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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
MYSTIC SHORES
UNIT SIX

STATE OF TEXAS

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KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF COMAL

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This Declaration, made on the date hereinafter set forth by **BLUEGREEN SOUTHWEST ONE, L.P.**, a Delaware Limited Partnership, authorized to do business in the State of Texas acting through its General Partner **BLUEGREEN SOUTHWEST LAND, INC.**, a Delaware Corporation, hereinafter referred to as "Developer".

WITNESSETH:

WHEREAS, Developer is the owner of that certain tract of land containing approximately 67.21 acres of land known as **MYSTIC SHORES, UNIT SIX**, being a part and portion of **MYSTIC SHORES**, a development situated in Comal County, Texas. The Plat of **MYSTIC SHORES, UNIT SIX** was recorded in the office of the County Clerk of Comal County, Texas on the 25th day of January, 2002, in Volume 14, Pages 86-87, of the Map Records of Comal County, Texas, after having been approved as provided by law.

WHEREAS, it is the desire of Developer to place certain restrictions, easements, covenants, conditions, stipulations and reservations (herein sometimes referred to as the "Restrictions") upon and against **MYSTIC SHORES, UNIT SIX** in order to establish a uniform plan for its development, improvement and sale, and to insure the preservation of such uniform plan for the benefit of both the present and future owners of tracts in **MYSTIC SHORES, UNIT SIX**.

WHEREAS, Developer reserves and retains unto itself, the right, as it, in its sole discretion, shall determine, to (i) add to or delete areas from the Subdivision (defined in Section 1.12 hereafter); and/or, (ii) hereafter place and impose such restrictions, easements, covenants, conditions, stipulations and reservations on any and all remaining unrestricted Properties, or portions thereof, in the Subdivision, in order to establish any plan chosen by Developer for the development, improvement and sale thereof.

NOW, THEREFORE, Developer hereby adopts, establishes and imposes the following reservations, easements, restrictions, covenants and conditions (the "Restrictions") upon **MYSTIC SHORES, UNIT SIX**, and declares that the Restrictions (i) are for the purposes of enhancing and protecting the value, desirability and attractiveness of said property; (ii) shall run with said property and title or interest therein, or any part thereof; and (iii) shall inure to the benefit of each owner thereof. Developer further declares that **MYSTIC SHORES, UNIT SIX** shall be subject to the jurisdiction of the "Association" (as hereafter defined) insofar as hereinafter provided.

ARTICLE I

DEFINITIONS

Section 1.01 "**Association**" shall mean and refer to the **MYSTIC SHORES PROPERTY OWNERS ASSOCIATION**, its successors and assigns.

Section 1.02 "**Associations**" shall mean and refer to the **MYSTIC SHORES PROPERTY OWNERS ASSOCIATION** and **MYSTIC SHORES UNIT SIX PROPERTY OWNERS ASSOCIATION**.

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Section 1.03 "MYSTIC SHORES" shall mean, refer to and include MYSTIC SHORES, UNIT SIX and any other Units of MYSTIC SHORES heretofore or hereafter made subject to the jurisdiction of the Association.

Section 1.04 "Board of Directors" shall mean and refer to the Board of Directors of the Association and/or the Subassociation, as the context requires.

Section 1.05 "Builders" shall mean and refer to persons or entities that purchase tracts and build speculative or custom homes thereon for third party purchasers.

Section 1.06 "Commercial Lots" Those lots used exclusively for business purposes, being Lots 662-665, 671-672 and 1026-1036, inclusive, of MYSTIC SHORES, UNIT SIX.

Section 1.07 "Combination Lots" Lots 653-661 and Lots 666-670, inclusive, of MYSTIC SHORES, UNIT SIX.

Section 1.08 "Common Area" shall mean all real property (including the improvements thereto) within the Subdivision owned by the Developer, the Association or the Subassociation for the common use and enjoyment of the Members of the Association and/or the Subassociation.

Section 1.09 "Committee" shall mean and refer to the MYSTIC SHORES ARCHITECTURAL CONTROL COMMITTEE, its successors and assigns.

Section 1.10 "Contractor" shall mean and refer to the person or entity with whom an Owner contracts to construct a residential dwelling on such Owner's Tract.

Section 1.11 "Developer" or "Declarant" shall mean and refer to BLUEGREEN SOUTHWEST ONE, L.P. and its successors and assigns.

Section 1.12 "Subdivision" shall mean all those Properties forming a part of MYSTIC SHORES, out of those certain pieces or parcels of land originally containing approximately 7399 Acres of land, more or less and any other pieces or parcels made a part thereof.

Section 1.13 "Tract" or "Lot" shall mean and refer to any plot of land identified as a tract or home site on the Plat of MYSTIC SHORES, UNIT SIX unless the context requires otherwise. For purposes of this instrument, neither "Tract" nor "Lot" shall be deemed to include any portion of the "Common Areas" or "Unrestricted Reserves", (defined herein as Lot 652 and any Common Areas and Unrestricted Reserves shown on the Plat) in MYSTIC SHORE, UNIT SIX regardless of the use made of such area. The word "property" is sometimes used in the context of referring to the Tract or Lot.

Section 1.14 "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of fee simple title to any Tract which is a part of the Subdivision, including contract sellers (a seller under a Contract for Deed), but excluding those having such interest merely as security for the performance of an obligation.

Section 1.15 "Subassociation" shall mean the MYSTIC SHORES UNIT SIX PROPERTY OWNERS ASSOCIATION, its successors and assigns.

Section 1.16 "Subcommittee" shall mean the MYSTIC SHORES UNIT SIX ARCHITECTURAL CONTROL COMMITTEE, its successors and assigns.

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No definition herein shall be interpreted as giving either the Association or the Subassociation power or control over the other or as giving the Committee or the Subcommittee power or control over the other.

ARTICLE II

RESERVATIONS, EXCEPTION AND DEDICATIONS

Section 2.01 Recorded Map of the Property. The plat ("Plat") of MYSTIC SHORES, UNIT SIX establishes certain restrictions applicable to MYSTIC SHORES, UNIT SIX. All dedications, restrictions and reservations created herein or shown on the Plat, replats or amendments of the Plat of MYSTIC SHORES, UNIT SIX recorded or hereafter recorded shall be construed as being included in each contract, deed, or conveyance executed or to be executed by or on behalf of Developer, whether specifically referred to therein or not.

Section 2.02 Easements. Developer reserves for public use the utility easements shown on the Plat or that have been or hereafter may be created by separate instrument recorded in the Official Public Records of Comal County, Texas, for the purpose of constructing, maintaining and repairing a system or systems of electric lighting, electric power, telegraph and telephone line or lines, storm surface drainage, cable television, or any other utility the Developer sees fit to install in, across and/or under the Property. All utility easements in the Subdivision may be used for the construction of drainage swales in order to provide for improved surface drainage of the Reserves, Common Area and/or Tracts. Should any utility company furnishing a service covered by the general easement herein provided request a specific easement by separate recordable document, Developer, without the joinder of any other Owner, shall have the right to grant such easement on the Property without conflicting with the terms hereof. Any utility company serving the Property shall have the right to enter upon any utility easement for the purpose of installation, repair and maintenance of their respective facilities. Neither Developer nor any utility company, political subdivision or other authorized entity using the easements herein referred to shall be liable for any damages done by them or their assigns, agents, employees, or servants, to fences, shrubbery, trees and lawns or any other property of the Owner on the Property covered by said easements.

Section 2.03 Title Subject to Easements. It is expressly agreed and understood that the title conveyed by developer to any of the Tracts by contract, deed or other conveyance shall be subject to any easement affecting same for roadways or drainage, electric lighting, electric power, telegraph or telephone purposes and other easements hereafter granted affecting the Tracts. The Owners of the respective Tracts shall not be deemed to own pipes, wires, conduits or other service lines running through their Tracts which are utilized for or service other Tracts, but each Owner shall have an easement in and to the aforesaid facilities as shall be necessary for the use, maintenance and enjoyment of his Tract. The Developer may dedicate, or convey title to, said easements to the public, a public utility company or the Association, or to any one or more of them, jointly or severally, and for this purpose reserves the right to convey easements over easements.

Section 2.04 Utility Easements.

- (A) Utility ground and aerial easements have been dedicated in accordance with the Plat and/or by separate recorded easement documents.
- (B) No building shall be located over, under, upon or across any portion of any utility easement. The Owner of each Tract shall have the right to construct, keep and maintain concrete drives, fences, and similar improvements across any utility

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easement, and shall be entitled to cross such easements at all times for purposes of gaining access to and from such Tracts, provided, however, any concrete drive, fence or similar improvement placed upon such Utility Easement by the Owner shall be constructed, maintained and used at Owner's risk and, as such, the Owner of each Tract subject to said Utility Easements shall be responsible for (i) any and all repairs to the concrete drives, fences and similar improvements which cross or are located upon such Utility Easements and (ii) repairing any damage to said improvements caused by the Utility District or any public utility in the course of installing, operating, maintaining, repairing, or removing its facilities located within the Utility Easements.

ARTICLE III

USE RESTRICTIONS

Section 3.01 Section 3.01 Multi-use Construction:

- a. Lots 653, 654, 655, 656, 657, 658, 659, 660, 661, 666, 667, 668, 669, and 670, inclusive, may be used for either commercial purposes or for the dual use as and for a combination of residential and commercial purposes or for strictly residential purposes. All owners of these Lots shall be members of the Association. However, except as set forth in this Section 3.01 a., the Lot Owner shall not be a Director of the Association and shall not have the right to use the common areas. The Lot Owner shall only have the right to vote in matters of the Association as set out in the Bylaws of the Association and in Articles V and XI of these Declarations. If an Owner of a Lot determines to use his Lot for residential purposes or for both residential and commercial purposes, he may elect, at such time as his plans are submitted to the Subassociation, by written notice delivered to the Association with a copy of his building plans, to become a full voting member of the Association with the right to vote, the right to use the common areas, the obligation to pay the dues and all other rights and obligations contained herein. Unless otherwise agreed to by the Association Directors, the election to become a full voting member may only be made the time and in the manner described in the preceding sentence. Once the plans are approved by the Subassociation, such notice of membership must be filed for record in the Official Public Records of Comal County. If the Owner does not elect to become a full voting member, then that owner shall be a "Commercial Member" as defined in the Bylaws and in these restrictions. The building plans for all Combination Lots shall be subject to review by the MYSTIC SHORES UNIT SIX ARCHITECTURAL CONTROL COMMITTEE and the enforcement of these Restrictions as herein provided.
- b. Lots 662, 663, 664, 665, 671, 672, 1026, 1027, 1028, 1029, 1030, 1031, 1032, 1033, 1034, 1035, and 1036, inclusive, shall be used exclusively for commercial purposes. All of the owners of these Lots shall be members of the Association, but shall not, except as set forth in the Bylaws of the Association or in Articles V and XI of these Declarations, have the right to vote and shall not have the right to use the common areas. The Lot owners shall be full members of the Subassociation and these Lots shall be subject to review by the MYSTIC SHORES UNIT SIX ARCHITECTURAL CONTROL COMMITTEE and the enforcement of these Restrictions as herein provided. These Lot owners shall not have the election of becoming a voting member of the Association.
- c. Lot 652: Lot 652 shall be owned by the Mystic Shores Property Owners Association for use as a Common Area.

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Section 3.02 Construction. All residences constructed on the Combination Lots which Lots are used for both residential and commercial purposes must be constructed as a physical part of and not separate from the commercial building. Buildings connected by "breeze-ways" or similar construction, shall not be considered to be a physical part of the commercial building. All main buildings, whether commercial, residential or both, must contain no less than 1800 square feet of interior space, excluding porches and, if more than one story, such building must have a minimum of 1000 square feet of interior space on the ground floor. The Front and sides of all buildings, excluding gable, eaves, windows and doors, shall be comprised of 100% white Austin limestone in a random pattern, or other similar quality and style materials as may be approved in writing by the Subcommittee and shall be constructed using new construction materials. The rear of the building (defined as the area of the building facing the rear lot line, unless otherwise defined by the Subcommittee) shall be constructed of native rock, stone, metal of an architectural style (excluding flat silver corrugated metal), or other material approved by the Subcommittee. All roofs shall be made of metal; however, other material may be considered but will be subject to the approval and discretion of the Subcommittee. The buildings must be built on a concrete slab or on a pier foundation. Any building, structure or improvement commenced on any tract shall be completed as to exterior finish and appearance within six (6) months from the commencement date. No singlewide or doublewide mobile homes or prefab buildings shall be allowed. Windows shall not be glazed or reglazed with mirrored or reflective glass without prior written approval of the Subcommittee.

Accessory building shall be allowed, however, such buildings shall be constructed after the completion of the main building and must be consistent with the architectural design and character of Owner's main building. Further all accessory buildings shall be located and built behind the main building.

