

**SUPPLEMENT AND AMENDMENT OF RESTRICTIVE COVENANTS FOR
HIGHLANDS SUBDIVISION, ST. TAMMANY PARISH, LOUISIANA
AND OF THE RESTATFMENT AND AMENDMENT OF RESTRICTIVE COVENANTS
FOR HIGHLANDS SUBDIVISION, ST. TAMMANY PARISH, LOUISIANA**

STATE OF LOUISIANA
PARISH OF ST. TAMMANY

BE IT KNOWN, that on this 21st day of December, 2001,

BEFORE ME, SILVIA G. MULLER, a Notary Public, duly commissioned and qualified in and for the State of Louisiana, Parish of St. Tammany, therein residing, personally came and appeared:

HIGHLAND LAKES DEVELOPMENT CORPORATION, whose Tax Identification Number is 72-1411051, a Louisiana corporation herein represented by Christopher R. Jean, President, being duly authorized by resolution of the Board of Directors of said corporation dated ~~November 21, 2001~~, 2001, a copy of which is attached hereto, the permanent mailing address of the corporation being 100 Logan Drive, Pearl River, LA 70452;

(hereinafter "Declarant");

who declared unto me, Notary, under oath, that Declarant is the owner of seventy-eight (78) lots lying and being situated in Highlands Subdivision, Sections 3, 4, 9 and 10, Township 5 South, Range 11 East, St. Tammany Parish, Louisiana, more specifically described in accordance with the subdivision plan of Jeron R. Fitzmorris, Registered Land Surveyor, dated October 14, 1983, last revised April 25, 1986, recorded in Map File No. 925-A, of the Clerk of Court of St. Tammany Parish, Louisiana, and with the resubdivision plan by Jeron R. Fitzmorris, Registered Land Surveyor, dated May 23, 1994, recorded in Map File No. 1226 of the Clerk of Court of St. Tammany Parish, Louisiana, and with the resubdivision plan by Jeron R. Fitzmorris, Registered Land Surveyor, dated May 31, 1994, recorded in Map File No. 1226 of the Clerk of Court of St. Tammany Parish, Louisiana, plus the Lakes, Dams and Spillway Property adjoining the said Highlands Subdivision, all as more specifically described on the survey by Jeron R. Fitzmorris, Registered Land Surveyor, dated March 30, 1998, Drawing No. 7953, copy of which is attached to and made part of a cash sale dated March 31, 1998, by Lee Road Development Company to Highland Lakes Development Corporation, recorded in the conveyance records of St. Tammany Parish as Conveyance Instrument No. 1089070. Said Lots, Lakes, Dams and Spillway Property were acquired by Declarant, and more specifically described in said cash sale.

Highlands Subdivision is subject to Restrictive Covenants that were imposed upon the property by prior owners and developers, as follows:

- (A) Restrictive Covenants for the Highlands Subdivision dated October 18, 1983, recorded in COB 1126, folio 472, Instrument No. 874409; Amendment to Restrictive Covenants Highlands Subdivision, dated December 7, 1995, recorded at COB and MOB Instrument No. 977432; further amended by Amendment to Restrictive Covenants Highlands Subdivision, dated June 26, 1997, recorded as Instrument No. 1052280.
- (B) Article IV of the Act of Correction between McWilliams and Lee Road Development Company filed in the conveyance records of St. Tammany Parish on July 26, 1993 as Original Instrument No. 866934, and Article IV of the Act of Correction Among McWilliams, Carden and Lee Road Development Company filed May 20, 1994 in the conveyance records of St. Tammany Parish as Original Instrument No. 906882.
- (C) Restatement and Amendment of Restrictive Covenants for Highlands Subdivision, St. Tammany Parish, Louisiana by Highland Lakes Development Corporation filed in the conveyance records of St. Tammany Parish on August 25, 1998 as Original Instrument No. 1111933.

