

AFTER RECORDING RETURN TO:
American Legend Homes, LLC
2540 King Arthur Boulevard, Suite 200
Lewisville, Texas 75056

**THIRD AMENDMENT TO DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS FOR
WATERFORD PARK ESTATES
PHASES I & II**

THIS THIRD AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR WATERFORD PARK ESTATES PHASE I & II (this "Amendment") is made by AMERICAN LEGEND HOMES, LLC, a Texas limited liability company ("ALH"), and WATERFORD PARK ESTATES PHASES I & II HOMEOWNERS' ASSOCIATION, INC. (the "Association") as of the _____ day of _____, 2013.

WHEREAS, Waterford, Ltd. ("Original Declarant") executed the Declaration of Covenants, Conditions and Restrictions for Waterford Park Estates Phases I & II (the "Original Declaration"), dated February 6, 1996, and recorded in the Real Property Records of Denton County, Texas, under Document No. 96-R0012863; and

WHEREAS, the Original Declaration was amended by (i) a First Amendment to the Declaration of Covenants, Conditions and Restrictions for Waterford Park Estates Phases I & II (the "First Amendment"), dated February 3, 2003, executed by the Association, and recorded in the Real Property Records of Denton County, Texas, under Document No. _____ and (ii) a Second Amendment to the Declaration of Covenants, Conditions and Restrictions for Waterford Park Estates Phases I & II (the "Second Amendment"), dated March 26, 2004, executed by the Association and recorded in the Real Property Records of Denton County, Texas, under Document No. _____. The Original Declaration, as amended by the First Amendment and the Second Amendment, is herein referred to as the "Declaration"; and

WHEREAS, the Declaration remains in full force and effect; and

WHEREAS, Section 7.5 of the Declaration provides for amendment to the Declaration by (i) the express written consent of at least sixty-six and two-thirds percent (66⅔%) of the outstanding votes held by Members, and (ii) the written consent of the Town of Flower Mound (the "Town"); and

WHEREAS, this Amendment received (i) the express written consent of at least sixty-six and two-thirds percent (66⅔%) of the outstanding votes held by Members, and (ii) the consent of the Town as evidenced by its duly authorized representative's signature below; and

WHEREAS, ALH is the owner of the real property (the "Phase III Lots") described on Exhibit "A" attached hereto and made a part hereof for all purposes, and ALH and the Association desire to add the Phase III Lots to the scheme of the Declaration, subject to the additions and modifications set forth below; and

NOW, THEREFORE, ALH and the Association declare that (i) the Phase III Lots are and shall be (A) subject to the scheme of the Declaration and (B) held, transferred, sold, conveyed, used, and occupied subject to the covenants, conditions, restrictions, easements, charges, and liens set forth in the Declaration, as modified and amended herein, and (ii) the Declaration is hereby amended as follows:

1. Capitalized terms not defined in this Amendment shall have the meanings given to such terms in the Declaration.

2. Each Owner of a Phase III Lot shall be a Member of the Association and after ownership is transferred following the issuance of a certificate of occupancy, each Owner of a Phase III lot shall be entitled to one (1) vote for each Lot owned by such Owner. Prior to the issuance of a certificate of occupancy, ALH shall be entitled to cast one (1) vote for each Phase III Lot owned regarding any changes to the Declaration that exclusively affect Phase III Lots.

3. As of the date this Amendment is recorded in the Real Property Records of Denton County, Texas, each Owner of a Phase III Lot (i) shall be considered an "Owner," (ii) shall be responsible for the payment of the dues and assessments applicable to such Phase III Lot, in the same manner as the other Owners, and (iii) shall otherwise have the duties, obligations, privileges, and rights set forth in the Declaration, as amended by this Amendment.

4. Section 1.12 of the Declaration is hereby amended to read as follows:

1.12 PROPERTY, PREMISES OR DEVELOPMENT. "Property," "Premises," or "Development" shall mean or refer to that certain real property known as WATERFORD PARK ESTATES PHASES I & II as described on Exhibit "A" attached to the Original Declaration and the Phase III Lots.