Section 3.03 Composite Building Site. Any Owner of one or more adjoining Tracts (or portions thereof) may, with the prior written approval of the Subcommittee, consolidate such Tracts or portions into one building site, with the privilege of placing or constructing improvements on such resulting site, in which case the side set-back lines shall be measured from the resulting side property lines rather than from the Tract lines as indicated on the Plat. It is the responsibility of the owner to obtain all needed easement releases from the appropriate agencies.

Section 3.04 Location and Height of the Improvements upon the Tract. All lots adjacent to F.M. Highway 306 shall maintain a natural barrier of mature trees, which barrier shall be ten (10) feet in width and shall run along the entire property line adjoining F.M. Highway 306. No building of any kind shall be located on any tract nearer than twenty-five (25) feet to any property lines; provided however, that the following improvements are expressly excluded from these setback requirements: structures below and covered by the ground, steps, walks, driveways, and curbing, planters, walls, fences or hedges not to exceed six (6) feet in height, landscaping and any other improvement(s) approved in writing by the Subcommittee. The maximum height of the main structure shall not to exceed thirty-five (35) feet per building from the first floor elevation, which is from the highest point of the virgin soil, and shall contain no more than two stories. The height of any accessory building shall not exceed twenty-five (25) feet. Provided however, as to any tract, the Subcommittee may waive or alter any such setback line or height restriction, if the Subcommittee, in the Subcommittee's sole discretion, determines that such waiver, or alteration is necessary to permit effective utilization of a tract. Any such waiver or alteration must be in writing and recorded in the Official Public Records of Comal County, Texas. All main buildings placed on a Tract must be equipped with septic tank or other sewage disposal system meeting all applicable laws, rules, standards and specifications, and all such buildings must be served with water and electricity.

Section 3.05 Use of Temporary Structures. No structure of a temporary character shall be maintained or used on any Tract at any time, either temporarily or permanently, except during the construction period by the construction company and by Developer who reserves the exclusive right to erect, place and maintain such facilities in or upon any portion of the MYSTIC SHORES, UNIT SIX as it, in its sole discretion, may deem to be necessary or

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convenient while selling Tracts.

Section 3.06 Walls, Fences and storage. Walls, fences and gates, if any, must be approved prior to construction by the Subcommittee. All walls, fences and gates must be constructed of masonry, masonry veneer, wrought iron or a combination thereof. The Subcommittee may, in their discretion, allow fencing constructed of wood or pipe and cattle panels so long as such fencing complements the surrounding areas and overall appearance of the subdivision. Storage areas, air conditioning and heating equipment, incinerators, storage tanks, propane tanks, trucks based on the premises, roof objects (including fans, vents, coolant towers, skylights and all roof mounted equipment which rises above the roof line), trash containers and maintenance facilities, shall either be housed within enclosed structures or otherwise completely screened from public view in a manner and at a location approved in writing by the Subcommittee. Any and all lines and/or wires for communication or for transmission of sound or current, not within a building, shall be constructed or placed and maintained underground.

Section 3.07 Prohibition of Offensive Activities.

- a. Any industrial, commercial or business operations and use will be permitted if it is performed or carried out entirely within a building that is so designed and constructed that the enclosed operations and uses do not cause or produce a nuisance to other Lots, such as, but not limited to, vibrations, sound, electro-mechanical disturbance and radiation, air or water pollution, dust emissions, or emissions of odorous, toxic or nontoxic matters. All light is to be shielded and confined within the Lot lines.
- b. No mining, quarrying, exploring for or removing oil or other hydrocarbons, minerals, gravel or earth or the refining or processing of same will be permitted.
- c. No sign or billboard shall be displayed to the public view on any part of a Lot unless previously approved in writing by the Subcommittee.
- d. No noxious or offensive trade or activity shall be carried on or upon the Lots, or any portion thereof, nor shall anything be done thereon which may be, or may become, an annoyance or nuisance to the other Owners, or which shall in any way interfere with the quiet enjoyment of each of the Owners.
- e. No liquor store, bar or other facility dedicated solely to the sale or serving of alcoholic beverages shall be permitted.
- f. No "adults only" houses, including but not limited to video, movie or other similar type facilities shall be permitted, nor shall any massage parlor, unless staffed by an in-house, state licensed, physical therapist, be permitted.
- g. No car, mobile home or manufactured home sales lot shall be permitted.
- h. No television, radio or other electronic antenna, tower or device of any type shall be erected constructed, placed or permitted to remain on any Lot unless and until the same shall have been approved in writing by the Subcommittee.
- i. No animals, livestock or poultry of any kind shall be raised, bred or kept on or in any Lot or any part thereof, except for guard dogs used only for security purposes and small pets. Animals being treated in a small animal veterinary clinic shall also be allow so long as such animals are confined indoors and do not create a nuisance to surrounding lots.
- j. No trailer, camper, boat, commercial vehicle, motorcycle, recreation vehicle, pickup truck, mobile home or other similar equipment shall be permitted to

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remain upon any Lot, except Lot 652, unless placed or maintained within an area screened from public view and adjacent lots, except as may be approved by the Subcommittee. Further, no maintenance, repair, rebuilding dismantling, repainting or servicing of any kind may be performed on any Lots except in areas screened from public view and adjacent Lots.

Section 3.08 Hazardous activities. No activities shall be conducted on the Lots and no Improvements constructed on any of the Lots which are or might be unsafe or hazardous to any person or property. Without limiting the generality of the foregoing, (i) no firearms or fireworks shall be discharged upon the Lots, (ii) no open fire shall be lighted or permitted except in a contained barbecue unit (while attended and in use for cooking purposes) or within a safe and well-designed interior fireplace, and (iii) no fireplace or wood-burning stove or underground or above-ground fuel storage tank, shall be installed or used on any Lot unless it meets the requirements, standards, and recommendations of the Texas Natural Resource Conservation Commission, or other federal, state and local environmental or air pollution control authorities.

Section 3.09 Garbage. Garbage and trash or other refuse accumulated in MYSTIC SHORES, UNIT SIX shall not be permitted to be dumped at any place upon any adjoining land or lot. No Tract shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall not be allowed to accumulate, shall be kept in sanitary containers and shall be disposed of regularly. All equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition and in an enclosed structure, except on pickup days.

Section 3.10 Junked Motor Vehicles Prohibited. No Tract shall be used as a depository for abandoned or junked motor vehicles. No junk of any kind or character, or dilapidated structure or building of any kind or character, shall be kept on any Tract.

Section 3.11 Signs. All signs must be approved by the Subcommittee, in writing, prior to installation. Factors to be considered by the Subcommittee may include, but shall not be limited to, the following criteria:

- a. Identification of the name and business of the occupant or which offer the Lot for sale or for Lease.
- b. Are not of an unusual size or shape when compared to the building or buildings on the Lot.
- c. Color of sign.
- d. Do not project above the roof line of a building or are not more than 25 feet in height, whichever is less, and are not in front of the setback line;
- e. Do not block or detract from adjacent Lots.
- f. Preserve the quality and atmosphere of the area.
- g. Compliance with the Comal County regulations, if any.

Signs of a flashing or moving character will not be permitted. The Subcommittee shall have the right, and hereby reserves an easement, to enter upon the Tract and to remove, at the Owner's expense any sign erected without such written approval.

Nothing herein shall prevent Developer from constructing a sign or marquee for the purpose of advertising the businesses within MYSTIC SHORES, UNIT SIX. Any and all costs and expenses incurred from the creation or placement of individual business names and/or logos on such sign or marquee shall be borne by the business owners requesting such creation or

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placement. All names and logos placed on the sign or marque must be pre-approved by the Subcommittee.

Section 3.12 Drainage. Natural established drainage patterns of streets, tracts or roadway ditches shall not be impaired by any person or persons. No creeks or natural drainage areas may be dammed, improved, diverted or impaired without the prior written consent of the Subcommittee. Driveway culverts must be installed and will be of sufficient size to afford proper drainage of ditches without backing water up into ditch or diverting flow. Drainage culvert installation must meet County requirements.

Section 3.13 Resubdivision. Except for purposes of loans from the Texas Veterans Land Board, no tract shall be resubdivided or split into smaller tracts unless otherwise permitted in the restrictions.

Section 3.14 Driveways and Parking Lots. All Driveways and parking areas must be surfaced with either concrete, concrete pavers, asphalt, (2) two course chip and seal, or a combination thereof. Driveways and parking areas must be surfaced upon completion of the main building. Parking shall be sufficient, in the opinion of the Subcommittee, to accommodate all Parking needs for employees, visitors, and company vehicles without the use of on-street Parking. If Parking needs increase, additional off-street Parking shall be provided by the Owner.

Section 3.15 TNRCC Rules. All Lot owners must comply with all Federal, State and County rules and regulations, including, but not limited to the rules and regulation of the Texas Natural Resource Conservation Commission.

Section 3.16 Landscape. All Lots shall be landscaped and maintained by, and at the expense of, the Lot owner. All new landscaping turf installed or planted must be Buffalo, Blue Grama, Zoysia or Bermuda grass. Other low water requirement turf products will be considered and may be approved by the Subcommittee, which approval shall be in writing. All requirements for specific types of turf are included in the restrictions to encourage water conservation practices.

Section 3.17 Duty of Maintenance. Owners and occupants (including Ground Lessees) of any part of any Lot shall jointly and severally have the duty and responsibility, at their sole cost and expense, to keep that part of the Lot(s) so owned or occupied, including buildings, improvements and grounds in connection therewith, in a well maintained, safe, clean and attractive condition at all times. Such maintenance includes, but is not limited to the following which shall be performed in a timely manner;

- a. Prompt removal of all litter, trash, refuse and waste.
- b. Lawn mowing
- c. Tree and shrub pruning.
- d. Watering, fertilizing, weeding and general care of all landscaping.
- e. Keeping exterior lighting and mechanical facilities in working order.
- f. Keeping Parking areas, driveways and roads in good repair.
- g. Complying with all applicable Laws.
- h. Striping of Parking areas and repainting of improvements.
- i. Repairing damage and wear and tear to any improvements and keeping all improvements in good condition and repair and adequately painted.

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Section 3.18 Construction Activities. Notwithstanding any provision herein to the contrary, this Declaration shall not be construed so as to unreasonably interfere with or prevent normal construction activities during the construction of Improvements by an owner upon any Lot. Specifically, no such construction activities shall be deemed to constitute a nuisance or a violation of the Declaration by reason of noise, dust, presence of vehicles or construction machinery or similar activities, provided that such construction is pursued to completion with reasonable diligence and conforms to usual construction practices in the area. In the event that any dispute regarding such matters, a temporary waiver of the applicable provision herein may be granted by the Subcommittee, provided that such waiver shall be only for the reasonable period of such construction.

In the event of the failure of Owner to comply with the above requirements, after ten (10) days written notice thereof, the Subassociation, or their designated agents may, without liability, in trespass or otherwise, to the Owner, Contractor or any occupants of the Tract, enter upon (and/or authorize one or more others to enter upon) said Tract to do anything necessary to secure compliance with these Restrictions. Payment for the charges incurred in doing so shall be at the Owner's expense and shall be payable on the first day of the next calendar month.

ARTICLE IV

MYSTIC SHORES ARCHITECTURAL CONTROL COMMITTEE AND MYSTIC SHORES UNIT SIX ARCHITECTURAL CONTROL COMMITTEE

Section 4.01 Basic Control.

The Architectural Control in MYSTIC SHORES, UNIT SIX shall be vested in the MYSTIC SHORES UNIT SIX ARCHITECTURAL CONTROL COMMITTEE and not in the MYSTIC SHORES ARCHITECTURAL CONTROL COMMITTEE.

No building or other improvements of any character shall be erected or placed on any Tract, nor shall changes be made to the design or exterior appearance of any building located on any Tract (excluding painting or staining) nor shall any addition or exterior alteration be made to any building after original construction, nor shall any building be demolished or destroyed by voluntary action made thereto until the necessary approval of the construction and/or demolition plans and specifications is obtained (as hereinafter provided) from the Subcommittee. Approval shall be granted or withheld based on matters of compliance with the provisions of this instrument.

Each application made to the Subcommittee, or to the Developer, shall be accompanied by two sets of plans and specifications for all proposed construction (initial or alteration) to be done on such Tract, including plot plans showing location on the Tract.

Section 4.02 Mystic Shores Unit Six Architectural Control Committee.

- (A) The authority to grant or withhold architectural control approval as referred to above is initially vested in the Developer; provided, however, the authority of the Developer shall cease and terminate upon the election of the MYSTIC SHORES UNIT SIX ARCHITECTURAL CONTROL COMMITTEE, in which event such authority shall be vested in and exercised by the Subcommittee. Notwithstanding, Developer shall continue to exercise such authority over all plans and specifications and plot plans submitted to the Developer prior to the Election of the Subcommittee.

