

The Falls

Homeowners Association, Inc.
28295 IH 10 West, pmb 162 Boerne, Texas 78015
(830) 981-9022 tp. (830) 755-4312 fx

SCANNED

AMENDMENTS TO THE PUBLIC RESTRICTIONS OF THE FALLS @ FAIR OAKS RANCH

First Amendment as Presented by a vote at the General Meeting of the Homeowners' Association of The Falls @ Fair Oaks, Inc. on June 17, 2000.

The following amendments are made to the Restrictions of The Falls at Fair Oaks Ranch filed on February 23, 1995 in Book and page number: 95-0028642, with the County Clerk of Bexar County, Texas:

Section A, Paragraph (1) shall be amended to raise the minimum main dwelling living area, exclusive of porches, garages, and breezeways, from 2000 square feet to a minimum of 2500 square feet.

Section A, Paragraph (2) shall be amended to read: "All lots in the subdivision shall be used for residential purposes only. No residential building shall remain incomplete for more than nine (9) months after construction has commenced without cause. Construction time may be expanded upon notification to the Architectural Control Committee in three (3) month increments. The cost to the lot owner will be a \$75.00 fee per three month period.

Section A, (4) (b) shall be amended to read: All dwelling units hereafter constructed in such subdivision shall be construed in a good and workmanlike manner with the use of new materials and in such a way as to present a neat and attractive appearance in the area thereof, with it being specifically here provided that no houses or other structures shall be moved onto any lot in such subdivision, other than commercially constructed childrens' playhouses when approved by the ACC for size, location and color. Such request for approval must first be submitted to the ACC in writing with the appropriate plans and specifications.

Section A, Paragraph (8). The following sentence shall be added: "Propane tanks larger than twenty gallons must be below ground."

Section A, Paragraph (10), shall be amended to read: "No animals will be permitted on any lot in the subdivision except household pets (not to exceed two of any kind of animal nor a total of four), with it being specifically understood that no livestock of any type will be permitted on any part of the subdivision. Pets maintained outside a residence must be on a leash or under fence. Any outside pets creating a nuisance or disturbance to the community will not be allowed.

Section A, Paragraph (15). The following words shall be added: "or general retail type office or studio which is open for regular public visitation or sales."

*** Fair Oaks Ranch's Premier Neighborhood ***

Book 9432 Page 1085

The Falls
Home Owners Association, Inc.

28295 IH 10 West, pmb 162 Boerne, TX. 78006
830-981-9022 tp, 830-755-4312 fx

Section A, Paragraph (16). The following sentence shall be added: "The exception would be portable toilet facilities placed on a lot during the course of construction. Said placement must be approved by the ACC.

Section A, Paragraph (18), shall be amended to read: "All driveways and sidewalks must be paved in concrete with a pebble washed finish. Decorative borders of stone, brick, or other materials may be used if first approved by the ACC. Rear patios, decks and/or walkways may be pebble washed concrete, brick, stone, stamped concrete, wood, or other such treatments as may be approved by the ACC.

Section A, Paragraph (30) shall be amended to read: "Unless otherwise approved in writing by the ACC, that portion of the yard of each lot bounded by the street lot line, the side lot lines, and a line which is even with the back walls of the residence on such lot, shall be fully sodded and/or completely landscaped as designated in the ACC approved landscaping plan. Existing trees on each lot shall be preserved to the extent practicable. An underground sprinkler system is required.

Section A, Paragraph (31) shall be amended to read: "All lots shall have an individual mailbox that is constructed of similar masonry materials to match the masonry construction materials used in building the home on that particular lot, unless otherwise specified by the U. S. Postal Service. The design, structure and location of the mail box must be approved by the ACC.

Section B, Paragraph (3). The following words shall be added: "Upon the formation of The Homeowners' Association of The Falls, Inc. the ACC will be nominated on an annual basis by the Directors and Officers of the corporation. "

Anne H. Theroux
Stan Bilslund

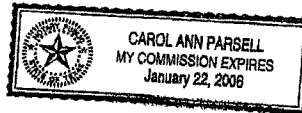
THE STATE OF TEXAS)
THE COUNTY OF GEXAR)

This instrument was acknowledged before me on June 14, 2002 by Anne H. Theroux, Stan Bilslund and O.F. Theroux for the purposes therein stated.

