

**SUPPLEMENTAL DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR THE TERRACE AT RIVERSTONE, SECTION TWO (2)**

This Supplemental Declaration of Covenants, Conditions and Restrictions (this "Supplemental Declaration") is made as of the date hereinafter stated by FROST RANCH DEVELOPMENT, L.P., a Texas limited partnership ("Declarant").

WITNESSETH:

WHEREAS, Declarant, Sugar Land Ranch Development, L.L.C., and Hillsboro Estates, L.L.C. executed that certain Declaration of Covenants, Conditions and Restrictions for Riverstone Single Family Residential Areas dated as of May 31, 2001 which is filed under Clerk's File No. 2001047889 and recorded in the Official Records of Fort Bend County, Texas (the "Official Records"), which imposed covenants, conditions and restrictions on certain property described therein; and

WHEREAS, as contemplated by the Declaration, and pursuant to the applicable provisions thereof, a Texas non-profit corporation has been formed named the Riverstone Homeowners Association, Inc. (hereinafter referred to as the "Association"), the purposes of which are to collect, administer and disburse the maintenance assessments described in the Declaration and to provide for the maintenance, preservation and architectural control of the land encumbered by the Declaration and any additional land which may be subsequently brought within the jurisdiction of the Association; and

WHEREAS, Declarant is the owner of the tract of land which has been subdivided and platted as The Terrace at Riverstone, Section Two (2), a subdivision of land according to the plat thereof recorded under Slide Nos. 2402 B and 2403 A of the Plat Records of Fort Bend County, Texas (hereinafter referred to as the "Section 2 Property"); and

WHEREAS, by that certain Declaration of Annexation instrument of even date herewith executed by Declarant, the Section 2 Property was annexed into the jurisdiction of the Association and made subject to the Declaration; and

WHEREAS, as contemplated by the Declaration and in accordance with the provisions thereof, Declarant wishes to subject the Section 2 Property to the additional covenants, conditions and restrictions set forth in this Supplemental Declaration; and

NOW, THEREFORE, for and in consideration of the premises and in furtherance of the general plan of development for the property subject to the Declaration, Declarant hereby declares that the Section 2 Property shall be held, transferred, sold, conveyed, used and occupied subject to the following covenants, conditions and restrictions (in addition to the provisions of the Declaration) which shall run with the land and be binding on all parties having any right, title or interest in the Section 2 Property or any

part thereof, their heirs, successors and assigns, and which shall inure to the benefit of each Owner thereof, to wit:

ARTICLE I DEFINITIONS

Any capitalized terms which are used in this Supplemental Declaration and not defined herein shall have the meanings ascribed to them in the Declaration.

ARTICLE II DESIGNATION OF NEIGHBORHOOD

1. Neighborhood. Section 4 of the Article II of the Declaration provides that each separately platted subdivision within the Properties shall be a Neighborhood, subject to the right of the applicable Developer to consolidate two (2) or more platted subdivisions into a single Neighborhood. The Section 2 Property is hereby designated by the Declarant as a portion of the Terrace Neighborhood. Declarant reserves the right to hereafter designate additional portions of the Properties as part of the Terrace Neighborhood.

2. Neighborhood Assessment. No specific Neighborhood Assessment is mandated by this Supplemental Declaration. The Owners of Lots within the Terrace Neighborhood may be assessed and are liable to pay a Neighborhood Assessment in addition to the Residential Assessments if and when levied by the Association's Board of Directors from time to time in accordance with Section 2(b) of Article III of the Declaration.

ARTICLE III EASEMENTS

1. Easements for Utilities and Public Services.

(a) Declarant hereby grants to the Association, to Fort Bend County, to the City of Missouri City and to any other public authority or agency, utility district, or utility company, a perpetual easement upon, over, under, and across the Streets within the Section 2 Property for the purpose of installing, replacing, repairing, and maintaining all utilities, including, but not limited to, storm sewers, electrical, gas, telephone, water, and sewer lines, street lights, street signs and traffic signs. To the extent possible, utility lines and facilities shall be located underground. By virtue of any such easement, it shall be expressly permissible for the providing utility company or other supplier or servicer (i) to erect and maintain pipes, lines, manholes, pumps, and other necessary equipment and facilities, (ii) to cut and remove any trees, bushes, or shrubbery, (iii) to excavate or fill, or (iv) to take any other similar action reasonably necessary to provide economical and safe installation, maintenance, repair, replacement, and use of such utilities and systems.

