

**SUPPLEMENTAL AMENDED AND RESTATED
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR FOREST OAKS**

THE STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

This Supplemental Amended and Restated Declaration of Covenants, Conditions and Restrictions for Forest Oaks (this "Supplemental Declaration") is made to be effective February 28, 2002, with respect to the following facts:

A. The Amended and Restated Declaration of Covenants, Conditions and Restrictions for Forest Oaks was recorded August 31, 2000, under Document No. 2000058218 of the Official Records of Williamson County, Texas. Said Declaration has been supplemented by (i) Notice of Addition of Property Under Amended and Restated Declaration of Covenants, Conditions and Restrictions for Forest Oaks recorded January 30, 2001, under Document No. 2001006612 of the Official Records of Williamson County, Texas (annexing Forest Oaks Sections 6 and 8), and (ii) Notice of Addition of Property Under Amended and Restated Declaration of Covenants, Conditions and Restrictions for Forest Oaks, recorded under Document No. 2001073121 of the Official Records of Williamson County, Texas (annexing Forest Oaks Section 7), and amended by First Amendment to Amended and Restated Declaration of Covenants, Conditions and Restrictions for Forest Oaks, recorded under Document No. 2002009319 of the Official Records of Williamson County, Texas. Said Declaration, as so amended and supplemented, is referred to herein as the "Declaration".

B. RSRF FOREST OAKS, L.P., a California limited partnership ("Declarant"), is the "Declarant" under the Declaration.

C. Article 2, Section 2.1 of the Declaration allows Declarant to annex within the scheme of this Declaration additional land (an "annexation") so long as the owner of such land (if not Declarant) consents to such action. In so annexing land, Article 2, Section 2.1 allows Declarant, among other matters: (i) to provide that certain provisions of the Declaration will not apply to the land so annexed, (ii) to modify one or more provisions of the Declaration as applied to the land so annexed, (iii) to impose different or additional restrictions or conditions upon the land so annexed, and (iv) to establish a different procedure for the amendment of any provision thereof.

D. Continental Homes of Texas, L.P., f/k/a Continental Homes of Austin, L.P., a Texas limited partnership d/b/a Milburn Homes ("Milburn") owns certain real property which Milburn and Declarant wish to annex within the scheme of the Declaration with the modifications, deletions and additions more particularly described below.

E. Prior to the execution of this Supplemental Declaration, a Supplemental Declaration (the "Prior Supplemental Declaration") was erroneously executed by Milburn and recorded under Document No. 2001005510 of the Official Records of Williamson County, Texas. This Supplemental Declaration replaces

and supersedes in its entirety the Prior Supplemental Declaration, and the Prior Supplemental Declaration shall be deemed terminated, null and void for all purposes.

NOW, THEREFORE, Declarant, joined by Milburn, as owner of the Milburn Property (defined below) declares as follows:

1. *Annexation of Milburn Property.* In accordance with Article 2, Section 2.1 of the Declaration, the following tracts of land (collectively, the "Milburn Property") hereby are annexed within the scheme of the Declaration. The Milburn Property, and any right, title and interest therein, hereafter shall be owned, held, leased, sold and/or conveyed by Milburn and any subsequent Owner of all or any part thereof, subject to the Declaration, this Supplementary Declaration, and the covenants, restrictions, charges and liens set forth in each of same:

FOREST OAKS P.U.D., SECTION 1, a subdivision in Williamson County, Texas, according to the map or plat thereof recorded in Cabinet T, Slides 352-354, Plat Records of Williamson County, Texas, as modified by the map or plat entitled FOREST OAKS P.U.D., SECTION 1 REPLAT, a subdivision in Williamson County, Texas, according to the map or plat thereof recorded in Cabinet V, Slides 271-273, Plat Records of Williamson County, Texas.

FOREST OAKS P.U.D., SECTION 2, a subdivision in Williamson County, Texas, according to the map or plat thereof recorded in Cabinet U, Slides 151-154, Plat Records of Williamson County, Texas.

FOREST OAKS P.U.D., SECTION 3, a subdivision in Williamson County, Texas, according to the map or plat thereof recorded in Cabinet U, Slides 155-157, Plat Records of Williamson County, Texas.

