DECLARATION OF
RESTRICTIONS, COVENANTS AND CONDITIONS OF
THE HILLS OF LOST CREEK SECTION 4 PHASE A AND B

THE STATE OF TEXAS
COUNTY OF TRAVIS

WHEREAS, the Hills of Lost Creek Joint Venture, a Texas joint venture, hereinafter referred to as the "Declarant," is the owner of all that real property located in Travis County, Texas, more particularly described in Exhibit A attached hereto and incorporated herein by reference.

WHEREAS, the Declarant intends to convey, and will convey, the above-described property subject to those protective covenants, conditions, restrictions, easements, liens, and charges hereinafter set forth.

NOW, THEREFORE, it is hereby declared that all of the above-described property shall be held, sold, and conveyed subject to the following covenants, conditions, restrictions, easements, liens and charges, which are for the purpose of protecting the value and desirability of said property, and which shall run with the land and be binding upon any and all persons having any right, title or interest in or to the said property or any part thereof, and their legal representatives, heirs, successors and assigns, and which shall inure to the benefit of each owner hereof.

ARTICLE ONE - DEFINITIONS

1. DECLARANT. "Declarant" shall mean and refer to Hills of Lost Creek Joint Venture, a Texas joint venture, and any successor or assigns to all or substantially all of the assets of the Venture (but not purchasers of individual Lots).

2. LOT. "Lot" shall mean and refer to any of the lots described in Exhibit A attached hereto.

3. OWNER. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot or portion of a Lot on which there is or will be built a detached single-family residence, including contract purchasers.

4. PROPERTY. "Property" shall mean and refer to that certain real property located in the Hills of Lost Creek, Section 4, Phases A and B, a subdivision in Travis County, Texas, according to the map or plat thereof recorded in Volume 83, Pages 11-12, Plat Records of Travis County, Texas, more particularly described in Exhibit A attached hereto and incorporated herein by reference.

ARTICLE TWO - PURPOSE

The Property is hereby encumbered by the covenants, conditions, and restrictions hereinafter set forth to insure the best and highest use and the most appropriate development and improvement of each Lot within the Property for residential purposes; to protect the Owners of Lots against the improper use of surrounding Lots; to preserve, so far as practicable, the natural beauty of the Property; to guard against the erection of poorly designed or
poorly proportioned structures of improper or unsuitable materials; to encourage and secure the erection of attractively-appropriately located improvements on each Lot; to prevent haphazard and inharmonious improvement of the Lots; to secure and maintain the proper use of easements within the Property; to preserve the lines of sight and views from the Lots and the Properties; and, in general, to provide for development of the highest quality to enhance the value of the investment made by Owners in purchasing Lots in the Property.

ARTICLE THREE - ARCHITECTURAL CONTROL

1. ARCHITECTURAL CONTROL COMMITTEE. An architectural control committee (hereinafter sometimes referred to as the "Committee") shall be designated and composed of Doug Bachman and Wm. B. Goodwin, or their representatives or successors, designated by the Declarant in writing.

2. SUBMISSION AND APPROVAL OF PLANS AND SPECIFICATIONS. A copy of the construction plans and specifications, including exterior views, exterior materials, colors and elevation; a drainage plan; a site plan showing the location of any proposed structure or improvement; a landscaping plan; a driveway construction plan; and any other information or documents which may be required by the Committee shall be delivered, at the offices of Goodwin-Bachman Homes, Inc., 1613 Loop 360 North, Suite 400, Austin, Texas 78747, or such other address as may hereinafter be designated in writing from time to time, but not less than thirty (30) days prior to the date of construction on a Lot to be commenced. No structure or improvement, including, but not limited to, buildings, fences, walls, landscaping, pools, exterior lighting fixtures, security and emergency communications systems and radiotelevision antennas, shall be placed or altered on any Lot until the plans and specifications therefor and the builder which the Owner intends to use to construct the proposed structure or improvement have been approved in writing by a majority of the members of the Committee. The Committee may, in reviewing such plans and specifications, consider any information which it deems proper, including, without limitation, any permits, environmental impact statements or percolation tests which may be required by the Committee or any other entity; information relating to the question of whether any proposed improvement would unreasonably obstruct the view from the Properties or neighboring Lots; harmony of external design and location in relation to surrounding structures, topography and finished grade elevation; and the identity of the builder which an Owner proposes to use to construct the proposed structure or improvement. The Committee may postpone its review of any plans and specifications submitted for approval pending receipt of any information or material which the Committee, in its sole discretion, may require. A copy of the construction plans and specifications and a site plan showing the location of the proposed structure or improvement, if approved, shall remain in the possession of the Committee until the Property is built out in its entirety. Site plans must be approved by the Committee prior to the clearing of any Lot or the construction of any improvements thereon. The Committee may refuse to approve plans and specifications for proposed improvements on any grounds which, in the sole and absolute discretion of the Committee, are deemed sufficient, including, but not limited to, purely aesthetic grounds. In reviewing plans and specifications, the Committee shall consider, but not be limited by the purposes set forth in Article Two of this Declaration.

