



THIRD ACT OF AMENDMENT TO
DECLARATION OF RESTRICTIONS AND PROTECTIVE COVENANTS
OF AZALEA LAKES SUBDIVISION
FIRST FILING - PART ONE

STATE OF LOUISIANA
PARISH OF EAST BATON ROUGE

BEFORE ME, the undersigned Notary Public, duly commissioned and qualified in and for the aforesaid Parish and State, on this 3rd day of October, 1988, personally came and appeared:

RSL LAND COMPANY, a Louisiana corporation, represented herein by the duly authorized undersigned officer, referred to herein as "RSL",

who after being duly sworn, did declare that:

RSL is the owner of certain real property located in East Baton Rouge Parish, State of Louisiana, such property being Lots ONE (1) through ONE HUNDRED SIXTEEN (116), AZALEA LAKES, FIRST FILING, PART ONE, all according to the official plan of Azalea Lakes Subdivision, First Filing, Part One, made by Breaux & Associates, Inc., dated April 22, 1988, and on file and of record in the office of the Clerk and Recorder for the Parish of East Baton Rouge, Louisiana, as Original 12, Bundle 9918, and Original 13, Bundle 9918, revised April 30, 1988, recorded at Original 71, Bundle 9919, revised July 16, 1987, recorded at Original 936, Bundle 9971, and revised July 12, 1988, recorded at Original 63, Bundle 10014, less and except certain lots therein previously sold by RSL.

RSL established certain protective covenants and restrictions affecting each of the Lots in Azalea Lakes Subdivision, First Filing, Part One, by virtue of that certain Declaration of Restrictions and Protective Covenants of Azalea Lakes Subdivision, First Filing - Part One, dated June 8, 1988, recorded as Original 202, Bundle 9937, Official Records of East Baton Rouge Parish which declaration was amended by acts dated November 9, 1987, and February 1, 1988, recorded as Original 4, Bundle 9963, and Original 199, Bundle 9983, respectively, Official Records of East Baton Rouge Parish (the said declaration, as previously amended, is referred to as the "Declaration").

At a meeting of the membership of the Azalea Lakes Subdivision Association, Inc., held on the 7th day of September, 1988, the Azalea Lakes Subdivision Association, Inc. voted to amend the Declaration as set forth below, as evidenced by the Extract of the Minutes of a Meeting of the Members attached hereto. RSL is the owner of more than sixty (60%) percent of the lots in Azalea Lakes Subdivision. The Declaration is hereby amended as follows:

Paragraphs 2.3(a) and (f); 3.2(a); 5.5; 7.2(c) and (e); and 7.5(d), (e) and (j) of the Declaration are hereby amended in their entirety so as to read as follows:

2.3 ADDITIONS IN ACCORDANCE WITH GENERAL PLAN OF DEVELOPMENT.

...
(a) The option may be exercised from time to time during a period of seven (7) years from the date of this Declaration provided, however, that RSL reserves the right to terminate such option in whole or in part, at any time prior to the expiration of such seven (7) year period by executing and filing an agreement evidencing such termination in the Records of the Clerk of Court of East Baton Rouge Parish, Louisiana, and, except for such termination by RSL, no other circumstances will terminate such option prior to the expiration of such seven (7) year period.

...
(f) The option reserved by RSL to cause all or any portion of the additional property to become part of the development shall in no way be construed to impose upon RSL any obligation to add all or any portion of the additional property to the development or to construct thereon any improvements of any nature whatsoever.

The right reserved under this Section 2.3 may be exercised by RSL only by the execution of an amendment to this Declaration which shall be filed in the Records of the Clerk of Court of East Baton Rouge Parish, Louisiana, together with a revision of or an addition to the Official Plan showing the additional property or such portion or portions thereof as are being added to the development by such amendment as well as the lots thereon. Simultaneously therewith, RSL shall convey in full ownership to the Association the common areas if any, contained within the additional property, or such portion thereof so submitted, such conveyance to be subject to the lien for taxes not yet due and payable, all servitudes and restrictions of record, utility servitudes serving or otherwise encumbering the additional property, and any exceptions which would be disclosed by a survey or physical inspection of such property. Any such amendment shall expressly submit the additional property or such portion thereof to all the provisions of this Declaration, as same may be changed with respect to such additional property or portion thereof.