*After recording
mail to:*

*The Falls
Home Owners Association
28295 IH 10 West #272
Boerne, TX 78006*

Carol Ann Parsell
Carol Ann Parsell
NOTARY PUBLIC,
STATE OF TEXAS



Book 9432 Page 1086

THE ENDEAVOR GROUP, INC.,

TO THE PUBLIC

95- 0028642

RESTRICTIONS

THE FALLS @
FAIR OAKS RANCH

STATE OF TEXAS §

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF BEXAR §

THAT WHEREAS, The Endeavor Group Inc. ("Declarant"), is the owner of the land and premises known as The Falls @ Fair Oaks Ranch, Bexar County, Texas, described according to plat recorded in Volume 9531, Page 5, Plat Records of Bexar County, Texas, comprising 10.64 acres, more or less, and said tract of land and premises being herein referred to as "the subdivision;" and

WHEREAS, Declarant desires to subject such real property to the protective covenants, restrictions, reservations, liens, and easements hereinafter set forth for the benefit of such property and the present and future owners thereof;

NOW, THEREFORE, it is hereby declared that all of the property described above shall be held, sold, and conveyed subject to the following easements, restrictions, covenants, liens, and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with, the real property and shall be binding on all parties having any right, title, or interest in or to the above described property or any part thereof, and their heirs, successors and assigns, and which easements, restrictions, covenants, liens, and conditions shall inure to the benefit of each owner thereof, and in general, will insure the best use and most appropriate development of such subdivision:

I.

A. COVENANTS AND RESTRICTIONS

(1) Each of the lots in such subdivision shall hereafter be used only for the construction of one single family residence or main dwelling unit thereon, including other appurtenant structures permitted under the terms hereof, with it being intended that except as set out below no commercial use of any such lots shall be permitted and, specifically, that no sign shall be placed on any such lot indicating a commercial use thereof, and that such main dwelling units constructed on each lot shall contain at least 2,000 square feet of main dwelling living area, exclusive of porches, garages, and breezeways.

(2) All lots in the subdivision shall be used for residential purposes only. No residential building shall remain incomplete for more than nine (9) months after construction has commenced. Temporary use may be made of a house for builder's sales office, which shall be permitted until such house is sold, not to exceed nine (9) months in total from time of completion, provided such use is approved in writing by Restriction Committee.

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(3) Each lot improved with a residence must include an attached or detached garage large enough to accommodate under roof a minimum of two (2) full-sized automobiles. No garage shall be permanently enclosed for conversion to any other use. Open car ports are not permitted, unless special design circumstances warrant their use, in which case permission must be obtained in writing from the Restriction Committee.

(4) (a) Plans for all dwelling units must be submitted to the Restriction Committee for approval before construction on any such units may begin, in accordance with the provisions contained in Paragraph "B" below, entitled "Plans and Specifications."

(b) All dwelling units hereafter constructed in such subdivision shall be constructed in a good and workmanlike manner with the use of new materials and in such a way as to present a neat and attractive appearance in the area thereof, with it being specifically here provided that no houses or other structures shall be moved onto any lot in such subdivision, other than commercially constructed childrens' playhouses when approved by the Restriction Committee.

(5) The exterior walls of all one-story residential buildings, and the lower story of all two-story residential buildings, shall be constructed with masonry, rock, stucco, or brick. Window and door openings shall be included as masonry. Notwithstanding the foregoing, the Restriction Committee is empowered to waive this restriction if, in its sole discretion, such waiver is advisable in order to accommodate a unique or advance building concept, design or material, and the resulting structure will not detract from the general appearance of the neighborhood. Wall materials used on all lots shall be restricted to those types and colors approved by the Restriction Committee. All roofing shall be tile. The exterior of all chimneys shall be 100% masonry of a type and color matching that of the exterior walls of the house.