2. *Effect of this Supplementary Declaration as to Milburn Property.* As provided in Article 2, Section 2.1 of the Declaration, upon the recording of this Supplementary Declaration, both the Declaration and this Supplementary Declaration, including all covenants, conditions, restrictions and obligations set forth in both of same, shall apply to, and govern the development of, the Milburn Property. Where there is a conflict between the provisions of the Declaration and the provisions of this Supplemental Declaration, the provisions of this Supplemental Declaration shall control, and shall apply to, and govern the development of, the Milburn Property. The term "Property," when used in the Declaration, shall be deemed to include the Milburn Property except where the different provisions are expressly applied to the Milburn Property by this Supplementary Declaration.

3. *Defined Terms.* Unless expressly defined to the contrary in this Supplementary Declaration, capitalized terms used herein shall have the meanings set forth in the Declaration. In addition to or in lieu of certain defined terms set forth in the Declaration, but solely as applied to the Milburn Property, the following phrases, when used in this Supplemental Declaration, shall have the following meanings:

"Common Area" shall mean either a fee simple or an easement interest in any land within or benefitting any portion of the Property and/or the Milburn Property which is designated

by Milburn and Declarant, jointly and in their sole discretion, as Common Area, and thereafter is maintained and operated by Milburn, Declarant or the Association for the benefit of the Property and/or the Milburn Property, including, but not limited to, all easements, roads, roadways, rights-of-way, parkways, medians, sidewalks, parks, paths, trails, recreational facilities such as swimming pools or tennis courts, clubhouses, water quality, drainage and/or detention areas, and ponds and lakes.

"Lot" or "Lots" shall mean any parcel or parcels of land within the Property shown as a subdivided lot on any Plat, together with all Improvements located thereon, but shall not include a subdivided lot dedicated to the Association as Common Area.

"Plans and Specifications" shall mean any and all documents designed to guide or control the construction or erection of any Improvement, including but not limited to, those indicating location, size, shape, configuration, materials, site plans, excavation and grading plans, foundation plans, drainage plans, landscaping and fencing plans, elevation drawings, floor plans, specifications on all building products and construction techniques, samples of exterior colors, plans for utility services, and all other documentation or information relevant to such Improvement.

4. *Addition and Deletion of Land.* Any additional land owned by Milburn and annexed within the scheme of the Declaration with Declarant's consent shall comply with a staged development plan approved by the Veterans Administration ("VA") and the Federal Housing Administration ("FHA"). The consent of both Declarant and Milburn is required in order to withdraw the Milburn Property from the scheme of the Declaration.

5. *Milburn's Development of the Milburn Property.* Milburn may divide or subdivide the Milburn Property into several areas and develop the Milburn Property.

6. *Modifications to General Restrictions.* As to the Milburn Property only, Article 3 of the Declaration is deleted in its entirety and the following Article 3 is substituted in its place. The Milburn Property shall be owned, held, encumbered, leased, used, occupied, and enjoyed subject to the limitations and restrictions set forth in the following Article 3.

Article 3
General Restrictions

3.01 *Subdividing.* After a Plat is recorded, no Lot shown thereon shall be further divided or subdivided, nor may any easements or other interests therein less than the whole be conveyed by the Owner thereof without the prior written approval of the Architectural Committee; provided, however, that when Milburn is the Owner thereof, Milburn may further divide and subdivide any Lot and convey any easements or other interests less than the whole, all without the approval of the Architectural Committee.

3.02 *Hazardous Activities.* No activities shall be conducted on the Milburn Property and no Improvements constructed on the Milburn Property, which are or might be unsafe or hazardous to any person or property. Without limiting the generality of the foregoing, no firearms or fireworks shall be discharged

upon the Milburn Property, and no open fires shall be lighted or permitted except within safe and well-designed interior fireplaces, or in contained barbecue units while attended and in use for cooking purposes.

3.03 Insurance Rates. Nothing shall be done or kept on the Milburn Property which would increase the rate of insurance or cause the cancellation of insurance on any Lot or any of the Improvements located thereon.

3.04 Mining and Drilling. No portion of the Milburn Property shall be used for the purpose of mining, quarrying, drilling, boring, or exploring for or removing oil, gas, or other hydrocarbons, minerals of any kind, rocks, stones, sand, gravel, aggregate, or earth.

3.05 Noise. No exterior speakers, horns, whistles, bells, or other sound devices (other than security devices used exclusively for security purposes) shall be located, used, or placed on any of the Milburn Property. No noise or other nuisance shall be permitted to exist or operate upon any portion of the Milburn Property so as to be offensive or detrimental to any other portion of the Milburn Property or to its occupants.