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(B) On or after such time as ninety- percent (90%) of all of the Tracts in all Units of the Subdivision are conveyed by Developer (from time to time hereafter referred to as the "Control Transfer Date"), the Developer shall cause an instrument transferring control to the Subassociation to be placed of record in the Official Public Records of Comal County, Texas (the effective Control Transfer Date shall be the date of that instrument's recording). The Board of Directors of the **MYSTIC SHORES UNIT SIX PROPERTY OWNERS ASSOCIATION** shall be the Subcommittee who shall serve until the next succeeding annual meeting following the Control Transfer Date, at which time an election shall be held. From and after the Control Transfer Date, each member of the Subcommittee must be an Owner of one or more Tracts in **MYSTIC SHORES UNIT SIX**. Additionally, the Developer shall have the right to discontinue the exercise of Architectural Control privileges and arrange for the transfer to the Subassociation at any time prior to the Control Transfer Date by filing a statement and instrument to that effect in the Official Public Records of Comal County, Texas.

(C) Nothing herein shall prevent any Member of the Subassociation who is also a Member of the Association from serving on the Board of Directors of the **MYSTIC SHORES PROPERTY OWNERS ASSOCIATION** or the **MYSTIC SHORES UNIT SIX PROPERTY OWNERS ASSOCIATION**, or on the **MYSTIC SHORES ARCHITECTURAL CONTROL COMMITTEE** or the **MYSTIC SHORES UNIT SIX ARCHITECTURAL CONTROL COMMITTEE**.

Section 4.03 Effect of Inaction. Approval or disapproval as to architectural control matters, as set forth in the preceding provisions of this Declaration, shall be in writing. In the event that the authority exercising the prerogative of approval or disapproval (whether the Developer or the Subcommittee) fails to approve or disapprove in writing any plans and specifications and plot plans received by it in compliance with the preceding provisions within thirty (30) days following such submissions, such plans and specifications and plot plan shall be deemed approved and the construction of any such building and other improvements may be commenced and proceeded within compliance with all such plans and specifications and plot plan and all of the other terms and provisions hereof.

Section 4.04 Effect of Approval. The granting of the aforesaid approval (whether in writing or by lapse of time) shall constitute only an expression of opinion by the Subcommittee that the terms and provisions hereof shall be complied with if the building and/or other improvements are erected in accordance with said plans and specifications and plot plan; and such approval shall not constitute any nature of waiver or estoppel either as to the persons expressing such approval or any other person in the event that such building and/or improvements are constructed in accordance with such plans and specifications and plot plan, but, nevertheless, fail to comply with the provisions hereof. Further, no person exercising any prerogative of approval or disapproval shall incur any liability by reasons of the good faith exercise thereof.

Section 4.05 Variance. The Developer or, if applicable, the Subcommittee, may, on a case by case basis, authorize variances from compliance with any of the provisions of either (i) this Declaration, or (ii) the minimum acceptable construction standards or regulations and requirements as promulgated from time to time by the Developer or the Subcommittee. Notwithstanding, after the Control Transfer Date, both the Developer and the Subcommittee shall have the right to grant a variance from the Building set-back line restrictions. Either party may grant this variance, as it determines in its sole discretion is needed, without the consent of the other. Such variances must be evidenced in writing and shall become effective when signed by the Developer or by at least a majority of the members of the Subcommittee. If any such variances are granted, no violation of the provisions of this Declaration shall be deemed to have occurred with

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respect to the matter for which the variance is granted; provided, however, that the granting of a variance shall not operate to waive any of the provisions of this Declaration for any purpose except as to the particular Tract and particular provisions hereof covered by the variance, nor shall the granting of any variance affect in any way the Owner's obligation to comply with all governmental laws and regulations affecting the Tract concerned and the Plat.

Section 4.06 Mystic Shores Architectural Control Committee. The MYSTIC SHORES ARCHITECTURAL CONTROL COMMITTEE shall receive a copy of the approved plans from the Subcommittee but shall have no authority to approve or disapprove such plans, unless such authority is expressly granted by the Board of Directors of the Subassociation.

ARTICLE V

MYSTIC SHORES PROPERTY OWNERS ASSOCIATION

Section 5.01 Non-Profit Corporation. MYSTIC SHORES PROPERTY OWNERS ASSOCIATION, a non-profit corporation, has been organized and it shall be governed by the Articles of Incorporation and Bylaws of said Association; and all duties, obligations, benefits, liens and rights hereunder in favor of the Association shall vest in said corporation.

Section 5.02 Membership. Every person or entity who is a record owner of any Tract shall be a member of the Association. The foregoing is not intended to include persons or entities that hold an interest merely as security for the performance of an obligation or those having only an interest in the mineral estate. No Owner shall have more than one membership for each Tract owned by such Member. Memberships shall be appurtenant to and may not be separated from the ownership of the Tracts. Regardless of the number of persons who may own a Tract (such as husband and wife, or joint tenants, etc.) there shall be but one membership for each Tract. The voting of the Members are set forth in the Bylaws of the Association and in these Restrictions. Additionally, the Directors of the Association must be Members of the Association (as more particularly described in the By-laws). However, the restrictive covenants will not be construed as to assess the Veterans Land Board or the State of Texas. Any assessments are the personal obligation of the Veteran purchaser, his successors, heirs and assigns. Any lien imposed by the restrictive covenants does not affect the Veterans Land Board's interest in the property.

Section 5.03 Bylaws. The Association has adopted or may adopt whatever Bylaws it may choose to govern the organization or operation of the Subdivision and the use and enjoyment of the Tracts and Common Areas, provided that the same are not in conflict with the terms and provisions hereof.

Section 5.04 Owner's Right of Enjoyment. Every Owner of a Combination Lot, who so elected as set out in Section 3.01 hereof, shall have a beneficial interest of use and enjoyment in and to the Common Areas owned by the Association and such right shall be appurtenant to and shall pass with the title to every assessed Tract, subject to the following provisions:

- (A) The right of the Association, with respect to the Common Areas, to limit the number of guests of Owners, or if the Owner is a business entity or if such Lot is owned by more than two persons, to limit the number of Owners allowed to use the Common Area at any one time. The Common Area shall be used only by the Lot Owner and his family. Commercial customers, clients or patients shall not be allowed to use the Common Areas.
- (B) The right of the Association, in accordance with its Articles and Bylaws (and until 90% of all tracts in all of the Units of the Subdivision are sold, subject to the prior

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written approval of the Developer), to (i) borrow money for the purpose of improving and maintaining the Common Areas and facilities (including borrowing from the Developer or any entity affiliated with the Developer) and (ii) mortgage said property, however, the rights of such mortgagee of said property shall be subordinate to the rights of the Owners hereunder.

- (C) The right of the Association to suspend the Member's voting rights and the Member's and Member's guests' right to use any recreational facilities within the Common Areas during any period in which the Maintenance Charge or any assessment against his Tract remains unpaid.
- (D) The right of the Association to suspend the Member's voting rights and the Member's and Member's guests' right to use any recreational facilities within the Common Area, after notice and hearing by the Board of Directors, for the infraction or violation by such Member or Member's guests of this Declaration or the Rules and Regulations, as hereinafter defined, shall continue for the duration of such infraction or violation, plus a period not to exceed sixty (60) days following the cessation or curing of such infraction or violation.

ARTICLE VI

MAINTENANCE FUND

Section 6.01 Maintenance Fund Obligation. Each owner of a Combination Lot who chooses to become a full voting member of the Association as set forth in Section 3.01 hereof, agrees to pay the Association a monthly maintenance charge (the Maintenance Charge), and any other assessments or charges hereby authorized. The Maintenance Charge and any other assessments or charges hereby authorized, together with such interest thereon and costs of collection thereof, as hereinafter provided, shall be a charge on the Tract and shall be a continuing lien upon the Tract against which each such Maintenance Charge and other charges and assessments are made.

Section 6.02 Basis of the Maintenance Charge.

- (A) The Maintenance Charge referred to shall be used to create a fund to be known as the "Maintenance Fund", which shall be used as herein provided; and each such Maintenance Charge (except as otherwise hereinafter provided) shall be paid by the Owner of each Tract to the Association. The Maintenance Charge for the year of purchase shall be pro-rated as of the date the Lot Owner files the certificate to become a full Member and then shall be paid annually, in advance, on or before the first day of the first month of each calendar year. Provided, however, if such owner owns more than one tract in the Subdivision, such Owner shall pay only twice the assessment of one (1) tract no matter how many tracts are owned or in the event as Owner obtains consent from the Committee for a Composite Building site pursuant to Section 3.03 hereof, such Composite Building Site shall be considered for the Maintenance Charge as one tract beginning upon the completion of the improvements thereon.
- (B) Any Maintenance Charge not paid within thirty (30) days after the due date shall bear interest from the due date at the lesser of (i) the rate of eighteen percent (18%) per annum or (ii) the maximum rate permitted by law. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the hereinafter described lien against the Owner's Tract. No Owner may waive or otherwise escape liability for the Maintenance Charge by non-use of any Common Areas or recreational facilities available for use by Owners of the Subdivision or by the abandonment of his Tract.

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- (C) The initial amount of the Maintenance Charge applicable to each Tract will be determined by the Developer. All other matters relating to the Maintenance Charge and the collection, expenditures and administration of the Maintenance Fund shall be determined by the Developer or the Board of Directors of the Association, subject to the provision hereof.
- (D) The Association, from and after the Control Transfer Date, shall have the further right at any time, with a majority vote of all association members, to adjust or alter said Maintenance Charge from year to year as it deems proper to meet the reasonable operating expenses and reserve requirements of the Association in order for the Association to carry out its duties hereunder.

Section 6.03 Creation of Lien and Personal Obligation. In order to secure the payment of the Maintenance Charge, and other charges and assessments hereby authorized, each Owner of a Tract, by such party's acceptance of a deed thereto, hereby grants to the Association a contractual lien on such Tract which may be foreclosed on by non-judicial foreclosure and pursuant to the provisions of Section 51.002 of the Texas Property Code (and any successor or other applicable statute); and each such owner hereby expressly grants the Association a power of sale in connection therewith. The Association shall, whenever it proceeds with non-judicial foreclosure pursuant to the provisions of said Section 51.002 of the Texas Property Code or other applicable statute and said power of sale, designate in writing a Trustee to post or cause to be posted all required notices of such foreclosure sale and to conduct such foreclosure sale. The Trustee may be changed at any time and from time to time by the Association by means of written instrument executed by the President or any Vice-President of the Association and file for record in the Official Public Records of Comal County, Texas. In the event that the Association has determined to non-judicially foreclose the lien provided herein pursuant to the provisions of said Section 51.002 of the Texas Property Code or other applicable statute and to exercise the power of sale hereby granted, the Association, or the Association's agent, shall give notice of foreclosure sale as provided by the Texas Property Code as then amended. Upon request by Association, Trustee shall give any further notice of foreclosure sale as may be required by the Texas Property Code as then amended, and shall convey such Tract to the highest bidder for cash by the Trustee's Deed. Out of the proceeds of such sale, if any, there shall first be paid all expenses incurred by the Association in connection with such default, including reasonable attorney's fees and a reasonable trustee's fee; second, from such proceeds there shall be paid to the Association an amount equal to the amount in default; and third, the remaining balance shall be paid to such Owner. Following any such foreclosure, each occupant of any such Tract foreclosed on and each occupant of any improvements thereon shall be deemed to be a tenant at sufferance and may be removed from possession by any and all lawful means, including a judgment for possession in an action of forcible detainer and the issuance of a writ of restitution thereunder.

In the event of non-payment by any Owner of any Maintenance Charge or other charge or assessment authorized hereunder, the Association may, in addition to foreclosing the lien hereby retained, and exercising the remedies provided herein, upon ten (10) days prior written notice thereof to such nonpaying Owner, exercise all other rights and remedies available at law or in equity.

It is the intent of the provisions of this Section 6.03 to comply with the provisions of said Section 51.002 of the Texas Property Code or other applicable statute relating to non-judicial sales by power of sale and, in the event of the amendment of said Section 51.002 of the Texas Property code hereafter, the President or any Vice-President of the Association, acting without joinder of any other Owner or mortgagee or other person may, by amendment to this Declaration filed in the Official Public Records of Comal

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County, Texas, amend the provisions hereof so as to comply with said amendments to Section 51.002 of the Texas Property Code.