5. The first sentence of Section 4.6 of the Declaration is amended to read as follows:

Except as expressly provided in this Amendment, both the regular annual and Special Assessments shall be fixed at a uniform rate for all Lots, and shall commence and be due in accordance with the provisions of Section 4.7 of the Declaration.

6. Notwithstanding anything to the contrary contained in Section 4.7 of the Declaration or this Amendment, the obligation of the Owners, including ALH, of Phase III Lots to pay regular annual assessments and Special Assessments shall commence on the date that this Amendment is recorded in the Real Property Records of Denton County, Texas.

7. Notwithstanding anything to the contrary contained in Article V of the Declaration or this Amendment, the Architectural Review Committee, that will be responsible for the review and approval of any and all improvements to initially be constructed on the vacant Phase III Lots, shall be composed of three (3) representatives appointed by ALH during such time as ALH owns any of the Phase III Lot.

8. The costs and expenses for the maintenance, repair and replacement of the stormwater detention pond (the "Pond") to be constructed on the portion of Waterford Park Estates Phase III ("Phase III"), described on Exhibit "B" attached hereto and made a part hereof for all purposes (the "Detention Pond Lot"), shall be paid by the Association.

9. The Association recognizes that portions of Phase III will not become Phase III Lots or be dedicated to the public as rights of way, but are intended to become common properties, open spaces and/or reserves for the benefit of the Owners. At such time as Phase III has been finally platted and the development of the Phase III has been accepted by the Town of Flower Mound, ALH will deed the above-described common properties, open spaces and/or reserves to the Association, by special warranty deed, and the Association shall accept such deed.

10. Upon the execution of this Amendment by all parties and the recordation of this Amendment in the Real Property Records of Denton County, Texas, ALH agrees to pay, or cause to be paid, the premium or premiums for liability insurance covering the Areas of Common Responsibility within Phase III and within the property made subject to the Original Declaration for the two year period commencing upon the recordation of this Amendment in the Real Property Records of Denton County, Texas.

11.

(a) Section 6.10 of the Original Declaration is herein amended so that Section 6.10 shall not apply to Lots 1 through 21, Block E of Phase III (those Phase III Lots fronting on Waterstone Trail) and residences constructed on Lots 1 through 21, Block E of Phase III shall be located at the front setback line as shown on the recorded plat of Waterford Park Estates Phase III.

(b) Section 6.11 of the Original Declaration is hereby amended so that fencing on any Phase III Lot abutting the Detention Pond Lot shall be tubular steel picket, painted black, and not in excess of six feet (6') in height.

(c) As to the Phase III Lots only, Section 6.15 of the Original Declaration is hereby amended so that all front elevation windows shall be vinyl clad or better.

(d) Section 6.16 of the Original Declaration is hereby amended so that with regard to Lots 1 through 21, Block E of Phase III:

(i) all native trees within the tree presentation and landscape buffer zone shall be retained;

(ii) each backyard shall have at least two (2) additional three inch (3") or better caliper trees, at least one of which shall be an evergreen tree; and

(iii) the Owner of each Lot shall maintain the native trees in a healthy condition and shall promptly replace any such native tree that dies with a three inch (3") or better caliper tree. Any replacement tree shall be planted in the preservation and landscape buffer zone. Additional trees may be planted in the preservation and landscape buffer zone and in the other portions of the rear yard.

12. The Association shall collect a \$600.00 capital contribution fee upon each transfer of title to any Phase III Lot after the construction of the initial residence on such Lot. The fees collected by the Association pursuant to the previous sentence shall be placed in a separate account and used solely for the maintenance, repair and replacement of the common areas in the Development and the improvements thereon. Other than as set forth in this Amendment, all rules, regulations and requirements set forth in the Declaration, as the Declaration may hereafter be amended, or in any bulletin or building guideline, as amended, shall be uniformly applicable to all Lots, including the Phase III Lots.

