

**FIRST AMENDMENT TO THE DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS OF PARK LAKE TOWNHOMES**

This First Amendment (the "First Amendment") to the Declaration of Covenants, Conditions and Restrictions of Park Lake Townhomes is made by HOUSTON PARK LAKE ASSOCIATES LIMITED, a Texas Limited Partnership (the "Declarant") and by Park Lake Townhomes Association, Inc., a Texas non-profit corporation (the "Association").

RECITALS

A. On July 16, 1997, Declarant recorded the Declaration of Covenants, Conditions and Restrictions of the Park Lake Townhomes (the "Declaration") in the Office of the County Clerk of Fort Bend County, Texas, under Clerk's File No. 9743919, which Declaration was recorded against a 5.9535 acre tract of land, being the remainder of the Park Lake Condominium Fourplex, as recorded on Slide No. 615A of the Plat Records of Fort Bend County, Texas.

B. On January 15, 1999, a replat of the Park Lake Townhomes was recorded in the Office of the County Clerk of Fort Bend County, Texas, on Slide No. 1815A of the Plat Records of Fort Bend County, Texas, and under Clerk's File No. 99004006. The replat is called the Replat of a 5.9537 acre tract out of the Park Lake Condominium Fourplex. All references within this First Amendment to the "Property" shall refer to the real property described and shown on the said Replat recorded January 15, 1999.

C. Since recording the Declaration originally, Declarant has sold 22 of the Lots, which sold Lots are described on Exhibit "C" attached hereto and incorporated herein by reference. Declarant is the owner of all other Lots located on the Property. By Special Warranty Deed dated November 4, 1999, which Special Warranty Deed was recorded on November 30, 1999 in the Office of the County Clerk of Fort Bend County, Texas, under Clerk's File No. 1999102931, Declarant conveyed the Common Area, as that term is defined in the Declaration, to Park Lake Townhomes Association, Inc., a Texas non-profit corporation. The Special Warranty Deed was re-recorded as a Correction Special Warranty Deed in the Office of the County Clerk of Fort Bend County, Texas under Clerk's File No. 2000 005513. In the Correction Special Warranty Deed, Declarant modified and corrected Exhibit "A" and Exhibit "B" which were attached to the Deed.

D. Declarant now desires to make certain amendments and modifications to the Declaration, in order to further provide for the preservation of values and amenities on the Property, and subject such Property to the covenants, restrictions, easements, charges and liens hereinafter set forth, each and all of which is and are for the benefit of the Property and for the benefit of each owner of a Lot on the Property. The amendments described herein shall assist Declarant in creating and carrying out a

uniform plan for the improvement, development and sale of Lots on the Property for the benefit of existing and future owners of a Lot on the Property.

NOW, THEREFORE, Declarant hereby declares that (i) the Property, the Lots and the improvements located thereon shall be held, sold and conveyed subject to the following amended restrictions, covenants, and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with, the Property and be binding on all parties having any right, title or interest in the Property or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof; and (ii) that each deed or other instrument which may hereafter be executed conveying all or any part of the Property shall conclusively be held to have been executed, delivered and accepted subject to the following amended covenants, conditions and restrictions regardless of whether or not the same are set out or referred to in said deed or other instrument. To the extent of a difference or a conflict between the terms and provisions of Declaration, and the terms and provisions of this First Amendment, the terms and provisions of this First Amendment shall control. Otherwise, the terms and provisions of Declaration shall remain the same.

FIRST AMENDMENT

1. The definition of "Common Area" found in Section 1.5 of the Declaration is deleted, and the following definition shall be substituted in its place:

1.5 "Common Area" shall mean that certain 5.9537 acre tract of land which is more particularly described on Exhibit "A" attached hereto SAVE AND EXCEPT those certain Lots described on Exhibit "B" attached hereto and incorporated herein by reference. Therefore, the Common Area shall consist of the Property as described in amended Section 1.11 below SAVE AND EXCEPT the Lots as described in amended Section 1.8 below. There shall be created as easement of enjoyment in and to the Common Area for ingress and egress for each Owner as more fully described herein, which Common Area shall be maintained by the Association.