Section 6.04 Notice of Lien. In addition to the right of the Association to enforce the Maintenance Charge or other charge or assessment authorized hereunder, the Association may file a claim or lien against the Tract of the delinquent Owner by recording a notice in the Official Public Records of Comal County ("Notice of Lien") setting forth (a) the amount of the claim of delinquency, (b) the interest thereon, (c) the costs of collection which have accrued thereon, (d) the legal description and street address of the Tract against which the lien is claimed and (e) the name of the Owner thereof. Such Notice of Lien shall be signed and acknowledged by an officer of the Association or other duly authorized agent of the Association. The lien shall continue until the amounts secured thereby and all subsequently accruing amounts are fully paid or otherwise satisfied. When all amounts claimed under the Notice of Lien and all other costs and assessments which may have accrued subsequent to the filing of the Notice of Lien have been fully paid or satisfied, the Association shall execute and record a notice releasing the lien upon payment by the Owner of a reasonable fee as fixed by the Board of Directors to cover the preparation and recordation of such release of lien instrument.

Section 6.05 Lien Subordinate to Mortgages. The lien described in Section 6.03 hereof shall be deemed subordinate to a first lien granted by Developer on the Property or any part thereof to any lender, if any, and to each and every lien of Developer, any bank, insurance company, savings and loan association, university, pension and profit sharing trust or plans, or any other third party lender, which may have heretofore or may hereafter lend money or extend credit in good faith for the acquisition or improvement of the Property or any part thereof, including without limitation, any one or more Tract(s), and any renewal, extension, rearrangement or refinancing of such acquisition or improvement costs. The lien described in Section 6.03 shall further be subordinate to any home equity loan hereafter obtained. Each such lienholder, who obtains title to any portion of the Property encumbered by its lien pursuant to the remedies provided in the deed of trust or mortgage granting the lien or by judicial foreclosure of the lien shall take title to said Property free and clear of any claims for unpaid Maintenance Charges or other charges or assessments against such Property which accrued prior to the time such holder acquired title to such Property. No such sale or transfer shall relieve such holder from liability for any Maintenance Charge or other charges or assessments accruing thereafter or from the lien described in Section 6.03 hereof on account thereof. Any other sale or transfer of the Property, or any Tract therein, shall not affect the Association's lien for Maintenance Charges or other charges or assessments. The Association shall make a good faith effort to give each such lienholder having a lien on any portion of the Property to be foreclosed sixty (60) days advance written notice of the Association's proposed foreclosure of the lien described in Section 6.03 hereof, which notice shall be sent to the nearest office of such mortgagee by prepaid United States registered or Certified mail, return receipt requested, and shall contain a statement of delinquent Maintenance Charges or other charges or assessments upon which the proposed action is based, provided, however, the Association's failure to give such notice shall not invalidate any foreclosure conducted by the Association pursuant to the provisions of this Article VI.

Section 6.06 Purpose of the Maintenance Charges. The maintenance Charge authorized by the Developer or the Association shall be used exclusively for the purpose of promoting the recreation, health, safety, and welfare of the Owners of the Subdivision which hereafter may become subject to the jurisdiction of the Association. In particular, the Maintenance Charge shall be used for any improvement or services in furtherance of these purposes and the performance of the Association's duties described in Article X, including the maintenance of any Common Areas, any Drainage Easements and the establishment and maintenance of a reserve fund for maintenance of any Common Areas. The Maintenance Fund may be expended by the Developer or the Association for any

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purposes which, in the judgment of the Association, will tend to maintain the property values in the Subdivision, including, but not limited to, providing funds for the actual cost to the Association of all taxes, insurance, repairs, energy charges, replacement and maintenance of the Common Area as may from time to time be authorized by the Association. Except for the Association's use of the Maintenance Charge to perform its duties described in this Declaration and in the Bylaws, the use of the Maintenance Charge for any of these purposes is permissive and not mandatory. It is understood that the judgment of the Association as to the expenditure of said funds shall be final and conclusive so long as such judgment is exercised in good faith.

Section 6.07 Handling of Maintenance Charges. The collection and management of the Maintenance Charge or other charge or assessment authorized hereunder, shall be performed by the Developer, and/or its assigns, until the Control Transfer Date, at which time the Developer shall deliver to the Association all funds on hand together with all books and records of receipt and disbursements. The Developer and, upon transfer, the Association, shall maintain separate special accounts for these funds, and Owners shall be provided at least annually information on the Maintenance Fund.

ARTICLE VII

THE MYSTIC SHORES UNIT SIX PROPERTY OWNERS ASSOCIATION

Section 7.01 Subassociation. There is hereby created a Subassociation for those record owners of any Tract lying and situated within MYSTIC SHORES, UNIT SIX. The Subassociation shall be known as the "MYSTIC SHORES UNIT SIX PROPERTY OWNERS ASSOCIATION". Record Owners of any tract lying and situated outside MYSTIC SHORES, UNIT SIX shall not be members of the MYSTIC SHORES UNIT SIX PROPERTY OWNERS ASSOCIATION, unless allowed by that Unit's restrictions, and shall have no right to the use of amenities and Common Areas within MYSTIC SHORES, UNIT SIX unless such owner shall also own property lying within MYSTIC SHORES, UNIT SIX, or other permitted unit or such Common Area has been deeded to the MYSTIC SHORES PROPERTY OWNERS ASSOCIATION. Notwithstanding, Lot 652 shall be for the use of the members of the MYSTIC SHORES PROPERTY OWNERS ASSOCIATION.

Section 7.02 Membership. Every person or entity, who is a record owner of any Tract within MYSTIC SHORES, UNIT SIX, which is subject to the Subassociation Maintenance charge and other assessments provided hereafter in Article VIII, shall be a Member of the Subassociation. The foregoing is not intended to include persons or entities that hold an interest merely as security for the performance of an obligation. No Owner shall have more than one membership in the Subassociation for each Tract owned by such Member. Memberships shall be appurtenant to and may not be separated from the ownership of the Tracts. Regardless of the number of persons who may own a Tract (such as husband and wife, or joint tenants, etc.) there shall be but one membership in the Subassociation for each Tract. Additionally, the Directors of the Subassociation must be Members of the Subassociation (as more particularly described in the Bylaws). Ownership of the Tracts shall be the sole qualification for membership. The voting rights of the Members are set forth in the Bylaws of the Subassociation. However, the restrictive covenants will not be construed as to assess the Veterans Land Board or the State of Texas. Any assessments are the personal obligation of the Veteran purchaser, his successors, heirs and assigns. Any lien imposed by the restrictive covenants does not affect the Veterans Land Board's interest in the property.

Section 7.02 Non-Profit Corporation. THE MYSTIC SHORES UNIT SIX PROPERTY OWNERS ASSOCIATION, a non-profit corporation, has been (or will be) organized and it shall be governed by the Articles of Incorporation and Bylaws of

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said Subassociation; and all duties, obligations, benefits, liens and rights hereunder in favor of the Subassociation shall vest in said corporation.

Section 7.03 Bylaws. The Subassociation has adopted or may adopt whatever Bylaws it may choose to govern the organization or operation of the Subdivision and the use and enjoyment of the Tracts and Common Areas, provided that the same are not in conflict with the terms and provisions hereof.

Section 7.04 Owner's Right of Enjoyment. Every Member of the Subassociation shall have a beneficial interest of use and enjoyment in and to the Common Areas owned by the Subassociation and such right shall be appurtenant to and shall pass with the title to every assessed Tract, subject to the following provisions:

- a. The right of the Subassociation, with respect to the Common Areas, to limit the number of guests of Owners.
- b. The right of the Subassociation, in accordance with its Articles and Bylaws (and until 90% of all tracts in all units of the Subdivision are sold, subject to the prior written approval of the Developer), to (i) borrow money for the purpose of improving and maintaining the Common Areas and facilities (including borrowing from the Developer or any entity affiliated with the Developer) and (ii) mortgage said property, however, the rights of such mortgagee of said property shall be subordinate to the rights of the Owners hereunder.
- c. The right of the Subassociation to suspend the Member's voting rights and the Member's and guests of members' right to use any recreational facilities within the Common Areas during any period in which the Maintenance Charge or any assessment against his Tract remains unpaid.
- d. The right of the Subassociation to suspend the Member's voting rights and the Member's and Member's Guests' right to use any recreational facilities within the Common Area, after notice and hearing by the Board of Directors, for the infraction or violation by such Member or Member's Guests of this Declaration or the Rules and Regulations, as hereinafter defined, which suspension shall continue for the duration of such infraction or violation, plus a period not to exceed sixty (60) days following the cessation or curing of such infraction or violation.

ARTICLE VIII

MAINTENANCE FUND

Section 8.01 Maintenance Fund Obligation. In addition to any Maintenance Fee charged by the MYSTIC SHORES PROPERTY OWNERS ASSOCIATION, each owner of a Tract by acceptance of a deed therefore, whether or not it shall be expressed in any such deed or other conveyance, is deemed to covenant and agrees to pay to the Subassociation a monthly maintenance charge (the Subassociation Maintenance Charge), and any other assessments or charges authorized. The Subassociation Maintenance Charge and any other assessments or charges hereby authorized, together with such interest thereon and costs of collection thereof, as hereinafter provided, shall be a charge on the Tract and shall be a continuing lien upon the property against which each such Subassociation Maintenance Charge and other charges and assessments are made.

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Section 8.02 Basis of the Subassociation Maintenance Charge.

- (A) The Subassociation Maintenance Charge referred to shall be used to create a fund to be known as the "Subassociation Maintenance Fund", which shall be used as herein provided; and each such Subassociation Maintenance Charge (except as otherwise hereinafter provided) shall be paid by the Owner of each Tract (or residential building site) to the Subassociation. The Subassociation Maintenance Charge for the year of purchase shall be pro-rated at closing and then shall be paid annually, in advance, on or before the first day of the first month of each calendar year. Assessments shall be made on the number of lots shown on the Plat of MYSTIC SHORES, UNIT SIX filed in Volume 14, Pages 86-87 of the Map Records of Comal County Texas. The combination of lots for a composite building site shall not release the Lot owner from payments assessed under such original Plat.
- (B) Any Subassociation Maintenance Charge not paid within thirty (30) days after the due date shall bear interest from the due date at the lesser of (i) the rate of eighteen percent (18%) per annum or (ii) the maximum rate permitted by law. The Subassociation may bring an action at law against the Owner personally obligated to pay the same, or foreclose the hereinafter described lien against the Tract. No Owner may waive or otherwise escape liability for the Subassociation Maintenance Charge by non-use of any Common Areas or recreational facilities available for use by Owners of the subdivision or by the abandonment of his Tract.
- (C) The initial amount of the Subassociation Maintenance Charge applicable to each Tract will be determined by the Developer. All other matters relating to the Subassociation Maintenance Charge and the collection, expenditures and administration of the Subassociation Maintenance Fund shall be determined by the Developer or the Board of Directors of the Subassociation, subject to the provision hereof.
- (D) The Subassociation, from and after the Control Transfer Date, shall have the further right at any time, with a majority vote of all Subassociation members, to adjust or alter said Subassociation Maintenance Charge from year to year as it deems proper to meet the reasonable operating expenses and reserve requirements of the Subassociation in order for the Subassociation to carry out its duties hereunder.

Section 8.03 Creation of Lien and Personal Obligation. In order to secure the payment of the Subassociation Maintenance Charge, and other charges and assessments hereby authorized, each Owner of a Tract, by such party's acceptance of a deed thereto, hereby grants to the Subassociation a contractual lien on such Tract which may be foreclosed on by non-judicial foreclosure and pursuant to the provisions of Section 51.002 of the Texas Property Code (and any successor or other applicable statute); and each such owner hereby expressly grants the Subassociation a power of sale in connection therewith. The Subassociation shall, whenever it proceeds with non-judicial foreclosure pursuant to the provisions of said Section 51.002 of the Texas Property Code or other applicable statute and said power of sale, designate in writing a Trustee to post or cause to be posted all required notices of such foreclosure sale and to conduct such foreclosure sale. The Trustee may be changed at any time and from time to time by the Subassociation by means of written instrument executed by the President or any Vice-President of the Subassociation and filed for record in the Official Public Records of Comal County, Texas. In the event that the Subassociation has determined to non-judicially foreclose the lien provided herein pursuant to the provisions of said Section 51.002 of the Texas Property Code, or other applicable statute, and to exercise the power of sale hereby granted, the Subassociation, or the Subassociation's agent, shall give notice of foreclosure sale as provided by the Texas Property Code as then amended. Upon request by Subassociation, the Trustee shall give any further notice of foreclosure sale as

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may be required by the Texas Property Code as then amended, and shall convey such Tract to the highest bidder for cash by the Trustee's Deed. Out of the proceeds of such sale, if any, there shall first be paid all expenses incurred by the Subassociation in connection with such default, including reasonable attorney's fees and a reasonable trustee's fee; second, from such proceeds there shall be paid to the Subassociation an amount equal to the amount in default; and third, the remaining balance shall be paid to such Owner. Following any such foreclosure, each occupant of any such Tract foreclosed on and each occupant of any improvements thereon shall be deemed to be a tenant at sufferance and may be removed from possession by any and all lawful means, including a judgment for possession in an action of forcible detainer and the issuance of a writ of restitution thereunder.