13. Within three (3) months after the recordation of this Amendment in the Real Property Records of Denton County, Texas (the "Annexation Date"), ALH shall contribute, or cause to be contributed, to the Association, an amount equal to the estimated maintenance costs of the Phase III Common Areas for the 24-month period commencing with the Annexation Date. The parties to this Amendment agree that the maintenance costs of the Phase III Common Areas for such 24-month period is currently estimated to be \$15,200.00. Notwithstanding anything contained herein to the contrary, in the event that prior to the Annexation Date, Phase III has been operating as Waterford Place, the 24-month period described above shall be reduced by the number of months from the date AHL acquires record title to the Phase III Lots to be Annexation Date, and the estimated maintenance costs for the Phase III Common Areas shall be proportionately reduced. For example, should AHL acquire the Phase III Lots four (4) months prior to the Annexation Date and the estimated maintenance costs for the Phase III Common Areas are \$15,200.00, the amount to be contributed or caused to be contributed by ALH to the Association shall be reduced by \$2,533.33 (\$15,200.00 x 4 months/24 months).

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

{signature page follows}

EXECUTED as of the date set forth above.

ALH:

AMERICAN LEGEND HOMES, LLC,
a Texas limited liability company

By: _____
Name: _____
Title: _____

ASSOCIATION:

**WATERFORD PARK ESTATES PHASES I & II
HOMEOWNERS' ASSOCIATION, INC.**

By: _____
Name: _____
Title: _____

{acknowledgement page follows}

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared _____, President of AMERICAN LEGEND HOMES, LLC, a Texas limited liability company, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated and as the act and deed of such company.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this _____ day of _____, 2013.

My Commission Expires:

Notary Public, State of Texas

(Printed or Typed Name of Notary)

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared _____, _____ of WATERFORD PARK ESTATES PHASES I & II HOMEOWNERS' ASSOCIATION, INC., known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated and as the act and deed of such corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this _____ day of _____, 2013.

My Commission Expires:

Notary Public, State of Texas

(Printed or Typed Name of Notary)

CERTIFICATION OF AMENDMENT

As Secretary of Waterford Park Estates Phases I & II Homeowners' Association, Inc., I hereby certify that the foregoing Amendment to the Declaration of Covenants, Conditions and Restrictions for Waterford Park Estates Phases I & II received the express written consent of no less than sixty-six and two-thirds percent ($66\frac{2}{3}\%$) of the outstanding votes of the Members present at a meeting at which a quorum was present and held on _____, 2013.

Name: _____
Title: Secretary

APPROVED BY THE TOWN OF FLOWER MOUND:

By: _____
Name: _____
Title: _____

**CONSENT, JOINDER, AND SUBORDINATION
OF MORTGAGEE**

The undersigned, the mortgagee holding a current deed of trust lien on the Phase III Lots, does hereby consent to the execution and recordation of the foregoing, Third Amendment to Declaration of Covenants, Conditions and Restrictions for Waterford Park Estates Phases I & II, and agrees that all liens currently held by it shall be subject and subordinate to the provisions of the foregoing Third Amendment to Declaration of Covenants, Conditions and Restrictions for Waterford Park Estates Phases I & II.

EXECUTED this the ____ day of _____, 2013.

_____,

By:

Name: _____
Title: _____

STATE OF TEXAS §
 §
COUNTY OF _____ §

BEFORE ME, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared _____, _____ of _____, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same as a duly authorized officer of such entity, and as the act and deed of such entity, for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this _____ day of _____, 2013.

My Commission Expires:

Notary Public, State of Texas

(Printed or Typed Name of Notary)

EXHIBIT "A"

(Phase III Lots)

Lots 1 through 7, Block B; Lots 1 through 12, Block C; Lots 1 through 13, Block D; and Lots 1 through 26, Block E of Waterford Park Estates Phase III, an addition to the Town of Flower Mound, according to the plat thereof recorded under Document No. 2013-114 of the Plat Records of Denton County, Texas.

EXHIBIT "B"

(Stormwater Detention Pond Location)

Lot 7X, Block D of Waterford Park Estates Phase III, an addition to the Town of Flower Mound, according to the plat thereof recorded under Document No. 2013-114 of the Plat Records of Denton County, Texas.