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FIRST AMENDMENT
TO
DECLARATION OF COVENANTS, CONDITIONS
AND
RESTRICTIONS
RIVER CHASE UNIT EIGHT
COMAL COUNTY, TEXAS

WHEREAS, RIVER CHASE VENTURE, LTD., a Texas Limited Partnership, acting herein through its General Partner SOUTHERLAND/RCR MANAGEMENT, INC., a Texas Corporation, purchased property now known as RIVER CHASE UNIT EIGHT; and,

WHEREAS, RIVER CHASE UNIT EIGHT has been annexed into the River Chase Subdivision, as set out in the Annexation Declaration executed by TEXAS SOUTHERLAND VENTURE, a Massachusetts Joint Venture, acting therein through its duly authorized Joint Venturer, SOUTHERLAND PROPERTIES, INC., a Texas Corporation, as Developer and RIVER CHASE VENTURE, LTD., a Texas Limited Partnership, acting therein through its General Partner SOUTHERLAND/RCR MANAGEMENT, INC., a Texas Corporation, the owner of RIVER CHASE UNIT EIGHT, dated May 6, 2005, recorded under Clerk's Document # 200506016924 in the Official Public Records of Comal County, Texas ("Annexation Declaration"); and,

WHEREAS, the Annexation Declaration subjects RIVER CHASE UNIT EIGHT to the Declaration of Covenants, Conditions and Restrictions of RIVER CHASE UNIT THREE (hereinafter "Restrictions") which are filed of record under Clerk's Document #9906031628, in the Official Public Records of Comal County, Texas; and,

WHEREAS, Section 9.03 of the Restrictions provide for the amendment of the Declaration upon compliance and in accordance with the terms and provisions provided that any such amendment shall be consistent with and in furtherance of the general plan and scheme of development; and,

WHEREAS, the Developer of RIVER CHASE UNIT EIGHT is TEXAS SOUTHERLAND VENTURE, a Massachusetts Joint Venture, acting through its duly authorized Joint Venturer, SOUTHERLAND PROPERTIES, Inc., a Texas Corporation (hereinafter "Developer"); and,

WHEREAS, Developer, in accordance with Section 9.03, with the consent of RIVER CHASE VENTURE, LTD. does hereby amend the Restrictions of the annexed RIVER CHASE UNIT EIGHT.

NOW, THEREFORE, premises considered, Developer, with the consent of RIVER CHASE VENTURE, LTD. does hereby amend the restrictions for the annexed RIVER CHASE UNIT EIGHT as follows:

All references to RIVER CHASE UNIT THREE in the Restrictions mean RIVER CHASE UNIT EIGHT when used in connection with the lots in RIVER CHASE UNIT EIGHT; and

Article I, Section 1.01 is amended to read as follows:

Section 1.01 "Association" shall mean and refer to the NBRC PROPERTY OWNERS ASSOCIATION, and its successors and assigns. Notwithstanding anything herein to the contrary, the NBRC PROPERTY OWNERS ASSOCIATION shall consist of members from all Sections and Units within the Property. It is intended that only one NBRC PROPERTY OWNERS ASSOCIATION exists for all of the units and sections, including those annexed, in the River Chase Development and for any other property hereafter subjected to these restrictions.

Article I, Section 1.04 is amended to read as follows:

Section 1.04 "Common Area" shall mean all real Property (including the improvements thereon) within the Subdivision owned by the Developer, River Chase Venture, Ltd., and/or the Association for the common use and enjoyment of the Owners.

Article I, Section 1.09 is amended to read as follows:

Section 1.09 "Owner" shall mean and refer to the record Owner, whether one or more persons or entities, of fee simple title to any tract which is a part of the Subdivision, including (i) contract seller (a seller under a Contract for Deed), but excluding those having such interest merely as security for the performance of an obligation and (ii) Builders.

Article II, Section 2.01 is amended to read as follows:

Section 2.01 Recorded Subdivision Map of the Property. The Plat ("Plat") of RIVER CHASE UNIT EIGHT dedicates for use as such, subject to the limitations as set forth therein, the roads, streets and easements shown thereon. The Plat further establishes certain restrictions applicable to RIVER CHASE UNIT EIGHT. All dedications, restrictions and reservations created herein or shown on the Plat, replats or amendments of the Plat of RIVER CHASE UNIT EIGHT recorded or hereafter recorded shall be construed as being included in each contract, deed, or conveyance executed or to be executed by or on behalf of Developer and/or River Chase Venture, Ltd., whether specifically referred to therein or not.