In the event of non-payment by any Owner of any Subassociation Maintenance Charge or other charge or assessment authorized hereunder, the Subassociation may, in addition to foreclosing the lien hereby retained, and exercising the remedies provided herein, upon ten (10) days prior written notice thereof to such nonpaying Owner, exercise all other rights and remedies available at law or in equity.

It is the intent of the provisions of this Section 8.03 to comply with the provisions of said Section 51.002 of the Texas Property Code, or other applicable statute, relating to non-judicial sales by power of sale and, in the event of the amendment of said Section 51.002 of the Texas Property code hereafter, the President or any Vice-President of the Subassociation, acting without joinder of any other Owner or mortgagee or other person may, by amendment to this Declaration filed in the Official Public Records of Comal County, Texas, amend the provisions hereof so as to comply with said amendments to Section 51.002 of the Texas Property Code.

Section 8.04 Notice of Lien. In addition to the right of the Subassociation to enforce the Subassociation Maintenance Charge or other charge or assessment authorized hereunder, the Subassociation may file a claim or lien against the Tract of the delinquent Owner by recording a notice in the Official Public Records of Comal County ("Notice of Lien") setting forth (a) the amount of the claim of delinquency, (b) the interest thereon, (c) the costs of collection which have accrued thereon, (d) the legal description and street address of the Tract against which the lien is claimed and (e) the name of the Owner thereof. Such Notice of Lien shall be signed and acknowledged by an officer of the Subassociation or other duly authorized agent of the Subassociation. The lien shall continue until the amounts secured thereby and all subsequently accruing amounts are fully paid or otherwise satisfied. When all amounts claimed under the Notice of Lien and all other costs and assessments which may have accrued subsequent to the filing of the Notice of Lien have been fully paid or satisfied, the Subassociation shall execute and record a notice releasing the lien upon payment by the Owner of a reasonable fee as fixed by the Board of Directors to cover the preparation and recordation of such release of lien instrument.

Section 8.05 Liens Subordinate to Mortgages. The lien described in Section 8.03 hereof shall be deemed subordinate to a first lien granted by Developer on the Property or any part thereof to any lender and to each and every lien of Developer, any bank, insurance company, savings and loan association, university, pension and profit sharing trust or plans, or any other third party lender, which may have heretofore or may hereafter lend money or extend credit in good faith for the acquisition or improvement of the Property or any part thereof, including without limitation, any one or more Tract(s), and any renewal, extension, rearrangement or refinancing of such acquisition or improvement costs. The lien described in Section 8.03 shall further be subordinate to all home equity loans hereafter obtained. Each such lienholder, who obtains title to any portion of the Property encumbered by its lien pursuant to the remedies provided in the deed of trust or mortgage granting the lien or by judicial foreclosure of the lien shall take

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title to said Property free and clear of any claims for unpaid Subassociation Maintenance Charges or other charges of assessments against such Property which accrued prior to the time such holder acquired title to such Property. No such sale or transfer shall relieve such holder from liability for any Subassociation Maintenance Charge or other charges or assessments accruing thereafter or from the lien described in Section 8.03 hereof on account thereof. Any other sale or transfer of the Property, or any Tract therein, shall not affect the Subassociation's lien for Subassociation Maintenance Charges or other charges or assessments. The Subassociation shall make a good faith effort to give each such lienholder having a lien on any portion of the Property to be foreclosed sixty (60) days advance written notice of the Subassociation's proposed foreclosure of the lien described in Section 8.03 hereof, which notice shall be sent to the nearest office of such mortgagee by prepaid United States registered or Certified mail, return receipt requested, and shall contain a statement of delinquent Subassociation Maintenance Charges or other charges or assessments upon which the proposed action is based, provided, however, the Subassociation's failure to give such notice shall not invalidate any foreclosure conducted by the Subassociation pursuant to the provisions of this Article VIII.

Section 8.06 Purpose of the Subassociation Maintenance Charges. The Subassociation Maintenance Charge authorized by the Developer or the Subassociation shall be used exclusively for the purpose of promoting the recreation, health, safety, and welfare of the Owners which hereafter may become subject to the jurisdiction of the Subassociation. In particular, the Subassociation Maintenance Charge shall be used for any improvement or services in furtherance of these purposes and the performance of the Subassociation's duties described in Article X, including the maintenance of any Common Areas, any Drainage Easements and the establishment and maintenance of a reserve fund for maintenance of any Common Areas which are located in MYSTIC SHORES, UNIT SIX and any other unit within the Subassociation's jurisdiction. The Subassociation Maintenance Fund may be expended by the Developer or the Subassociation for any purposes which, in the judgment of the Subassociation, will tend to maintain the property values in the Subdivision, including, but not limited to, providing funds for the actual cost to the Subassociation of all taxes, insurance, repairs, energy charges, replacement and maintenance of the Common Area as may from time to time be authorized by the Subassociation. Except for the Subassociation's use of the Subassociation Maintenance Charge to perform its duties described in this Declaration and in the Bylaws, the use of the Subassociation Maintenance Charge for any of these purposes is permissive and not mandatory. It is understood that the judgment of the Subassociation as to the expenditure of said funds shall be final and conclusive so long as such judgment is exercised in good faith.

Section 8.07 Handling of Subassociation Maintenance Charges. The collection and management of the Subassociation Maintenance Charge or other charge or assessment authorized hereunder, shall be performed by the Developer until the Control Transfer Date, at which time the Developer shall deliver to the Subassociation all funds on hand together with all books and records of receipt and disbursements. The Developer and, upon transfer, the Subassociation, shall maintain separate special accounts for these funds, and Owners shall be provided at least annually information on the Subassociation Maintenance Fund.

ARTICLE IX

DEVELOPER'S RIGHTS AND RESERVATIONS

Section 9.01 Period of Developer's Rights and Reservations. Developer shall have, retain and reserve certain rights as set forth in this declaration with respect to the Association and Subassociation and the Common Area from the date hereof, until the earlier to occur of (i) the Control Transfer Date or (ii) Developer's written notice to the

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Association and/or the Subassociation of Developer's termination of the rights described in Article IX hereof. The rights and reservations hereinafter set forth shall be deemed excepted and reserved in each conveyance of a Tract by Developer to an Owner whether or not specifically stated therein and in each deed or other instrument by which any property within the Common Area is conveyed by Developer. The rights, reservations and easements hereafter set forth shall be prior and superior to any other provisions of this Declaration and may not, without Developer's prior written consent, be modified, amended, rescinded or affected by any amendment of this Declaration. Developer's consent to any one such amendment shall not be construed as a consent to any other or subsequent amendment.

Section 9.02 Right to Construct Additional Improvements in Common Area. Developer shall have and hereby reserves the right (without the consent of any other Owner), but shall not be obligated to construct additional improvements within the Common Areas at any time and from time to time in accordance with this Declaration for the improvement and enhancement thereof and for the benefit of the either the Association, Subassociation or Owners, so long as such construction does not directly result in the increase of such Maintenance Charge or Subassociation Maintenance Charge. Developer shall, upon the Control Transfer Date, convey or transfer such improvements to the Association or Subassociation and the Association and/or Subassociation shall be obligated to accept title to care for and maintain the same as elsewhere provided in this Declaration.

Section 9.03 Developer's Rights to Use Common Areas in Promotion and Marketing of the Property. Developer shall have and hereby reserves the right to reasonable use of the Common Areas and of services offered by the Association and Subassociation in connection with the promotion and marketing of land within the boundaries of the Property. Without limiting the generality of the foregoing, Developer may erect and maintain on any part of the Common Area such signs, temporary buildings and other structures as Developer may reasonably deem necessary or proper in connection with the promotion, development and marketing of land within the Property; may use vehicles and equipment within the Common Area for promotional purposes; and may permit prospective purchasers of property within the boundaries of the Property, who are not Owners or Members of the Association and/or the Subassociation, to use the Common Area at reasonable times and in reasonable numbers; and may refer to the services offered by the Association and/or Subassociation in connection with the development, promotion and marketing of the property.

Section 9.04 Developer's Rights to Grant and Create Easements. Developer shall have and hereby reserves the right, without the consent of any other Owners, Association or the Subassociation, to grant or create temporary or permanent easements, for access, utilities, pipeline easement, cable television systems, communication and security systems, drainage, water and other purposes incidental to development, sale, operation and maintenance of the Property, located in, on, under, over and across (i) the Tracts or other property owned by Developer, (ii) the Common Areas, and (iii) existing utility easements. Developer also reserves the right, without the consent of any other Owner, the Association or the Subassociation, to grant or create temporary or permanent easements for access over and across the streets and roads within the Property.

Section 9.05 Developer's Rights to Convey Additional Common Area to the Association. Developer shall have and hereby reserves the right, but shall not be obligated to, convey additional real property and improvements thereon, if any, to the Association or Subassociation as Common Area at any time and from time to time in accordance with this Declaration, without the consent of any other Owner, the Association or the Subassociation.

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ARTICLE X

DUTIES AND POWERS OF THE PROPERTY OWNERS ASSOCIATIONS

Section 10.01 General Duties and Powers of the Associations. The Associations have been formed to further the common interest of their respective Members. The Associations, acting through their respective Board of Directors or through persons to whom the Board of Directors has delegated such powers (and subject to the provisions of the Bylaws), shall have the duties and powers hereinafter set forth and, in general, the power to do anything that may be necessary or desirable to further the common interest of their members, to maintain, improve and enhance their respective Common Areas and to improve and enhance the attractiveness, desirability and safety of the property within their respective jurisdictions. The Associations shall have the authority to act as the agent to enter into any and all contracts on behalf of their respective Members in order to carry out the duties, powers and obligations of the Associations as set forth in this Declaration.

Section 10.02 Duty to Accept the Property and Facilities Transferred by Developer. The Association and/or Subassociation shall accept title to any property, including any improvements thereon and personal property transferred to the Association and/or Subassociation by Developer, and equipment related thereto, together with the responsibility to perform any and all administrative functions and recreation functions associated therewith (collectively herein referred to as "Functions"), provided that such property and Functions are not inconsistent with the terms of this Declaration. Property interests transferred to the Association or Subassociation by Developer may include fee simple title, easements, leasehold interests and licenses to use such property. Any property or interest in property transferred to the Association or Subassociation by Developer shall, except to the extent otherwise specifically approved by resolution of the Board of Directors, be transferred to the Association or Subassociation free and clear of all liens and mortgages (other than the lien for property taxes and assessments not then due and payable), but shall be subject to the terms of this Declaration, the terms of any declaration of covenants, conditions and restrictions annexing such property to the Common Area, and all easements, covenants, conditions, restrictions and equitable servitude or other encumbrances which do not materially affect the Owners authorized to use such property. Except as otherwise specifically approved by resolution of the Board of Directors, no property or interest in property transferred to the Association or Subassociation by the Developer shall impose upon the Association or Subassociation any obligation to make monetary payments to Developer or any affiliate of Developer including, but not limited to, any purchase price, rent, charge or fee

Section 10.03 Other Insurance Bonds. The Associations shall obtain such insurance as may be required by law, including worker's compensation insurance, and shall have the power to obtain such other insurance and such fidelity, indemnity or other bonds as the Associations shall deem necessary or desirable.

Section 10.04 Duty to Prepare Budgets. The Associations shall prepare budgets for themselves and their respective members. Such budgets shall include a reserve fund for the maintenance of its Common Areas.

Section 10.05 Duty to Levy and Collect the Maintenance Charge. The Association shall levy, collect and enforce the Maintenance Charges and other charges and assessments as elsewhere provided in this Declaration. The Subassociation shall levy, collect and enforce the Subassociation Maintenance Charge and other charges and assessments as elsewhere provided in this Declaration.

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Section 10.06 Duty to Provide Annual Review. The Associations shall provide for an annual unaudited independent review of the accounts of the respective Associations. Copies of the review shall be made available to any Member of that Association who requests a copy of the same upon payment by such Member of the reasonable cost of copying the same.

Section 10.07 Duties with Respect to Architectural Approvals. The Associations shall perform functions to assist the Committee as elsewhere provided in Article IV of this Declaration.

Section 10.08 Power to Acquire Property and Construct Improvements. The Associations may acquire property or an interest in property (including leases) for the common benefit of their respective Members including improvements and personal property. The Associations may construct improvements on their property and may demolish existing improvements.

Section 10.09 Power to Adopt Rules and Regulations. The Association and Subassociation may adopt, amend, repeal and enforce Rules and Regulations, fines, levies and enforcement provisions as may be deemed necessary or desirable with respect to the interpretation and implementation of this Declaration, the operation of the Associations, the use and enjoyment of their respective Common Areas, and the use of any other property, facilities or improvements owned or operated by the Associations.