2. The definition of "Lot" or "Lots" found in Section 1.8 of the Declaration is hereby deleted, and the following definition of "Lot" or "Lots" shall be substituted in its place:

1.8 "Lot" or "Lots" shall mean and refer to the individual Lot or Lots which are shown on the most recent plat of the Property, which was recorded on January 15, 1999 on Slide No. 1815A of the Plat Records of Fort Bend County, Texas, which plat is a replat of a 5.9537 acre tract out of the Park Lake Condominium Fourplex. The lots shown on the plat recorded on January 15, 1999 are also listed on Exhibit "B" attached hereto and incorporated herein by reference.

3. The definition of "Property" or "Properties" found in Section 1.11 of the Declaration is hereby deleted, and the following definition of "Property" or "Properties" shall be substituted in its place:

1.11 "Property" or "Properties" shall mean and refer to that certain 5.9537 acre tract of land, being a Replat of a 5.9537 acre tract out of the Park Lake Condominium Fourplex, which Replat was recorded on January 15, 1999 on Slide No. 1815A of the Plat Records of Fort Bend County, Texas, and being more particularly described by metes and bounds on Exhibit "A" attached hereto and incorporated herein by reference.

4. Section 3.3 of the Declaration, entitled "Conveyance of Common Area", is amended and modified to read as follows:

3.3 Conveyance of Common Area. The Common Area has been conveyed by the Declarant to the Association free and clear of all encumbrances in order that the Department of Housing and Urban Development and/or the Veterans Administration may insure first lien mortgages upon Lots on the Property.

5. Section 4.2 of the Declaration provides for two classes of voting membership, Class A and Class B. The Class B membership shall cease and be converted to Class A membership upon the happening of certain events, as described in Section 4.2 of the Declaration. According to Section 4.2, the Class B membership ceased on December 31, 1999. The Declarant now desires to reinstate the Class B membership by modifying and extending the date upon which the Class B membership will cease. The Class B membership is hereby reinstated. The date of December 31, 1999, as found in subsection (b) of Section 4.2 of the Declaration, is hereby modified and amended to December 31, 2003. All other provisions of Section 4.2 shall remain the same.

6. Section 5.3 of the Declaration, entitled "Basis and Maximum Annual Assessment", is amended and modified in its entirety, and the following Section 5.3 shall be substituted in its place:

5.3 Basis and Maximum Annual Assessment. The annual maintenance assessment shall be established by the Board based upon whether the townhome unit constructed on the Lot is a two-bedroom or a three-bedroom unit, the amount of current maintenance costs and expenses of the Association, ad valorem taxes assessed against the Common Area, and projected costs and expenses to be incurred in the future, except that insurance and utility charges on an Owner's Townhome unit shall be calculated separately pursuant to Article XI hereof. Although insurance and utility charges on an Owner's Townhome unit shall be calculated separately from annual maintenance assessments, such annual maintenance assessments, Special Assessments, repair assessments, insurance and utility charges may be billed together to Members of the Association. The annual maintenance assessment for 1997, which shall be payable to the Association in equal monthly installments, prorated to the date of purchase of a Lot, shall be due and payable monthly on the first day of each month after the date of purchase, in an amount not to exceed \$160.00 per month for each Lot upon which is constructed a two-bedroom townhome unit, and in an amount not to exceed \$190.00 per month for each Lot upon which is constructed a three-bedroom townhome unit, through the end of year 2000. A description of those Lots upon

which are constructed two-bedroom townhome units, and those Lots upon which are constructed three-bedroom townhome units, is on Exhibit "B" which is attached hereto and incorporated herein by reference. The annual maintenance assessment for 1998 and subsequent years, and projected insurance and utility costs, prorated (where applicable) to the date of purchase of a Lot, shall be payable to the Association in equal monthly installments on the 1ST day of each month. For the annual assessment period beginning January 1, 2001, and for each subsequent annual assessment period, the maximum annual assessment may be increased by the Board of Directors, effective January 1 of each year, in conformance with the rise, if any, in the Consumer Price Index (published by the Department of Labor, Washington, D.C.) for the preceding month of July or alternatively, by an amount not to exceed a ten percent (10%) increase over the prior year's annual assessment, whichever is greater, without a vote of the members of the Association. For the annual assessment period beginning January 1, 2001, and for each subsequent annual assessment period, the maximum annual assessment may be increased above that established by the Consumer Price Index formula or the ten percent (10%) increase described above, only by approval of two-thirds (2/3) of the Members of the Association voting (in person or by proxy) at a meeting called for that purpose at which a quorum is present. The annual maintenance assessment levied against each Lot upon which is constructed a two-bedroom townhome unit shall be uniform. Likewise, the annual maintenance assessment levied against each Lot upon which is constructed a three-bedroom townhome unit shall be uniform. Maintenance assessments shall be calculated on an annual basis, but shall be paid in twelve equal monthly installments on the first day of each calendar month beginning on the dates described above.