Article II, Section 2.03 is amended to read as follows:

Section 2.03 Title Subject to Easements. It is expressly agreed and understood that the title conveyed by Developer and/or River Chase Venture, Ltd. to any of the Tracts by deed, contract for deed or other conveyance shall be subject to any easement affecting same for roadways or drainage, electric lighting, electric power, telegraph or telephone purposes and other easements hereafter granted affecting the Tracts. The Owners of the respective Tracts shall not be deemed to own pipes, wires, conduits or other service lines running through their Tracts which are utilized for or service to other Tracts, but each Owner shall have an easement in and to the aforesaid facilities as shall be necessary for the use, maintenance and enjoyment of his Tract. The Developer and/or River Chase Venture, Ltd. may convey title to the above said easements to the public, a public utility company or the Association.

Article III, Section 3.01 is amended to read as follows:

Section 3.01 Single Family Residential Construction. Except as provided below, no building shall be erected, altered, placed or permitted to remain on any Tract other than one dwelling unit per each Tract to be used for single family residential purposes. One guest/servants house may be built provided said guest/servants house contains no less than five hundred (500) square feet nor more than one-thousand (1000) square feet. The guest/servants house shall be built after or while the main dwelling is being built. All residences must have a garage. Detached garages and workshops may not be constructed on the Property prior to the main dwelling being built. Storage buildings and/or barns may be constructed on the Property prior to the main dwelling being built provided that the location of the storage building or barn is approved in writing by the Architectural Control Committee prior to the construction thereof. The storage building and/or barn shall be placed on the rear half of the Tract and behind the intended dwelling site. All structures, including but not limited to storage buildings and barns, must be

approved in writing by the Architectural Control Committee prior to being erected, altered or placed on the Property. The term "dwelling" does not include either double wide or manufactured homes, or single wide mobile homes, or prefab houses regardless of whether the same are placed upon permanent foundation, and said homes are not permitted within the Subdivision. All dwellings must have at least one thousand eight hundred (1800) square feet of living area for one story homes and two thousand (2000) square feet of living area for two story homes, with at least one thousand (1000) square feet on the ground floor, excluding porches, and be built with new construction material. Any building, structure or improvements commenced on any tract shall be completed as to the exterior finish and appearance within six (6) months from the commencement date. All garages, including detached garages, will be of the same general construction as the main dwelling and located on the tract according to the Committee approved building site plan and shall be suitable for not less than two (2) automobiles. All garage entries must face the side or rear lot line. No carports shall be allowed.

Article III, Section 3.03 is amended to read as follows:

Section 3.03 Location of the Improvements upon the Tract. No building of any kind shall be located on any tract nearer than twenty feet (20') to the side Property line or twenty-five feet (25') to the side Property line, if such Property line faces a street, no nearer than sixty feet (60') to the front Property line and no nearer than sixty feet (60') to the rear Property line. On any corner tract, the front Property line shall be defined as the shortest lot line adjacent to a street. On a corner tract, the house may, with the approval of the Architectural Control Committee, face the side Property line adjacent to a street, in which case the setback from the said Property line adjacent to the street shall be forty feet (40'). The Architectural Control Committee may waive or alter any such setback line, if the Architectural Control Committee in the exercise of the Architectural Control Committee's sole discretion, determines such waiver, or alteration is necessary to permit effective utilization of a tract. Any such waiver or alteration must be in writing and recorded in the Official Public Records of Comal County, Texas. All dwellings placed on the Property must be equipped with Class I Aerobic Septic tank system that meet all applicable laws, rules, standards and specifications, and all such dwellings must be served with water and electricity.

Article III, Section 3.12 is amended to read as follows:

Section 3.12 Walls, Fences, and Mail Boxes. Walls and fences, if any, must be approved prior to construction by the Architectural Control Committee and, unless otherwise permitted by the Architectural Control Committee, must be built of new material and constructed of wood, metal, masonry, masonry veneer, smooth wire or barbed wire. Electric wire and chain link fencing shall not be permitted. All wooden fences must be painted and the color of such paint must be approved by the Architectural Control Committee. All individual mail boxes (if approved by the postal department) must be of masonry construction and approved by the Architectural Control Committee.