3. VARIANCES. The Committee may grant variances from compliance with any of the provisions of this Declaration or any Supplemental Declaration hereinafter placed of record, including,
but not limited to, restrictions upon height, size, shape, floor areas, land area, placement of structures, set-backs, building envelopes, colors, materials, or land use, when, in the opinion of the Committee, in its sole and absolute discretion, such variance will not be adverse to the overall development plan for the property, and such variance is justified due to visual or aesthetic considerations or unusual circumstances. All variances must be evidenced in writing and must be signed by at least a majority of the members of the Committee. If a variance is granted, no violation of the covenants, conditions, or restrictions contained in this Declaration or any Supplemental Declaration shall be deemed to have occurred with respect to the matter for which the variance was granted. The granting of such variance shall not operate to waive or amend any of the terms and provisions of this Declaration or any Supplemental Declaration for any purpose except as to the particular property and in the particular instance covered by the variance, and such variance shall not be considered to establish a precedent for any future waiver, modification, or amendment of the terms and provisions hereof.

4. DURATION OF APPROVAL. The approval or consent of the Committee of any plans and specifications and any variances granted by the Committee shall be valid for a period of three (3) months only. In the event construction in accordance with such plans and specifications or variance is not commenced on a Lot within such three (3) month period, the Owner of the Lot shall be required to resubmit such plans and specifications or request for a variance to the Committee, and the Committee shall have the authority to re-evaluate such plans and specifications in accordance with this Article and may, in addition, consider any change in circumstances which may have occurred since the time of the original approval thereof.

5. NO WAIVER OF FUTURE APPROVAL. The approval or consent of the Committee to any plans or specifications for any work done or proposed in connection with any other matter requiring the approval or consent of the Committee shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any plans and specifications, or any other matter whatever, subsequently or additionally submitted for approval by the same or a different person, nor shall such approval or consent be deemed to establish a precedent for future approvals by the Committee.

6. NONLIABILITY OF COMMITTEE MEMBERS. Neither the Committee, nor any member thereof, shall be liable to any Owner or to any other person for any loss, damage, or injury arising out of the performance of the Committee's duties under this Declaration, unless such loss, damage or injury is due to the willful misconduct or bad faith of the Committee or its member, as the case may be.

ARTICLE FOUR - USE RESTRICTIONS

1. LAND USE AND BUILDING TYPES. All Lots shall be used for single-family residential purposes only, and no building or improvement shall be erected, altered, placed or permitted to remain on any Lot except as authorized under the terms and conditions hereof. All buildings shall be subject to such height limitations as the Committee may judge necessary to preserve lines of sight and views from neighboring Lots and the Properties. All residences shall be built in place. No modular homes shall be erected, altered, placed or permitted to remain on any of said Lots.

2. MINIMUM FLOOR AREA, EXTERIOR MATERIALS, AND ROOFS. Any single family dwelling constructed on a Lot must have a floor area of not less than 2,000 square feet, exclusive of open and
closed porches, terraces, patios, balconies, driveways, and garages.

Unless such requirement is expressly waived in writing by the Committee, at least fifty percent (50%) of the exterior of each single family dwelling shall be of masonry construction. All roofs on improvements constructed on the Lots shall consist of dark brown or dark grey three hundred fifty (350) pound or more composition shingles, tile, or painted metal of natural earth tones or a blending nature to the environment. No reflective roofing materials are permitted on any improvement.

3. SET BACKS. No building shall be located on any of the Lots nearer to the front lot line or nearer to the street line than the minimum set-back line shown on the recorded plat of the Property. In any event, no building shall be located on any of the Lots nearer than twenty-five feet (25') nor farther than thirty-five feet (35') from the front line, or nearer than ten feet (10') to any side street line; except, however, minor variations of the maximum set-back line shall be permitted to allow for preservation and utilization of existing trees or views. No building shall be located nearer than five feet (5') to an interior lot line, except that any garage or other permitted accessory building located fifty feet (50') or more from the minimum building set-back line may be three feet (3') from the lot line. No dwelling shall be located on any of the interior Lots nearer than twenty-five feet (25') to the rear lot line. For the purposes of this Covenant, eaves, steps and open porches shall not be considered as a part of a building, provided, however, that this shall not be construed to permit any portion of a building on a Lot to encroach upon any other Lot.