Section 10.10 Power to Enforce Restrictions and Rules and Regulations. The Associations (and any Owner with respect only to the remedies described in (ii), below) shall have the power to enforce the provisions of this Declaration and the Rules and Regulations and shall take such action as the Board of Directors deems necessary or desirable to cause such compliance by each Member of that Association or Subassociation and each Member's Guest(s). Without limiting the generality of the foregoing, the Association and/or Subassociation shall have the power to enforce the provisions of this Declaration and of Rules and Regulations of that Association or Subassociation by any one or more of the following means: (i) By entry upon any property within the area covered by its membership after notice and hearing (unless a bona fide emergency exists in which event this right of entry may be exercised without notice (written or oral) to the Owner in such manner as to avoid any unreasonable or unnecessary interference with the lawful possession, use or enjoyment of the improvements situated thereon by the Owner or any other person), without liability by the Associations to the Owner thereof, for the purpose of enforcement of this Declaration or the Rules and Regulations; (ii) by commencing and maintaining actions and suits to restrain and enjoin any breach or threatened breach of the provisions of this Declaration or the Rules and Regulations; (iii) by exclusion, after notice and hearing, of any Member or Member's Guest(s) from use of any recreational facilities within the Common Areas during and for up to sixty (60) days following any breach of this Declaration or such Rules and Regulations by such Member or any Member's Guest(s), unless the breach is a continuing breach in which case exclusion shall continue for so long as such breach continues; (iv) by suspension, after notice and hearing, of the voting rights of a Member or Member's Guest(s) of a provision of this Declaration or such Rules and Regulations, unless the breach is a continuing breach in which case such suspension shall continue for so long as such breach continues; (v) by levying and collecting, after notice and hearing, an assessment against any Member for breach of this Declaration or such Rules and Regulations by such Member or a Member's Guest(s) which assessment reimbursed the Associations for the costs incurred by the Associations in connection with such breach; (vi) by levying and collecting, after notice and hearing, reasonable and uniformly applied fines and penalties, established in advance in the Rules and Regulations of the

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Associations, from any Member or Member's Guest(s) for breach of this Declaration or such Rules and Regulations by such Member or a Member's Guest(s); and (vii) by taking action itself to cure or abate such violation and to charge the expenses thereof, if any, to such violating Members, plus attorney's fees incurred by the Associations with respect to exercising such remedy.

Before the Board may invoke the remedies provided above, it shall give registered notice of such alleged violation to Owner, and shall afford the Owner a hearing. If, after the hearing, a violation is found to exist, the Board's right to proceed with the listed remedies shall become absolute. Each day a violation continues shall be deemed a separate violation. Failure of the Associations, the Developer, or of any Owner to take any action upon any breach or default with respect to any of the foregoing violations shall not be deemed a waiver of their right to take enforcement action thereafter or upon a subsequent breach or default.

Section 10.11 Power to Grant Easements. In addition to any blanket easements described in this Declaration, the Associations shall have the power to grant access, utility, drainage, water facility and other such easements in, on, over or under their respective Common Area.

Section 10.12 Power to Manage Wildlife-Discharge of Firearms. The MYSTIC SHORES PROPERTY OWNERS ASSOCIATION shall have the sole power to adopt plans duly recommended by the Texas Department of Parks & Wildlife to manage and/or care for wildlife in the Subdivision. If such a plan includes the harvesting of wildlife, such harvesting shall be administered by the Association under the direction of Texas Department of Parks & Wildlife. Except as needed in conjunction with and under the guidelines of this Section 10.12, the discharge or use of firearms is expressly prohibited.

ARTICLE XI

GENERAL PROVISIONS

Section 11.01 Term. The provisions hereof shall run with all property in MYSTIC SHORES, UNIT SIX and shall be binding upon all Owners and all persons claiming under them for a period of forty (40) years from the date this Declaration is recorded, after which time said Declaration shall be automatically extended for successive periods of ten (10) years each, unless an instrument, signed by not less than two-thirds (2/3rds) of the Owners (including the Developer) of the tracts has been recorded agreeing to amend or change, in whole or in part, this Declaration.

Section 11.02 Amendments. This Declaration may be amended or changed, in whole or in part, at any time by the written agreement or by signed ballots voting for such amendment, of not less than two-thirds (2/3rds) of all of the Owners (including Developer) of the Subdivision. There shall be one vote per tract. Anyone owning more than one tract shall have one vote for each tract owned. If the Declaration is amended by a written instrument signed by those Owners entitled to cast not less than two-thirds (2/3rds) of all of the votes of the Members of the Association, such amendment must be approved by said Owners within three hundred sixty-five (365) days of the date the first Owner executes such amendment. The date an Owner's signature is acknowledged shall constitute prima facie evidence of the date of execution of said amendment by such Owner. Those Members (Owners, including the Developer) entitled to cast not less than two-thirds (2/3rds) of all of the votes of the Members of the Association may also vote to amend this Declaration, in person, or by proxy, at a meeting of the Members (Owners, including the Declarant) duly called for such purpose, written notice of which shall be given to all Owners at least ten (10) days and not more than sixty (60) days in advance and shall set forth the purpose of such meeting. Notwithstanding any provision contained

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in the Bylaws to the contrary, a quorum, for purposes of such meeting, shall consist of not less than seventy percent (70%) of all of the Members (in person or by proxy) entitled to vote. Any such amendment shall become effective when an instrument is filed for record in the Official Public Records of Comal County, Texas, accompanied by a certificate, signed by a majority of the Board of Trustees, stating that the required number of Owners, including the Developer, executed the instrument amending this Declaration or cast a written vote, in person or by proxy, in favor of said amendment at the meeting called for such purpose. Copies of the written ballots pertaining to such amendment shall be retained by the Association for a period of not less than three (3) years after the date of filing of the amendment or termination. The Owners shall not amend this Declaration in such a manner as to increase the priority of the Association's or Subassociation's lien for the Maintenance Charge or any other charge or assessment as against any lienholder, without the affirmative unanimous vote to do so of all Owners and lienholders directly affected thereby. Furthermore, no amendment to this Declaration which adversely affects the rights or security interests of any holder of a lien to which the lien described in Section 6.03 or 8.03 hereof has been subordinated pursuant to Section 6.05 or 8.05 hereof shall become effective unless and until approved, in writing, by such lienholder. No amendment to this Declaration which adversely affects the rights and privileges of Developer shall become effective unless and until approved, in writing, by Developer and any Mortgagee of Record which is a lender to Developer. No amendment to this Declaration shall reduce or diminish the power or authority of the Subassociation without the consent of no less than two-thirds (2/3) of the Members of the Subassociation.

Section 11.03 Amendments by the Developer. The Developer shall have and reserves the right at any time and from time to time prior to the Control Transfer Date, without the joinder or consent of any Owner or other party, to amend this Declaration by an instrument in writing duly signed, acknowledged, and filed for record for the purpose of correcting any typographical or grammatical error, oversight, ambiguity or inconsistency appearing herein, provided that any such amendment shall be consistent with and in furtherance of the general plan and scheme of development as evidenced by this Declaration and shall not impair or adversely affect the vested property or other rights of any Owner or his mortgagee. Additionally, Developer shall have and reserves the right at any time and from time to time prior to the Control Transfer Date, without the joinder or consent of any Owner or other party, to amend this Declaration by an instrument in writing duly signed, acknowledged and filed for record for the purpose of permitting the Owners to enjoy the benefits from technological advances, such as security, communications or energy-related devices or equipment which did not exist or were not in common use in residential communities at the time this Declaration was adopted. Likewise, the Developer shall have and reserves the right at any time and from time to time prior to the Control Transfer Date, without the joinder or consent of any Owner or other party, to amend this Declaration by an instrument in writing duly signed, acknowledged and filed for record for the purpose of prohibiting the use of any device or apparatus developed and/or available for residential or commercial use following the date of this Declaration if the use of such device or apparatus will adversely affect the Association, Subassociation or will adversely affect the property values within the Subdivision.

Section 11.04 Severability. Each of the provisions of this Declaration shall be deemed independent and severable and the invalidity of un-enforceability or partial invalidity or partial un-enforceability of any provision or portion hereof shall not affect the validity or enforceability of any other provision.

Section 11.05 Liberal Interpretation. The provisions of this Declaration shall be liberally construed as a whole to effectuate the purpose of this Declaration.

Section 11.06 Successors and Assigns. The provisions hereof shall be binding upon and

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inure to the benefit of the Owners, the Developer and the Associations, and their respective heirs, legal representatives, executors, administrators, successors and assigns.

Section 11.07 Effect of Violations on Mortgages. No violation of the provisions herein contained, or any portion thereof, shall affect the lien of any mortgage or deed of trust presently or hereafter placed of record or otherwise affect the rights of the mortgagee under any such mortgage, the holder of any such lien or beneficiary of any such deed of trust; and any such mortgage, lien or deed of trust may, nevertheless, be enforced in accordance with its terms, subject, nevertheless, to the provisions herein contained.

Section 11.08 Terminology. All personal pronouns used in this Declaration and all exhibits attached hereto, whether used in the masculine, feminine or neuter gender, shall include all other genders; the singular shall include the plural and vice versa. Title of Articles and Sections are for convenience only and neither limit nor amplify the provisions of this Declaration itself. The terms "herein", "hereof" and similar terms, as used in this instrument, refer to the entire agreement and are not limited to referring only to the specific paragraph, section or article in which such terms appear.

IN WITNESS WHEREOF, the undersigned, being the Developer herein, has hereunto set its hand of this 1st day of MARCH 2002.

BLUEGREEN SOUTHWEST ONE, L.P., a
Delaware Limited Partnership
By BLUEGREEN SOUTHWEST LAND, INC.
A Delaware Corporation

By: [Signature]
Jack H. Dean, Vice President

STATE OF TEXAS
COUNTY OF HAYS

This instrument was acknowledged before me on this the 1st day of March, 2002, by JACK H. DEAN, Vice President of BLUEGREEN SOUTHWEST LAND, INC., a Delaware Corporation, General Partner of BLUEGREEN SOUTHWEST ONE, L.P., a Delaware Limited Partnership, in the capacity therein stated, on behalf of said Corporation.



[Signature]
Notary Public, State of Texas

AFTER RECORDING RETURN TO:

JACK H. DEAN
P.O. Box 896
Wimberley, TX 78676

Doc# 200206007325
Pages 25
03/04/2002 03:39:23 PM
Filed & Recorded in
Official Records of
COMAL COUNTY
JOY STREATER
COUNTY CLERK
Fees \$57.00

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1ST Supplement to the Declaration
Unit 6

Doc# 200406020210

Cross-reference to Clerk's Doc. No.
200206027138,
Comal County, Texas records.

**SUPPLEMENTAL DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS FOR MYSTIC SHORES**

THIS SUPPLEMENTAL DECLARATION is made this 4 day of MAY,
2004 by Bluegreen Southwest One, L.P., a Delaware limited partnership (hereinafter referred to as
"Declarant").

WITNESSETH:

WHEREAS, Declarant prepared and filed of record that certain Declaration of Covenants, Conditions
and Restrictions for Mystic Shores under Clerk's Doc. No. 200206027138 in the Official Public Records of
Comal County, Texas (hereinafter referred to as the "Declaration"); and

WHEREAS, Amended and Restated By-Laws of Mystic Shores Property Owners Association were
recorded in the Official Public Records of Comal County, Texas as Exhibit "C" to the Declaration (hereinafter
referred to as the "By-Laws"); and

WHEREAS, pursuant to Article 2, Section 2.3 of the By-Laws, the Declarant may establish
Neighborhoods within Mystic Shores by designation on a Supplemental Declaration; and

WHEREAS, the Declarant desires to hereby establish Neighborhoods within Mystic Shores by
designation on this Supplemental Declaration; and

WHEREAS the definitions set forth in Exhibit 1 of the By-Laws are incorporated herein by reference;

NOW, THEREFORE, pursuant to the powers retained by the Declarant under the Declaration and By-

Laws, Declarant hereby designates those portions of Mystic Shores described in Exhibit "A", attached hereto
and incorporated herein by this reference, as Neighborhoods as further set forth on Exhibit "A."

1.

Amendment to Supplemental Declaration

3.1 By Declarant. This Supplemental Declaration may be unilaterally amended by the Declarant
in accordance with Section 8.8(a) of the By-Laws.

3.2 By Members. In addition to the requirements of Section 8.8(c) of the By-Laws with respect to
amendment by Members, any amendment to this Supplemental Declaration shall also require the written
consent or affirmative vote, or any combination thereof, of Members holding at least sixty-seven percent (67%)
of the total Class "A" votes allocated to the Lots within any Neighborhood directly affected by such
amendment.

2.

Effect

The provisions of this Supplemental Declaration shall be binding in accordance with the terms of the Declaration. Except as specifically amended hereby, the Declaration and all terms thereof shall remain in full force and effect.

