



After Recording Return To:

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

RETURN TO: CRO  
Republic Title of Texas, Inc.  
2626 Howell St. 10th Floor  
Dallas, TX 75204

**FIRST AMENDMENT TO**  
**CIBOLO CANYONS RESORT**  
**MASTER COVENANT**

**Declarant: FORESTAR (USA) REAL ESTATE GROUP, INC., a Delaware corporation**

Cross reference to Cibolo Canyons Resort Master Covenant, recorded in Volume 11653, Page 922-996 and Document No. 20050216763 in the Official Public Records of Bexar County, Texas.

#057501165  
FILED BY  
ALAMO TITLE  
ATC-ADMIN/BICOY

**FIRST AMENDMENT TO**  
**CIBOLO CANYONS RESORT MASTER COVENANT**

This First Amendment to Cibolo Canyons Resort Master Covenant (the "**Amendment**") is made by **FORESTAR (USA) REAL ESTATE GROUP, INC.**, a Delaware corporation ("**Declarant**"), and is as follows:

**RECITALS:**

A. Lumbermen's Investment Corporation, a Delaware corporation ("**LIC**"), previously executed and recorded that certain Cibolo Canyons Resort Master Covenant, recorded in Volume 11653, Page 922-996 and Document No. 20050216763, in the Official Public Records of Bexar County, Texas (the "**Master Covenant**").

B. Declarant is the successor in interest to LIC and, as such is the "Declarant" pursuant to the Master Covenant.

C. Pursuant to Section 8.03 of the Master Covenant, the Master Covenant may be amended by the Declarant, acting alone, by recording in the Official Public Records of Bexar County, Texas, an instrument setting forth the amendment executed and acknowledged by Declarant.

D. Declarant now desires to amend the Master Covenant as set forth hereinbelow,.

**NOW, THEREFORE**, Declarant hereby amends and modifies the Master Covenant as follows:

1. **Amount of Assessment.** Section 5.09 of the Master Covenant is hereby amended by adding the following provision:

(g) In lieu of any Assessments levied pursuant to 5.03, Declarant may allocate an annual levy (the "**Annual Levy**") against a Commercial Lot in the notice filed by Declarant pursuant to Section 10.05 for the Development Area within which such Commercial Lot is located. Notwithstanding any provision in this Section 5.09(g) to the contrary, unless otherwise provided in the notice filed by Declarant pursuant to Section 10.05, a Commercial Lot which is subject to any Annual Levy shall remain liable for the payment of Assessments levied pursuant to Sections 5.04 through 5.07 and Sections 5.15 and 5.16, and Assessment Units applicable to such Commercial Lot shall be determined pursuant to Section 5.09(b). Unless otherwise specified in the notice filed by Declarant pursuant to Section 10.05, at the beginning of each calendar year the Annual Levy then in effect shall be increased by a percentage amount equal to the percentage of increase, if any, in the cost of living index at the commencement of the calendar year, over and above the cost of living index at the commencement of the

immediately preceding calendar year. For purposes of this Section 5.09(g): (a) increases in the cost of living index shall be measured by the U.S. Department of Labor Consumer Price Index for All Urban Consumers, Dallas-Fort Worth, Texas Average, all items figure 1982-1984 =100 as published by the Bureau of Labor Statistics of the United States Department of Labor; and (b) the figures for purposes of calculating Annual Levy increases hereunder shall be the last figures published prior to the applicable measurement dates. If any of the following events occur, the Bureau of Labor Statistics shall be requested to furnish a new index comparable to the Consumer Price Index for all Urban Consumers together with information which will make possible the conversion to a new index in computing any rent increases hereunder, to-wit: (a) if the Bureau of Labor Statistics or any successor agency of the United States ceases to use the 1982-1984 average of 100 as the basis of calculation; (b) if a substantial change is made in the number or character of "market basket" items used in determining the Consumer Price Index for all Urban Consumers; or (c) if the Consumer Price Index for all Urban Consumers, Dallas-Fort Worth, Texas Average, shall be discontinued for any reason. If for any reason the Bureau of Labor Statistics does not furnish such an index and such information, the Board shall thereafter accept and use such other index or comparable statistics on the cost of living for Bexar County, Texas, as shall be computed and published by an agency of the United States or by a responsible financial periodical of recognized authority. The Annual Levy shall be secured by a lien against the Commercial Lot and collectible in the same manner as provided for Assessments in the Declaration.

