

**EXCERPTS FROM THE AMENDMENT TO DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR COSTA BELLA**

In pertinent part the first amendment, May 3, 2000, recorded in the Travis County land records, #2000068454, is as follows:

Section 2.01(h) deleted and replaced with: "The location of all buildings and Improvements shall comply with the minimum setbacks shown on the subdivision plat of the Property (the "Plat"), if any. In addition, [sic] to the requirements imposed by any Plat: (i) no building or other Improvement (except for a driveway, fencing and septic fields and/or related facilities) shall be located nearer than fifty feet (50') from the front Lot line, and (ii) no building or other Improvement (except for a driveway, fencing and septic fields and/or related facilities) shall be located nearer than ten feet (10') from any major thoroughfare or collector street without the express prior written approval of the Architectural Control committee. In addition to the individual ten foot (10') side Lot line setbacks set forth in the preceding sentence, the two side yard setbacks for each Lot shall total not less than thirty feet (30'). Notwithstanding any provision in this Section 2.01(h) to the contrary, [commentator's note: The previous ten words simply mean "But"] no gates or fencing, [sic] shall be located nearer than twenty-five (25') from any Lot line adjacent to a public or private street. Side and rear fence setbacks shall be expressly approved by the Architectural Control committee prior to the erection of any fence along and adjacent to the side and rear property lines of any Lot."

New Section 2.01(t). "Pylon [Commentator's note: This means number marker] lighting shall be installed prior to completion of the primary residence constructed on a Lot, and such lighting shall comply with design guidelines and specifications established by the Architectural Control Committee and/or Declarant."

Section 2.01(d) is deleted and replaced with: "The minimum living area (exclusive of open or screened porches, terraces, patios, decks, driveways and garages) for residences constructed within the Property shall be as follows:

"Lots 1-6, Block A, 4,500 square feet; Lots 7A-27A, Block A, 4,500 square feet; Lots 24-25, Block A, 5,000 square feet; Lots 27-31, Block A 6,000 square feet; Lot 32, Block A, 5,500 square feet; Lots 33-37, Block A, 6,000 square feet; Lots 38-43, Block A, 7,000 square feet; Lot 44, Block A, 6,000 square feet; Lots 45-54, Block A, 5,000 square feet and Lots 1-4, Block B, 5,000 square feet."

Section 5.03B is deleted.

AMENDMENT TO
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR COSTA BELLA

THE STATE OF TEXAS }

COUNTY OF TRAVIS }

This Amendment to Declaration of Covenants, Conditions and Restrictions for Costa Bella (the "Amendment") is made by THE COSTA BELLA WATERFRONT COMMUNITY, INC., a Texas non-profit corporation (the "Association") and FALCON OF LAKE TRAVIS, INC., a Texas corporation ("Falcon"), and is as follows:

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RECITALS:

A. Falcon was the original Declarant pursuant to that certain Declaration of Covenants, Conditions and Restrictions for Costa Bella, recorded in Volume 13141, Page 3594, and corrected and re-recorded in Volume 13143, Page 832, Real Property Records of Travis County, Texas (the Declaration"), which encumbers certain real property located in Travis County, Texas, as more particularly described in the Declaration (the "Property").

B. The Property as originally platted consisted of Lots 1-54, Block A, and Lots 1-4, Block B, Costa Bella, according to the map or plat of record in Volume 100, Page 382, Plat Records of Travis County, Texas (the "Original Plat"). Portions of the Property (i.e., Lots 7-23, Block A, Costa Bella) were subsequently replatted (to become Lots 7A-27A, Costa Bella Section Two), according to the map or plat of record in Document No. 199900344, Official Public Records of Travis County, Texas (the "Replat").

C. Section 9.02 of the Declaration provides that the Declaration may be amended by the recording in the Real Property Records of Travis, County, Texas, of an instrument setting forth the amendment executed and acknowledged by the Declarant and the President and Secretary of the Association certifying that such amendment has been approved by the Members of the Association, excluding Declarant, entitled to cast at least fifty-one percent (51.00%) of the number of votes of the Association.

