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**THIRD AMENDMENT TO DEVELOPMENT AREA
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR BARTON CREEK NORTH RIM**

THE STATE OF TEXAS §
 § KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF TRAVIS §

This Third Amendment to Development Area Declaration of Covenants, Conditions and Restrictions for Barton Creek North Rim (the "Second Amendment") is made by North Rim Community, Inc., a Texas non-profit corporation (the "Association"), as duly authorized by a vote of its members, and is as follows:

RECITALS:

A. FM Properties Operating Co., a Delaware general partnership (the "Declarant"), recorded that certain Development Area Declaration of Covenants, Conditions and Restrictions for Barton Creek North Rim recorded in Volume 12717, Page 2028 et seq., of the Real Property Records of Travis County, Texas (the "Declaration") which related to certain real property (the "Property").

B. Pursuant to that one certain Notice of Applicability of Master Declaration of Covenants, Conditions and Restrictions for Barton Creek North Rim, dated June 26, 1996, recorded in Volume 12717, Page 2021, of the Real Property Records of Travis County, Texas, the Property is subject to the Master Declaration of Covenants, Conditions and Restrictions of record in Volume 11324, Page 707 of the Real Property Records of Travis County, Texas (the "Master Declaration").

C. Declarant recorded that certain Amendment to Development Area Declaration of Covenants, Conditions and Restrictions for Barton Creek North Rim, dated July 18, 1997 recorded in Volume 12980, Page 2243 of the Real Property Records of Travis County, Texas (the "First Amendment").

D. Declarant recorded that certain document which was inadvertently incorrectly titled First Amendment to Development Area Declaration of Covenants, Conditions and Restrictions for Barton Creek North Rim, February 11, 1998 recorded in Volume 13118, Page 192 of the Real Property Records of Travis County, Texas (the "Second Amendment").

E. Pursuant to Section 8.02 of the Declaration, the Declaration may be amended by recording in the Real Property Records of Travis County, Texas an instrument executed and acknowledged by the President and Secretary of the Association certifying that such amendment has been approved by no less than seventy percent (70%) of the members of the Association entitled to vote.

F. The Members of the Association have expressed a desire to enact a regime whereby Owners of Lots numbered 9 through 18 (the "North Owners") of the Property can act independent of the Owners of Lots numbered 1 through 8 (the "South Owners"), so long as neither group detrimentally affects the rights of the other.

NOW, THEREFORE, the Association hereby declares and certified and hereby amends and modifies the Declaration, by and through the undersigned duly appointed and authorized officers, as follows:

1. The following is added to the end of Article VI, Section 6.03:

Notwithstanding the foregoing, nothing contained herein shall prohibit a Special Area Assessment, as defined in 6.04B below, from being approved or otherwise prohibit the North Owners or the South Owners from approving and levying a Special Area Assessment as described therein that is not equal and uniform throughout the entire Association. It is expressly recognized herein that North Owners and South Owners can approve Assessments for themselves respectively that will greatly differ from the other.

2. The following is added to the end of Article VI, Section 6.04A:

Notwithstanding the foregoing, nothing contained herein shall prohibit a Special Area Assessment, as defined in 6.04B below, from being approved by only a majority of the Special Area, as defined in 6.04B below. Special Area Assessments are expressly not required to be approved by a majority of Owners as defined herein.

3. The following section is inserted after Article VI, Section 6.04A:

6.04B. Special Area Assessments. "North Owners" are defined as the Owners of Lots numbered nine (9) through eighteen (18), as shown on the map or plat recorded in the Plat Records of Travis County, Texas. "South Owners" are defined as Owners of Lots numbered one (1) through eight (8), as shown on the map or plat recorded in the Plat Records of Travis County, Texas. The North Owners and the South Owners are each henceforth known as "Special Areas". In the event that the Board of Directors of the Association identifies an anticipated cost that reasonably benefits or improves the real property of only one Special Area ("Special Area Project"), it shall, upon a majority vote of the Board of Directors, submit the anticipated cost proposal to the Special Area Committee, which shall consist of one (1) Owner from the North Owners and one (1) owner of the South Owners, who shall be appointed for one (1) year terms by the Board of Directors. In the event no Special Area Committee members have been appointed, the Board of Directors shall serve as the same. The Special Area Committee, within thirty (30) days of being notified by the Board of Directors of such Special Area Project, shall prepare an accurate description of the same which