(b) There is also hereby granted to Fort Bend County, to the City of Missouri City, and to such other governmental authority or agency as shall from time to time have jurisdiction over the Section 2 Property (or any portion thereof) with respect to law enforcement, fire protection and emergency medical services, the perpetual, non-exclusive right and easement upon, over and across all of the Section 2 Property for purposes of performing duties and activities related to law enforcement, fire protection and emergency medical services.

2. Easement for Association. There is hereby granted a general right and easement to the Association, its directors, officers, agents, and employees, including, but not limited to, any manager employed by the Association and any employees of such manager, to enter upon the Streets and any Lot in the Section 2 Property in the performance of their respective duties pursuant to the Declaration. Except in the event of emergencies, this easement is to be exercised only during normal business hours and then, whenever practicable, only upon advance notice to and with permission of the Owner or Occupant of the residence directly affected thereby.

ARTICLE IV GENERAL PROVISIONS

1. Term. The provisions of this Supplemental Declaration shall run with the land and shall be binding upon all Persons owning any portion of the Section 2 Property for a period of forty (40) years from the date the Declaration was recorded, after which time said provisions shall be automatically extended for successive periods of ten (10) years each, unless an instrument signed by the Owners of a majority of the Lots in the Section 2 Property has been recorded within the year immediately proceeding the beginning of a ten (10) year renewal period, agreeing to terminate this Supplemental Declaration, in which case this Supplemental Declaration shall be terminated at the end of the initial forty-year term or the applicable renewal period.

2. Amendment. It is the intent of Declarant that the covenants, conditions and restrictions provided for in this Supplemental Declaration apply only to the Section 2 Property. Notwithstanding any provisions of this Supplemental Declaration to the contrary, it is also the intent of Declarant that the specific restrictions that are imposed on the Section 2 Property by virtue of this Supplemental Declaration (other than those in the Declaration that are, in whole or in part, repeated herein) may be amended at any time by an instrument executed by the President of the Association (after approval by the Board of Directors) and the Owners of a majority of the Lots within the Section 2 Property and recorded in the Official Records; provided, however, any amendment hereto must also have the approval of and be executed by the Declarant during the Class B Control Period.

3. Severability. Invalidation of any one of these covenants by judgment or other court order shall in no wise affect any other provisions, which shall remain in full force and effect except as to any terms and provisions which are invalidated.

4. Gender and Grammar. The singular wherever used herein shall be construed to mean or include the plural when applicable, and the necessary grammatical changes required to make the provisions hereof apply either to corporations (or other entities) or individuals, male or female, shall in all cases be assumed as though in each case fully expressed.

5. Conflict. In the case of a conflict between the provisions of this Supplemental Amendment and the provisions of the Declaration, the provisions of this Supplemental Declaration shall control.

6. Development Period. During the period of time that any Lots or Single Family Residences located with the Section 2 Property are being developed and marketed, Declarant, with the right of assignment, shall have and hereby reserves the right to reasonable use of the Section 2 Property in connection with the construction of residences and the marketing of homes.

IN WITNESS WHEREOF this Supplemental Declaration of Covenants, Conditions and Restrictions is executed the 10 day of September, 2003.

FROST RANCH DEVELOPMENT, L.P.

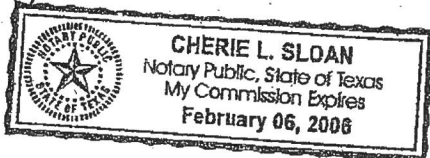
By: Hwy 6/309, L.L.C., general partner

By: 
Tom Wilcox, Vice President

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

This instrument was acknowledged before me on September 10, 2003 by Tom Wilcox, Vice President of Hwy 6/309, L.L.C., a Texas limited liability company which is the general partner of Frost Ranch Development, L.P., a Texas limited partnership, on behalf of said limited partnership.

(SEAL)




Notary Public (in and for
the State of Texas

CHERIE L. SLOAN
Name printed or typed
My commission expires: 2-06-06

Ret.

Chris P. Sloan
Riverstone Development
5220 Oilfield Rd.
Sugar Land, Tx 77479

FILED AND RECORDED
OFFICIAL PUBLIC RECORDS

Dianne Wilson

2003 SEP 11 11:24 AM 2003127313
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DIANNE WILSON, COUNTY CLERK
FORT BEND COUNTY, TEXAS