7. Section 5.4 of the Declaration, entitled "Determination of Annual Assessment", is amended and modified in its entirety, and the following Section 5.4 shall be substituted in its place:

5.4 Determination of Annual Assessment. The annual maintenance assessment and projected insurance and utility costs for 1997 shall be established and calculated based upon the projected expenses of the Association for the balance of calendar year 1997. The annual maintenance assessment for each subsequent year shall be calculated by the Board of Directors by November 30, based upon all projected costs and expenses for the subsequent year. For the annual assessment period beginning January 1, 2001, and for subsequent annual assessment period, the annual maintenance assessment for the year in question shall be calculated by November 30 of the preceding year, in the manner described in Section 5.3 above, subject, however, to the limitation on increase for the assessment periods beginning January 1, 2001 as set forth in Section 5.3. Written notice of the figure which the Board of Directors of the Association has set for the annual maintenance assessment for the subsequent annual assessment period shall be sent to every Owner by December 15 of each year.

8. Subsection "B" of Section 5.10, entitled "Property Exempt From Lien", is hereby deleted in its entirety and modified to read as follows:

(b) All Lots within the Property owned by Declarant, until December 31, 2002, after which Declarant shall begin paying the applicable assessments for any Lots within the Property still owned by Declarant.

9. Section 9.8 of the Declaration, entitled "Antenna", is deleted in its entirety, and the following Section 9.8 shall be substituted in its place:

9.8 Antenna. The Declarant acknowledges that the Federal Communications Commission ("FCC") has adopted rules which preempt certain community association restrictions on the installation, maintenance and use of direct broadcast satellite antenna, television broadcast antenna and multipoint distribution service antennas (the "Covered Antennas"). Generally, an antenna shall be deemed to be any device used for the transmission and receipt of video, audio, digital or analog signals, including direct broadcast satellite (DBS) signals, television broadcast signals and multipoint distribution service (MDS). The mast, cabling, supports, guy wires, conduits, wiring, fasteners or other accessories necessary for the proper installation, maintenance and use of an antenna shall be considered part of the antenna. The Board of Directors of the Association shall adopt reasonable restrictions, rules and regulations governing the installation, maintenance and use of Covered Antennas which reasonably benefit the Association and Owners of Lots, and which restrictions are consistent with the FCC's Over the Air Reception Devices (OTARD) Rule. The restrictions, rules and regulations governing Covered Antennas shall address such issues as antenna size and type, installation and placement rules, maintenance requirements, camouflaging, recommendations for mast installation, safety, removal and reasonable requirements for notice to the Association if an antenna is to be installed. The Board of Directors may adopt such other rules and regulations as it deems reasonably necessary for the protection of the Association and its Owners, and in order to be in compliance with state and federal laws and regulations concerning antennas on the Property or on a Lot.

10. The following additional provisions are added to Section 9.13, entitled "Fences", of the Declaration, as follows:

The Association, or its duly authorized managing agent, shall at least annually inspect the fences which are on the perimeter of the Property, and make necessary repairs to the fences as may be reasonably necessary. In the year 2015, and every fifteen (15) years thereafter, the wood fence on the southern perimeter of the Property, and the wood fence on the northern perimeter of the Property, shall be replaced. All repairs and replacement of fences which are on the perimeter of the Property, or which are on the Common Area, shall be paid for from either the annual maintenance charge assessed against each Lot, or from Special Assessment as provided for in Section 5.5 of the Declaration, as may be determined by the Board of Directors.

