



**CORRECTION FIRST AMENDMENT TO
DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS
FOR RIVERSTONE SINGLE FAMILY RESIDENTIAL AREAS**

THIS CORRECTION FIRST AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR RIVERSTONE SINGLE FAMILY RESIDENTIAL AREAS (this "Second Amendment"), made as of the date hereinafter set forth by FROST RANCH DEVELOPMENT, L.P., a Texas limited partnership ("Frost Ranch Development"), SUGAR LAND RANCH DEVELOPMENT, L.L.C., a Texas limited liability company ("Sugar Land Ranch Development"), HILLSBORO ESTATES, L.L.C., a Texas limited liability company ("Hillsboro Estates"), and HERRIN RANCH DEVELOPMENT II, INC., a Texas corporation which is the successor by merger with Herrin Ranch Development, Inc. ("Herrin II").

WITNESSETH:

WHEREAS, Frost Ranch Development, Sugar Land Ranch Development and Hillsboro Estates executed that certain Declaration of Covenants, Conditions and Restrictions for Riverstone Single Family Residential Areas dated as of May 31, 2001 (the "Declaration") 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, Frost Ranch Development has assigned its status as the Tract A Developer (as defined in the Declaration) to Herrin II and Sugar Land Ranch Development, Hillsboro Estates and Herrin II are now collectively the Declarant (as defined in the Declaration) under the Declaration; and

WHEREAS, the undersigned own a majority of the Lots which are subject to the Declaration and desire to amend the Declaration as permitted by Section 5 of Article X of the Declaration as hereinafter specified.

NOW, THEREFORE, the undersigned hereby declare as follows:

1. Section 15 of Article I of the Declaration is hereby amended and restated to read as follows:

"Section 15. "Exempt Transfer" shall mean a transfer of title to a Lot with a Single Family Residence:

(i) by a co-Owner to any Person who was a co-Owner immediately prior to such transfer;

(ii) to the Owner's estate, surviving spouse, or child upon the death of the Owner;

(iii) to any entity wholly owned by the grantor;

(iv) to a Mortgagee or the designee of a Mortgagee in lieu of foreclosure or upon foreclosure of a Mortgage;

(v) to an interim Owner in connection with an employer relocation agreement;

(vi) by a Builder if the closing of the sale of the Single Family Residence by the Builder occurs on or before January 12, 2007; or

(vii) by a Builder if the Single Family Residence is located within the Waters Cove, Section One (1) at Riverstone, Waters Cove, Section Two (2) at Riverstone, The Terrace, Section One (1) at Riverstone, The Crossing, Section Two (2) at Riverstone, The Crossing, Section Three (3) at Riverstone, Crossing Cove, Section One (1) at Riverstone or Crossing Cove, Section Two (2) at Riverstone platted subdivisions or is within a subdivision hereafter platted in the 112.38 acre tract of land which was annexed into the jurisdiction of the Association by that certain Declaration of Annexation instrument dated October 30, 2006 and filed under Fort Bend County Clerk's File No. 2006137983 and recorded in the real property records of Fort Bend County, Texas, or if the Single Family Residence is located within a portion of the Properties annexed into the jurisdiction of the Association and the instrument annexing such property or another recorded instrument executed by the party or party annexing the property into the jurisdiction of the Association expressly states that the sale of a Single Family Residence by a Builder in the annexed property is an Exempt Transfer."

2. Section 2(d) of Article III of the Declaration is hereby amended to read as follows:

"(d) Reserve Fund Payments. Upon acquisition of record title to a Lot with a Single Family Residence by the first Owner thereof from a Builder and upon each resale or transfer of a Lot with a Single Family Residence

which is not an Exempt Transfer, a payment shall be made by or on behalf of the purchaser to the Association in an amount equal to one hundred percent (100%) of the Residential Assessment for the year in which the sale or transfer occurs, or such lesser amount as may hereafter be specified by the Board. This amount shall be in addition to, not in lieu of, the Residential Assessments and shall not be considered an advance payment of Residential Assessments. This amount shall be paid to the Association at the closing of the purchase of the Lot with a Single Family Residence. Reserve Fund Payments may be deposited into the Association's general account and used for payment of Association Expenses or deposited into an account to be maintained by the Association as a reserve fund for the repair, reconstruction or replacement of improvements on the Common Area."

