.

19. The rights, interests, obligations and benefits herein constitute, individually and collectively, a perpetual real right which vests immediately in Donee upon the execution of this Act of Donation of Perpetual Real Rights and shall be binding on Owner, its heirs, successors and assigns, and on all subsequent owners of the Property. Owner agrees and acknowledges that the perpetual real rights granted herein to Donee shall have a fair market value at all times that is at least equal to the proportionate value that the perpetual real rights as of the date of this donation bears to the total value of the Property as of the date of donation, and that such proportionate value of Donee's perpetual real rights shall remain constant and recognized henceforth and forevermore. Owner further agrees and acknowledges that in the event of a change in conditions which would give rise to the judicial extinguishment of the restrictions and obligations imposed hereunder with respect to the Property, the Donee, on a subsequent sale, exchange, or involuntary conversion of the Property shall be entitled, after the satisfaction of prior claims, to a portion of the proceeds of such sale, exchange, or involuntary conversion at least equal to the constant proportionate value of the perpetual real rights as provided herein. If a subsequent unexpected change in the conditions surrounding the Property that is subject of the Servitude under this Act of Donation of Perpetual Real Rights make it impossible and impractical to continue use of the Property for conservation purposes, and if the Conservation Servitude is extinguished by judicial proceedings, all of the Donee's proceeds from a subsequent sale or exchange of the Property shall be used by the Donee in a manner consistent with the conservation purpose of the Conservation Servitude created by this Act of Donation of Perpetual Real Rights. Notwithstanding anything else in this Agreement to the contrary, the Conservation Servitude may be terminated only by judicial proceedings and in accordance with the Revised Statutes of Louisiana. In the event a later unexpected change in the conditions surrounding the Property that are subject to this Act of Donation of Perpetual Real Rights makes it impossible or impractical to continue the use of the Property for the conservation purposes set forth herein and the Donee receives proceeds from the sale, exchange or other involuntary conversion of the Property subject to the Servitude, or in the event Donee receives proceeds from the sale, exchange or other involuntary conversion of the Property subject to the Servitude created herein

resulting from a judicial proceeding which extinguishes Donee's real rights, Donee agrees and binds itself to use all of the proceeds it receives in a manner consistent with the conservation purposes of the original donation.

20. The parties hereto contemplate that the perpetual real rights donated herein is a perpetual conservation restriction within, the meaning of Section 1.170A-14 or any other applicable sections of the Regulations of the Department of Treasury (the "Regulations"), and, for federal income tax purposes, the donation of this perpetual real right is the contribution of a qualified real property interest to a qualified organization exclusively for conservation purposes.

21. Any right or obligation imposed upon the Owner of the Property by the perpetual real rights created hereunder, including any covenant, restriction or affirmative obligation herein, shall be enforceable by the Donee, after giving written notice to Owner with an opportunity to cure and satisfy said request within sixty (60) days and if Owner does not comply, Donee may pursue enforcement through judicial proceeding by actions for temporary and/or permanent injunction to enjoin such violations and to require the performance of all obligations imposed on Owner by this Act of Donation of Perpetual Real Rights, or, in the alternative, representatives of Donee, its successors and assigns may enter upon the Property, correct any violation, and hold Owner and Owner's heirs, successors and assigns, responsible for the cost thereof in an action for damages brought by Donee. Donee, its successors and/or assigns, shall have available all other legal and equitable remedies permitted by law to enforce Owner's obligations hereunder. In the event Owner is found to have violated any of its obligations arising from the creation of the perpetual real rights herein, Owner agrees to indemnify and hold harmless Donee from all reasonable attorneys' fees, expert witness charges, architectural consulting fees, professional fees and other charges, fees, and costs paid or incurred by Donee in the enforcement of any of its rights granted herein.

22. All other rights of ownership that do not conflict with the exercise of Donee's rights hereunder shall be and are hereby retained by Owner. Owner shall have the right to use the Property and the Building for whatever lawful purpose Owner deems necessary, except as to rights herein granted, Owner agrees not to perform any work or make any use of the Property which would adversely affect Donee's full exercise and enjoyment of the perpetual real rights created herein. Owner agrees to pay all real estate taxes and real property assessments on the Property and agrees to

hold Donee harmless in connection therewith. Furthermore, Owner shall provide Donee with written notice before Owner exercises any reserved rights, the exercise of which may impair the conservation interest created herein associated with the Property.