4. GARAGES AND DRIVEWAYS. All garages shall comply with all other restrictions, covenants, conditions and limitations on usage herein provided for other improvements in the Property. All garages shall be constructed of not less than two automobiles nor more than four automobiles. All garages shall consist of enclosed structures and no carports shall be permitted on any Lot. All garages shall have electric door openers and all garage doors shall remain closed when the garage is not in use. The Committee shall have the right to impose limitations on driveway design, including materials, aprons, location and point of contract with dedicated roads, struts or private driveways in the Property.

5. UNFINISHED STRUCTURES. No house or other structure shall remain unfinished for more than one (1) year after the same has been commenced. Construction of the residential improvements shall begin no later than two (2) years after ownership of the Lot has been legally conveyed by The Hills of Lost Creek Joint Venture.

6. PROHIBITED STRUCTURES. Except as provided in Article Four (4), Paragraph Nine (9) hereof, no structure of a temporary character, trailer, basement, tent, shack, carport, barn or other outbuilding shall be erected and/or used on any Lot at any time, either temporarily or permanently. No residential building may be removed from any Lot in the Property. No structure erected elsewhere, including, but not limited to, old houses and prefabricated structures, shall be moved onto any Lot. No house, trailer or mobile home shall be placed on any Lot in the Property.

7. BUTANE AND FUEL TANKS. No butane and fuel tank or other structure or facility for the storage of combustible fuels shall be placed or maintained on any Lot unless expressly authorized in writing by the Committee.

8. FENCES. No fence, wall, hedge or shrub planting which obstructs sight-lines at elevations between two (2) and six (6)
feet above the roadways shall be placed or permitted to remain on any corner Lot herein described within the triangular area formed by the street property lines and a line connecting them at points twenty-five feet (25') from the intersection of street lines, or in the case of a rounded property corner, from the intersection of the street property lines extended. No fence, wall or hedge shall be built or maintained forward of the front wall line of any house erected on any said Lots.

9. SIGNS. No signs of any character shall be allowed on any Lot except one professional sign for Lot identification purposes; provided, however, that the Declarant and any other person or entity engaged in the construction and/or sale of residences within the Property shall have the right, during the period of development, construction and sale of houses in the Property, to construct and maintain such facilities as may be reasonably necessary or convenient for such construction and sale, including, but not limited to, signs, sales offices, storage areas and model units.

10. IDENTIFICATION OF LOTS. The house number for each single family residence shall be located on a stone or masonry structure of a type, constructed of materials, and placed in a location approved by the Committee and shall be illuminated by an electric lighting fixture approved by the Committee.

11. TRUCKS, BUSES, TRAILERS AND BOATS. No bus, semi-trailer, tractor, machinery, equipment, or truck larger than a 3/4 ton pickup shall be kept, placed, maintained, constructed, or repaired on or in the street in front of any Lot, except for construction and repair vehicles during the period of construction on a Lot. No motor vehicle of any type shall be constructed or repaired on or in front of any Lot in such manner as to be visible from neighboring property.

No motor homes, recreational house trailers, horse trailers, truck campers, boats, boat trailers and other recreational vehicles shall be parked openly in the street, driveway or at any other place that may be seen from the street or by adjoining property owners for a period of not more than thirty-six (36) hours. Such vehicles may not be kept, placed, or maintained on any undeveloped Lot at any time. No motorized vehicle of any kind shall be operated in any manner which is dangerous, noisy, or creates a nuisance in the opinion of the Committee.

12. PARKING. On-street parking for periods in excess of twelve (12) hours shall not be permitted.

13. DUMPING, RUBBISH, GARBAGE AND STORAGE. No Lot shall be used or maintained as a dumping ground for rubbish or trash, and all garbage or other waste shall be kept in sanitary containers. All incinerators or other equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition.

14. ANIMALS AND LIVESTOCK. No animals, livestock or poultry of any kind shall be raised, bred, or kept on any Lot, except that dogs, cats, and other household pets may be kept, provided that they are not kept, bred or maintained for commercial purposes.

No animal shall be allowed to run at large within the Property. All animals shall be kept within an enclosed area which must be clean, sanitary and reasonably free of waste at all times.

15. FIREARMS. No firearms or explosives shall be kept or maintained on any Lot, other than firearms for the protection of an Owner's family and property and firearms for sporting or recreational purposes. No explosives or fireworks of any type shall be discharged within the Property. No hunting, including hunting
with bow and arrow, shall be permitted within the Property, and no firearms of any type shall be discharged within the Property unless necessary in order to protect an Owner's person, family or property.