3.06 Animals - Household Pets. No animals, including pigs, hogs, swine, poultry, fowl, wild or dangerous animals, horses, cattle, sheep, goats, or any other type of animal not considered to be a domestic household pet within the ordinary meaning and interpretation of such words may be kept, maintained, or cared for on the Milburn Property. No Owner may keep on such Owner's Lot more than four (4) cats and dogs, in the aggregate, not more than two (2) of which may be dogs. No animal shall be allowed to make an unreasonable amount of noise, or to become a nuisance, and no domestic pets will be allowed on the Milburn Property other than on the Lot of its Owner unless confined to a leash. No animal may be stabled, maintained, kept, cared for, or boarded for hire or remuneration on the Milburn Property, and no kennels or breeding operation will be allowed. No animal shall be allowed to run at large, and all animals shall be kept within enclosed areas which must be clean, sanitary, and reasonably free of refuse, insects, and waste at all times. Such enclosed area shall be constructed in accordance with plans approved by the Architectural Committee, shall be of reasonable design and construction to adequately contain such animals in accordance with the provisions hereof, and shall be screened so as not to be visible from any other portion of the Milburn Property.

3.07 Rubbish and Debris. No rubbish or debris of any kind shall be placed or permitted to accumulate upon the Milburn Property, and no odors shall be permitted to arise therefrom so as to render the Milburn Property or any portion thereof unsanitary, unsightly, offensive, or detrimental to any other property or to its occupants. Refuse, garbage, and trash shall be kept at all times in covered containers, and such containers shall be kept within enclosed structures or appropriately screened from Public View. Each Owner shall contract with an independent disposal service to collect all garbage or other wastes, if such service is not provided by a governmental entity.

3.08. Towers and Antennas. No exterior antennae, aerials, satellite dish receivers or other devices designed to transmit or receive television, radio, satellite or other signals of any kind shall be placed, allowed or maintained upon a Visible Location unless a Visible Location is the only location on a Lot where signals may be received or transmitted without substantial interference with reception. If a Visible Location is the only location on a Lot where signals may be received or transmitted without substantial interference with

reception, such a device may be placed in a Visible Location approved by the Architectural Committee. The Architectural Committee may require screening of any device placed in a Visible Location, unless such screening (i) unreasonably delays installation or unreasonably increases the cost of installation, maintenance or use of the antenna, or (ii) precludes reception of an acceptable quality signal. To the extent permitted by the Telecommunications Act of 1996, as amended from time to time (the "Telecommunications Act"), without Architectural Committee approval; (a) no direct broadcast satellite dish or multipoint distribution service antenna larger than one (1) meter in diameter will be allowed on a Lot, (b) no television broadcast antenna mast may extend above the height of the center ridge of the roof of the residence on the Lot, and (c) no multipoint distribution service antenna mast may exceed the height of twelve feet (12') above the center ridge of the roof. This Article 3, Section 3.9 shall be interpreted to be as restrictive as possible, while at all times complying with the provisions of the Telecommunications Act. Terms used in this Article 3, Section 3.9, shall be deemed to have the meanings set forth in the Over-The-Air Reception Devices Rule ("OTARD") promulgated under the Telecommunications Act or other rules and regulations promulgated pursuant thereto, and where OTARD, the Telecommunications Act, or any other rule or regulation promulgated thereunder requires the Architectural Committee to act reasonably, or respond promptly, such obligation shall be deemed a part of the Architectural Committee's obligations under this provision. In the event of an amendment to the Telecommunications Act which conflicts with this provision, the conflicting provision herein automatically shall be deemed deleted, and Declarant, without the joinder of any other Owner(s), may amend this provision so as to comply with the amended Telecommunications Act.

3.09. Signs. No sign of any kind shall be displayed in Public View on any Lot without the prior written approval of the Architectural Committee, except for (i) signs which are part of Milburn's overall marketing or construction plans or activities for the Milburn Property and (ii) one (1) sign of not more than five (5) square feet, advertising any Lot for sale or rent.

3.10. Tanks. The Architectural Committee shall have the right to approve the location of any tank used or proposed in connection with a single-family residential structure, including tanks for storage of fuel, water, oil, or LPG, and including swimming pool filter tanks. No elevated tanks of any kind or above ground swimming pools shall be erected, placed or permitted on any Lot. All tanks shall be screened so as not to be visible from any other portion of the Milburn Property.