23. No amendment or modification of this Conservation Servitude shall be effective without the express mutual written agreement of Owner and Donee or their respective assigns. If circumstances arise under which an amendment to or modification of this Conservation Servitude would be appropriate, Owner and Donee may by mutual written agreement jointly amend this Conservation Servitude, provided that no amendment shall be made that will adversely affect the qualification of this Conservation Servitude or the status of Donee under any applicable laws, including Sections 170(h) and 501 (c)(3) and the laws of the Parish of Orleans and of the State of Louisiana. Any such amendment shall be consistent with the protection of the conservation and preservation values of the Property and the Building and the purpose of this Conservation Servitude; shall not affect its perpetual duration; shall not permit additional development of the Property or Building other than the use permitted by this Conservation Servitude on the date of its recordation; shall not permit any private inurement to any person or entity; and shall not adversely impact the overall architectural, historic and open space values protected by this Conservation Servitude. Any such amendment shall be recorded in the land records of the Parish of Orleans, State of Louisiana. Nothing in this Section shall require Owner or Donee to agree to any amendment or to consult or negotiate regarding any amendment.

24. Owner hereby covenants and agrees to execute and deliver to Donee from time to time, promptly after any request therefore by Donee, any and all instruments, agreements and documents which Donee may reasonably require, and to perform such other acts as may be necessary or desirable, to carry out the purposes of this Conservation Servitude.

25. This Conservation Servitude shall be governed by and construed in accordance with the laws of the State of Louisiana.

26. In the event any portion or portions of this Conservation Servitude shall be declared by any court of competent jurisdiction to be invalid, illegal or unenforceable, such portion or portions shall be deemed severed from the remaining parts of this Conservation Servitude, which remaining

parts, shall continue in full force and effect as though the severed portion or portions had never been part of this Conservation Servitude.

27. This Conservation Servitude contains the entire agreement between the parties concerning the subject matter of this Conservation Servitude and supersedes any prior agreements, understandings or negotiations concerning such subject matter.

28. In the event the Property is subsequently owned by more than one owner, all such owners shall be jointly and severally and in solido liable for the obligations imposed by this Conservation Servitude upon Owner.

29. The covenants, terms, conditions, and restrictions of this Conservation Servitude shall be binding upon, and inure to the benefit of, the parties hereto and their respective personal representatives, heirs, successors, and assigns and shall continue as a servitude running in perpetuity with the Property.

30. Notwithstanding anything else in this Act of Donation of Perpetual Real Rights to the contrary, Donee is prohibited from subsequently transferring the Servitude, whether or not for consideration, unless the Donee, as a condition of the subsequent transfer, requires that the conservation purposes, which the contribution was originally intended to advance, continue to be carried out and provided the transferee is an organization qualifying, at the time of the subsequent transfer, as a Qualifying Organization within the meaning of the Regulations.

31. Unless the parties expressly state that they intend a merger of estates or interests to occur, then no merger shall be deemed to have occurred hereunder or under any documents executed in the future affecting this Conservation Servitude.

32. Owner, its successors or assigns, will do and perform at Owner's cost all acts necessary to the prompt filing for registry of this Act of Donation of Perpetual Real Rights in the conveyance records of the Parish of Orleans wherein the Property is located.

33. Under penalties of perjury, Owner and Donee declare that the Donee:

A. is a qualified organization as defined in Section 170(H)(3) of the Code with a purpose of environmental protection, land conservation, open space preservation, or historic preservation; and

B. has the resources to manage and enforce the restriction and a commitment to do so.

34. This Act of Donation of Perpetual Real Rights may be signed by the parties hereto in multiple counterparts, each of which will be deemed an original but all of which will constitute one and the same instrument binding on the parties hereto.

And that the foregoing is true, correct and complete.

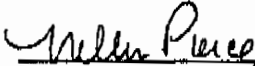
(Signatures continue on following pages.)

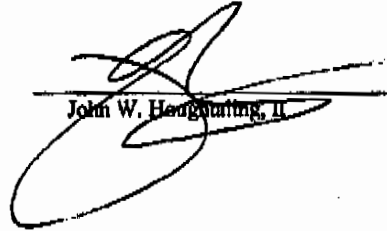
THUS DONE AND PASSED by Owner in my office at New Orleans, Louisiana, on the day, month, and year herein first above written, in the presence of the two undersigned competent witnesses, who herounto sign their names with the said appeasers and me, Notary, after reading of the whole.

