

Amendment To Second
Amended And Restated
Declaration Of
Covenants, Conditions
And Restrictions

**AMENDMENT TO SECOND AMENDED
AND RESTATED DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
OF SHADY HOLLOW ESTATES**

THE STATE OF TEXAS §

COUNTY OF TRAVIS §

WHEREAS, Shady Hollow Estates Joint Venture No. One heretofore submitted certain real property to a Declaration of Covenants, Conditions and Restrictions dated April 11, 1984, recorded in Volume 8545, Page 673, Real Property Records of Travis County, Texas, as amended by Amended Declaration dated January 16, 1992, recorded in Volume 11604, page 0041, and further amended by Second Amended and Restated Declaration of Covenants, Conditions and Restrictions dated March 26, 1992, recorded in Volume 11675, page 831, Real Property Records, of Travis County, Texas (the "Declaration"); such real property being more particularly described in such documents; and

WHEREAS, pursuant to Article VIII, Section 1 of the Declaration, said Declaration may be amended by approval of a two-thirds (2/3) vote of a quorum of the members present at a meeting; and

WHEREAS, the undersigned President and Secretary of Shady Hollow Estates Community Association certify that the requisite number of votes to amend the Declaration has occurred at a meeting on December 13, 1994;

NOW, THEREFORE, the Declaration is hereby amended as follows:

AMENDMENT

1. The following language is added to Section 1, Article VI of the Declaration:

"The Association may set time limits for completion of Members' projects proposed and approved by the ACC. Any such time limits shall be included in the ACC approval of a proposed project and shall be reasonable for any particular project per the project plan submitted by the Member. By setting such time limits, the Association intends to induce Members to complete projects in a timely manner to avoid situations for which working materials and equipment would be left exposed for unreasonably extended periods of time."

2. The following language is added to Section 1, Article VII of the Declaration:

"Section 1a. Low Impact Home Businesses. This is to provide an exception to the prohibition against the use of a Tract for business or professional purposes, generally permitting those in-home businesses that can be conducted without creating a nuisance for the neighborhood. Specifically prohibited however, are businesses which result in commercial vehicles being regularly parked on a Tract, businesses with employees who are not residents of the subdivision working on the premises of a Tract, and businesses which result in excessive traffic. An in-home business will be considered a nuisance, and therefore prohibited, if at least three Members representing three separate Tracts within close proximity to the Tract conducting the in-home business petition the Board of Directors in writing setting out the specific complaint against the in-home business, and the Board of Directors finds it to be in the best interest of the neighborhood to prohibit the business. The Board of Directors may make other rules regarding in-home businesses to fulfill the intent of this Section.

3. The following language is added to Section 4, Article VIII of the Declaration:

"Section 4a. Fines. The Association may levy penalties for violations of one or more of the provisions of these Second Amended and Restated Covenants, Conditions and Restrictions of Shady Hollow Estates. Any such penalties shall be established by the Board of Directors at a duly constituted meeting of the Board of Directors and shall be published and mailed to every Member of the Association. No fine may be levied without first providing the violating Member with adequate notice of the violation and reasonable opportunity to correct the violation. The Board of Directors may delegate to the Architectural Control Committee the authority to impose penalties on willful violators of the Covenants and Restrictions that the Architectural Control Committee has been charged to enforce. In no case can the penalty exceed ten dollars per day. The penalties, however, are cumulative and may be enforced by lien in favor of the Association. The penalties may be waived or abated at the discretion of the Board of Directors."

Executed to be effective as of the 9 day of May, 1996.

SHADY HOLLOW ESTATES COMMUNITY ASSOCIATION

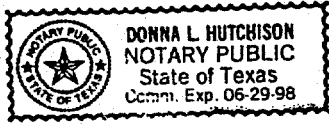
By: Frank E. Salat
Printed Name: FRANK E. SALAT
Title: President

By: Mary-Jo T Cottrell
Printed Name: Mary-Jo T Cottrell
Title: Secretary

THE STATE OF TEXAS

COUNTY OF TRAVIS

This instrument was acknowledged before me on the 9th day of May, 1996, by FRANK E. SALAT, President of Shady Hollow Estates Community Association, a Texas non-profit corporation, on behalf of said corporation.

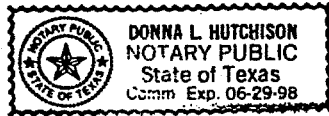


Donna L. Hutchison
Notary Public, The State of Texas
Printed Name _____
My Commission Expires: _____

THE STATE OF TEXAS

COUNTY OF TRAVIS

This instrument was acknowledged before me on the 9th day of May, 1996, by Mary Jo T. Correy, Secretary of Shady Hollow Estates Community Association, a Texas non-profit corporation, on behalf of said corporation.



Donna L. Hutchison
Notary Public, The State of Texas
Printed Name _____
My Commission Expires: _____