11. The following Section 9.16, entitled "Garage Doors", is added to Article IX of the Declaration, as follows:

9.16 Garage Doors. The garage of each Townhome unit shall have a sixteen foot by seven foot (16' x 7') eight panel steel garage door with no windows, in a design and quality similar to the Heritage III garage door manufactured by Amarr Garage Doors. The reference to Amarr Garage Doors is made only for the purpose of describing the general design and quality of the door, and nothing herein shall require the purchase of the brand Amarr Garage Doors instead of a similar brand. The color of garage doors shall be as determined by the Architectural Control Committee. To the extent that there is currently in place a different style or design of garage door on the garage of a Townhome unit within the Property at the time of the recording of this First Amendment, such garage door may remain in place until it is in need of replacement. At that time, the garage door shall be replaced with a garage door similar in style and design to the Heritage III garage door manufactured by Amarr Garage Doors.

12. Section 12.3 of the Declaration, entitled "Duration and Amendment", is amended and modified in its entirety, and the following Section 5.3 shall be substituted in its place:

12.3 Duration and Amendment. The covenants and restrictions of this Declaration shall run with and bind the land and shall inure to the benefit of the Association and the Owner of any Lot subject to this Declaration, their respective successors, legal representatives, heirs, and assigns, through July 16, 2017, which is twenty (20) years after the date that this Declaration was first recorded, after which time they shall automatically extend for successive periods of ten (10) years. This Declaration may be amended by the affirmative vote (in person or by proxy), or by written consent, of Owners representing two-thirds (2/3) of the total number of Lots which are subject to the provisions of these Restrictions. No amendment shall be effective unless and until the proposed amendment has been sent to every Owner at least fifteen (15) days in advance of any action being taken to approve the amendment. Notwithstanding the foregoing provisions in this Section 12.3, the Declarant reserves the right, without the joinder or consent of any Owner, to amend this Declaration by an instrument in writing duly signed, acknowledged and filed of record, for the purpose of correcting any typographical error, ambiguity or inconsistency appearing in this Declaration, as long as such amendment shall be consistent with and in furtherance of the general plan and scheme of development as evidenced by this Declaration, and shall not impair the vested property rights of any Owner or of any mortgagee of an Owner. As long as there is Class B membership in the Association, any amendment to the Declaration provided for in this Section 12.3 will not be effective unless the prior written consent of the Department of Housing and Urban Development/Veterans Administration has also been obtained by the Association.

13. Pursuant to Section 12.3 of the Declaration, this First Amendment has been approved by the written consent of Owners representing more than two-thirds (2/3) of the total number of Lots which are subject to the provisions of this Declaration. At this time, the Declarant alone owns more than two-thirds (2/3) of the total number of Lots which are subject to the provisions of the Declaration, and the Declarant has approved of this First Amendment as evidenced by its execution of this First Amendment below.

14. Except for the amendments and modifications to the Declaration which are set forth in this First Amendment, all terms and provisions of the original Declaration shall remain the same.

15. The amendments and modifications contained in this First Amendment shall be effective immediately.

IN WITNESS WHEREOF, HOUSTON PARK LAKE ASSOCIATES LIMITED, a Texas limited partnership, being the Declarant herein and the owner of more than two-thirds (2/3) of the total number of Lots which are subject to the provisions of the Declaration, by its general partner, Millennium Development Corp., an Arizona corporation, and by Park Lake Townhomes Association, Inc., a Texas non-profit corporation, have executed and/or approved of this First Amendment on this the 27TH day of November, 2000.

DECLARANT:

HOUSTON PARK LAKE ASSOCIATES LIMITED, a Texas Limited Partnership, by its general partner, Millennium Development Corp., an Arizona corporation

By: 

RAYMOND G. TIEDJE, President

ASSOCIATION:

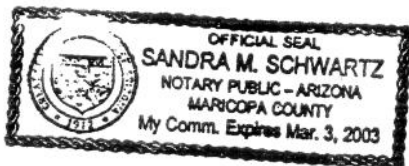
PARK LAKE TOWNHOMES ASSOCIATION, INC., a Texas Non-Profit Corporation

By: 

RAYMOND G. TIEDJE, President

STATE OF ARIZONA §
 §
COUNTY OF MARICOPA §

This instrument was acknowledged before me on the 27TH day of November, 2000, by RAYMOND G. TIEDJE, the President of MILLENNIUM DEVELOPMENT CORP., an Arizona corporation, which is the general partner of HOUSTON PARK LAKE ASSOCIATES LIMITED, a Texas limited partnership, on behalf of said corporation in its capacity as general partner of said limited partnership.