...
3.2 COUNCIL MEMBERSHIP.

(a) Initial Members. The Council shall be composed of not less than three or more than five individuals, with the initial members being the following:

1. William A. Fogleman
8591 United Plaza Blvd., Suite 300
Baton Rouge, LA 70809
2. Mike F. Harter
8591 United Plaza Blvd., Suite 300
Baton Rouge, LA 70809

3. Patrick J. McElroy
5891 United Plaza Blvd., Suite 300
Baton Rouge, LA 70809
4. Robert W. McKenzie
5. Dr. Donald Joseph Perrere
...

5.5 FENCES AND WALLS. Any fence constructed on a Lot shall be constructed of cedar or any other material approved in advance by the Council in accordance with the specifications below. In no event will the Council approve the use of a chain link fence on any Lot.

(a) Fences on all Lots except Lake Lots shall be not greater than six (6') feet in height and may start at the front setback line to the rear of the Lot and shall be constructed along the rear not greater than six (6') feet in height.

(b) Fences on Lake Lots shall be constructed not greater than six (6') feet in height along the side lot lines and may start at the front setback line to within twenty (20') feet of the water line of the Lake and shall be constructed not greater than three and one-half (3-1/2') feet in height on the rear portion of the Lot within twenty (20') feet of the water line of the Lake along the side property lines. Any fence constructed along the rear of Lake Lots shall be set back at least ten (10') feet from the water line of the Lake and shall not exceed three and one-half (3-1/2') feet in height. In no event shall a fence or wall within twenty (20') feet of the water line of the Lake be more than three and one-half (3-1/2') feet in height.

7.2 MEMBERSHIP AND VOTING RIGHTS.

(c) Class C membership shall be held by RSL, who shall be entitled to nine (9) votes for every Lake Lot owned by it and shall be entitled to three (3) votes for every other Lot owned by it. Class C membership shall cease and be converted to Class A membership when the total votes outstanding in Class A and Class B equal the total votes outstanding in Class C, or on the date which is seven (7) years after the date of this Declaration, whichever is sooner. If at any time RSL is liquidated, merges or conveys all or a majority of the Lots then owned by it to any other person, firm, corporation or other legal entity, or if its Lots are acquired by foreclosure, dation en paiement, or by any other method in partial or full satisfaction of any encumbrance or encumbrances on such Lots, the successor in title to RSL shall become the Class C Member of the Association.

(e) Interest in a Lot as security for performance of an obligation shall not entitle the person or entity holding such interest to membership. Members shall not have preemptive rights. No Member shall be entitled to vote who is delinquent in his financial obligations to the Association at the time the vote is

called for. Membership shall be appurtenant to and may not be separated from ownership of any Lot. Each owner consents and agrees to the dilution of his voting interest in the Association by virtue of the submission from time to time of additional property or properties to the terms of this Declaration as provided herein.