The foregoing restrictive covenants and amendments thereto are applicable to the following described property:

St. Tammany Parish 47
Instrument #: 1285499
Registry #: 1121573 ICV
01/24/2002 9:30:00 AM
MB X CB X MI UCC

Recorded in COB & MOB per attorney

1. The 370.8+ acres, subdivided into 126 lots, streets, and servitudes depicted on the Subdivision Plat.
2. The Lakes, Dams and Spillway Property more specifically described on the survey by Jeron R. Fitzmorris, Registered Land Surveyor, dated March 30, 1998, Drawing No. 7953, recorded in Extra Map File No. 2915 of the Clerk of Court of St. Tammany Parish, Louisiana (the "Lakes Survey"), and in the Cash Sale by Lee Road Development Company to Highland Lakes Development Corporation dated March 31, 1998, recorded in the conveyance records of St. Tammany Parish as Original Instrument No. 1089070 (sometimes collectively referred to as the "Lakes").
3. A portion of the property belonging to the Estate of W. K. McWilliams, Jr. and his widow, Eileenora P. McWilliams (the "McWilliams Property") located north of and adjacent to the Lakes described and situated within the following boundaries: The southern boundary of the McWilliams Property is co-terminous with the northern boundary of the Lakes. The northern boundary of the McWilliams Property is a line 500 feet distant from and parallel to the northern boundary of the Lakes. (The description of the McWilliams Property affected by restrictive covenants is more specifically set forth in the Act of Correction between McWilliams and Lee Road Development Company filed July 26, 1993, as Instrument No. 866934 in the conveyance records of St. Tammany Parish, and the Act of Correction Among McWilliams, Carden and Lee Road Development Company filed of record May 20, 1994, in the conveyance records of St. Tammany Parish as Instrument No. 906882, and surveys attached thereto.

(The properties described in Paragraphs 1, 2, and 3 above are hereinafter collectively referred to as the "Restricted Property".)

Declarant is the owner of a majority of the Lots of the "Restricted Property" and as such is authorized pursuant to Article X, of the Restatement and Amendment of Restrictive Covenants for Highlands Subdivision dated August 25, 1998 (the "Amended and Restated Restrictive Covenants") to modify, terminate or waive the Amended and Restated Restrictive Covenants, in whole or in part.

Declarant desires to amend and supplement the Amended and Restated Restrictive Covenants. Accordingly, Declarant declares that the Restricted Property is and shall be held, conveyed, hypothecated, or encumbered, sold leased, rented, used, occupied, and improved subject to the provisions of the Amended and Restated Restrictive Covenants, as amended by this act, all of which are declared and agreed to be in aid of a plan for improvement of the Restricted Property and its surroundings, and shall be deemed to run with and bind the land, and shall inure to the benefit of and be enforceable by the Declarant, its successors and assigns, and any person requiring or owning an interest in any portion of the Restricted Property and improvements located thereon.

The Restated and Amended Restrictive Covenants are hereby amended and supplemented as follows:

Article V. Section 4 of the Restated and Amended Restrictive Covenants shall be amended to read as follows:

ARTICLE V

Section 4. Non-Payment of Assessment.

- (a) Any Assessment, or installment thereof, levied pursuant to this Act, which is not paid on the date when due shall be delinquent. The personal obligation of the Member to pay the Assessment shall remain his personal obligation and a suit to recover a money judgment for non-payment of any Assessment, or installment thereof, levied pursuant to this Act which is not paid within ten days after it is due shall bear interest at a rate not to exceed the higher of twelve percent (12%) per annum or the highest lawful rate under the laws of the State of Louisiana.
- (b) If an Assessment is delinquent and a Member does not pay that Assessment within five (5) days of written notice to the Member by the Association, the Association is authorized to and may request that Northlake Environmental Engineering Services, Inc., withhold Water Service to the Member until the Member pays all monies that are due by the Member to the Association, including, but not limited to, all assessments, penalties, costs, expenses, and attorneys fees owed to the Association by the Member.