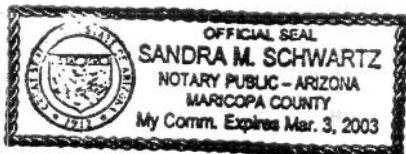


Sandra M. Schwartz

NOTARY PUBLIC, State of Arizona

STATE OF ARIZONA §
 §
COUNTY OF MARICOPA §

This instrument was acknowledged before me on the 27TH day of November, 2000, by RAYMOND G. TIEDJE, the President of PARK LAKE TOWNHOMES ASSOCIATION, INC., a Texas non-profit corporation, on behalf of said corporation.



Sandra M. Schwartz

NOTARY PUBLIC, State of Arizona

AFTER RECORDING, RETURN TO:
Heller & Associates, P.C.
5100 Westheimer Road, Suite 330
Houston, Texas 77056

A Field Note Description of 5.9537 Acre Tract of Land, being a REPLAT OF A 5.9537 ACRE TRACT OUT OF THE PARK LAKE CONDOMINIUM FOURPLEX (recorded on Slide No. 1815A of the Plat Records of Fort Bend County, Texas), in the William Stafford 1-1/2 Leagues, Abstract 89, City of Missouri City, Fort Bend County, Texas.

For Connection Begin at the Southwest corner of said RESERVE "B" OF OAK VALLEY SUBDIVISION (Slide No. 215B & 216A of the Plat Records of Fort Bend County, Texas); said corner marking the Southeast corner of RESERVE "D" OF OAK VALLEY SUBDIVISION; THENCE, North 01 deg. 13' 24" West, 383.44 feet to a 1/2 inch iron pipe set marking the Southwest corner of said REPLAT OF A 5.9537 ACRE TRACT OUT OF THE PARK LAKE CONDOMINIUM FOURPLEX, and the *Place of Beginning* for this tract;

THENCE, North 01 deg. 13' 24" West, 737.78 feet to a 3/4 inch iron pipe found marking the Northwest corner of this tract;

THENCE, North 88 deg. 44' 21" East, 157.96 feet along the South line of the New Hope Lutheran Church Tract recorded in Volume 829, Page 580 of the Deed Records of Fort Bend County, Texas, to a 5/8 inch iron rod re-set and marking the Northerly Northeast corner of this tract;

THENCE, South 01 deg. 13' 24" East, 382.35 feet to a 5/8 inch iron rod set marking a re-entrant corner of this tract;

THENCE, North 88 deg. 46' 36" East, 401.59 feet to a 5/8 inch iron rod set marking the Southerly Northeast corner of this tract;

THENCE, South 01 deg. 13' 24" East, 355.54 feet along the West right-of-way line of State Farm Market Road No. 1092 (110 feet wide) to a brass cap in concrete found marking the Southeast corner of this tract; said corner bears South 88 deg. 46' 56" West, 15.0 feet from the Northeast corner of the QUAIL VALLEY APARTMENTS Tract recorded in Volume 20, Page 3 of the Plat Records of Fort Bend County, Texas;

THENCE, South 88 deg. 46' 36" West, 559.59 feet along the South line of said REPLAT OF A 5.9537 ACRE TRACT OUT OF THE PARK LAKE CONDOMINIUM FOURPLEX to the *Place of Beginning* and containing 5.9537 Acres of Land.

SAVE AND EXCEPT those certain townhome lots described on Exhibit "B" attached hereto.