In the event an Annual Levy has been allocated to a Commercial Lot and the Commercial Lot is subsequently submitted to the condominium form of ownership by the recordation in the Official Public Records of Bexar County, Texas, of a declaration of condominium (a "**Condominium Declaration**"), then on the date a Condominium Declaration is recorded, each condominium unit established thereby will be deemed a Condominium Unit. Upon recordation of the Condominium Declaration, the notice previously filed by Declarant pursuant to Section 10.05 for the Commercial Lot may be revised by the Declarant during the Development Period (as defined in the Condominium Declaration), and thereafter the Board, to allocate Assessment Units and votes to each Condominium Unit but in no event may more than one Assessment Unit and vote be allocated to each single Condominium Unit restricted to residential use. The foregoing limitation will not apply to a master condominium unit restricted to residential use where the master unit may be re-subdivided into individual residential condominium units. In the event a master unit is created, the Assessment Units and votes allocated to the master unit will be determined by the Declarant during the Development Period, and thereafter the Board, based on the number of separate residential units that may be established within the master unit. If a portion of the Commercial Lot is not made subject to the

Condominium Declaration, the Annual Levy and votes previously allocated to the Commercial Lot prior to recordation of the Condominium Declaration may be reduced by the Declarant during the Development Period, and thereafter the Board, by an amount equal to the then estimated annual regular assessment attributable to the Assessment Units allocated to the Condominium Units; provided, however, that, unless otherwise provided in the Notice of Applicability filed of record with respect to such Commercial Lot, in no event will the Annual Levy be reduced to less than 30% of the original Annual Levy unless expressly approved by the Declarant during the Development Period, and thereafter the Board, as evidenced by a notice filed in the Official Public Records of Bexar County, Texas.

The board of directors of any entity created for the purpose of administering the common affairs of the owners of such condominium units (a "**Condominium Association**"), or such board's designated single proxy holder, will have the sole authority to cast all votes allocated to the condominium units under the Condominium Association's jurisdiction. The Condominium Association will also be the designated party for the receipt of any notice from the Association or the Declarant to the Owner of a condominium unit under the Condominium Association's jurisdiction. The Association will mail a statement of assessment against each condominium unit to the Condominium Association established for such unit. The amounts reflected on a statement of assessment will be due and payable within thirty (30) days after the due date set forth on the statement. Each owner of a Condominium Unit will be obligated to pay the assessment attributable to such owner's Condominium Unit as allocated herein. The Association's remittance of a statement to any Condominium Association will not be construed to waive the Association's right to collect assessments from the owner of a Condominium Unit.

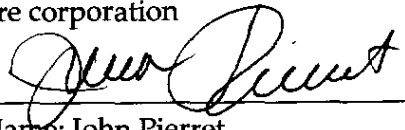
2. **Miscellaneous.** Any capitalized terms used and not otherwise defined herein shall have the meanings set forth in the Master Covenant. Unless expressly amended by this Amendment, all other terms and provisions of the Master Covenant remain in full force and effect as written, and are hereby ratified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

EXECUTED to be effective on the date this instrument is recorded in the Official Public Records of Bexar County, Texas.

**[SIGNATURE PAGE FOLLOWS]**

**DECLARANT:**

**FORESTAR (USA) REAL ESTATE GROUP, INC.,**  
a Delaware corporation

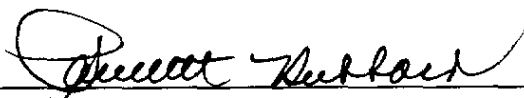
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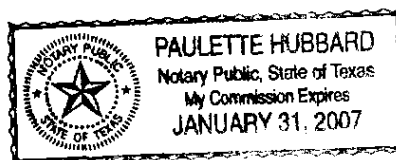
Printed Name: John Pierret

Title: Executive Vice President

STATE OF TEXAS       §  
                                  §  
COUNTY OF DALLAS   §

This instrument was acknowledged before me on the 30th day of June, 2006, by John Pierret, Executive Vice President of Forestar (USA) Real Estate Group, Inc., a Delaware corporation, on behalf of such corporation.

  
Notary Public, State of Texas



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e-Filed & e-Recorded in the  
Official Public Records of  
BEXAR COUNTY  
GERRY RICKHOFF COUNTY CLERK  
  
Fees 32.00

STATE OF TEXAS  
COUNTY OF BEXAR  
This is to Certify that this document  
was e-FILED and e-RECORDED in the Official  
Public Records of Bexar County, Texas  
on this date and time stamped thereon.  
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COUNTY CLERK, BEXAR COUNTY TEXAS



*Gerry Rickhoff*