(6) All main dwelling units (including patios) constructed in the subdivision shall be set back at least 20 feet from the front property line of each lot in the subdivision and shall be set back at least five (5) feet from the side and rear lot lines (both property lines on street-sides of corner lots shall be considered "front property lines" for the purposes of setbacks). On golf course fairway lots, beginning at the golf course property line, no structures of any type, including, but not limited to, patios, decks, gazebos, swimming pools, private golf cart paths, or fences (except the subdivision fence) shall be constructed within 30 feet of the back property line. All such improvements on any lot in the subdivision must face on the street upon which such lot fronts, subject however to any variances thereto as may be granted in writing by the Restriction Committee thereafter provided for.

(7) No trailer house or mobile home shall be permitted on any lot in the subdivision, with the exception that one vacation type mobile home or other type of recreational vehicle may be parked in the rear of a main dwelling unit in the subdivision, provided it is not used as living quarters and provided, it is kept in a closed garage or other enclosed area approved by the Restriction Committee that is not visible from the golf course fairways, streets, or adjoining property. It is prohibited to park a trailer house, mobile home, motor home, camper, any other type of recreational vehicle or boat on the streets in the subdivision or in front of any dwelling unit. It is also prohibited to park such vehicles or boats in such a manner as to be visible from the streets or golf course fairways. All such recreational vehicles, mobile homes, or boats must be kept in closed garages or other enclosed areas approved by the Restriction Committee.

VOL 6350 PG 0028

(8) Any fuel, oil, propane, or butane tanks shall be located so as not to be visible from the golf course fairways or from the streets in the subdivision.

(9) No fences shall be constructed within the 30-foot setback line of the back lot line of all golf course fairway lots. All fencing shall be constructed of wood, stone, or brick, unless otherwise approved by the Restriction Committee. Only fences constructed of quality materials and good workmanship will be allowed. ALL FENCES MUST BE APPROVED BY THE RESTRICTION COMMITTEE PRIOR TO CONSTRUCTION, BOTH AS TO QUALITY OF MATERIALS AND AS TO CONSTRUCTION, AS WELL AS, THE LOCATION THEREOF.

(10) No animals will be permitted on any lot in the subdivision except household pets, with it being specifically understood that no livestock of any type will be permitted on any part of the subdivision. Pets maintained outside of a residence must be on a leash or under fence.

(11) No firearms shall be discharged nor shall any hunting be done with any type of weapon within the subdivision.

(12) No part or portion of the subdivision shall be used as a junk yard or as an area for the accumulation of scrap or used materials and no part of the subdivision shall be used for any purpose that is obnoxious or offensive to the owners of other lots in the subdivision, nor shall anything be done in the subdivision that becomes an annoyance or nuisance to the owners of other lots in the subdivision.

(13) Easements for the installation and maintenance of utilities and drainage facilities are reserved as shown on the recorded plat. No utility company, water district, political subdivision, or other authorized entity using the easements herein referred to shall be liable for any damage done by them or their assigns, agents, employees, or servants to property of the owner situated within such easement. Wherever utility easements are shown and the owner constructs a fence over said easement, the owner shall construct a gate over said easement to allow access by the authorized entity using said easements. ALL UTILITIES SHALL BE PLACED UNDERGROUND; NO POLES, OVERHEAD LINES, OVERGROUND PIPES, OR CONDUITS ARE ALLOWED.

(14) No garbage or other waste shall be kept except in sanitary containers. No garbage containers shall be visible from the street or golf course fairways, except on the regular garbage pick up day.

(15) No professional, business, or commercial activity to which the general public is invited shall be conducted on any lot except a builder's speculative home used for sales purposes as provided for elsewhere in these restrictions.

(16) (a) No outside toilets or privies shall be permitted on any lot. All toilet facilities, kitchen sinks, washing machines, bathroom drains, etc., shall be connected to the central sewage system provided by Elkhorn Company, Inc.

(b) Homeowners who have private swimming pools are required to coordinate with the sanitation plant management prior to draining the pool into the central sewer system.

