

FIRST AMENDMENT TO PINE MOUNTAIN RANCH
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

V
O
L

STATE OF TEXAS §
 §
COUNTY OF ANDERSON §

2
0
6
1

This First Amendment to Pine Mountain Ranch Declaration of Covenants, Conditions and Restrictions ("First Amendment") is made on the date hereinafter set forth by Pine Mountain Ranch, Ltd., a Texas limited partnership ("Declarant").

WITNESSETH:

P
G

WHEREAS, Declarant has recorded that certain Declaration of Covenants, Conditions and Restrictions (hereinafter called the "Original Declaration") in the Real Property Records of Henderson County, Texas; and

0
4
7
9

WHEREAS, Declarant has the authority pursuant to the Original Declaration and the Bylaws to amend the Original Declaration; and

WHEREAS, Declarant now desires to amend the Original Declaration to authorize, as an additional remedy for collection of delinquent assessments, the Association's right to report any delinquent assessment to one or more credit reporting agencies.

NOW THEREFORE, for and in consideration of the premises set forth above, Declarant hereby amends the Original Declaration as provided in this First Amendment, and Declarant hereby declares that the Property (as defined in the Original Declaration) shall be held, sold, transferred, conveyed and occupied subject to the Original Declaration, as amended thereby.

1. All terms defined herein shall have the meaning given them in the Original Declaration unless expressly provided otherwise herein.

2. Section III(8) of the Original Declaration is hereby amended and restated in its entirety to read as follows:

"8. *Effect of Nonpayment of Assessments: Remedies of the Association.* Any assessment(s) not paid within thirty (30) days after the due date shall be delinquent and shall be subject to the following:

a. *Interest.* The delinquent assessment shall bear interest from the due date at a rate of twelve percent (12%) per annum and shall continue to bear interest until such time as the assessment(s) is paid in full.

b. *Lien.* The delinquent assessment, together with any accrued interest thereon, shall become a continuing lien on the Owner's Club Homestead which shall run with the land. The Association may bring an action at law against the Owner personally obligated to pay the same, foreclose the lien against the Owner's

Club Homestead, or pursue any other right or remedy available at law or in equity. As a part of any such proceeding, the Association shall be entitled to reimbursement of all costs of collection, including court costs and attorney fees. No Owner may waive or otherwise escape liability for the assessments provided for herein by abandonment of the Owner's Club Homestead, or conveyance or transfer of title to the Owner's Club Homestead.

c. *Suspension or Termination of Rights to the Common Areas.* The Association may suspend and, if not paid within ninety (90) days of written notice, terminate, as to the Owner's Club Homestead and/or Owner and the Immediate Family and guests in question, all rights to use any of the Common Area and the Club Improvements.

d. *Credit Reporting.* The Association may report the delinquent assessment to one or more credit reporting agencies stating the amount, nature and length of time overdue, if the delinquent assessment has not been disputed or paid by the Owner within thirty (30) days of the date of written notice to the Owner of the delinquent assessment. The written notice provided to Owner shall be in compliance with the Federal Fair Debt Collection Practices Act (or FDCPA), 15 U.S.C. § 1692 *et. seq.*, as may be amended from time to time."

3. Section IV(4) of the Original Declaration is hereby amended and restated in its entirety to read as follows:

"4. *Enforcement.* The Association may impose sanctions or penalties for violations of this Declaration, as amended, the Bylaws, the Design Rules and Guidelines or the Club Rules and Regulations in accordance with procedures set forth in the Bylaws, including reasonable monetary fines and suspension and/or termination of the right to vote and to use the Club Improvements or the Common Area. In addition, in accordance with the Bylaws, the Association may exercise self-help to cure violations, may suspend any services it provides to the Club Homestead of any Owner who is more than thirty (30) days delinquent in paying any assessment or other charge due to the Association or is otherwise violating the Club Covenants and/or, upon applicable notice, may report such delinquent payments to one or more credit reporting agencies. The Association may seek relief in any court for violations or to abate nuisances, including injunctive relief. Due to the potential for irreparable damage to the Property and the environment, each Owner hereby consents to the entry of an injunctive order, without notice to the Owner, to cease and desist immediately any construction, cutting of trees, excavation or grading on the Club Homestead of any Owner upon the written affidavit of the President of the Association or any member of the Board of Directors setting forth the alleged violation of the terms recited herein or in the other Club Covenants."

4. The Original Declaration shall be further amended insofar as necessary to give effect to this First Amendment.

5. Except as amended herein, the terms and conditions of the Original Declaration shall continue in full force and effect and are hereby ratified in their entirety.

EXECUTED to be effective as of the 14th day of September, 2007.

*Shackelford
Melton & McKinley*

3333 Lee Parkway
Tenth Floor
Dallas, Texas 75219
Phone 214.780.1400
Fax 214.780.1401

DECLARANT:

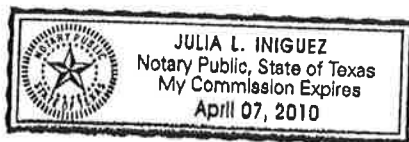
PINE MOUNTAIN RANCH, LTD.,
a Texas limited partnership

By: Swinney Management Co., LLC,
a Nevada limited liability company,
its general partner

By: *Ted Swinney*
Name: TED SWINNEY
Title: G.P.

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

Before me, the undersigned notary, personally appeared Ted Swinney,
General Partner of Swinney Management Co., LLC, a Nevada limited liability
company, general partner of Pine Mountain Ranch, Ltd., a Texas limited partnership, 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 for the purposes and consideration expressed
therein.



Julia L. Iniguez
Notary Public