7.5 ASSESSMENTS AND LEVIES.

(d) Annual Operating Budget and Assessment. It shall be the duty of the board of directors at least thirty (30) days prior to the Association's annual meeting to prepare a budget covering the estimated costs of operating the Association during the coming year. The board shall cause the budget and the assessments to be levied against each Member, except for the Class D Member, for the following year to be delivered to each Member at least twenty-one (21) days prior to the meeting. The budget and the assessment shall become effective unless disapproved at the annual meeting by a vote of a majority of the total membership. However, in the event that the membership disapproves the proposed budget for the succeeding year, then and until such time as a budget shall have been determined as provided herein, the budget in effect for the current year shall continue for the succeeding year. Assessments against the Class C Member, whether annual, special or capital, shall equal seventy-five (75%) percent of the assessment against each Class A Member with respect to Lake Lots owned by the Class C Member and shall equal seventy-five (75%) percent of the assessment against each Class B Member with respect to Lots owned by the Class C Member which are not Lake Lots. The maximum annual assessment which may be levied against each Class A Member shall be \$300.00 per Lake Lot and the maximum annual assessment which may be levied against each Class B Member shall be \$200.00 per Lot. From and after January 1st of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased each year by the board of directors not more than five (5%) percent above the maximum assessment for the previous year without a vote of the membership. From and after January 1st of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased each year by an amount greater than five (5%) percent above the maximum assessment for the previous year by a vote of at least two-thirds of each class of members present at a special or annual meeting of the members, notice of which shall specify that purpose, and at which at least sixty (60%) percent of the Owners of Lots are present in person or by proxy.

(e) Special Assessments. If the annual assessment set forth above is inadequate for any year, the board may, at any time, levy a special assessment against all Members, except the Class D Member. Prior to becoming effective, however, any special assessment shall be approved by the affirmative vote of two-thirds (2/3) of those present, in person or by proxy, at a special or annual meeting of the Members, notice of which shall specify that purpose.

(j) Property Exempt from Assessments and Levies.
The following property subject to this Declaration shall be exempted from the assessments, charge and lien created herein:

1. All properties to the extent of any easement or other interest therein dedicated and accepted by the local public authority; and devoted to public use;
2. All properties owned by the Association; and
3. All properties exempted from ad valorem taxation by the laws of the State of Louisiana (except for the homestead exemption) upon the terms and to the extent of such legal exemption.

The following paragraph 13 is hereby added to the Declaration:

13. FHA/VA Approval. As long as there is a Class C Membership, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration:

- (a) annexation of additional properties;
- (b) dedication of common areas; and
- (c) amendment of these restrictions and covenants.

In all other respects the Declaration shall remain unchanged and in full force and effect.

THUS DONE AND SIGNED by RSL Land Company at Baton Rouge, Louisiana, on the day, month and year first above written, in the presence of the undersigned witnesses who hereunto sign their names with the said appearer and me, Notary Public, after due reading of the whole.

WITNESSES:

RSL LAND COMPANY

Nancy P. Price

By:

William A. Fogleman
William A. Fogleman, President

Joyce G. Phillips

ATTEST:

Patrick B. McElroy
Patrick B. McElroy, Secretary

Paul M. [Signature]
Notary Public

EXTRACT OF THE MINUTES OF A MEETING OF THE
MEMBERS OF AZALEA LAKES SUBDIVISION ASSOCIATION, INC.

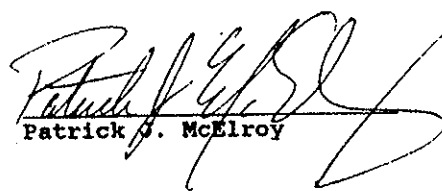
BE IT RESOLVED THAT:

The Declaration of Restrictions and Protective Covenants of Azalea Lakes Subdivision, First Filing; Part One be amended as set forth in the Third Act of Amendment to Declaration of Restrictions and Protective Covenants of Azalea Lakes Subdivision First Filing - Part One, attached hereto and made a part hereof.

Certificate

I hereby certify that I am the duly elected Secretary of Azalea Lakes Subdivision Association, Inc. and that the foregoing resolution was adopted by the membership of this corporation at a properly called meeting held by them on the 7th day of September, 1988, at which meeting a quorum was present and acting throughout. This resolution has not been modified or rescinded and is still in full force and effect.

Baton Rouge, Louisiana, this 3rd day of
October, 1988.


Patrick J. McElroy

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EAST BATON ROUGE PARISH, LA.
1988 OCT 05 PM 02:27:36
FTL BK FOLIO
H. M. MIKE CANNON
CLERK OF COURT & RECORDER
CERTIFIED TRUE COPY
BY _____
DEPUTY CLERK & RECORDER