(17) The drilling of water wells on any lot is prohibited.

(18) All driveways must be paved with concrete.

(19) Any exterior lighting and particularly with reference to security or trouble lights such as those normally installed by CPSB or purchased by individuals, should be installed in such a manner as not to create a horizontal exposure but rather to be shielded in order to cast light upwards or downwards in a manner not to create problems for neighboring lots or the neighborhood generally.

(20) Ham radio antennas, outside television antennas, earth satellite stations ("dish antennas"), or other similar high towers or antennas shall not be allowed on any lot without prior written approval of the Restriction Committee.

(21) All property owners are required to maintain their lots, whether vacant or occupied, so as to not become overrun with tall grass, heavy brush, rubbish, or trash. If, in the opinion of the Restriction Committee, any property owner's lot becomes so overrun with tall grass, brush, rubbish, or trash so as to cause a nuisance in the subdivision, both The Falls @ Fair Oaks Ranch Homeowners Association and the Fair Oaks Ranch Homeowners Association are authorized to clean up said lot at the expense of the property owner. If said cleaning fee is not paid within 60 days from the date of said cleanup, the expense of the cleanup will become a lien on the property in favor of the Homeowners Association cleaning up the lot until paid.

(22) Nothing shall be done or kept on any lot in the subdivision which would increase the rate of insurance or cause the cancellation of insurance on any lot or any of the improvements located thereon without the prior written approval of the Restriction Committee.

(23) No lot 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 Restriction Committee.

(24) No improvements shall hereafter be constructed upon any of the lots in the subdivision without prior written approval of the Restriction Committee. Any construction, other than normal maintenance, which in any way alters the exterior appearance of any improvement, or the removal of any improvements, shall be performed only with the prior written approval of the Restriction Committee.

(25) No article deemed to be unsightly by the Restriction Committee shall be permitted to remain on any lot so as to be visible from the golf course fairways, adjoining property, or public or private streets. Without limiting the generality of the foregoing, trailers, graders, trucks larger than three-quarter ton, boats, tractors, campers, wagons, buses, motorcycles, motor scooters, outdoor playsets, swingsets, basketball goals, and garden maintenance equipment shall at all times, except when in actual use, be kept in enclosed structures or screened from 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. Service areas, storage areas, compost piles, and facilities for hanging, drying, or airing clothing or household fabrics shall be appropriately screened from view and no lumber, grass, plant waste, shrub or tree clippings, metals, bulk materials or scrap, refuse or trash shall be kept, stored or allowed to accumulate on any

YOL 6350 PG0030

portion of the lot except within enclosed structures or appropriately screened from view.

(26) Each owner shall keep all shrubs, trees, grass, and plantings of every kind on such owner's lot cultivated, maintained, pruned, and free of trash and other unsightly material. Declarant, The Falls @ Fair Oaks Homeowners Association, and the Restriction Committee shall have the right, at any reasonable time, to enter upon any lot to replace, maintain, and cultivate shrubs, trees, grass, or other plantings located thereon, and to charge the cost thereof to the owner of the lot.

(27) Declarant has no reason to believe that any of the restrictive covenants or other terms and provisions contained in this Declaration are or may be invalid or enforceable for any reason or to any extent; however, Declarant makes no warranty or representation as to the present or future validity or enforceability of any such restrictive covenants, terms, or provisions. Any owner acquiring a lot in reliance on one or more of such restrictive covenants, terms, and provisions shall assume all risks of the validity and enforceability thereof and, by acquiring the lot agrees to hold Declarant, its agents, and attorneys harmless with respect thereto.

(28) No tree with a circumference larger than twenty-eight (28) inches as may be removed from any lot or destroyed without the prior written consent of the Restriction Committee. For the purpose of determining the size of the tree, the circumference will be measured one foot above the average natural level of the ground at the base of the tree, and the Restriction Committee ruling with respect to any tree is final and binding on all parties. No concrete, asphalt, or impervious cover of any kind shall be placed within the drip line of any tree twenty-eight (28) inches or larger in circumference without the prior written consent of the Restriction Committee. The drip line is defined as the line on the ground directly below the farthest extremities of the branches of the tree. The Restriction Committee's determination of the location of the drip line shall be final and binding on all parties. Parking areas located within the drip line of any tree twenty-eight (28) inches larger in circumference shall be constructed of a pervious or porous cover such as porous asphalt, grass crete, or other similar material, unless the use of other materials is approved in writing by the Restriction Committee prior to construction.