3.11. Temporary Structures/Accessory Buildings. No tent, shack, or other temporary building, improvement, or structure shall be placed upon the Milburn Property without the prior written approval of the Architectural Committee; provided, however, that temporary structures necessary for storage of tools and equipment, and for office space for architects, builders, and foremen during actual construction may be maintained with the prior approval of Milburn, such approval to include the nature, size, duration, and location of such structure. Notwithstanding any provision in this Declaration to the contrary, an Owner shall be permitted, without Architectural Committee approval, to erect one (1) outbuilding on the Owner's Lot if (i) the surface area of the pad on which the outbuilding is placed is less than or equal to eighty (80) square feet, (ii) the height of the outbuilding, measured from the surface of the Lot to the highest portion of the outbuilding is less than or equal to six (6) feet, (iii) the outbuilding is constructed within an area completely enclosed by a privacy fence of not less than six (6) feet in height, (iv) the exterior of the outbuilding is constructed of the same or substantially similar materials as the exterior of any residence located on the Lot, and (v) the outbuilding is constructed within building setback lines in accordance with applicable building codes of the governmental entity having jurisdiction over the Milburn Property. Notwithstanding the

foregoing, no such outbuilding may be constructed or placed on any Lot which abuts East Park Street, unless the same is completely screened from Public View. The Architectural Committee shall be entitled to determine, in its sole and absolute discretion, whether an outbuilding constructed or placed on any Lot complies with the foregoing requirements relating to size, height, fence enclosure and construction materials.

3.12. Unightly Articles; Vehicles. No article deemed to be unsightly by the Architectural Committee shall be permitted to remain on any Lot in Public View. Without limiting the generality of the foregoing, trailers, graders, trucks other than pickups, boats, tractors, campers, wagons, buses, motorcycles, motor scooters, all-terrain vehicles, sports equipment (such as volleyball nets, soccer goals or portable basketball goals) and garden maintenance equipment shall be kept at all times except when in actual use, in enclosed structures or screened from Public View and no repair or maintenance work shall be done on any of the foregoing, or on any automobile (other than minor emergency repairs), except in enclosed garages or other structures. Each single family residential structure constructed within the Milburn Property shall have an attached private garage with space for not less than two (2) cars nor more than three (3) cars, as approved by the Architectural Committee. Carports shall not be permitted. Owners shall not keep more than two (2) automobiles in such manner as to be in Public View for any period in excess of seventy-two (72) hours. No automobiles or other above-mentioned articles or vehicles may be parked overnight on any roadway within the Milburn Property. Service areas, storage areas, compost piles and facilities for hanging, drying or airing clothing or household fabrics shall be appropriately screened from Public View, and no lumber, grass, plant waste, shrub or tree clippings, metals, bulk materials, scrap, refuse or trash shall be kept, stored, or allowed to accumulate on any portion of the Milburn Property except within enclosed structures or appropriately screened from Public View. No (i) racing vehicles, or (ii) other vehicles (including, without limitation, motorcycles or motor scooters) which are inoperable or do not have a current license tag shall be permitted to remain visible on any Lot or to be parked on any roadway within the Subdivision. No commercial vehicles larger than a standard three-quarter (3/4) ton pickup truck or standard two-axle passenger van shall be permitted to remain on any Lot or to be parked on any roadway within the Subdivision.

3.13. Mobile Homes, Travel Trailers and Recreational Vehicles. No mobile homes shall be parked or placed on any Lot or used as a residence, either temporary or permanent, at any time, and no motor homes, travel trailers or recreational vehicles shall be parked on or near any Lot so as to be in Public View.

3.14. Prohibited Conduct. No portion of the Subdivision shall be used for vicious, illegal or immoral conduct, or for any conduct in violation of the laws of the State of Texas or the United States of America, or of the police, health, sanitary, building or fire codes, regulations or instructions relating to or affecting the use, occupancy or possession of any portion of the Subdivision.

3.15. Control of Sewage Effluent. No outside toilets or privies shall be permitted. Disposal of wastewater from any Lot that would result in raw, untreated, or partially treated sewage being carried into the streets of the Subdivision or into any body of water is strictly prohibited. Drainage of storm water into the sanitary sewage system shall not be permitted; provided, however, that swimming pool drains and backwash systems shall be connected to the sanitary sewage system. No septic tank or other means of sewage disposal system not connected to the sanitary sewage system shall be permitted.

