

**FIRST AMENDMENT TO THE
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR
THE MEADOWS IN BAY COLONY, SECTION ONE**

STATE OF TEXAS §
 §
COUNTY OF GALVESTON §

015-63-0132

This First Amendment to the Declaration of Covenants, Conditions and Restrictions for The Meadows in Bay Colony, Section One (hereinafter "Amendment") is made on the date hereinafter set forth by THE MEADOWS IN BAY COLONY SECTION ONE, L.P., a Texas limited partnership (hereinafter "Declarant").

Whereas, the "Declaration of Covenants, Conditions and Restrictions for The Meadows in Bay Colony, Section One" (hereinafter "Declaration") was recorded on October 18, 2000 under Clerk's File No. 2000053539 in the Real Property Records of Galveston County, Texas, which subjected all of the lots in the following subdivision to the terms of said Declaration.

That certain subdivision known as THE MEADOWS IN BAY COLONY, SECTION ONE, as reflected on the plats recorded in Plat Record 18, Maps 1070 and 1071, of the Map Records of Galveston County, Texas,

as such map or plat may hereafter be amended; and

Whereas, Article IX, Section 3 of the Declaration provides that the Declaration may be amended by an instrument executed by the President of the Association when approved by Members entitled to cast not less than two-thirds (2/3) of the aggregate votes of both classes of membership; and

Whereas, Declarant represents at least two-thirds (2/3) of the Members entitled to cast votes, and hereby desires to amend certain provisions of the Declaration; and

Whereas, Article X of the Declaration provides that so long as there is a Class B membership in the Association, any amendment to the Declaration requires the approval of the Federal Housing Administration (hereinafter "FHA"), which approval is evidenced by letter attached hereto;

Now therefore, Declarant, with the approval of the FHA and acting under the power granted in the Declaration, does hereby make and file the following restrictions, reservations, protective covenants, limitations, and/or conditions regarding the use and/or improvements located in said Property, and does hereby amend or change and restate the following provisions of the Declaration:

1. Article I, Section 18 is added as follows:

Section 18 "Builder" shall mean and refer to the entity that has constructed or will construct a Living Unit or other improvements on a Lot

[The remainder of Article I shall remain unchanged.]

2. Article III, Section 3, Subsection (c) is added as follows:

(c) Upon Declarant's conveyance of an Assessable Lot to a Builder, annual assessments on such lot shall accrue at fifty percent (50.0%) of the Base Assessment Sum. Upon Builder's subsequent conveyance of the lot to an Owner, annual assessments on such lot shall accrue at one hundred percent (100.0%) of the Base Assessment Sum

[The remainder of Article III shall remain unchanged]

015-63-0133

EXECUTED this 23rd day of January, 2001.

DECLARANT:

THE MEADOWS IN BAY COLONY SECTION ONE, L.P., a Texas limited Partnership

BY: BAY COLONY MEADOWS, L.L.C. a Texas limited liability company, its general partner

By: [Signature]
Tyler D. Todd, President

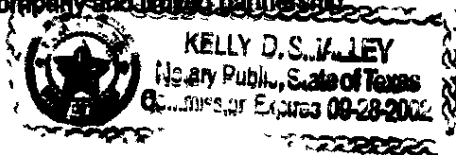
JOINED BY:

THE MEADOWS IN BAY COLONY HOMEOWNERS ASSOCIATION, INC a Texas non-profit corporation

By: [Signature]
W. Michael Schaffer, President

STATE OF TEXAS §
 §
COUNTY OF HARRIS §

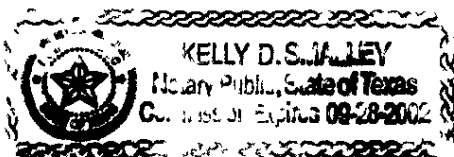
This instrument was acknowledged before me on January 23, 2001 by Tyler D. Todd, President of Bay Colony Meadows, L.L.C., a Texas limited liability company, in its capacity as general partner of The Meadows in Bay Colony Section One, L.P., a Texas limited partnership, on behalf of said company and limited partnership.



[Signature]
Notary Public in and for the State of Texas

STATE OF TEXAS §
 §
COUNTY OF HARRIS §

This instrument was acknowledged before me on January 23, 2001 by W. Michael Schaffer, President of The Meadows in Bay Colony Homeowners Association, Inc, a Texas non-profit corporation, on behalf of said corporation.