(29) All construction must conform to plans and specification approved in writing by the Restriction Committee.

(30) Unless otherwise approved in writing by the Restriction Committee, that portion of the yard of each lot bounded by the street lot line, the side lot lines, and a line which is even with the back walls of the residence on such lot, shall be fully sodded contemporaneously with the completion of improvements on such lot. Existing trees on each lot shall be preserved to the extent practicable. An underground sprinkler system is required.

(31) All lots shall have an individual mailbox that is constructed of similar masonry materials to match the masonry construction materials used in building the home on that particular lot, unless otherwise specified by the U.S. Postal Service.

YOL 6350 PG0031

(32) The subdivision shares a common boundary line with the Raintree Woods Subdivision. There is a fence located on this boundary line which is maintained by the lot owners of the Raintree Wood Subdivision. If the fence is not maintained by the lot owners of the Raintree Woods Subdivision, the Raintree Wood Restriction Committee has the right to repair the fence. Declarant grants the Raintree Woods Restriction Committee and the Raintree Woods Homeowners Association a ten foot (10') wide easement along the rear property lines of all lots in the subdivision that adjoin Raintree Woods Subdivision. This easement shall be solely for the purposes of maintaining and repairing the fence.

B. PLANS AND SPECIFICATIONS

(1) PRIOR TO THE CONSTRUCTION OF ANY SINGLE FAMILY DWELLING UNIT, FENCES, OTHER BUILDING, OR OTHER IMPROVEMENT IN THE SUBDIVISION, A COMPLETE SET OF PLANS AND SPECIFICATIONS MUST BE SUBMITTED, FOR REVIEW AND APPROVAL OF THE RESTRICTION COMMITTEE. The plans and specifications must state the total living area available in each single family dwelling unit, exclusive of garages, porches, and breezeways. In addition, a plot plan must be submitted which shows all elevations, with the locations of each building with reference to front, side, and rear setback lines, and which shows all utility, drainage, and other easements affecting said lot. The plot plan must also show the location of all trees on the lot and shall designate which trees will be destroyed by the proposed improvements. Each set of plans and specifications must contain a landscape design plan prepared by a landscape architect approved by the Restriction Committee. The Restriction Committee may require a minimum dollar amount to be budgeted and spent on landscaping on each lot. The Restriction Committee shall have the right to adopt procedural and substantive rules as it deems necessary or proper for the performance of its duties as long as these rules do not conflict with these restrictions.

(2) Failure to receive a response from the Restriction Committee within thirty (30) days from the date of submission will constitute approval of said plans and specifications.

(3) The original Restriction Committee will consist of three persons nominated by Fair Oaks 1000 Acre Joint Venture and two persons nominated by Declarant until ten (10) homes are completed in the subdivision, after which the members of the Restriction Committee will consist of three persons nominated by Declarant and two persons nominated by the Fair Oaks 1000 Acre Joint Venture.

C. RESTRICTION COMMITTEE

(1) All architecture, plans, and buildings in the subdivision shall comply with all applicable laws and building codes, as well as, with general and special restrictions herein, and any variances therefrom shall be subject to the approval of the Restriction Committee.