3.16. Underground Utility Lines. No utility lines, including, but not limited to, wires or other devices for the communication or transmission of telephone or electric current or power, cable television or

any other type of line or wire shall be erected, placed or maintained anywhere in or upon any portion of the Milburn Property unless the same shall be contained in conduit or cables installed or maintained underground or concealed in, under or on buildings or other Improvements as approved in writing by the Architectural Committee; 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 Committee. Notwithstanding any provision herein to the contrary, Milburn, as to the Milburn Property, is exempt from compliance with this Section 3.16, and it is contemplated that overhead lines will be erected, placed and maintained at certain locations within the Milburn Property to be designated by Milburn.

3.17. No Window Units. No window or wall type air conditioner which is in Public View may be used, placed or maintained on or in any building in any part of the Milburn Property.

3.18. Liability of Owners for Damage to Common Area. No Owner shall in any way alter, modify, add to or otherwise perform any work upon the Common Area without the prior written approval of the Board. Each Owner shall be liable to the Association for any and all damages to (i) the Common Area, or (ii) any Improvements constructed on any Lot, the maintenance of which has been assumed by the Association, which damages were caused by the neglect, misuse or negligence of such Owner or Owner's family, or by any tenant or other occupant of such Owner's Lot, or any guest or invitee of such Owner. The full cost of all repairs of such damage shall be an Assessment against such Owner's Lot, secured by a lien against such Owner's Lot and collectable in the same manner as provided for in Section 8.06 hereof, including, but not limited to foreclosure of such lien.

7. Modifications to Use and Construction Restrictions. As to the Milburn Property only, Articles 4 and 5 of the Declaration are deleted in their entirety and the following Article 4 is substituted in their place:

Article 4
Use and Construction Restrictions

4.01. Approval for Construction. No Improvements shall be constructed upon any Lot without the prior written approval of the Architectural Committee.

4.02. Use. All Lots shall be improved and used solely for single family residential use, including garages, fencing and such other Improvements as are necessary or customarily incident to residential use. For purposes of these Restrictions, "single family" shall mean a group of persons related by blood, marriage or adoption and shall also include foster children and domestic servants.

4.03. Rentals. Nothing in this Declaration shall prevent the rental of any Lot and the Improvements thereon by the Owner thereof for residential purposes; provided that all rentals must be for terms of at least six (6) months.

4.04. Dwelling Height/Accessory Building Location and Height. No Improvement greater than two (2) stories or thirty-five (35) feet in height may be constructed on any Lot without the prior written approval

of the Architectural Committee. No permitted accessory building shall be located nearer than seven and one-half feet (7.5') to an interior Lot line or exceed eight feet (8') in height.

4.05. Fences and Sidewalks. Milburn shall design and install, by customer option or standard issue, uniform fencing. Fences shall be of wood, wrought iron or decorative metal construction, or a combination thereof, and shall not exceed six feet (6') in height. Lots shall be fenced so that with respect to any portion of the fence which faces any existing or proposed Street, the slats shall face the Street. All other wood fencing shall be "good neighbor fencing" (*i.e.*, fencing with the slats alternating by section of the fence, where a "section" is a portion of the fence between support poles, with the slats in one section facing into the Lot and the slats in the next section facing outward from the Lot). Notwithstanding the foregoing, the Architectural Committee may, in its discretion prohibit the construction of any proposed fence, modify the requirements as to how slats of a wood fence shall face, specify the materials of which any proposed fence must be constructed, or require that any proposed fence be screened by vegetation or otherwise so as not to be visible from Public View.

4.06. Dwelling Size; Building Materials. All single-story and two-story dwellings shall contain not less than One Thousand Two Hundred Fifty (1250) square feet of enclosed living space, exclusive of porches (open or covered), decks, and garages. All building materials shall be approved by the Architectural Committee, and only new building materials (except for used brick) shall be used for constructing any Improvements. All siding shall be 'Hardiplank' or an equal concrete/fiber product of quality and longevity to 'Hardiplank' to resemble wood clapboard siding, or a combination of 'Hardiplank' or similar product and masonry. Exposed metal roof decks, which reflect light in a glaring manner such as galvanized steel sheets are specifically prohibited. Other roofing materials may be used with the prior written consent of the Architectural Committee, which may specify a minimum quality or grade of materials. Roof shingle color shall be "weathered wood" or a substantially similar color. All projections from a dwelling or other structure, including but not limited to chimney flues, vents, gutters, downspouts, utility boxes, porches, railings and exterior stairways shall match the color of the surface from which they project, or shall be of a color approved by the Architectural Committee. No highly reflective finishes (other than glass, which may not be mirrored) shall be used on exterior surfaces (other than surfaces of hardware fixtures), including, without limitation, the exterior surfaces of any Improvements.