Article X, Section 1. of the Restated and Amended Restrictive Covenants entitled "Duration - Amendment" shall be amended to read as follows:

ARTICLE X

Section 1. Duration - Amendment. Except where permanent servitudes or other permanent rights or interests are herein created, the servitudes, privileges, and restrictions of this Act shall run with and bind any land, and shall inure to the benefit of and be enforceable by the Association, or the Owner of any Lot subject to this Act, their respective legal representatives, heirs, successors, and assigns, for a term of thirty (30) years from the date of recordation of this Act, after which the said servitudes, privileges, and restrictions shall be automatically extended for successive periods of ten (10) years each, unless any instruments signed by the then Owners of a majority of the Lots, and containing the agreement and approval of the Declarant if Declarant owns a minimum of one (1) lot within the Restricted Property, has been recorded, agreeing to change said servitudes, privileges, and restrictions, in whole or in part. The terms and provisions of this Act, and any of the servitudes, privileges, or restrictions herein contained, may be modified in whole or in part, terminated or waived, prior to or subsequent to the expiration of the thirty (30) year period aforesaid, by an act of modification, termination, or waiver which is signed by the then Owners of a majority of the Lots, and contains an agreement and approval of the Declarant if the Declarant owns a minimum of one (1) lot within the Restricted Property, and duly recorded with the Clerk of Court and Ex-Officio Recorder of Mortgages and Registrar of Conveyances for St. Tammany Parish, Louisiana; except that no modification, termination, or waiver shall be made of any of the rights, privileges and/or obligations of the Owners of Lots in the Highlands Subdivision without the written approval by Owners owning more than fifty (50%) of the Lots in Highlands Subdivision, and without the agreement and approval of the Declarant if the Declarant owns a minimum of one (1) lot within the Restricted Property.

The Restated and Amended Restrictive Covenants are hereby supplemented as follows:

Article XV is added to the Restated and Restricted Covenants to read as follows;

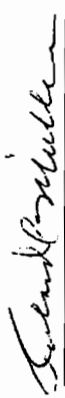
ARTICLE XV


Section 1. Hours of Operation of the Gates At The Entrance of The Restricted Property. As long as the Declarant owns a minimum of one (1) lot within the Restricted Property, the Security Gates at the entrance of the Restricted Property shall open at dawn each morning, and shall remain open until dusk each evening, unless the Declarant agrees in writing to another plan of operation for the gates at the entrance of the Restricted Property.

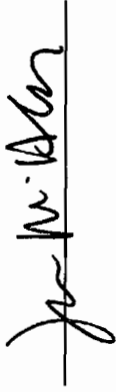
THIS DONE AND PASSED in my office at Covington, Louisiana, on the day, month and year first hereinabove written, in the presence of the undersigned competent witnesses, who hereunto sign their names after due reading of the whole.


WITNESSES:

HIGHLAND LAKES DEVELOPMENT CORPORATION



By: 
Christopher R. Jean, President




Silvia G. Muller
Notary Public

**MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS OF
HIGHLAND LAKES DEVELOPMENT CORPORATION**

BE IT RESOLVED, That Christopher R. Jean, President of this corporation, be and he is hereby authorized, directed and empowered for and on behalf of this corporation, at such times as he in his absolute discretion may deem proper and advisable, to subdivide, dedicate streets upon, impose restrictive covenants upon and grant rights-of-way of any nature and type upon any or all property owned by this corporation or later to be acquired by this corporation; supplement and amend restrictive covenants so imposed and generally to do all things necessary or proper to accomplish these ends.

BE IT FURTHER RESOLVED, That the said officer of this corporation be and he is hereby authorized and empowered, for and on behalf of this corporation, to appear before any Notary Public, to do any and all things necessary, in his sole and uncontrolled discretion, to carry out the intent and purposes of this resolution, and this Board does hereby ratify and approve any such action taken by said officer.

BE IT FURTHER RESOLVED, That any prior actions made by said officer on behalf of this corporation, which included any of the actions set forth above and which he is authorized to make by means of this resolution, are hereby ratified and approved.

CERTIFICATE

I, Angela Smith Jean, Secretary of Highland Lakes Development Corporation, certify the above and foregoing to be a true and correct copy of the minutes of the meeting of the Board of Directors of said corporation, duly and legally called, convened and held at Slidell, Louisiana, on December 21, 2001, whereat a quorum of Directors was present and that the same has not been revoked or rescinded.

Witness my signature at Slidell, Louisiana on this 21 day of December, 2001.

Angela S. Jean
Secretary