IN WITNESS WHEREOF, the undersigned Declarant has executed this Supplemental Declaration the day and year first above written.

DECLARANT: BLUEGREEN SOUTHWEST ONE, L.P.,
a Delaware limited partnership

By: _____

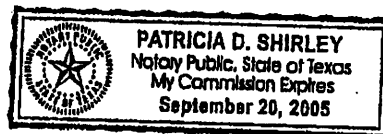
Title: _____

STATE OF TEXAS

COUNTY OF COMAL

This instrument was acknowledged before me on the 4th day of May, 2004, by Jack Dean, Vice President of Bluegreen Southwest Land, Inc., a Delaware corporation, the general partner of Bluegreen Southwest One, L.P., a Delaware limited partnership, on behalf of said corporation.

Patricia Dwyer Shirley
Notary Public, State of Texas



AT:136741v2

EXHIBIT "A"

Neighborhood Designations

Neighborhood Designation: Mystic Shores Unit One

Property Description: That certain tract of land known as containing approximately 307.39 acres of land as shown on that certain Plat of Mystic Shores, Unit One, recorded in the office of the County Clerk of Comal County, Texas on the 24th day of March, 2000, and being recorded in Volume 13, Pages 202-211 of the Map Records of Comal County Texas.

Neighborhood Designation: Mystic Shores Unit Two

Property Description: That certain tract of land known as containing approximately 307.39 acres of land as shown on that certain Plat of Mystic Shores, Unit Two, recorded in the office of the County Clerk of Comal County, Texas on the 11th day of August, 2000, and being recorded in Volume 13, pages 270-273 of the Map Records of Comal County, Texas.

Neighborhood Designation: Mystic Shores Unit Three

Property Description: That certain tract of land known as containing approximately 307.39 acres of land as shown on that certain Plat of Mystic Shores, Unit Three, recorded in the office of the County Clerk of Comal County, Texas on the 8th day of March, 2001 and being recorded in Volume 13, Pages 362-370 of the Map Records of Comal County, Texas.

Neighborhood Designation: Mystic Shores Unit Four

Property Description: That certain tract of land known as containing approximately 639.61 acres of land as shown on that certain Plat of Mystic Shores, Unit Four, recorded in the office of the County Clerk of Comal County, Texas on the 1st day of June, 2001 and being recorded in Volume 13, Pages 393-397 of the Map Records of Comal County, Texas.

Neighborhood Designation: Mystic Shores Unit Six

Property Description: That certain tract of land known as containing approximately 67.21 acres of land as shown on that certain Plat of Mystic Shores, Unit Six, recorded in the office of the County Clerk of Comal County, Texas on the 25th day of January, 2002 and being recorded in Volume 14, Pages 86-87 of the Map Records of Comal County, Texas.

Neighborhood Designation: Mystic Shores Unit Seven

Property Description: That certain tract of land known as containing approximately 338.70 acres of land as shown on that certain Plat of Mystic Shores, Unit Seven, recorded in the office of the County Clerk of Comal County, Texas on the 15th day of February, 2002 and being recorded in Volume 14, Pages 91-95 of the Map Records of Comal County, Texas.

Neighborhood Designation: Mystic Shores Unit Eight

Property Description: All those tracts or parcel of land, together with the improvements and appurtenances belonging thereto, lying and being in Comal County, Texas, as shown on a plat of survey made by Protech Engineering Group, dated October 12, 2001, a copy of which plat was recorded on July 26, 2002, in the real property records of Comal County, Texas in Book Volume 14, pages 150-155, and to which plat reference is hereby made for a more particular description of said land.

Neighborhood Designation: Mystic Shores Unit Nine

Property Description: ALL THOSE TRACTS or parcel of land, together with the improvements and appurtenances belonging thereto, lying and being in Comal County, Texas, as shown on a plat of survey made by Protech Engineering Group, dated April 30, 2002, a copy of which plat was recorded on August 8, 2002, in the real property records of Comal County, Texas in Book Volume 14, Page(s) 157-159, and to which plat reference is hereby made for a more particular description of said land.

Neighborhood Designation: Mystic Shores Unit Ten

Property Description: ALL THOSE TRACTS or parcel of land, together with the improvements and appurtenances belonging thereto, lying and being in Comal County, Texas, as shown on a plat of survey made by Protech Engineering Group, dated February 24, 2003, a copy of which plat was recorded on January 23, 2004, in the map and plat records of Comal County, Texas in Book Volume 14, Pages(s) 353-358, and to which plat reference is hereby made for a more particular description of said land.

Neighborhood Designation: Rivers Edge

Property Description: ALL THOSE TRACTS or parcel of land, together with the improvements and appurtenances belonging thereto, lying and being in Comal County, Texas, as shown on a plat of survey made by Protech Engineering Group, dated August 19, 2003, a copy of which plat was recorded on August 26, 2003, in the real property records of Comal County, Texas in Book Volume 14, Page(s) 275-277, and to which plat reference is hereby made for amore particular description of said land.

Neighborhood Designation: The Peninsula at Mystic Shores, Unit One

Property Description: That certain tract of land known as containing approximately 295.68 acres of land as shown on that certain Plat of The Peninsula at Mystic Shores, Unit One recorded in the office of the County Clerk of Comal County, Texas on the 22nd day of June, 2001 and being recorded in Volume 14, Pages 8-11 of the Map Records of Comal County, Texas.

Neighborhood Designation: The Peninsula at Mystic Shores, Unit Two

Property Description: ALL THOSE TRACTS or parcel of land, together with the improvements and appurtenances belonging thereto, lying and being in Comal County, Texas as shown on a plat of survey made by Protech Engineering Group, dated February 24, 2004, a copy of which plat was recorded on February 27, 2004, in the real property records of Comal County, Texas in Book Volume 14, Page(s) 368-370, and to which plat reference is herby made for a more particular description of said land.

(b) At the first Association meeting occurring after termination of the Class "B" Control Period, the Board shall be increased to five (5) members and an election shall be held to elect four (4) directors by the Voting Delegates. If four (4) or fewer Voting Groups have been established, one (1) director shall be elected by the Voting Delegates representing each Voting Group and any remaining directorships filled at large by the vote of all Voting Delegates. Two (2) of the initial elected directors shall serve a term of two (2) years, and two (2) initial elected directors shall serve a term of one (1) year, as such directors determine among themselves. Until termination of the Class "B" membership, the Class "B" Member shall be entitled to appoint, remove and replace one (1) director. Upon termination of the Class "B" membership, the director appointed by the Class "B" Member shall resign and the remaining directors shall be entitled to appoint a director to serve until the next annual meeting, at which time the Voting Delegates shall be entitled to elect a director to fill such position. Such director shall be elected for a term of two (2) years.

Upon the expiration of the term of office of each initial director elected by the Voting Delegates, the Voting Delegates entitled to elect such director shall elect a successor to serve a term of two (2) years. The directors elected by the Voting Delegates shall hold office until their respective successors have been elected.

2.

Except as hereby modified, the Declaration shall remain in full force and effect.

IN WITNESS WHEREOF, Bluegreen Southwest One, L.P., as the Declarant, hereby executes this Amendment by and through its authorized representative on the date and year first above written.

Bluegreen Southwest One, L.P.,
a Delaware limited partnership

By: Bluegreen Southwest Land, Inc., a Delaware
corporation, its general partner

By:

Jack Dean
Jack Dean

Vice President, Bluegreen Southwest Land, Inc.

[Corporate Seal]

STATE OF TEXAS

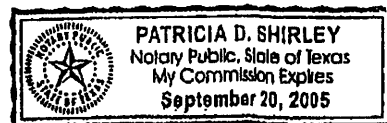
COUNTY OF COMAL

This instrument was acknowledged before me on the 4th day of May, 2004, by Jack Dean, Vice President of Bluegreen Southwest Land, Inc., a Delaware corporation, the general partner of Bluegreen Southwest One, L.P., a Delaware limited partnership, on behalf of said corporation.

Patricia D. Shirley
Notary Public, State of Texas

Commission Expiration Date: 09-20-05

[Notary Seal]





This page has been added to comply with the statutory requirement that the clerk shall stamp the recording information at the bottom of the last page.

This page becomes part of the document identified by the file clerk number affixed on preceding pages.

Doc# 200406026218
Pages 6
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COMAL COUNTY
JOY STREATER
COUNTY CLERK
Fees \$22.00

STATE OF TEXAS
COUNTY OF COMAL

This is to certify that this document was FILED and RECORDED in the Official Public Records of Comal County, Texas on the date and time stamped thereon.



Joy Streater
COUNTY CLERK

Doc# 200406026218

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**SECOND SUPPLEMENTAL
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR MYSTIC SHORES**

STATE OF TEXAS
COUNTY OF COMAL

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§
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KNOW ALL MEN BY THESE PRESENTS:

This Second Supplemental Declaration of Covenants, Conditions and Restrictions for Mystic Shores (hereinafter referred to as the "Second Supplement") is made as of the date listed below by BLUEGREEN SOUTHWEST ONE, L.P., a Delaware limited partnership, duly authorized to do business in the State of Texas (hereinafter variously referred to as the "Developer" or "Declarant").

WITNESSETH:

WHEREAS, Developer is the developer of the real property described as MYSTIC SHORES, UNIT SIX, in accordance with the plat recorded at Volume 14, Pages 86-87 of the Map and Plat Records of Comal County, Texas ("Unit Six"); and

WHEREAS, Declarant imposed certain covenants, conditions and restrictions on Unit Six contained in the First Declaration of Covenants, Conditions and Restrictions for Mystic Shores Unit Six dated March 1, 2002 and recorded on March 4, 2002 as Document Number 20020600735 of the Official Real Property Records of Comal County, Texas (hereinafter, the "First Declaration"), which, among other things, contemplates the development of commercial properties within Unit Six; and

WHEREAS, on or about August 13, 2002 and recorded on August 14, 2002, under Document Number 200206027138 of the Official Real Property Records of Comal County, Texas, a Declaration of Covenants, Conditions and Restrictions for Mystic Shores was recorded by Declarant (hereinafter the "Master Declaration"), which imposed covenants, conditions and restrictions on properties other than Unit Six, but which also provided that any property within a five (5) mile radius, which includes Unit Six, was subject to annexation and the covenants, conditions and restrictions of the Master Declaration; and

WHEREAS, the Master Declaration prohibits commercial use, commercial leasing or lot consolidation, among other things, which is inconsistent with the terms and provisions of the First Declaration; and

WHEREAS, on May 4, 2004, pursuant to the authority conferred on Declarant in the Master Declaration, the Declarant executed the Supplemental Declaration of Covenants, Conditions and Restrictions for Mystic Shores (the "Supplemental Declaration") recorded on July 12, 2004 under Document Number 200406026218 of the Official Real Property Records of

670, inclusive, may be used for either commercial purposes or for strictly residential purposes or for a combination of residential and commercial purposes or for strictly residential purposes. All owners of these Lots shall be members of the Association. However, except as set forth in this Section 3.01 a., the Lot Owner shall not be a Director of the Association and shall not have the right to use the common areas. The Lot Owner shall only have the right to vote in matters of the Association as set out in the Bylaws of the Association and in Articles V and XI of these Declarations. If an Owner of a Lot determines to use his Lot for residential purposes or for both residential and commercial purposes, he may elect, at such time as his plans are submitted to the Subassociation, by written notice delivered to the Association with a copy of his building plans, to become a full voting member of the Association with the right to vote, the right to use the common areas, the obligation to pay the dues and all other rights and obligations contained herein. Unless otherwise agreed to by the Association Directors, the election to become a full voting member may only be made the time and in the manner described in the preceding sentence. Once the plans are approved by the Subassociation, such notice of membership must be filed for record in the Official Public Records of Comal County. If the Owner does not elect to become a full voting member, then that owner shall be a "Commercial Member" as defined in the Bylaws and in these restrictions. The building plans for all Combination Lots shall be subject to review by the MYSTIC SHORES UNIT SIX ARCHITECTURAL

Comal County, Texas, by the terms of which "neighborhoods" were established, including a neighborhood for Unit Six; and

WHEREAS, conflicts and confusion have arisen over the effect of the filing of the Master Declaration and Supplemental Declaration on Unit Six and the property situated therein; and

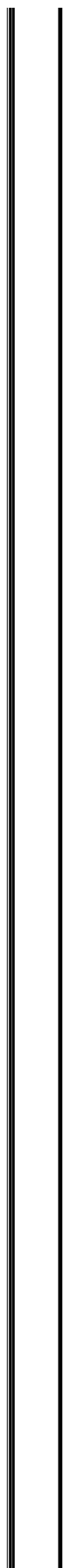
WHEREAS, the Declarant intends by this Second Supplemental Declaration to correct or clarify any inconsistencies or conflicts among the covenants, conditions and restrictions set out in the First Declaration, Master Declaration and Supplemental Declaration;

