

**FIRST AMENDMENT
TO AMENDED AND RESTATED DECLARATION
OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR HARBOR LAKES**

THIS FIRST AMENDMENT TO AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR HARBOR LAKES (this "First Amendment") is made as of the 24th day of June, 2010 by the **CONSENTING OWNERS** (as defined herein) and **FORESTAR (USA) REAL ESTATE GROUP INC.** (formerly known as Lumbermen's Investment Corporation, by change of name only), a Delaware corporation ("Forestar").

WITNESSETH:

WHEREAS, Lumbermen's Investment Corporation ("Lumbermen's"), as Declarant, executed on December 28, 2000, that certain Declaration of Covenants, Conditions and Restrictions for Harbor Lakes (the "Original Declaration") dated December 27, 2000, and recorded in Volume 1726, Page 0001 of the Official Public Records of Hood County, Texas; and

WHEREAS, Lumbermen's (as the Declarant), with the joinder of T. D. Murphy Construction Company, Inc. and Homes By Dunn, Inc. as Current Owners, amended the Original Declaration pursuant to that certain Amended and Restated Declaration of Covenants, Conditions and Restrictions for Harbor Lakes (With Joinder of Current Owners) dated as of June 15, 2001, and recorded in Volume 1755, Page 0738 of the Official Public Records of Hood County, Texas (the "Amended Declaration"). The Original Declaration, as amended, modified, restated or supplemented by the Amended Declaration and all other amended, modified, supplemental and/or restated declarations of annexation is hereinafter referred to herein as the "Declaration"; and

WHEREAS, in connection with the execution and recording of the Original Declaration, Lumbermen's filed the Articles of Incorporation ("Articles") incorporating Harbor Lakes Homeowners Association, Inc. (the "Association") with the Secretary of State of the State of Texas under Charter No. 01616365 effective February 12, 2001; and

WHEREAS, Lumbermen's Investment Corporation has changed its name to Forestar (USA) Real Estate Group Inc.; and

WHEREAS, pursuant to Section 6 of Article II of the Declaration and Section VI of the Articles, Forestar has become a Class A Member and control and management of the Association has passed from Forestar to the Owners; and

WHEREAS, pursuant to Article X, Section 2 of the Declaration, Owners constituting not less than seventy-five percent (75%) of the total votes, in the aggregate, of the Association may amend the Declaration by an instrument signed by such Owners and such amendment shall be

effective as of the filing of record of the amendment in the Real Property Records of Hood County, Texas; and

WHEREAS, as of the date hereof, Owners constituting not less than seventy-five percent (75%) of the total votes, in the aggregate, of the Association (the "Consenting Owners") have executed and delivered to the Association an irrevocable Consent to Amendment consenting to this First Amendment and authorizing the President of the Association to certify their approval in writing of this First Amendment; and

WHEREAS, pursuant to Article X, Section 2 of the Declaration, no amendment to the Declaration may affect the rights of Non-Resident Members without the express written consent of Forestar;

WHEREAS, Consenting Owners and Forestar desire to modify and amend the Declaration in certain respects;

NOW, THEREFORE, in consideration of the covenants and agreements set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Consenting Owners and Forestar hereby declare as follows:

1. Except to the extent otherwise expressly provided elsewhere in this First Amendment, all capitalized terms set forth herein shall have the identical meanings as set forth in the Declaration.

2. The Declaration is hereby modified and amended as follows:

(a) The provisions of the first grammatical paragraph of Article VIII, Section 24 are hereby deleted and the following is substituted in lieu thereof and in replacement therefor:

Section 24. Architectural Standards Committees. Two (2) separate committees (collectively, the "Committees") as set forth below shall function as the representative of the Owners of the Affected Lots for the purposes herein set forth as well as for all other purposes consistent with the creation and preservation of a first-class community development. The Committees shall use their best efforts to promote and ensure a high level of taste, design, quality, harmony and conformity throughout the Property.