16. BUSINESS ACTIVITIES. No part of any Lot shall ever be used for a business or commercial purpose or for carrying on any trade or profession.

17. ANNOYANCE OR NUISIBLE. No noxious or offensive activity shall be carried on upon any Lot, nor shall anything be done thereon which is or may become an annoyance or nuisance to the neighborhood, in the sole discretion of the Committee. No unsightly or elaborate radio or television antenna shall be permitted; provided, however, that conventional antennas for normal household radio and television viewing purposes may be maintained, subject to the approval of the Committee as to appearance, height and location.

18. SHRUBS, TREES AND LANDSCAPING. The Committee shall have the right to approve the removal and/or addition of trees, shrubs, hedges, ground cover and all other landscaping.

19. OIL AND MINING OPERATIONS. No oil drilling, oil development, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any Lot, nor shall oil wells, oil tanks, tunnels, mining excavations, or shafts be permitted upon or in any property within the Property. No derrick or other structure designed for use in boring for oil, natural gas, or other minerals shall be erected, maintained, or permitted upon any of said Lots.

20. RESUBDIVISION. No Lot in the Property may be resubdivided so as to create more than one building site. No corner lot may be resubdivided or used so as to permit an additional dwelling to face on a side street.

21. UTILITY AND DRAINAGE EASEMENTS. Easements for installation and maintenance of utilities and drainage facilities are reserved as shown on the recorded plat and over the rear 75 feet of each lot in The Hills of Lost Creek.

22. CLOTHES DRYING FACILITIES. Outside clothes lines or other facilities for drying clothes or airing clothes shall not be erected, placed or maintained on any Lot unless they are concealed in such a manner so as not to be visible from neighboring property or from streets or from access roads.

23. SOLAR EQUIPMENT. Request for approval of installation of any type of solar equipment shall be included in the Development Plan and approved in writing by the Committee.

ARTICLE FIVE - GENERAL PROVISIONS

1. ENFORCEMENT OF COVENANTS. Enforcement shall be by proceedings at law or in equity against any person or persons violating or attempting to violate any covenant either to restrain violation or to recover damages.

2. SEVERABILITY. Invalidation of any one or more of these covenants or restrictions by judgment or court order shall in no way affect the validity of any other provision hereof and all such other provisions shall remain in full force and effect.

3. COVENANTS TO RUN WITH LAND. These covenants are to run with the land and shall be binding on all parties and all persons.
claiming under them for a period of thirty (30) years from the date these covenants are recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years unless an instrument signed by a majority of the owners of the Lots in The Hills of Lost Creek has been recorded, agreeing to change said covenants, condition, and restrictions in whole or in part.

4. AMENDMENTS. Declarant shall have the right to amend this Declaration of Restrictions so that it shall apply to additional property owned by Declarant, located in The Hills of Lost Creek, Section 4, Phases A and B, a subdivision in Travis County, Texas, according to the map or plat thereof recorded in Volume 83, Page 15-17 and Volume 83, Pages 11-12, Plat Records of Travis County, Texas. Upon any such amendment, all restrictions may be both enforced by and enforced against all lot owners whose property is now subject to, or hereafter made subject to, these restrictions.

EXECUTED this the 4th day of May, 1984. A.D.,

THE HILLS OF LOST CREEK JOINT VENTURE, a Texas joint venture

By G-B DEVELOPMENT, INC., Venturer

By William E. Horabin, Title: President

By CAPITOL CITY SERVICE CORPORATION, Venturer

By William E. Horabin, Title: President

THE STATE OF TEXAS

COUNTY OF TRAVIS

This instrument was acknowledged before me this 4th day of May, 1984, by William E. Horabin, President of G-B Development, Inc., a Texas corporation, Venturer of Hills of Lost Creek Joint Venture, on behalf of said corporation and joint venture.

NOTARY SEAL

[Signature]

Notary Public in and for the State of Texas

(Printed or Stamped Name of Notary)

My Commission Expires: 9/3/84
EXHIBIT A

TRACT ONE: Lots 17, 18 and 19, Block N; Lots 17 and 53, Block P; Lots 1, 2, 3, 4, 5, 6, 10, 15, 23 and 29, Block Q; Lots 1 and 2, Block R: Hills of Lost Creek, Section 4, Phase A, a subdivision in Travis County, Texas, according to the map or plat of record in Volume 83, Pages 15-17, Plat Records of Travis County, Texas.