3. Section 6 of Article III of the Declaration is hereby amended to read as follows:

"SECTION 6. RIVERSTONE COMMUNITY SERVICES FOUNDATION, INC.

(a) Authority. The Board shall have the authority to establish and collect on behalf of the Riverstone Community Services Foundation, Inc. (the "Foundation") a transfer fee ("Foundation Payment") from the transferring Owner upon each transfer of title to a Lot with a Single Family Residence within the Properties which is not an Exempt Transfer (as defined herein). The Foundation Payment shall be payable to the Association at the closing of the transfer of the Single Family Residence and shall be secured by the Association's lien for Assessments under Section 3 of this Article III against the applicable Lot. The transferring Owner shall notify the Association of a pending title transfer at least seven (7) days prior to the transfer. Such notice shall include the name of the buyer, the date of title transfer, and other information as the Board may require.

(b) Foundation Payment Limit. The Association's Board from time to time shall determine the amount of the Foundation Payment after consultation with the Foundation. The Foundation Payment may be based upon a sliding scale which varies in accordance with the Gross Selling Price of the property or another factor as determined by the Association's Board; provided, however the Foundation Payment shall not be greater than one-quarter percent (0.25%) of the Gross Selling Price of the applicable property. The Association's Board of Directors shall have the right, by resolution adopted by the Board, to allow a Builder to make payment of the Foundation Payment that will become due and payable upon the initial sale of a Single Family Residence at the time of the Builder's acquisition of the Lot for such Single Family Residence and prior to construction of the residence based on the Gross Selling Price of the Single Family Residence as estimated by the Builder and approved by the Association at the time the

Builder purchases the Lot. In the event the Foundation Payment for the initial sale of a Single Family Residence is paid by a Builder and accepted by the Association based on the estimated Grossing Selling Price as specified herein and the actual Gross Selling Price is more or less than the estimated amount, there shall be no adjustment of the Foundation Payment for the initial sale of such Single Family Residence between the Builder and the Association or the Foundation.

(c) Purpose. All Foundation Payments which the Association collects on behalf of the Foundation shall be paid or transferred to the Foundation and deposited into a separate account in the name of the Foundation and shall be used for such purposes as the Foundation, acting through its board of trustees, deems beneficial to the general good and welfare of the Riverstone community. By way of example and not limitation, Foundation Payments may be used to assist the Association or one or more tax-exempt entities in funding:

- (i) preservation and maintenance of natural areas, wildlife preserves, archaeological sites, areas of historical or cultural significance or similar conservation areas, and sponsorship of educational programs and activities which contribute to the overall understanding, appreciation and preservation of the natural environment at Riverstone;
- (ii) programs and activities which serve to promote a sense of community within Riverstone, such as recreational leagues, cultural programs, educational programs, festivals and holiday celebrations and activities, a community computer network, and recycling programs;
- (iii) social services, community outreach programs and other charitable causes; and
- (iv) enhancement and/or improvement of infrastructure within the Properties.

(d) Exempt Transfers. Notwithstanding the above, no Foundation Payment shall be levied upon transfer of title to a Lot with a Single Family Residence which is an Exempt Transfer."

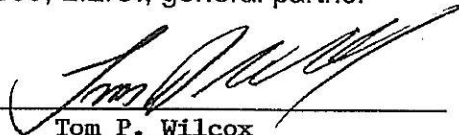
4. Except as expressly amended hereby, the Declaration is not affected hereby and the same is ratified as being in full force and effect.