(i) One Committee (the "Limited Committee") shall be composed of three (3) individuals, two (2) of whom shall be selected and appointed from time to time by Declarant and one (1) of whom shall be selected and appointed from time to time by the Board of Directors of the Association subject in each instance to the express written approval of Declarant. The Limited Committee, which shall have the sole and exclusive authority to make decisions with regard to the approval or disapproval of the

plans and specifications, plot plans, surveys, materials, improvements and all other related matters to be determined, approved or disapproved by any of the Committees in conjunction with the initial construction of a Unit and related improvements on an Affected Lot. Notwithstanding the foregoing, it is expressly agreed that the Limited Committee shall only have the authority to make decisions with regard to approval or disapproval of all plans and specifications, plot plans, materials, improvements, surveys and all other related matters to be determined, approved or disapproved by any of the Committees in conjunction with the initial construction of a Unit on any Affected Lot; and

(ii) One Committee (the "General Committee") shall be composed of a minimum of three (3) individuals selected and appointed by the Board of Directors of the Association. The General Committee shall determine all matters (save and except the approval or disapproval of plans and specifications, plot plans, materials, improvements, surveys and all other related matters to be determined, approved or disapproved by the Limited Committee in conjunction with the initial construction of a Unit and related improvements on an Affected Lot, which shall be made solely by the Limited Committee during the continued existence of the Limited Committee), including, but not limited to, the granting of variances and the approvals and disapprovals with respect to any proposed construction of any improvement after the initial construction of a Unit and related improvements on an Affected Lot shall be selected and approved solely by the General Committee.

(iii) At such time as Declarant is no longer the Owner of any Affected Lot and a Unit has been built on all Affected Lots, the Limited Committee shall automatically be dissolved and no longer be in existence with all of the authority of the Limited Committee to automatically and contemporaneously vest in the General Committee.

Any and all provisions of this Restated Declaration pertaining to matters to be determined, approved or disapproved by the Committee with respect to any proposed initial construction of a Unit and related improvements on any Affected Lot shall be deemed to refer to the Limited Committee. All other provisions of this Restated Declaration pertaining to matters to be determined, approved or disapproved by the Committee with respect to all matters (save and except with respect to any proposed initial construction of a Unit and related improvements on any Affected Lot) shall be deemed to refer to the General Committee.

(b) The provisions of the first sentence of the second grammatical paragraph of Article VIII, Section 24 are hereby deleted and the following is substituted in lieu thereof and in replacement therefor:

In the event of the death or resignation of any member of the Committee, the person who appointed such member, be it Declarant or the Board of Directors of the Association, shall have full authority to designate and appoint a successor.

(c) The Declaration is hereby modified and amended to delete (i) any and all references to the portion of the Property depicted as the "Swim Club" and all related fixtures, machinery, equipment, appliances and utility facilities now or hereafter installed therein or attached thereto and (ii) any and all references to the Swim Club Facilities from the term "Common Areas" (as defined in Article I, Section 8 of the Restated Declaration) and any and all other references to the properties contained within the Common Areas and the rights and obligations of the Owners, Members and Association with respect to the Common Areas.

(d) The Declaration is hereby modified and amended to delete any and all references to Non-Resident Members, any and all references to the obligation of Non-Resident Members to pay Annual General Assessments and Special Swim Club Special Assessments, any and all references to the Special Swim Club Fund, and the provisions of Article VII, Section 2.

(e) The following shall be and is hereby added to the Declaration as a new Article VII, Section 11:

Section 11. Special Provisions Regarding Swim Club and Swim Club Facilities. Notwithstanding anything to the contrary contained or implied elsewhere in this Restated Declaration and/or the articles and/or the bylaws of the Association, the following provisions shall apply with respect to the Swim Club and Swim Club Facilities:

(i) The Swim Club and Swim Club Facilities do not and shall not constitute a portion of the Common Areas. The Swim Club Facilities (inclusive of the land associated therewith) have been or will be conveyed by Declarant to Harbor Lakes Golf Club, LP (the "Golf Club Owner"), the owner of the Golf Club, upon the condition that each Member of the Association owning an Affected Lot located in (a) Phase 1A, Phase 1B, Phase 2, Section 3, Section 4, Section 6B or Section 8, Phase 1 of Harbor Lakes, (b) Heron's Nest at Harbor Lakes, a condominium project, or (c) The Vineyards at Harbor Lakes, a condominium townhome project, have the opportunity, at each such Member's sole option, to continue to have access to the Swim Club Facilities upon the following terms and provisions:

(A) All existing Owners as of the Effective Date shall have the one (1) time option (the "Option") to elect to become a member ("Grandfathered Resident Pool Member") entitled to utilize solely the two (2) pools, the restrooms associated therewith and the associated concession stand which exist as of the Effective Date (hereinafter collectively referred to as the "Grandfathered Swim Facilities") to be owned by the Golf Club Owner;