EXHIBIT "A"

THE TOWNHOME LOTS BEING SAVED AND EXCEPTED FROM THE REAL PROPERTY DESCRIBED ON ATTACHED EXHIBIT "A" ARE ALL OF THE TOWNHOME LOTS SHOWN ON THE REPLAT OF A 5.9537 ACRE TRACT OUT OF THE PARK LAKE CONDOMINIUM FOURPLEX, WHICH REPLAT WAS REFERRED TO ON EXHIBIT "A", AND WHICH TOWNHOME LOTS ARE SHOWN AS FOLLOWS ON THE REPLAT:

TWO-BEDROOM TOWNHOME UNITS

Building Number	Lot Number	Unit Number
1	1	3831
1	4	3825
2	1	3823
2	4	3817
3	1	3815
3	4	3809
4	1	3807
4	4	3801
5	1	3806
5	3	3810
6	1	3812
6	4	3818
7	1	3820
7	4	3826
8	1	3828
8	4	3834
9	1	3831
9	4	3825
10	1	3823
10	4	3817
11	1	3815
11	4	3809
12	1	3807
12	4	3801
13	4	1716
13	1	1710
14	4	1708
14	1	1702
15	4	1622
15	1	1616
16	4	1614
16	1	1608
17	4	1606
17	1	1600

THREE-BEDROOM TOWNHOME UNITS

Building Number	Lot Number	Unit Number
1	2	3829
1	3	3827
2	2	3821
2	3	3819
3	2	3813
3	3	3811
4	2	3805
4	3	3803
5	2	3808
6	2	3814
6	3	3816
7	2	3822
7	3	3824
8	2	3830
8	3	3832
9	2	3829
9	3	3827
10	2	3821
10	3	3819
11	2	3813
11	3	3811
12	2	3805
12	3	3803
13	3	1714
13	2	1712
14	3	1706
14	2	1704
15	3	1620
15	2	1618
16	3	1612
16	2	1610
17	3	1604
17	2	1602

**LOTS SOLD BY THE DECLARANT TO
INDIVIDUAL OWNERS WITHIN THE PARK LAKE TOWNHOMES**

	OWNER	ADDRESS	UNIT NUMBER
1)	Michelle Bookman	3823 Dock View Lane	Missouri City, Texas 77459 3823
2)	Rayfield Skinner, Sr.	1612 Good Day Drive	Missouri City, Texas 77459 1612
3)	Gina Jordan	1610 Good Day Drive	Missouri City, Texas 77459 1610
4)	Gerald D. Holloway	3834 Landmark Drive	Missouri City, Texas 77459 3834
5)	Karen LeBlanc	1620 Good Day Drive	Missouri City, Texas 77459 1620
6)	Danny Eichler	1714 Good Day Drive	Missouri City, Texas 77459 1714
7)	Carmen Santiago	1600 Good Day Drive	Missouri City, Texas 77459 1600
8)	Giovonna L. Brooks	3815 Dock View Lane	Missouri City, Texas 77459 3815
9)	Marsha A. Randle	3817 Dock View Lane	Missouri City, Texas 77459 3817
10)	Basilio Aguirre III & Inez Mendez	1618 Good Day Drive	Missouri City, Texas 77459 1618
11)	John Jay Williams, Sr.	1712 Good Day Drive	Missouri City, Texas 77459 1712
12)	Blanche Smith	3827 Dock View Lane	Missouri City, Texas 77459 3827
13)	Alicia Canchola & Elida Reyna	3825 Landmark Drive	Missouri City, Texas 77459 3825
14)	Deborah Ann Joubert	3831 Dock View Lane	Missouri City, Texas 77459 3831
15)	Michelle Thomas	1604 Good Day Drive	Missouri City, Texas 77459 1604
16)	Terri Anderson	1708 Good Day Drive	Missouri City, Texas 77459 1708
17)	Darcell S. Bryant	3829 Landmark Drive	Missouri City, Texas 77459 3829
18)	Dominique M. Hernandez	1710 Good Day Drive	Missouri City, Texas 77459 1710
19)	Lisa A. Studstill	1616 Good Day Drive	Missouri City, Texas 77459 1616
20)	Jennifer L. Spriggs	3807 Landmark Drive	Missouri City, Texas 77459 3807
21)	Frank E. & Stephanie A. Cyprian	3819 Landmark Drive	Missouri City, Texas 77459 3819
22)	Bobby E. & Loretta A. Johnson	1602 Good Day Drive	Missouri City, Texas 77459 1602

FILED AND RECORDED
OFFICIAL PUBLIC RECORDS

EXHIBIT "C"

Dianne Wilson

11-28-2000 02:10 PM 2000100785
GMJ \$31.00
DIANNE WILSON, COUNTY CLERK
FORT BEND COUNTY, TEXAS