WITNESSES:


OWNER:

4717 St. Charles Avenue
New Orleans, Louisiana 70115


Print Name Melissa Pierce

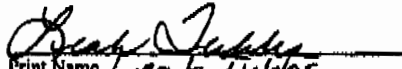

John W. Houghtaling, II



Print Name Chuck Savandot


Notary Public
My Commission Expires: ~~at death~~ 26693
Print Name: Eric J. O'Bell
Bar/Notary No.: 26693

THUS DONE AND PASSED by Donee in my office at New Orleans, Louisiana, on the day, month, and year herein first above written, in the presence of the two undersigned competent witnesses, who hercunto sign their names with the said appeasers and me, Notary, after reading of the whole.

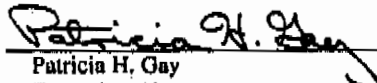
WITNESSES:


Print Name Leah Tubbs


Print Name Leah Tubbs

DONEE:

THE PRESERVATION ALLIANCE OF
NEW ORLEANS, INC. d/b/a
PRESERVATION RESOURCE
CENTER OF NEW ORLEANS

By 
Patricia H. Gay
Its: Executive Director

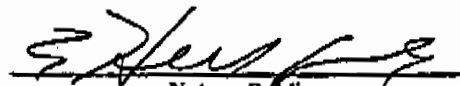

Notary Public
My Commission Expires: at death
Print Name: E. Howell Crosby
Bar/Notary No.: 14959

EXHIBIT "A"

LEGAL DESCRIPTION OF PROPERTY

A CERTAIN PIECE OR PORTION OF GROUND, together with all the buildings and improvements thereon, and all the rights, ways, privileges, servitudes, advantages and proscptions, both liberative and acquisitive, thereunto belonging and appertaining, situated in the SIXTH DISTRICT of the City of New Orleans, in SQUARE NO. 411, bounded by St. Charles Avenue, Valence, Bordeaux and Carondelet Streets, which said piece or portion of ground measures two hundred (200') feet front on St. Charles Avenue, by a depth of between equal and parallel lines of one hundred eighty-six (186') feet, and forms the corner of St. Charles Avenue and Valence Street.

According to a sketch of survey made by Gandolfo, Kuhn, Luecke & Associates, Civil Engineers and Land Surveyors, dated March 28, 1978, said piece or portion of ground measures two hundred feet, eight inches (200'8") front on St. Charles Avenue, by a depth between equal and parallel lines of one hundred eighty-six feet, one inch (186'1") and forms the corner of St. Charles Avenue and Valence Street.

Said property bears Municipal No. 4717 St. Charles Avenue, New Orleans, Louisiana

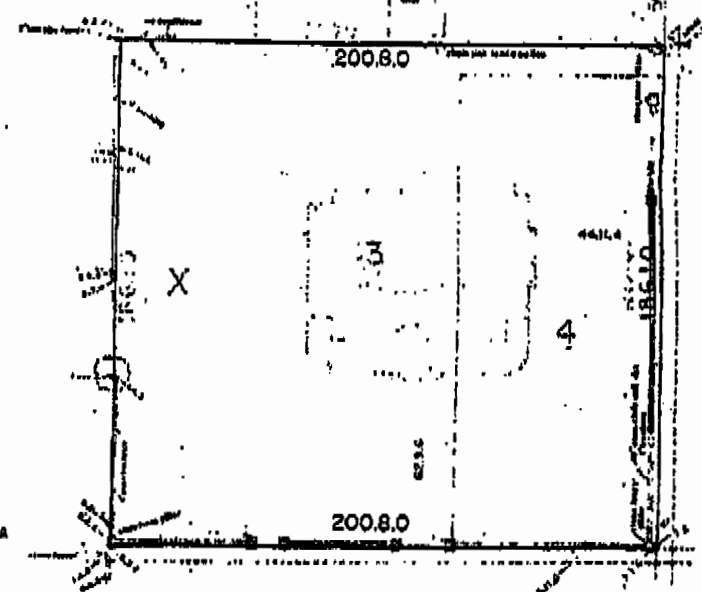
EXHIBIT "A-1"

Copy of Survey

4714

Boards

100.0 DTBA



ST. CHARLES AVE. VALENCE ST.

ST. CHARLES AVE.

This area is located in flood zone 'B'

In witness whereof, I, George S. Villars, Greater Gulf Title Insurance Agency, Inc. and Charles, McCall, Phillips, Toler & Sarpan, Attorneys, this 10th day of April, 1927, have caused a survey of 4714 St. Charles Ave., sq. 411, made on the ground, under my supervision, in conformity with the customary standards and practices established by professional land surveyors practicing in the New Orleans Metropolitan Area.

New Orleans, La.
April 9, 1927

George S. Villars