AMENDUALS

## ANNEXATION AGREEMENT AND SECOND SUPPLEMENTAL AMENDMENT TO THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR THE LAKES AT CYPRESS HILL

This Annexation Agreement and Second Supplemental Amendment to the Declaration of Covenants, Conditions and Restrictions for the Lakes at Cypress Hill (the "Amendment") is approved by the undersigned, being the Owners of at least seventy-five percent (75%) of the Lots within the Lakes at Cypress Hill subdivision.

WHEREAS, the Lakes at Cypress Hill, Section I (hereinafter "Section I"), is a subdivision in Harris County, Texas, according to the plat recorded under Clerk's File No. N388607 in the Plat Records of Harris County, Texas; and

WHEREAS, the Lakes at Cypress Hill, Section II (hereinafter "Section II"), is a subdivision in Harris County, Texas according to the plat recorded under Clerk's File No. R972525 in the Plat Records of Harris County, Texas; and

WHEREAS, Precision Properties (the "Declarant") caused to be recorded that certain Declaration of Covenants, Conditions and Restrictions for The Lakes at Cypress Hill under Clerk's File No. N395557 in the Official Public Records of Real Property of Harris County, Texas (the "Master Declaration"); and

WHEREAS, the Declarant caused to be recorded that certain Supplemental Declaration of Covenants, Conditions and Restrictions for The Lakes at Cypress Hill under Clerk's File No. N395558 in the Official Public Records of Real Property of Harris County, Texas (the "Section I Supplemental Declaration"); and

WHEREAS, the Declarant caused to be recorded that certain Supplemental Declaration of Covenants, Conditions and Restrictions for The Lakes at Cypress Hill under Clerk's File No. R994815 in the Official Public Records of Real Property of Harris County, Texas, (the "Section II Supplemental Declaration"); and

WHEREAS, the Master Declaration, the Section I Supplemental Declaration, and the Section II Supplemental Declaration shall hereinafter be referred to collectively as the "Declaration"; and

WHEREAS, this Amendment may be referred to herein alternately as the Amendment, the First Amendment and/or the Second Supplemental Amendment; and

WHEREAS, reference is hereby made to the Declaration for all purposes, and any and all capitalized terms used herein shall have the meanings set forth in the Declaration, unless otherwise specified in this Amendment; and

WHEREAS, in accordance with Article VII of the Master Declaration, the Master Declaration or any supplemental declarations may be amended during the initial forty (40) year

term by an instrument executed and acknowledged by the Owners of seventy-five percent (75%) of the Lots in the Lakes at Cypress Hill; and

WHEREAS, the Owners of seventy-five percent (75%) of the Lots in the Lakes at Cypress Hill desire to amend the Master Declaration to provide for the annexation of additional land into the Lakes at Cypress Hill, Section II, which property is described in detail on the attached Exhibit "A" and is hereinafter referred to as the "Wells Tract".

NOW THEREFORE, the Owners of seventy-five percent (75%) of the Lots in the Lakes at Cypress Hill hereby amend the Master Declaration as follows:

Article I. Section 15 "Owner" shall be amended by adding the following provision at the end of Section 15:

Owner shall also include the record owner of a Tract that has been annexed into the Lakes at Cypress Hill subdivision, encumbered with some or all of the covenants, conditions, and restrictions contained in the Declaration, and submitted to the jurisdiction of the Lakes at Cypress Hill Owner's Association, Inc.

OV/

Article I shall be amended by adding the following new Section 25:

Section 25 "Tract" shall mean a tract of real property that has been annexed into the Lakes at Cypress Hill, encumbered with some or all of the covenants, conditions, and restrictions contained in the Declaration, and submitted to the jurisdiction of the Lakes at Cypress Hill Owner's Association, Inc. Tracts may include Water Access Tracts and Water View Tracts. Tracts shall be obligated to pay assessments and shall be allocated one vote per Tract. Owners of Tracts shall be Members of the Lakes at Cypress Hill Owner's Association, Inc.



Article I. Section 22 "Water Access Assessment" shall be deleted in its entirety, and replaced with the following:

"Water Access Assessment" shall mean an assessment levied only against the Water Access Lots, and/or Water Access Tracts, the proceeds of which shall be used to repair, maintain, rebuild, restore, and style or otherwise service any portion of the lake, personal property on the lake or water ski tournament facilities.



Article I. Section 22 "Water Access Lot" shall be deleted in its entirety, and replaced with the following:

"Water Access Lots" shall mean those Lots, and/or Tracts, so designated by the Declarant or the Lakes at Cypress Hill Owner's Association, Inc. Owners of Water Access Lots and Water Access Tracts shall have use of the common area, lake, and any water ski activities and tournament facilities.



Article I, Section 22 "Water View Lots" shall be deleted in its entirety, and replaced with the following:

"Water View Lots" shall mean those lots, and/or Tracts, so designated by Declarant or the Lakes at Cypress Hill Owner's Association, Inc. Owners of Water View Lots and Water View Tracts shall not have use of the lakes, including any water ski or similar activities, but shall have use of any other common areas.



Article II. Section 13. "Type Lots" which currently reads as follows:

Section 13. "Type Lots". Declarant shall, at its sole option, designate lots in this Section or in future Sections as water access or water view lots at initial sale, provided, however, Declarant shall not designate more than twenty-two (22) lots as Water Access Lots.



shall be amended to read as follows:

Section 13. "Type Lots". There shall not be more than twenty-two (22) lots as Water Access Lots and not more than one (1) Water Access Tract.



Article VII. "General Provisions" shall be amended by adding the following as the new Section 13:

Section 13. "Inclusion of Tracts". Notwithstanding anything contained in the Declaration to the contrary, each and every reference to a Lot in the Declaration shall hereafter be deemed to also include a Tract that has been annexed into the Lakes at Cypress Hill subdivision. By way of illustration and not limitation, a reference to a Water Access Lot shall hereafter also include a reference to a Water Access Tract.



That portion of the Declaration which currently reads as follows:

The ratio of water access lot owners per lake shall not exceed 7.5 to 1 for each lake.

shall be deleted in its entirety and replaced with the following:

The ratio of Water Access Lot Owners and Water Access Tract Owners per lake shall not exceed 7.667 to 1 for each lake.



The Declaration shall be amended by adding the following additional restriction:

No Tract shall be subdivided.