(B) Each existing Owner as of the Effective Date must exercise its Option (if at all) by written notice thereof delivered to the Golf Club Owner in accordance with the terms and provisions of subsection (F) below on or before ninety (90) days after the Effective Date (time expressly being of the essence);

(C) If an existing Owner as of the Effective Date is a homebuilder who owns one (1) or more Affected Lots (whether with or without any residential dwelling thereon) which is/are for sale to unrelated third parties, each initial third party purchaser of such an Affected Lot ("Initial Purchaser") shall have the one (1) time option (the "Initial Purchase Option") to elect to become a Grandfathered Resident Pool Member entitled to utilize solely the Grandfathered Swim Facilities to be owned by the Golf Club Owner;

(D) Each Initial Purchaser must exercise its Initial Purchase Option (if at all) by written notice delivered to the Golf Club Owner in accordance with the terms and provisions of subsection (F) below on or before ninety (90) days after such respective Initial Purchaser closes and consummates the purchase of an Affected Lot from a homebuilder (time expressly being of the essence);

(E) Each existing Owner as of the Effective Date who timely exercises its Option and each Initial Purchaser who timely exercises its Initial Purchase Option must fill out and deliver to

the Golf Club Owner such forms and information as may reasonably be required by the Golf Club Owner in connection therewith;

(F) Any notice or communication required or permitted under subsections (B) and (D) above shall be in writing and (1) personally delivered, or (2) sent by the United States certified mail, postage prepaid, return receipt requested, or (3) sent by prepaid Federal Express or similar nationally recognized overnight courier service. Such notice shall be deemed to have been given upon the date of actual receipt or delivery (or refusal to accept delivery), as evidenced by the notifying party's receipt of written confirmation of such delivery or refusal, if sent by the United States mail or nationally recognized overnight courier service as provided above. For purposes of notice, the address of Declarant, the Association and the Golf Club Owner shall be as follows:

Declarant:

Forestar (USA) Real Estate Group Inc.
Attn: Tom Burlison
14755 Preston Road
Suite 710
Dallas, Texas 75254

Association:

Harbor Lakes Homeowners Association, Inc.
c/o Lone Star Association Management
2500 Legacy Drive, Suite 220
Frisco, Texas 76034

Golf Club Owner:

Harbor Lakes Golf Club, LP
Attn: Mary Cowser
14155 Preston Road
Suite 710
Dallas, Texas 75254

Any address for notice may be changed by written notice in accordance with the terms of this paragraph.

(G) A Grandfathered Resident Pool Member shall be entitled to the same use of the Grandfathered Swim Facilities and subject to the same rules and regulations (including guest policies and guest fees) as a Social Member of the Golf Club (as such usage and rules and regulations attendant to a Social Member of the Golf Club may vary from time to time);

(H) The immediate family members of a Grandfathered Resident Pool Member who are permanently residing with a Grandfathered Resident Pool Member in the Grandfathered Resident Pool Member's Unit (save and except for children of the Grandfathered Resident Pool Member who are over 21 years of age) shall be permitted to utilize the Grandfathered Swim Facilities subject to the rules and regulations applicable thereto as described in subsection (G) above;

(I) The initial monthly fee ("Monthly Fee") to be charged to a Grandfathered Resident Pool Member is Ten and No/100 Dollars (\$10.00). The Monthly Fee may be increased from time to time as the Golf Club Owner may elect; provided; however, any increase may not, on a cumulative, aggregate basis, be in excess of the greater of (1) ten percent (10%) per annum for the cumulative period of time elapsing from the Effective Date until the effective date of the most recent increase, or (2) the aggregate, cumulative increase in the Consumer Price Index for All Urban Consumers (Base Period 1982-1984 = 100) for the Dallas/Fort Worth Metropolitan Statistical Area published by the United States Department of Labor, Bureau of Labor Statistics for the cumulative period of time elapsing from the Effective Date until the effective date of the most recent increase;

(J) In the event that a Grandfathered Resident Pool Member ceases to be an Owner of a

Unit, he/she shall contemporaneously therewith automatically cease to be a Grandfathered Resident Pool Member and shall thereafter have no further rights or privileges to utilize the Grandfathered Swim Facilities; and

(K) A Grandfathered Resident Pool Member may not transfer or assign in whole or in part any of his/her rights, duties, obligations, rights or privileges with respect to the Grandfathered Swim Facilities and any attempt to do so shall be void and of no force or effect whatsoever.