IN WITNESS WHEREOF, this Correction First Amendment to Declaration of Covenants, Conditions and Restrictions for Riverstone Single Family Residential Areas is executed to be effective as of the 12th day of January, 2007. This instrument is executed in replacement of and substitution for that certain First Amendment to Declaration of Covenants, Conditions and Restrictions for Riverstone Single Family Residential Areas dated January 12, 2007 which was filed under Clerk's file No. 2007006198 in order to correct certain errors.

FROST RANCH DEVELOPMENT, L.P.,
a Texas limited partnership

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

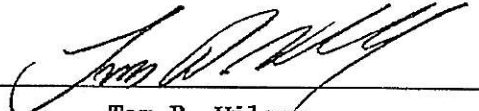
By:



Tom P. Wilcox
Its: VICE PRES

SUGAR LAND RANCH DEVELOPMENT, L.L.C.,
a Texas limited liability company

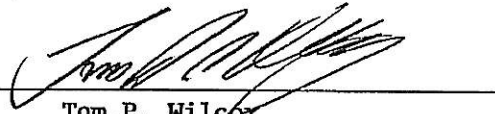
By:



Tom P. Wilcox
Its: VICE PRES

HILLSBORO ESTATES, L.L.C.,
a Texas limited liability company


By:



Tom P. Wilcox
Its: VICE PRES

HERRIN RANCH DEVELOPMENT II, INC.,
a Texas corporation

By:



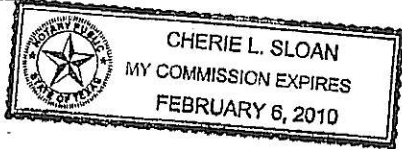
Tom P. Wilcox
Its: VICE PRES

THE STATE OF TEXAS

COUNTY OF FORT BEND

This instrument was acknowledged before me on Oct 2, 2007 by Tom P. Wilcox, V.P. 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)



[Signature]
Notary Public in and for
the State of Texas

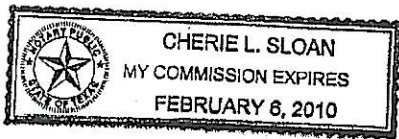
CHERIE L. SLOAN
Name printed or typed
My commission expires: 2/06/2010

THE STATE OF TEXAS

COUNTY OF FORT BEND

This instrument was acknowledged before me on Oct 2, 2007 by Tom P. Wilcox, V.P. of Sugar Land Ranch Development, L.L.C., a Texas limited liability company, on behalf of said limited liability company.

(SEAL)



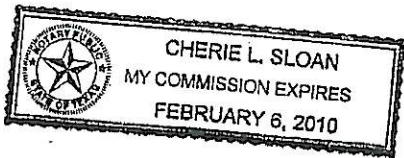
[Signature]
Notary Public in and for
the State of Texas

CHERIE L. SLOAN
Name printed or typed
My commission expires: 2/06/2010

THE STATE OF TEXAS
COUNTY OF FORT BEND

This instrument was acknowledged before me on Oct. 2, 2007 by TOM P. WILCOX, V.P. of Hillsboro Estates, L.L.C., a Texas limited liability company, on behalf of said limited liability company.

(SEAL)



[Signature]
Notary Public in and for
the State of Texas

CHERIE L. SLOAN

Name printed or typed
My commission expires:

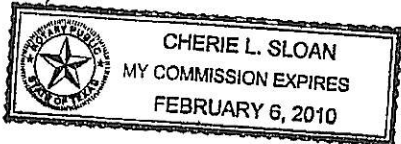
2/06/2010

THE STATE OF TEXAS

COUNTY OF Fort Bend

This instrument was acknowledged before me on Oct. 2, 2007 by TOM P. WILCOX, V.P. of Herrin Ranch Development II, Inc., a Texas corporation, on behalf of said corporation.

(SEAL)



[Signature]
Notary Public in and for
the State of Texas

CHERIE L. SLOAN

Name printed or typed
My commission expires:

2/06/2010

After Recording, Return To: MR

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FILED AND RECORDED

OFFICIAL PUBLIC RECORDS

Dianne Wilson

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JH \$35.00

Dianne Wilson COUNTY CLERK

FT BEND COUNTY TEXAS