shall then be mailed by regular, first-class mail to the last known address of all Owners. The Board of Directors shall then call a Special Meeting of the Owners for the express purpose of approving the identified Special Area Project as a "Designated Special Area Project." If a majority of Owners authorized by this Declaration vote to approve the identified project as a Designated Special Area Project and thus designate the project as a "North Special Area Project" or a "South Special Area Project", then seventy percent (70%) of the total votes of the Owners in the Special Area defined herein and identified in the Designated Special Area Project designation shall be required to approve any "Special Area Assessment", defined as an assessment levied against only North Owners or South Owners. After such approval, a Special Area Assessment shall be added to the account ledger for each Owner in the Special Area to which the Special Area Assessment applies. After the approval of any Special Area Assessment, such assessment shall be valid, binding, and enforceable against the Owner assessed as any other assessment described or defined in Article VI herein. In no event shall any Special Area Project utilize funds from any reserve, working capital, or other account of the Association unless such funds have been deposited there after having been received from the Special Area Assessment associated with the specific Special Area Project for which it was assessed. It is the express intent of this Section that only funds raised through a Special Area Assessment be used for any Special Area Project. All votes taken pursuant to this Section shall be determined in accordance with Section 3.03 of this Declaration, voting in person or by proxy, at a meeting duly called for such purpose, written notice of which shall be given to all Members in accordance with the Bylaws, unless such vote affects only one Special Area, and then notice shall issue to only those Owners. To the extent this Section conflicts with Section 3.03 herein, this Section shall govern and control.

4. Any capitalized items used and not otherwise defined herein shall have the meanings set forth in the Declaration or Master Declaration. Unless expressly amended by this Second Amendment, all other terms and provisions of the Declaration remain in full force and effect as written.

Executed to be effective this 30 day of October, 2009.

By our signatures below, we, the president and secretary of the Association, acting in our official capacities for the Association, do hereby certify that this Third Amendment has been approved by Members of the Association entitled to cast at least seventy percent (70%) of the votes of the Association.

THE ASSOCIATION

North Rim Community, Inc.

By:

Dale J. Mischynski
Dale J. Mischynski
President

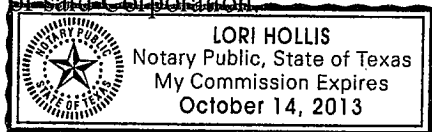
By:

Isabella C. Cunningham
Isabella C. Cunningham
Secretary

THE STATE OF TEXAS §

COUNTY OF TRAVIS §

This instrument was acknowledged before me on October 30, 2009, by Dale J. Mischynski, president of and for North Rim Community, Inc., a Texas Nonprofit Corporation, on behalf of said Corporation.

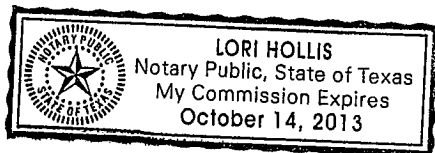


Lori Hollis
Notary Public Signature

THE STATE OF TEXAS §

COUNTY OF TRAVIS §

This instrument was acknowledged before me on October 30, 2009, by Isabella C. Cunningham, secretary of and for North Rim Community, Inc., a Texas Nonprofit Corporation, on behalf of said Corporation.



Lori Hollis
Notary Public Signature

Return:

Slater Kennon & Jameson LLP
4807 Spicewood Springs Rd
Bldg 2, Ste 240
Austin, TX 78759

FILED AND RECORDED

OFFICIAL PUBLIC RECORDS

Dana DeBeauvoir

2009 Nov 05 10:47 AM

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DAVISD \$32.00

DANA DEBEAUVOIR COUNTY CLERK

TRAVIS COUNTY TEXAS