Article III, Section 3.13 is amended to read as follows:

Section 3.13 Antennas, Towers, and Satellite Dishes. Antennas, towers, or satellite dishes of any kind shall not exceed ten feet above the roof of the Dwelling or Accessory Building whichever is higher. Any antennae, tower or satellite dish must be located to the side or rear of the Dwelling or Accessory Building and not within twenty feet (20') of any side Property line of interior lots, twenty-five feet (25') of any side Property line facing a street, and not within sixty feet (60') of any rear Property line. Nothing herein shall be construed to conflict with the latest rules and regulations set forth by the Federal Communications Commission.

Article III, Section 3.14 is amended to read as follows:

Section 3.14 Prohibition of Offensive Activities. No Activity, whether for profit or not, shall be conducted on any Tract which is not related to single family residential purposes, unless said activity meets the following criteria: (a) no additional exterior sign of activity is present, (b) no additional traffic, that would not be there normally, is created, and (c) nothing dangerous is present that should not be there. Home offices are specifically allowed so long as they meet the requirements of (a), (b) and (c) above. Further, this restriction is waived in regard to the customary sales activities required to sell homes in the Subdivision. The discharge or use of firearms is expressly prohibited. Hunting is expressly prohibited. The Association shall have the sole and absolute discretion to determine what constitutes a nuisance or annoyance, and any such nuisance or annoyance shall not be allowed within the subdivision.

Article III, Section 3.18 is amended to read as follows:

Section 3.18 Signs. No signs, advertising, billboards or advertising structure of any kind may be erected or maintained on any Tract without the consent in writing of the Architectural Control Committee. However, the Architectural Control Committee shall allow one (1) professionally made sign not more than twenty-four inches (24") by thirty inches (30") advertising Owner's Tract for sale or rent, and one (1) professionally made sign, not more than twelve inches (12") by twenty-four inches (24") identifying the Tract owner's name or names. Further, Model Home builders shall be allowed to place one professionally made sign, no larger than four feet by four feet (4' x 4') which is pre-approved by the Architectural Control Committee on the lot on which the house is being built. The term "professionally made sign" does not include the plastic or metal pre-made "for sale" or "for rent" signs. No sign shall be nailed to a tree. Declarant or any member of such Committee shall have the right to remove any such sign, advertisement or billboard or structure which is placed on any Tract in violation of these restrictions, and in doing so, shall not be liable, and are hereby expressly relieved from, any liability for trespass or other tort in connection therewith, or arising from such removal. An easement of ingress and egress is specifically reserved to and for the benefit of Declarant and such member of the Committee to and from such sign for the purpose of removing the same.

Article III, Section 3.19 is amended to read as follows:

Section 3.19 Animal Husbandry. No animals, livestock or poultry of any kind shall be raised, bred or kept on any Tract except that one (1) horse per every four (4) acres and one (1) additional horse for every two and one-half (2 ½) acres thereafter, may be kept, as long as it does not become a nuisance or threat to other Owners. Provided, however, animals being raised for 4-H or school sponsored programs will be permitted. No pigs or hogs will be permitted under any circumstances or programs. All horses, cows and 4-H animals being raised by individual tract owners must be kept in a fenced area on the owner's tract. No overgrazing is permitted on any portion of the lot. Dogs, cats, or other common household pets may be kept on a Tract. Dogs must be kept in a kennel, dog run, or fenced in area that confines said dog(s) to that area, and for these purposes chain link fencing shall be permitted provided, however, no such fenced in area shall be located adjacent to any side, front or rear boundary line and such fence shall be hidden from site by a fence built in accordance with Section 3.12 hereof. Dogs will not be permitted to run loose in the Subdivision and must be vaccinated for rabies according to State law once a year and registered with Comal County once a year.

Article III, Section 3.21 is amended to read as follows:

Section 3.21 Drainage. Natural established drainage patterns of streets, tracts or roadway ditches shall not be impaired by any person or persons. Driveway culverts must be installed and will be of sufficient size to afford proper drainage of

ditches without backing water up into ditch or diverting flow. Drainage culvert installation is subject to the inspection and approval of the Architectural Control Committee and to County requirements, including securing a permit from the County prior to construction.

Article III is amended to add Section 3.23. Section 3.23 shall read as follows:

Section 3.23 Underground utilities. All utilities within the Subdivision shall be underground. No utility lines including, but not limited to, wires or other devices for the communication or transmission of telephone or electric current or power, or cable television shall be erected, placed or maintained anywhere in or upon any portion of the Property unless the same shall be contained in conduit or cables installed and maintained underground or concealed in, under or on buildings or other improvements, provided, however, that no provision hereof shall be deemed to forbid the erection of temporary power or telephone structures incident to the construction of buildings or other improvements which have been previously approved in writing by the Architectural Control Committee. The Architectural Control Committee shall have no liability for either reviewing or not reviewing the installation method, nor for approval or disapproval of the same. The responsibility for installation shall be solely upon the Owner or Owner's agents. All such installation shall be by experienced professionals.