(2) The Restriction Committee retains the right in furtherance of a uniform plan for the development of the subdivision as a high class residential subdivision to execute amendments to and grant variances from these restrictive covenants and use limitations, provided they, in the exercise of their best judgment and discretion, are of the opinion that any such amendments or variances would be in furtherance of the uniform plan for the development of the subdivision. The Restriction Committee shall also perform all of the other duties and obligations imposed upon it

under the provisions hereof. On or before July 1, 2002, the Declarant will appoint five property owners in the subdivision (or delegate such duties to a "Master Committee" for the Fair Oaks Ranch Subdivision, if one exists) to serve as the Restriction Committee from and after such date until their successors are duly elected. This appointment shall be evidenced by an instrument recorded in the Deed Records of Bexar County, Texas. Such Restriction Committee, including any additional members thereof as hereinafter provided for, shall be vested with all of the duties, powers, prerogatives, and discretions herein conferred upon the original Restriction Committee. Any vacancies in such Restriction Committee by death, resignation, or otherwise (it being understood that, excepting the Fair Oaks 1000 Acre Joint Venture, the sale by any member of the Restriction Committee of all of his property in the subdivision will, for purposes hereof, be construed as a resignation by him from the Restriction Committee), will be filled by the remaining members of the Restriction Committee by recordable instrument filed in the Deed Records of Bexar County, Texas. Notwithstanding the foregoing, however, it is expressly understood that any time after July 1, 2002, the then owners of a majority of the lots in the subdivision, with any husband and wife being considered as one owner, may by instrument in writing filed in the Deed Records of Bexar County, Texas, elect a five member Restriction Committee for the subdivision and any committee so appointed shall thereafter be vested with all of the duties, powers, discretions, and prerogatives of the original Restriction Committee. The Restriction Committee may by letter delivered to the party involved grant variances from any one or more of the above recited limitations and restrictions insofar, and only insofar, as they pertain to individual lots in the subdivision. Any amendments to or variances from such limitations and restrictions made or granted by the Restriction Committee pertaining to all of the lots in the subdivision may be made only by appropriate written instrument filed in the Deed Records of Bexar County, Texas. In connection with the foregoing, however, it is accordingly here provided that the Restriction Committee shall have no power or authority to grant variances from or amendments to such limitations and restrictions which would permit the use of any lot in the subdivision for commercial purposes, except for a temporary sales office used for original sales of lots or homes by Declarant, or its authorized agents.

D. HOMEOWNERS ASSOCIATIONS

(1) All lot owners shall become and continue to be members of both the Fair Oaks Ranch Homeowners Association and The Falls @ Fair Oaks Ranch Homeowners Association and agree to comply with their governing articles, the purposes of which are to provide various services and facilities for the use and benefit of the property owners, and all lot owners agree to accept these memberships and to perform and be bound by the obligations, terms, and conditions of membership in both Homeowners Associations in accordance with their duly provided charters, by-laws, and resolutions.

E. COMMON AREAS

(1) "Common Areas" shall mean all property owned by The Falls Association for the common use and enjoyment of the lot owners in the subdivision. The Declarant will convey lots 994, 995, and 997 to The Falls Association and they will become "Common Areas". The conveyance of lots 994, 995, and 997 shall be subject to all easements, encroachments, reservations, restrictions, conditions, and other matters effecting them that are shown in the Real Property Records and Map and Plat Records of Bexar County, Texas, including without limitation, those shown on the plat of the subdivision. The Falls Association will accept the conveyance of these lots from the Declarant.

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(2) Every lot owner in the subdivision shall have a right and easement of enjoyment in and to the Common Areas which shall be appurtenant to and pass with the title to every lot, subject to all easements reflected on the plat of the subdivision and the right of The Falls Association to dedicate or transfer all or any part of the Common Areas to any public agency, authority, or utility for such purposes and subject to such conditions as The Falls Association deems appropriate.

(3) Every lot owner in the subdivision shall have the right to use lot 997 for purposes of ingress and egress from the owner's lot to and from Fair Oaks Parkway.