NOW THEREFORE, the undersigned President and Secretary of the Association hereby declare and certify that the following amendments to the Declaration have been duly approved by Members entitled to cast at least fifty-one percent (51.00%) of the number of votes entitled to be cast by the Members of the Association:

1. Amendment to Section 2.01 (h). Section 2.01 (h) of the Declaration is hereby amended by deleting the provision as originally written and replacing it in its entirety by the following:

“(h) The location of all buildings and Improvements shall comply with the minimum setbacks shown on the subdivision plat of the Property (the "Plat"), if any. In addition, to the requirements imposed by any Plat: (i) no building or other Improvement (except for a driveway, fencing and septic fields and/or related facilities) shall be located nearer than fifty feet (50') from the front Lot line, and (ii) no building or other Improvement (except for a driveway, fencing and septic fields and/or related facilities) shall be located nearer than ten feet (10') from any side Lot line, fifty feet (50') from any rear Lot line, or fifty feet (50') from any major thoroughfare or collector street without the express prior written approval of the Architectural Control Committee. In addition to the individual ten foot (10') side Lot line setbacks set forth in the preceding sentence, the two side yard setbacks for each Lot shall total not less than thirty feet (30'). Notwithstanding any provision in this Section 2.01 (h) to the contrary, no gates or fencing, shall be located nearer than twenty-five (25') from any Lot line adjacent to a public or private street. Side and rear fence setbacks shall be expressly approved by the Architectural Control Committee prior to the erection of any fence along and adjacent to the side and rear property lines of any Lot.”

2. New Section 2.01 (t). Section 2.01 (t) is hereby added to the Declaration and is as follows:

“(t) Pylon lighting shall be installed prior to completion of the primary residence constructed on a Lot, and such lighting shall comply with design guidelines and specifications established by the Architectural Control Committee and/or Declarant.”

3. Amendment to Sec. 2.01 (d). Section 2.01 (d) of the Declaration is hereby amended by deleting the provision as originally written and replacing it in its entirety by the following:

(d) The minimum living area (exclusive of open or screened porches, terraces, patios, decks, driveways and garages) for residences constructed within the Property shall be as follows:

<u>Lots</u>	<u>Block</u>	<u>Square Feet</u>
Lots 1-6	A	4,500
7A-27A **	A	4,500
24-25	A	5,000
27-31	A	6,000
32	A	5,500
33-37	A	6,000
38	A	7,000
39-43	A	7,000
44	A	6,000
45-54	A	5,000
1-4	B	5,000

[** NOTE: Lots 7A-27A are from Costa Bella Section Two, as shown on the Replat; the remaining lot designations are from Costa Bella, as shown on the Original Plat]

4. Deletion of Section 5.03B. Section 5103B of the Declaration is hereby deleted in its entirety.

5. Miscellaneous. Any capitalized terms used and not otherwise defined herein shall have the meanings set forth in the Declaration. Unless expressly amended by this Amendment, all other terms and provisions of the Declaration remain in full force and effect as written, and are hereby ratified and confirmed.

EXECUTED to be effective as of the 3rd day of May, 2000.

ASSOCIATION:

THE COSTA BELLA COMMUNITY, INC., a Texas Non-profit corporation

By: [Signature]
Arnold C. Tauch, President

By: [Signature]
Jack Moss, Secretary

DECLARANT:

FALCON OF LAKE TRAVIS, INC., a Texas corporation

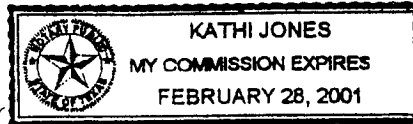
By: [Signature]
Arnold C. Tauch, President

THE STATE OF TEXAS
COUNTY OF ~~TRAVIS~~ HARRIS

This instrument was acknowledged before me on this 3rd day of May, 2000, by Arnold C. Tauch, President of The Costa Bella Community, Inc., a Texas non-profit corporation, on behalf of said corporation.

[Signature]
Notary Public Signature

(SEAL)

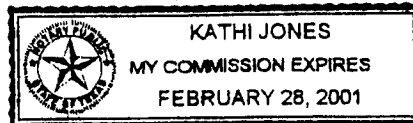


THE STATE OF TEXAS
COUNTY OF ~~TRAVIS~~ HARRIS

This instrument was acknowledged before me on this 3rd day of May, 2000, by Jack Moss, Secretary of The Costa Bella Community, Inc., a Texas non-profit corporation, on behalf of said corporation.

[Signature]
Notary Public Signature

(SEAL)



THE STATE OF TEXAS
COUNTY OF ~~TRAVIS~~ HARRIS

This instrument acknowledged before me on this 3rd day of May, 2000, by Arnold C. Tauch, President of Falcon of Lake Travis, Inc., a Texas corporation, on behalf of said corporation.

[Signature]
Notary Public Signature

(SEAL)

AFTER RECORDING, RETURN TO:

Robert D. Burton
Armbrust Brown & Davis, L.L.P.
100 Congress Avenue, Suite 1300
Austin, Texas 78701