NOW, THEREFORE, pursuant to the powers retained by the Declarant under the First Declaration and the Master Declaration, Declarant hereby amends and supplements the Master Declaration and Supplemental Declaration as set forth in the following paragraphs:

1. The Use Restrictions set out in Article 10 of the Master Declaration do not apply to any of the properties situated within Unit Six, and the only Use Restrictions applicable to the properties within Unit Six are contained in Article III of the First Declaration, Section 3.01 of which is restated herein as follows:

Section 3.01 Multi-use Construction:

a. Lots 653, 654, 655, 656, 657, 658, 659, 660, 661, 666, 667, 668, 669, and 670, inclusive, may be used for either commercial purposes or for the dual use as and for a combination of residential and commercial purposes or for strictly residential purposes. All owners of these Lots shall be members of the Association. However, except as set forth in this Section 3.01 a., the Lot Owner shall not be a Director of the Association and shall not have the right to use the common areas. The Lot Owner shall only have the right to vote in matters of the Association as set out in the Bylaws of the Association and in Articles V and XI of these Declarations. If an Owner of a Lot determines to use his Lot for residential purposes or for both residential and commercial purposes, he may elect, at such time as his plans are submitted to the Subassociation, by written notice delivered to the Association with a copy of his building plans, to become a full voting member of the Association with the right to vote, the right to use the common areas, the obligation to pay the dues and all other rights and obligations contained herein. Unless otherwise agreed to by the Association Directors, the election to become a full voting member may only be made the time and in the manner described in the preceding sentence. Once the plans are approved by the Subassociation, such notice of membership must be filed for record in the Official Public Records of Comal County. If the Owner does not elect to become a full voting member, then that owner shall be a "Commercial Member" as defined in the Bylaws and in these restrictions. The building plans for all Combination Lots shall be subject to review by the MYSTIC SHORES UNIT SIX ARCHITECTURAL



CONTROL COMMITTEE and the enforcement of these Restrictions as herein provided.

b. Lots 662, 663, 664, 665, 671, 672, 1026, 1027, 1028, 1029, 1030, 1031, 1032, 1033, 1034, 1035, and 1036, inclusive, shall be used exclusively for commercial purposes. All of the owners of these Lots shall be members of the Association, but shall not, except as set forth in the Bylaws of the Association or in Articles V and XI of the Declarations, have the right to vote and shall not have the right to use the common areas. The Lot owners shall be full members of the Subassociation and these Lots shall be subject to review by the MYSTIC SHORES UNIT SIX ARCHITECTURAL CONTROL COMMITTEE and the enforcement of these Restrictions as herein provided. These Lot owners shall not have the election of becoming a voting member of the Association.

c. Lot 652: Lot 652 shall be owned by the Mystic Shores Property Owners Association for use as a Common Area.

2. No amendment to the Use Restrictions of UNIT SIX affecting Lots 662, 663, 664, 665, 671, 672, 1026, 1027, 1028, 1029, 1030, 1031, 1032, 1033, 1034, 1035 and 1036 inclusive will be valid or effective unless consented to by the owners and mortgagees of such affected Lots 662, 663, 664, 665, 671, 672, 1026, 1027, 1028, 1029, 1030, 1031, 1032, 1033, 1034, 1035, and 1036, inclusive.

3. All inconsistencies and conflicts between the First Declaration, the Master Declaration and the Supplemental Declaration shall resolve in favor of this Second Supplement. The Supplemental Declaration that established neighborhoods, including a neighborhood for Unit Six, does not conflict with either the First Declaration or Master Declaration and therefore, is unchanged.

4. Except as hereby modified the Master Declaration and Supplemental Declaration shall remain in full force and effect.

IN WITNESS WHEREOF, the undersigned has executed this Second Supplemental Declaration of Covenants, Conditions and Restrictions on this 8th day of December, 2005.

BLUEGREEN SOUTHWEST ONE, L. P.
By and through its General Partner
BLUEGREEN SOUTHWEST LAND, INC.,

By: 


JACK H. DEAN, Vice President

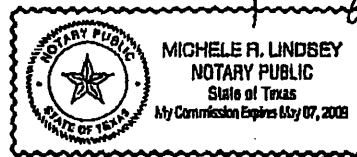
STATE OF TEXAS

COUNTY OF COMAL

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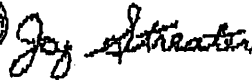
The foregoing Second Supplemental Declaration of Covenants, Conditions and Restrictions for Mystic Shores was acknowledged before me on the 8th day of December, 2005, by JACK H. DEAN, Vice President of BLUEGREEN SOUTHWEST LAND, INC., the General Partner of BLUEGREEN SOUTHWEST ONE, L.P., a Delaware limited partnership, on behalf of same and in the capacity herein stated.


Notary Public, State of Texas



Doc# 200506047021
Pages 4
12/12/2005 9:57AM
Official Records of
COMAL COUNTY
JOY STREATER
COUNTY CLERK
Fees \$28.00





Doc# 200506047021



200906011413 04/07/2009 01:56:39 PM RESTRICT 1/5

Cross-reference to Clerk's Doc. #200206007325
Comal County, Texas Real Property Records.

THIRD AMENDMENT TO THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR MYSTIC SHORES UNIT SIX

THIS THIRD AMENDMENT TO THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR MYSTIC SHORES, UNIT SIX is made by Bluegreen Southwest One, L.P., a Delaware limited partnership (hereinafter referred to as "Declarant") by and through its General Partner, Bluegreen Southwest Land, Inc. on the date listed below and on the acknowledgment.

WITNESSETH:

WHEREAS, Declarant prepared and filed of record that certain Declaration of Covenants, Conditions and Restrictions for DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR MYSTIC SHORES, UNIT SIX under Clerk's Document No. 200206007325 in the Official Public Records of Comal County, Texas (herein referred to as the "Declaration"); and

WHEREAS, Declarant prepared and filed of record that certain First Amendment of the Declaration of Covenants, Conditions and Restrictions for Mystic Shores, Unit Six filed of record under Clerk's Document No. 200406026218, Official Real Property Records of Comal County, Texas (the "First Amendment"); and

WHEREAS, Declarant prepared and filed of record that certain Second Amendment of the Declaration of Covenants, Conditions and Restrictions for Mystic Shores, Unit Six filed of record under Clerk's Document No. 200506047021, Official Real Property Records of Comal County, Texas (the "Second Amendment"). (Capitalized terms are defined in the Declaration as shall have the same meaning in this Third Amendment.); and

WHEREAS, Declarant prepared and filed of record that certain DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR MYSTIC SHORES ("The Master Restrictions for Mystic Shores") recorded at Clerk's Document No. 200206027138, Official Real Property Records of Comal County, Texas for the purpose of making a uniform development throughout Mystic Shores, and thereby creating a single Master Restriction for Mystic Shores.

WHEREAS, pursuant to Section 9.03 of the Declaration the Declarant reserved the right, to amend the Declaration for any purpose until the Control Transfer Date for the purpose of clarification and/or grammatical errors; and

WHEREAS, the Control Transfer Date has not occurred and Declarant has determined that to further the general plan and scheme of development as evidenced by the Declaration and all amendments and/or supplements thereto, it is desirable to execute and file this Third Amendment in furtherance of the general plan and scheme of development;

NOW, THEREFORE, pursuant to the powers retained by Declarant in the Declaration, Declarant hereby subjects the properties covered by the Declaration and all amendments and/or supplements thereto to the provisions of this Third Amendment, which shall apply to such

property in addition to the provisions of the Declaration, and all amendments and supplements thereto as amended hereby. Such property in Mystic Shores, Unit Six shall be sold, transferred, used, conveyed, occupied, and mortgaged or otherwise encumbered pursuant to the provisions of this Third Amendment as well as the Declaration and other amendments or supplements to the Declaration, all of which shall run with the title to such property and shall be binding upon all persons having any right, title, or any interest in such property, their respective heirs, legal representatives, successors, successors-in-title and assigns. Wherever a conflict exists between the Declaration or any supplements thereto and this Third Amendment, this Third Amendment shall be controlling.

ARTICLE 1 **Definitions**

The definitions set forth in Article I of the Declaration are hereby incorporated by reference, unless said terms are otherwise defined herein.

ARTICLE 2 **Adoption of the Master Restrictions for Mystic Shores**

By this Third Amendment, the Master Restrictions are hereby adopted in full to govern the entire Mystic Shores development. Any discrepancies or provisions that are in conflict between the Declaration and Master Restrictions shall be resolved in favor the Declaration for Unit Six and then resolved by the Master Restriction for Mystic Shores. Where the Declaration is silent, the Master Restriction for Mystic Shores shall govern.

ARTICLE 3 **Amendment to Declaration – Property Owners Association Maintenance Charge**

Declarant hereby deletes and amends the Declaration filed for Unit Six by deleting the provisions regarding the levying, collection and administering of the Maintenance Charge as defined and stated in Section 6 of the Declaration, and in the place of Section 6, Declarant adopts and ratifies Article 4, Article 5 and Article 8 of the Master Restriction of Mystic Shores as the governing restrictions, conditions and covenants over Mystic Shores, Unit Six. As it relates to the Maintenance Charge and the governing of Mystic Shores, Unit Six, the Master Restriction shall govern over the Declaration for Section 6 of the Declaration.

ARTICLE 4 **Dissolution of Property Owners Association, Mystic Shores, Unit Six**

Pursuant to the Bylaws and the Declaration for Mystic Shores, Unit Six, a separate and distinct Property Owners Association was created by the Declarant for Unit Six entitled "Mystic Shores Unit Six Property Owners Association." Unit Six has been designated as a "Commercial Neighborhood" under the Master Restrictions and thus allows for the building and operation of commercial business within Unit Six. By this Amendment, the "Mystic Shores Unit Six Property Owners Association" is hereby terminated, dissolved and declared merged into the Mystic Shores Property Owners Association, Inc. that governs all of Mystic Shores. There is no longer a separate and distinct Association for Unit Six. Unit Six will maintain its own separate and distinct Architectural Control Committee as defined and stated in the Declaration. Any

and all statements, comments, rules or regulations in regard to the separate Association for Unit Six are hereby deleted from the Declaration. Unit Six shall be governed and controlled from this date forward by only the Association as defined in the Master Restriction for Mystic Shores.

ARTICLE 5
Amendment to Declaration

By Declarant. This Declaration may be unilaterally amended by the Declarant in accordance with Section 9.03 of the Declaration.

By Members. In addition to the requirements of Section 9.08 of the Declaration with respect to amendment by Members, any amendment to this Supplemental Declaration shall also require the written consent or affirmative vote, or any combination thereof, of Members holding at least sixty-seven percent (67%) of the total Class "A" votes allocated to the Lots subject to this Declaration.

ARTICLE 6
Declaration

Except as specifically amended hereby, the Declaration and all terms thereof shall remain in full force and effect.

IN WITNESS WHEREOF, the undersigned Declarant has executed this Third Amendment to the Declaration on this the 1st day of April, 2009, and such Third Amendment amends Document # 200106008240, Official Real Property Records of Comal County, Texas.

DECLARANT:

BLUEGREEN SOUTHWEST ONE, L.P.
by and through its General Partner
BLUEGREEN SOUTHWEST LAND, INC.

By: _____

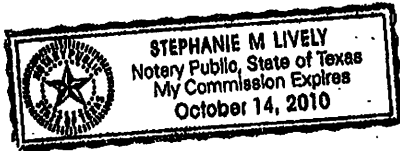
Jesse Keasler
Jesse Keasler, Vice President,
Bluegreen Southwest Land, Inc.

ACKNOWLEDGMENT

STATE OF TEXAS §
 §
COUNTY OF TARRANT §

This instrument was acknowledged before me on the 1st day of April, 2009, by Jesse Keasler, Vice President of Bluegreen Southwest Land, Inc., a Delaware

corporation, the general partner of Bluegreen Southwest One, L.P., a Delaware limited partnership, on behalf of said entity.



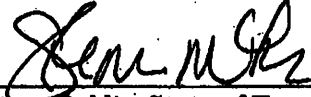

Notary Public, State of Texas

EXHIBIT "A"

Additional Property

ALL THOSE TRACTS or parcel of land, together with the improvements and appurtenances belonging thereto, lying and being in Comal County, Texas, as shown on a plat of survey made by Protech Engineering Group, a copy of which plat was recorded, at Volume 14, Page 86-87, Official Map and Plat Records, Comal County, Texas and to which plat reference is hereby made for a more particular description of said land.

Filed and Recorded
Official Public Records
Joy Streater, County Clerk
Comal County, Texas
04/07/2009 01:55:38 PM
CASH TWO
200906011413



Joy Streater