F. ASSESSMENTS

(1) The Falls @ Fair Oaks Ranch Homeowners Association (which is referred to in this Paragraph E. as "The Falls Association") may, from time to time, levy assessments against each lot within the subdivision for the purposes authorized by these restrictions. No assessments shall be levied against any lot owned by The Falls Association. The amount of the assessments shall be equal and uniform between all lots in the subdivision except those owned by The Falls Association. Assessments may be levied for the following purposes: improving and maintaining the Common Areas, including without limitation, lots 994, 995, and 997 and the front fence and gate; maintaining vacant lots in a subdivision; control and security services; street lighting; payment of utility services in connection with the Common Areas; maintaining the landscaping of the front and side yards of all lots in the subdivision; maintain the landscaping on lot 996, if it is not maintained by its owner; and the administration, interpretation, and enforcement of these restrictions, including without limitation, management fees, accounting fees, court costs, and attorney's fees. Lot 996 is not subject to any maintenance fees or assessments.

(2) All assessments that are not paid when due shall bear interest at the rate of ten percent (10.00%) per annum or at a greater rate as set by The Falls Association, provided the rate shall not exceed the maximum nonusurious rate of interest allowed by law. Each unpaid assessment, together with interest thereon and all costs of collection, as hereinafter provided, shall be the personal obligation of the owner of the lot against which the assessment was levied. The Falls Association may enforce payment of the assessment in accordance with the provisions of these restrictions. To secure the payment of all assessments, a vendor's lien is hereby retained on each lot in favor of The Falls Association and it shall be the same as if a vendor's lien was retained in favor of Declarant and assigned to The Falls Association, without recourse, in any manner on Declarant for payment of any such assessment. This lien shall be enforceable in the manner provided in Section 51.002 of the Texas Property Code, as hereafter amended. This lien shall be junior, subordinate, and inferior to any first or second lien mortgage (all renewals and extensions thereof) granted by the owner of any lot to secure the repayment of sums advanced for the purchase price of the lot or any permanent improvements constructed thereon.

(3) The Falls Association shall establish a maintenance fund in which all monies (including assessments) paid to The Falls Association shall be deposited and from which disbursements shall be made in performing the functions of The Falls Association under these restrictions. The funds of The Falls Association shall be used solely for the purposes authorized by these restrictions, as they may from time to time be amended.

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(4) Prior to the beginning of each calendar year, The Falls Association shall estimate the expenses to be incurred by it during the next year in performing its functions under these restrictions; including without limitation, the cost of providing funds for contingencies and appropriate replacement reserves. Assessments sufficient to pay such estimated expenses shall then be levied as herein provided, and the amount of assessments set by The Falls Association shall be final and binding so long as it is made in good faith. If the sums collected pursuant to such levy are inadequate for any reason, including non-payment of any individual assessments, The Falls Association may, levy further assessments in the same manner as described above. All such regular assessments shall be due and payable to The Falls Association in equal monthly installments on or before the first day of each month or in such manner as the board may designate in its sole and absolute discretion.

(5) In addition to the regular annual assessments described above, The Falls Association may levy special assessments whenever, in The Falls Association's opinion, such special assessments are necessary to enable The Falls Association to carry out its functions under these restrictions. The amount of any special assessments shall be at the reasonable discretion of The Falls Association.

G. DURATION AND AMENDMENT

(1) The covenants, conditions, and restrictions of this declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Fair Oaks 1000 Acre Joint Venture, or any one or more of the owners of any lots subject to the restrictions in this declaration, and their respective legal representatives, heirs, successors, and assigns. It is further expressly understood that Declarant, Fair Oaks 1000 Acre Joint Venture, or any one or more of the owners of properties in the subdivision shall have the right to enforce the restrictive covenants and use limitations herein provided for on the subdivision by injunction in order to prevent a breach thereof or to enforce the observance thereof, which remedy however, shall not be exclusive and the Declarant, the Restriction Committee, or any other person or persons owning property in said subdivision injured by virtue of the breach of the restrictions and use limitations herein provided for on the subdivision shall accordingly have their remedy for the damages suffered by them as a result of any breach, and in connection therewith, it is understood that in the event of a breach of these restrictions and use limitations by the owner or any lot or lots in the subdivision it will be conclusively presumed that the other owners of lots in the subdivision have been injured thereby. It is further expressly understood that the Declarant shall continue to have the right to enforce such restrictive covenants and use limitations after all property has been sold by the Declarant but shall have no obligation to do so.