TRACT TWO: Lots 32, 36 and 46, Block P, Hills of Lost Creek, Section 4, Phase B, a subdivision in Travis County, Texas, according to the map or plat of record in Volume 83, Pages 11-12, Plat Records of Travis County, Texas.

FILED

1984 MAY 8 AN 10 06

[Signature]
COUNTY CLERK
TRAVIS COUNTY, TEXAS

STATE OF TEXAS
COUNTY OF TRAVIS

Perry certifies that this instrument was filed on the 8th day of May, 1984, and was duly recorded in the Deed Records of Travis County, Texas, in Book Vol. 5222 at page 5248, and was duly recorded in the Plat Records of Travis County, Texas, as plat number 4-10-106.

PERRY
COUNTY CLERK
TRAVIS COUNTY, TEXAS
SECTION 4, PHASES A AND B

WHEREAS, on May 4, 1984, Hills of Lost Creek Joint Venture (the "Declarant") executed the Declaration of Restrictions, Covenants and Conditions of the Hills of Lost Creek, Section 4, Phases A and B (the "Declaration"), which was recorded in Volume 8584, Page 514, of the Real Property Records of Travis County, Texas; and

WHEREAS, in Article Five, paragraph 4, of said Declaration, Declarant reserved the right-to amend the Declaration so that the Declaration would apply to additional property owned by Declarant in the Hills of Lost Creek, Section 4, Phases A and B; and

WHEREAS, Declarant presently owns additional real property in the Hills of Lost Creek, Section 4, Phases A and B, said property being more particularly described in Schedule I attached hereto and incorporated herein for all purposes; and

WHEREAS, Declarant intends to convey and will convey the real property described in Schedule I subject to those protective covenants, conditions, restrictions, easements, liens and charges set forth in the Declaration.

NOW, THEREFORE, pursuant to Article Five, paragraph 4, of the Declaration, Declarant hereby amends Exhibit A to the Declaration of Restrictions, Covenants and Conditions of the Hills of Lost Creek, Section 4, Phases A and B, executed on May 4, 1984, and recorded in Volume 8584, Page 514, of the Real Property Records of Travis County, Texas, to include therein all of the real property described in Schedule I attached hereto, in addition to the real property described
in Exhibit A to the above referenced Declaration, so that said Declaration shall hereafter apply to and cover all of the following described real property (the "Property"), to wit:

All lots in THE HILLS OF LOST CREEK, SECTION 4, PHASE A, a subdivision in Travis County, Texas, according to the map or plat thereof of record in Volume 83, Pages 15-17, Plat Records of Travis County, Texas.

All lots in THE HILLS OF LOST CREEK, SECTION 4, PHASE B, a subdivision in Travis County, Texas, according to the map or plat thereof of record in Volume 83, Pages 11-12, Plat Records of Travis County, Texas.

And further, so that the provisions of the Declaration shall run with all lots in the Property, and inure to the benefit of and be binding upon any and all persons having any right, title or interest in or to said Property or any part thereof and their legal representatives, heirs, successors and assigns, and so that the provisions of the Declaration may be both enforced by and enforced against any person having any right, title or interest in or to said Property or any part thereof.

EXECUTED this the 13th day of June, A.D., 1984.

THE HILLS OF LOST CREEK
JOINT VENTURE

By G-E Development, Inc.,
Venturer

By:

By Capitol City Service
Corporation, Venturer

By:

Title:
SCHEDULE I

TRACT 1: Lots 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, Block N, Lots 18, 19, 20, 21, 23, 24, 25, 26, 27, 28, 29, 43, 49, 50, 51, 52, 54, 55, 56, and 66, Block P, Lots 7, 8, 9, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 24, 25, 26, 27, 28, 30, and 31, Block Q, and Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10 and 11, Block S, HILLS OF LOST CREEK, Section 4, Phase A, according to the map or plat of record in Volume 83, Page 15-17, Plat Records of Travis County, Texas.

TRACT 2: Lots 22, 23, 24, 25, 26, 27, 28, 29, 30, 32, 33, 34, 35, 37, 38, 40, 41, 42, 43, 44, 45, 47, 51, 57, 59, 60, 61, 62, 63, 64, 65, and 66, Block P, and Lots 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28 and 29, Block S, HILLS OF LOST CREEK, Section 4, Phase B, according to the map or plat of record in Volume 83, Page 11-12, Plat Records of Travis County, Texas.

STATE OF TEXAS
COUNTY OF TRAVIS
I hereby certify that this instrument was FILED on the date and at the time stamped hereon by me, and was duly RECORDED in the Office and Page of the named RECORDS of Travis County, Texas, as shown hereon by me, on

JUN 14 1984.

[Signature]