4.07. Alteration or Removal of Improvements. Any construction, other than normal maintenance, which in any way alters the exterior appearance of any Improvement, or the removal of any Improvement shall be performed only with the prior written approval of the Architectural Committee.

4.08. Garbage Containers. The Architectural Committee shall have the right to specify a specific location on each Owner's Lot in which garbage containers must be placed for trash collection service.

4.09. Drainage. There shall be no interference with the established drainage patterns over any of the Milburn Property, except by Milburn, unless adequate provision is made for proper drainage and such provision is approved by the Architectural Committee.

4.10. Construction Activities. This Declaration shall not be construed so as to unreasonably interfere with or prevent normal construction activities during the construction of Improvements by an Owner (including Milburn) upon any Lot within the Milburn Property. Specifically, no such construction activities

shall be deemed to constitute a nuisance or a violation of this Declaration by reason of noise, dust, presence of vehicles or construction machinery, posting of signs or similar activities, provided that such construction is pursued to completion with reasonable diligence and conforms to usual construction practices in the area. In the event that construction upon any Lot does not conform to usual practices in the area as determined by the Architectural Committee in its sole good faith judgment, the Architectural Committee shall have the authority to seek an injunction to stop such construction. In addition, if during the course of construction upon any Lot there is excessive accumulation of debris of any kind which would render the Lot or any portion thereof unsanitary, unsightly, offensive, or detrimental to it or any other portion of the Milburn Property, then the Architectural Committee may contract for or cause such debris to be removed, and the Owner of the Lot shall be liable for all expenses incurred in connection therewith.

4.11. Landscaping. The front and side yards of all Lots, from the front property line to the rear wall of the house, shall be fully sodded with St. Augustine, Bermuda, Prairie Buffalo Grass or other sod approved by the Architectural Committee and there will be one 1.5" tree in the front yard, one 2.5" street tree between walkway and street curb, and one 1.5" tree planted in the rear yard for each single family lot. Additionally, three 5-gallon and three 1-gallon shrubs are required in the front yard of each dwelling. Required Landscaping shall be installed before the primary building Improvement is occupied. Landscaping which has been installed on any Lot shall be properly maintained at all times. Grasses and weeds shall at no time be allowed to exceed 6" on vacant developed lots. Recommendations by the Architectural Committee with respect to tree disease control must be followed immediately. These landscaping provisions shall comply with the terms of that certain Planned Unit Development Land Use Plan approved by the City of Cedar Park on January 23, 1997 under Ordinance No. 97-005.

4.12. Natural Gas. All lots shall be provided with natural gas lines, and each building Improvement on a Lot shall have at least two (2) natural gas appliances.

4.13. Construction in Place. All dwellings, structures, buildings and swimming pools constructed on the Milburn Property shall be built in place on the Lot and the use of prefabricated materials other than trusses and wall panels shall be allowed only with the prior written approval of the Architectural Committee.

4.14. Location of Improvements. The location of all Improvements shall comply with the terms of that certain Planned Unit Development Land Use Plan approved by the City of Cedar Park on January 23, 1997 under Ordinance No. 97-005, as modified from time to time. The front of a primary dwelling structure shall face the front of a similar structure across the street whenever feasible, and the Architectural Committee shall resolve any conflicts arising from this requirement and make the final determination with regard to the orientation of the front of Improvements upon any Lot. For the purposes of this Declaration, eaves, air conditioning equipment pads, fireplaces, steps and unroofed terraces shall not be considered as part of a building; provided, however, that this shall not be construed to permit any portion of the construction on a Lot to encroach upon another Lot. Notwithstanding the general guidelines herein set forth as to location of Improvements upon the Lot, Milburn and Declarant intend to establish the importance of locating the Improvements so as to preserve existing natural trees, vegetation and topography to the extent reasonable and practical. The Architectural Committee shall be specifically empowered to enforce, or to grant variances with respect to, these guidelines, so long as the location of the Improvements will not conflict with any Plat or zoning ordinance or encroach upon any other Lot, utility easement, or public right-of-way or result in any building being located closer than ten feet (10') from the primary dwelling structure on another Lot.