(2) It is understood that all expenses, attorneys fees, and court costs incurred in connection with the enforcement of such restrictive covenants and use limitations shall be borne by the party or parties seeking to enforce the same; and that neither the Declarant nor the Restriction Committee shall have any obligation to bear such expense, although they may contribute such expense if they so desire.

(3) The covenants, conditions, and restrictions herein shall be effective until September 1, 2030, after which time said covenants, conditions, and restrictions shall be automatically extended for successive periods of ten years, unless by a vote of three-fourths of the owners of lots in the subdivision, with each lot in the subdivision having one vote, taken prior to September 1, 2030, or

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of any current extended period, and filed for record in the Deed Records of Bexar County, Texas, it is agreed that these restrictive covenants and use limitations shall terminate as to the subdivision on September 1, 2030, or current extended period.

(4) Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions, and all other provisions shall remain in full force and effect. Failure to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

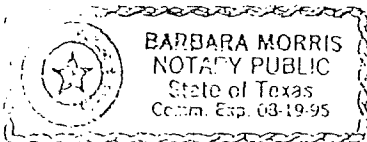
EXECUTED this 22nd day of February, 1995.

THE ENDEAVOR GROUP, INC.

By: [Signature]
Name: OMER F. THEBOUX
Title: Vice President

STATE OF TEXAS § (Corporate Acknowledgement)
COUNTY OF BEXAR §

This instrument was acknowledged before me on the 22 day of February, 1995, by Omer F. Theboux, Vice President of THE ENDEAVOR GROUP, INC., a corporation, on behalf of said corporation.



[Signature]
Notary Public

RATIFICATION BY LIENHOLDER

Fair Oaks 1000 Acre Joint Venture is the owner and holder of the following described liens covering the subdivision: Vendor's lien retained in Deed dated June 24, 1994 from Ralph E. Fair, Inc. recorded in Volume 6120, Page 922, Real Property Records of Bexar County, Texas and a Deed of Trust dated the same date recorded in Volume 6120, Page 933 of the Real Property Records of Bexar County, Texas. Fair Oaks 1000 Acre Joint Venture does hereby ratify and confirm the foregoing Restrictions of The Falls @ Fair Oaks Ranch and adopts and in all things confirms the dedication of the easements as shown on the Plat of the subdivision of record in Volume 9531, Page 5, Plat Records of Bexar County, Texas.

VOL 6350 PG 036

Dated February 22, 1995.

FAIR OAKS 1000 ACRE JOINT VENTURE

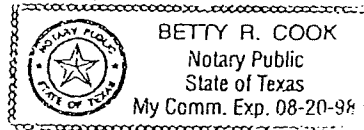
By: Ralph E. Fair, Inc. by Robert J. Weiss, Jr.
Name: ROBERT J. WEISS, JR.
Title: PRESIDENT

STATE OF TEXAS §
COUNTY OF BEXAR §

(Acknowledgement)

This instrument was acknowledged before me on the 23rd day of February, 1995, by Robert J. Harrison, Jr., president of FAIR OAKS 1000 ACRE JOINT VENTURE, a joint venture, on behalf of said joint venture.

Betty R. Cook
Notary Public



*Rec'd by Security Title Co
C/O Iron Contractors*

Filed for Record in:
BEXAR COUNTY, TX
GERRY KECKHOFF, COUNTY CLERK

On Feb 23 1995

At 4:23pm

Receipt #: 111223
Recording: 23.00
Doc/Mgt: 5.00

Doc/Num : 95- 0026642

Deputy -Janie Sanchez

Any provision herein which restricts the sale, rental, or use of the described real property because of race is invalid and unenforceable under Federal Law.
STATE OF TEXAS, COUNTY OF BEXAR
I hereby certify that this instrument was FILED in File Number Sequence on this date and at the time attempted hereon by me and was duly RECORDED in the Official Public Record of Real Property of Bexar County, Texas on:

FEB 23 1995



Gerry Keckhoff
COUNTY CLERK BEXAR COUNTY, TEXAS

VOL 6350 PG 0037