[Signature]
Notary Public in and for the State of Texas

015-63-0134

CERTIFICATION

THE MEADOWS IN BAY COLONY HOMEOWNERS ASSOCIATION, INC.

The undersigned, W. Michael Schaffer and Myles G. Sherman, as President and Secretary, respectively, of the Board of Directors of The Meadows in Bay Colony Homeowners Association, Inc., a Texas non-profit corporation, hereby certify that:

The First Amendment To The Declaration of Covenants, Conditions and Restnctions for The Meadows in Bay Colony, Section One, Inc. dated January 23, 2001, executed by THE MEADOWS IN BAY COLONY, SECTION ONE, L.P. as Declarant, is proper under and adopted in accordance with the Association's governing documents.

Executed this the 10th day of APRIL, 2001.

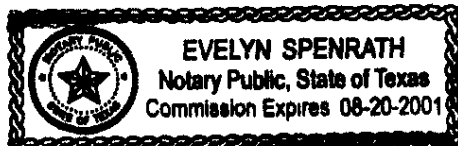
THE MEADOWS IN BAY COLONY HOMEOWNERS' ASSOCIATION, INC.

By: [Signature] W. Michael Schaffer, President

By: [Signature] Myles G. Sherman, Secretary

THE STATE OF TEXAS §
COUNTY OF HARRIS §

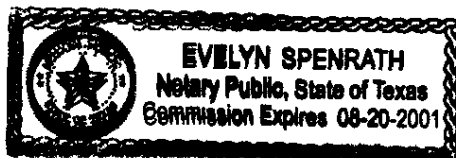
This instrument was acknowledged before me on the 10th day of April, 2001, by W. Michael Schaffer, President of The Meadows in Bay Colony Homeowners Association, Inc., a Texas non-profit corporation, on behalf of said corporation.



[Signature] Notary Public in and for the State of Texas

THE STATE OF TEXAS §
COUNTY OF HARRIS §

This instrument was acknowledged before me on the 10th day of April, 2001, by Myles G. Sherman, Secretary of The Meadows in Bay Colony Homeowners Association, Inc., a Texas non-profit corporation, on behalf of said corporation.



[Signature] Notary Public in and for the State of Texas

FHA / HUD APPROVAL

Following due submittal and review, FHA/HUD does hereby approve the above and foregoing First Amendment To The Declaration Of Covenants, Conditions And Restnctions For The Meadows In Bay Colony, Section One, for the purpose of complying with United States Department of Housing and Urban Development ("HUD") or United States Department of Veterans Affairs requirements for subdivision property to qualify for insured or guaranteed mortgage loans.

EXECUTED on May 14, 2001

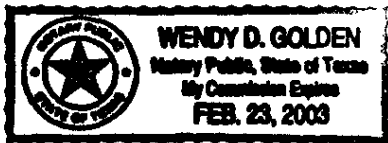
SECRETARY OF HOUSING AND URBAN DEVELOPMENT

By Esther Richardson
Name Esther Richardson
Title Acting Supervisory Program Support Specialist
Houston Office of HUD, Houston, Texas

STATE OF TEXAS §
 §
COUNTY OF HARRIS §

This instrument was acknowledged before me on May 14, 2001 by Esther Richardson, SIF Program Support Coordinator of the Houston Office of the U S Department of Housing and Urban Development, on behalf of the Secretary of Housing and Urban Development

Wendy D. Golden
Notary Public in and for the State of Texas



FILED AND RECORDED
OFFICIAL PUBLIC RECORDS OF REAL PROPERTY

Patricia Ritchie

2001 MAY 21 10:42 AM 2001025118
ROSS_M \$15.00
Patricia Ritchie, COUNTY CLERK
GALVESTON, TEXAS

AFTER RECORDING, RETURN TO

EIKENBURG & STILES, PC
1021 MAIN STREET, SUITE 1900
HOUSTON, TX 77002-6603

PAID

RECORDER'S MEMORANDUM
At the time of recordation, this instrument was found to be inadequate for the best photographic reproduction because of illegibility, carbon or photo copy, discolored paper, etc All blockouts, additions and changes were present at the time the instrument was filed and recorded

JTR