4.15. Composite Building Site. Any Owner of one or more adjoining Lots may consolidate such Lots into one single-family residence building site, and may place or construct Improvements on such site with the prior written approval of the Architectural Committee. In cases of such consolidation of Lots, setback lines shall be measured from the two side Lot lines existing after consolidation, rather than from the Lot lines shown on the Plat. The Owner may not thereafter re-subdivide the consolidated Lots without the prior written approval of a majority of the Owners. If the Architectural Committee approves a combination of multiple Lots into one Lot, the Owner of the consolidated Lots shall pay Assessments as if no consolidation had occurred (so that if two Lots are combined into one, the Owner shall pay Assessments for two Lots); but for all other purposes of this Declaration, the consolidated lots shall be deemed one Lot.

4.16 Common Area. No Common Area shall be improved, used or occupied, except in such manner as shall have been approved by the Board. Such required approval shall extend to the nature and type of use, occupancy and improvement.

4.15. Public Utility Easements. Certain utility easements shown on the Plats ("Utility Easements") have been dedicated to the public use. The maintenance of any sidewalk, paving or other permitted Improvement on the Utility Easements is the responsibility of the Owner. No buildings, decks, pools, or spas shall be constructed, reconstructed, or placed upon, over, or across the Utility Easements except with the consent of the Architectural Committee and of each utility company using such Utility Easement.

8. Repair and Maintenance. Article 6, Section 6.1 of the Declaration is modified to provide that as to the Milburn Property only, any of Milburn, Declarant, the Association, and the Architectural Committee shall have the right at any reasonable time to enter upon any Lot as provided in Section 7.4(c) of the Declaration, to replace, maintain, and cultivate shrubs, trees, grass, or other Landscaping as deemed necessary, and to paint, repair, or otherwise maintain any Improvements in need thereof, and may charge the cost thereof to the Owner of the Lot as provided in said Section 7.4(c).

9. Voting Rights. Article 7, Section 7.3(b) of the Declaration hereby is amended to provide that in addition to the votes to which Declarant is entitled by reason of Section 7.3(a) of the Declaration, for every one vote outstanding in favor of any other Person, Declarant and Milburn each shall have four (4) votes until the votes described in Subparagraph (a) of this Section which are owned by Persons other than Declarant or Milburn total, in the aggregate, eighty percent (80%) of the total number of votes. Thereafter, Declarant and Milburn shall have only the votes, if any, to which they may be entitled under Section 7.3(a).

10. Architectural Committee. As to the Milburn Property only, a separate architectural control committee (the "Milburn ACC"), initially comprised of Steve Herring, Terry Mitchell and Bill Peckman, shall be constituted. On the earlier of (i) the date Milburn no longer owns any portion of the Milburn Property, or (ii) the date the Milburn ACC votes to consolidate with the Architectural Committee described in the Declaration, the Milburn ACC shall cease to exist and the Architectural Committee described in the Declaration shall control architectural matters within both the Property and the Milburn Property. Prior to such consolidation, the term "Architectural Committee", when used with respect to matters affecting the Milburn Property, shall mean and refer only to the Milburn ACC. Milburn, and not Declarant, shall have the sole right to appoint and remove Voting Members of the Milburn ACC. Milburn may designate this right to the Board, in whole or in part, by written instrument. Plans and specifications to be submitted to the

Milburn ACC shall be submitted c/o Terry Mitchell, Continental Homes of Texas, L.P., 12554 Riata Vista Circle, 2nd Floor, Austin, Texas 78727.

11. Assessments. Article 9, Section 9.1(a) is modified to provide that no Assessments shall be levied against Declarant or Milburn.

12. Easements. Article 10 is modified to provide that solely with respect to the Milburn Property, the term "Declarant" when used in Article 10, shall mean Milburn.

13. Common Area. Article 11, Section 11.2 is modified to provide that solely with respect to the Milburn Property, Milburn and Declarant shall jointly designate additional Common Area to be conveyed to the Association from time to time hereafter.

14. Term. This Supplemental Declaration shall run concurrently with the Declaration, and shall automatically extend with each extension of the Declaration unless terminated in accordance with the provisions of Article 12, Section 12.1 of the Declaration.