(f) The provisions of Article IX, Section 4 are hereby deleted from the Declaration and the last sentence of Article II, Section 6(b) is hereby deleted and the following is substituted in lieu thereof and in replacement therefor:

Notwithstanding anything to the contrary contained or implied in this Section 6 (b) or otherwise, Class B membership shall never be reinstated even if before the expiration of twenty (20) years from the date of conveyance of the first Affected Lot additional Affected Lots owned by Declarant are annexed to this Restated Declaration in sufficient numbers to restore a ratio of at least one Class B Lot for each three (3) Class A Lots in the Property.

3. The Declaration, as expressly modified, amended and supplemented herein, remains in full force and effect and is hereby ratified and confirmed.

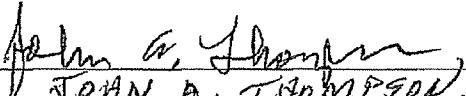
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Signature Page Follows]**

EXECUTED as of the day and year first above written and effective as of the date (the "Effective Date") of filing of record of this First Amendment in the Real Property Records of Hood County, Texas.

CONSENTING OWNERS:

**HARBOR LAKES HOMEOWNERS
ASSOCIATION, INC.,**

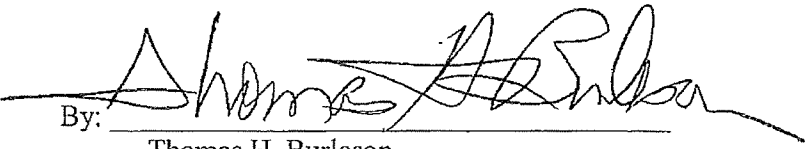
a Texas non-profit corporation

By: 
JOAN A. THOMPSON,
President

on behalf of Owners constituting not less than seventy-five percent (75%) of the total votes, in the aggregate, of the Association who have executed and delivered to the Association an irrevocable Consent to Amendment consenting to this First Amendment and authorizing the President of the Association to certify their approval in writing of this First Amendment, which certification is hereby made by the Association's execution of this First Amendment

FORESTAR:

**FORESTAR (USA) REAL ESTATE GROUP
INC. (formerly known as Lumbermen's
Investment Corporation, by change of name only),**
a Delaware corporation

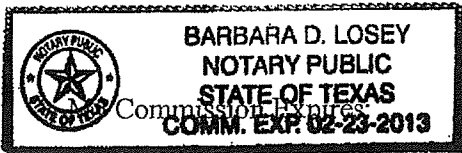
By: 
Thomas H. Burlison,
Executive Vice President

THE STATE OF TEXAS

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COUNTY OF Hood

The foregoing instrument was acknowledged before me this 24th day of June, 2010, by John A. Thompson, President of Harbor Lakes Homeowners Association, Inc., a Texas non-profit corporation, on behalf of said corporation.



Barbara D Losey
Notary Public, State of Texas

Printed Name of Notary Public

THE STATE OF TEXAS

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COUNTY OF DALLAS

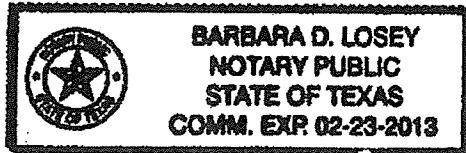
The foregoing instrument was acknowledged before me this 22nd day of June, 2010, by Thomas H. Burlson, Executive Vice President of Forestar (USA) Real Estate Group Inc. (formerly known as Lumbermen's Investment Corporation, by change of name only), a Delaware corporation, on behalf of said corporation.

Barbara D Losey
Notary Public, State of Texas

My Commission Expires:

2/23/2013

Printed Name of Notary Public



Hood County Clerk
201 W Bridge Street
PO BOX 339
Granbury Texas, 76048
Phone: 817-579-3222

Document Number: 2010-0007180 -
Filed and Recorded - Real Records

RESTRICTION

Pages: 11

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Do Not Destroy

Recorded On:	06/24/2010 03:41 PM	Notes:
Document Number:	2010-0007180	
Receipt Number:	R100867	
Amount:	\$52.00	
Recorded By:	Kristi Jackson	

Any provision herein which restricts the Sale, Rental, or use of the described REAL PROPERTY because of color or race is invalid and unenforceable under federal law.

I hereby certify that this instrument was filed and duly recorded in the Official Records of Hood County, Texas



Sally Oubre
County Clerk
Hood County, Texas



Return To: In Office

HARBOR LAKES

14155 PRESTON RD #710
DALLAS, TX 75254