Article IV, Section 4.02(b) is amended to read as follows:

Section 4.02 Architectural Control Committee.

- (b) On or after such time as fifty-one (51%) of all of the Tracts in all sections of the Subdivision are conveyed by Developer and/or River Chase Venture, Ltd. (from time to time hereafter referred to as the "Control Transfer Date"), the Developer shall cause an instrument transferring control to the Association to be placed of record in the Official Public Records of Comal County, Texas (the effective control Transfer Date shall be the date of its recording). Thereupon, the Developer shall appoint a Committee of three (3) members to be known as the River Chase Architectural Control Committee who shall serve until the next succeeding annual meeting following the Control Transfer Date. From and after the Control Transfer Date, each member of the committee must be an Owner of the Property in some Section of River Chase. Additionally, the Developer shall have the right to discontinue the exercise of architectural control privileges and arrange for the transfer to the Association at any time prior to the Control Transfer Date by filing a statement and instrument to such effect in the Official Public Records of Comal County, Texas.

Article VII, Section 7.01 is amended to read as follows:

Section 7.01 Period of Developer's Rights and Reservations. Developer shall have, retain and reserve certain rights with respect to the Association and the Common Area, from the date hereof, until the earlier to occur of (i) Control Transfer Date or (ii) Developer's written notice to the Association of Developer's termination of the rights described in Article VII hereof, less, save and except those rights set forth in Sections 7.03, 7.04 and 7.05. The rights in Sections 7.03, 7.04 and 7.05 shall be released at such time as a document relinquishing said rights is filed of record or neither the Developer nor River Chase Venture, Ltd. hold record title to any lots in the subdivision. The rights and reservations hereinafter set forth shall be deemed excepted and reserved in each conveyance of a Tract by Developer and/or River Chase Venture, Ltd. to an Owner whether or not specifically stated therein and in each deed or other instrument by which any Property within the Control Area is conveyed by Developer or River Chase Venture, Ltd. The rights, reservations and easements hereinafter set forth shall be prior and superior to any other provisions of this Declaration and may not, without

Developer's prior written consent, be modified, amended, rescinded or affected by any amendment of this Declaration. Developer's consent to any one such amendment shall not be construed as a consent to any other or subsequent amendment.

Article VII, Section 7.02 is amended to read as follows:

Section 7.02 Right to Construct Additional Improvements in Common Area. Developer shall have and hereby reserves the right (without the consent of any other Owner), but shall not be obligated to construct or cause to be constructed additional improvements within the Common Area at any time and from time to time in accordance with this Declaration for the improvement and enhancement thereof and for the benefit of the Association and Owners, so long as such construction does not directly result in the increase of such Maintenance Charge. Developer shall, upon the Control Transfer Date, convey or cause to be conveyed such improvements to the Association and the Association shall be obligated to accept title to care for and maintain the same as elsewhere provided in this Declaration.

Article VIII, Section 8.02 is amended to read as follows:

Section 8.02 Duty to Accept the Property and facilities transferred by Developer or River Chase Venture, Ltd. The Association shall accept title to any Property, including any improvements thereon and personal property and equipment related thereto, transferred to the Association by Developer or River Chase Venture, Ltd., together with the responsibility to perform any and all administrative functions and recreation functions associated therewith (collectively herein referred to as "Functions"), provided that such Property and Functions are not inconsistent with the terms of this Declaration. Property interest transferred to the Association by Developer and/or River Chase Venture, Ltd. may include fee simple title, easements, leasehold interests and licenses to use such Property. Any Property or interest in Property transferred to the Association by Developer or River Chase Venture, Ltd. shall, except to the extent otherwise specifically approved by resolution of the Board of Directors, be transferred to the Association free and clear of all liens and mortgages (other than the lien for Property taxes and assessments not then due and payable), but shall be subject to the terms of this Declaration, the terms of any declaration or covenants, conditions and restrictions annexing such Property to the Common Area, and all easements, covenants, conditions, restrictions and equitable servitude or other encumbrances which do not materially affect the Owners authorized to use such Property. Except as otherwise specifically approved by resolution of the Board of Directors, no Property or interest in Property transferred to the Association by the Developer and/or River Chase Venture, Ltd. shall impose upon the Association any obligation to make monetary payments to Developer or any affiliate of Developer including, but not limited to, any purchase price, rent, charge or fee.