15. Amendment. In lieu of the provisions of Article 12, Section 12.2, this Supplemental Declaration may be amended by Declarant and Milburn, acting jointly, so long as Declarant and Milburn jointly hold a majority of the votes of the Association (but no amendment by Declarant and Milburn shall be effective until there has been recorded in the Official Records of Williamson County, Texas, an instrument executed and acknowledged by Declarant and Milburn and setting forth the amendment). Alternatively, (i) Paragraphs 5 and 6 of this Supplemental Declaration may be amended by recording in the Williamson County Official Records an instrument executed and acknowledged by the President and Secretary of the Association, setting forth the amendment and certifying that such amendment has been approved by Owners of Lots within the Milburn Property who are entitled to cast at least eighty percent (80%) of the number of votes entitled to be cast by Owners of Lots within the Milburn Property pursuant to Section 7.3 of the Declaration, and (ii) the remainder of this Supplemental Declaration may be amended by recording in the Williamson County Official Records an instrument executed and acknowledged by the President and Secretary of the Association, setting forth the amendment and certifying that such amendment has been approved by Owners of all Lots within both the Property and Milburn Property who are entitled to cast at least eighty percent (80%) of the number of votes entitled to be cast by Owners of Lots within both the Property and the Milburn Property pursuant to Section 7.3 of the Declaration

16. Exemption of Milburn. Solely with respect to the Milburn Property, the term "Declarant" when used in Article 12, Section 12.5, shall mean Milburn and Declarant, jointly.

17. Assignment by Milburn. Milburn may assign, in whole or in part, any of its privileges, exemptions, rights, and duties under this Supplemental Declaration to any other Person and may permit the participation, in whole or in part, by any other Person in any of its privileges, exemptions, rights, and duties hereunder. Any such assignment by Milburn shall be effective only when an instrument executed and acknowledged by Milburn evidencing such assignment is recorded in the Official Records of Williamson County, Texas.

18. Compliance with Restrictions. Solely with respect to the Milburn Property, the term "Declarant" when used in Article 12, Section 12.8, shall mean Milburn.

19. No Warranty of Ability to Enforce. Solely with respect to the Milburn Property, the term "Declarant" when used in Article 12, Section 12.9, shall mean Milburn and Declarant, jointly.

20. Prior Supplemental Declaration. Milburn and Declarant expressly acknowledge and agree that this Supplemental Declaration replaces and supersedes in its entirety the Prior Supplemental Declaration, and the Prior Supplemental Declaration hereby is terminated, null and void for all purposes.

21. Ratification. Declarant hereby ratifies and confirms the Declaration in all respects. The Declaration, as modified herein, and this Supplemental Declaration both shall apply to, and govern development within, the Milburn Property. Milburn is executing this Supplemental to confirm its agreement that the Declaration, as modified by this Supplemental Declaration, shall apply to, and govern, the development of the Milburn Property.

IN WITNESS WHEREOF, Declarant and Milburn have executed this Declaration on the dates set forth below to be effective February 28, 2002.

DECLARANT:

RSRF FOREST OAKS, L.P., a California limited partnership

By: RSRF Company, LLC, a California limited liability company, General Partner

By: RS Real Estate Group, L.P., a Delaware limited partnership, Managing Member

Date:

2/28/02

By:



Blake J. Magee, Authorized Agent

MILBURN:

CONTINENTAL HOMES OF TEXAS, L.P., f/k/a Continental Homes of Austin, L.P., a Texas limited partnership d/b/a Milburn Homes

By: CHTEX of Texas, Inc., a Delaware corporation, its sole general partner

Date: 2/28/02

By: Norma L. Andrus
Name: Norma L. Andrus
Title: Asst. Secretary

THE STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

Before me, the undersigned authority, on this day personally appeared Blake J. Magee, Authorized Agent of RS Real Estate Group, L.P., a Delaware limited partnership, Managing Member of RSRF Company, LLC, a California limited liability company, General Partner of RSRF FOREST OAKS, L.P., a California limited partnership, and acknowledged to me that he executed the same on behalf of said limited liability company and limited partnerships.

Given under my hand and seal of office this 28th day of February, 2002.



Dawn Weil

NOTARY PUBLIC, State of Texas
Print Name: DAWN WEIL

My Commission Expires: 7/7/2002