Article IX, Section 9.03 is amended to read as follows:

The Developer shall have and reserves the right at any time and from time to time prior to January 1, 2010, without the joinder or consent of any Owner or other party, to amend this Declaration as it relates to Units 7, 8 9, 10 and any other Unit of River Chase not platted as of the date of this Amendment but annexed by Developer at a later date, by an instrument in writing duly signed, acknowledged and filed for record, provided such amendment shall be consistent with and in furtherance of the general plan and scheme of development as evidence by this Declaration and shall not impair or adversely affect the rights of any Owner's mortgagee. Further, the Developer shall have and reserves the right at any time and from time to time prior to the Control Transfer Date, without the joinder or consent of any Owner or other party to amend this Declaration by an instrument in writing duly signed, acknowledged and filed for record, for the purpose of

correcting any typographical or grammatical error, oversight, ambiguity or inconsistency appearing herein, provided such amendment shall be consistent with and in furtherance of the general plan and scheme of development as evidence by this Declaration and shall not impair or adversely affect the vested Property of other rights of any Owner or his mortgagee. Additionally, Developer shall have and reserves the right at any time and from time to time prior to the Control Transfer Date, without the joinder or consent of any Owner of other party, to amend this Declaration by an instrument in writing duly signed, acknowledged and filed for record for the purpose of permitting the Owners to enjoy the benefits from technological advances, such as security, communications or energy-related devices or equipment which did not exist or were not in common use in residential subdivisions at the time this Declaration was adopted. Likewise, the Developer shall have and reserves the right at any time and from time to time prior to the Control Transfer Date, without the joinder or consent of any Owner or other party, to amend this Declaration by an instrument in writing duly signed, acknowledged and filed for record for the purpose of prohibiting the use of any device or apparatus developed and/or available for residential use following the date of this Declaration if the use of such device or apparatus will adversely affect the Association or will adversely affect the Property values within the Subdivision.

These amendments shall only apply to RIVER CHASE UNIT EIGHT, and, except as amended herein, the Declarations shall remain in full force and effect.

EXECUTED on this the 3 day of June, 2005.

RIVER CHASE VENTURE, LTD.
by SOUTHERLAND/RCR MANAGEMENT, INC.,
General Partner

BY: [Signature]
JAY PATTERSON, Vice President

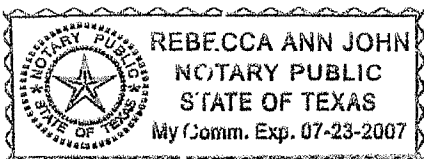
TEXAS SOUTHERLAND VENTURE
by SOUTHERLAND PROPERTIES, INC.,
Joint Venturer

BY: [Signature]
JAY PATTERSON, Vice President

THE STATE OF TEXAS §
COUNTY OF Comal §

This instrument was acknowledged before me on this the 3 day of June, 2005, by JAY PATTERSON, Vice President of SOUTHERLAND/RCR MANAGEMENT, INC., a Texas Corporation, as General Partner for RIVER CHASE VENTURE, LTD., a Texas Limited Partnership, in the capacity therein stated, on behalf of said Corporation.

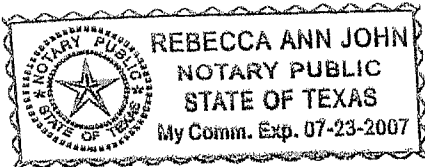
[Signature]
NOTARY PUBLIC, STATE OF TEXAS
Notary's Name Printed: Rebecca Ann John
My Commission Expires: 7-23-07



THE STATE OF TEXAS §
COUNTY OF Comal §

This instrument was acknowledged before me on this the 3 day of June, 2005, by JAY PATTERSON, Vice President of SOUTHERLAND PROPERTIES, INC., a Texas Corporation, as Joint Venturer for TEXAS SOUTHERLAND VENTURE, a Massachusetts Joint Venture, in the capacity therein stated, on behalf of said Corporation.

Rebecca A. John
NOTARY PUBLIC, STATE OF TEXAS
Notary's Name Printed: Rebecca Ann John
My Commission Expires: 7-23-07



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Pages 8
06/05/2005 8:55AM
Official Records of
COMAL COUNTY
JOY STREETER
COUNTY CLERK
Fees \$20.00

 Joy Streeter