

(To be recorded in Dallas County, Texas)

2004 VOTING AMENDMENT
to
Declaration of
Covenants, Conditions, and Restrictions for
The WaterView Community

RECITALS

A. Snapdragon Properties Associates, L.P., a Delaware limited partnership (the "**Declarant**"), developed The WaterView Community ("**WaterView**"), a multi-phased planned development located in Rowlett, Texas, which is subject to the Declaration of Covenants, Conditions, and Restrictions for The WaterView Community, recorded on July 7, 1998, in Volume 98131, Page 00453, Real Property Records, Dallas County, Texas, as amended and supplemented by the instruments recorded on March 9, 1999, in Volume 99046, Page 01866; on November 15, 2000, in Volume 2000223, Page 00718; on August 10, 2001, in Volume 2001156, Page 10255; on July 10, 2003, in Volume 2003133, Page 03389; and on July 10, 2003, in Volume 2003133, Page 03395 (collectively, the "**Declaration**").

B. WaterView is governed by the WaterView Community Association, Inc. (the "**Association**"), a Texas property owners association, pursuant to the By-Laws of WaterView Community Association, Inc., recorded as Exhibit "C" of the Declaration.

C. Because of WaterView's large size, Declarant believes it is in the best interests of the Association to retain the Declaration's concept of delegated voting rights by which the votes of the more than 1,700 lots are cast by a representative if the owner fails to exercise his right to vote. However, Declarant believes it is in the best interests of the Association to amend the Declaration to remove the cumbersome and costly process of holding Neighborhood elections each year to elect "Voting Members," in addition to the other meetings of the Association at which owners participate. Declarant is concerned that requiring multiple election meetings each year may discourage participation by the owners.

D. Pursuant to Section 18.1 of the Declaration, during the Class "B" Declarant Control Period, Declarant may unilaterally amend the Declaration for any purpose, provided the amendment does not adversely affect the title to any lot.

E. All lots in the phases of WaterView that were owned and platted by Parcel Builders have been sold. Although some WaterView lots are owned by Builders, some of whom may have been Parcel Builders in other phases, no Builder in WaterView has the status of Parcel Builder on the date of this Amendment.

F. On the date of this Amendment, (1) Declarant owns lots in WaterView, (2) the Class "B" membership has not expired or been terminated, (3) the Class "B" Declarant Control Period has not expired or been terminated, (4) Broadmoor Estates is the only Neighborhood that has been created out of the community-as-a-whole, and (5) the Association's board of directors has not called for election of a Voting Member for the Broadmoor Estates Neighborhood.

G. By recording this Amendment, Declarant amends certain provisions of the Declaration.

AMENDMENTS

1. VOTING MEMBER. Section 2.33 of the Declaration, the definition of "Voting Member," is hereby amended and restated in its entirety as follows:

2.33. "Voting Member" means the representative selected by the board or by the Neighborhood Committee or Neighborhood Association, as the case may be, to cast Class "A" votes on matters requiring a vote of the membership, pursuant to Section 6.6.

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2. VOTING MEMBERS. Article VI of the Declaration, titled "The Association and its Members," is hereby amended by the deletion of the entire Subsection (b) of Section 6.4 of the Declaration, titled "Voting Members," and by the addition of the following Section 6.6, titled "Voting Members":

6.6 VOTING MEMBERS. At least 30 days before an election or Association decision requiring a vote of the members, the board will publish the names of the Association members who have been appointed as Voting Members. The names and addresses of the Voting Members must be available to all members of the Association on request.

(a) Appointment. If a lot is in a Neighborhood with a Neighborhood Committee or Neighborhood Association of which the leadership is elected by the owners in the Neighborhood, the Voting Members for the Neighborhood lots will be appointed by the leadership of the Neighborhood Committee or Neighborhood Association (hereafter, "Neighborhood leadership"). If a WaterView lot not within such a Neighborhood, the Association's board of directors will appoint the Voting Members for the lot.

(b) Number. The number of Voting Members appointed by Neighborhood Leadership is two. The number of Voting Members appointed by the board equals the number of Association directors, including board positions that are temporarily vacant. To illustrate, if the Association is required to have 5 directors, there will be 5 Voting Members. In appointing Voting Members, the Association's board (or Neighborhood Leadership) will act as one body, and each director may veto one candidate considered for appointment. Voting Members serve at the pleasure of the board (or Neighborhood Leadership) and have no independent authority. The board (or Neighborhood Leadership) will also appoint alternates to substitute for Voting Members who are unable or unwilling to serve at the appointed time. The procedures and qualifications for appointing alternates is the same as for appointing the Voting Members.

(b) Qualifications. To qualify as a Voting Member or alternate, a person must (1) be a member in good standing, (2) not currently serve as an officer, director, employee, or agent of the Association (if appointed by the board), (3) not currently serve as an officer, director, employee, or agent of the Neighborhood Leadership (if appointed by the Neighborhood Leadership), (4) not related by blood, marriage, adoption, or household to a person currently serving as an officer, director, employee, agent, or another Voting Member of the Association (or of the Neighborhood Leadership, if appropriate), and (5)

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accept the appointment subject to the terms of this Section. If the outcome of a vote will benefit or disproportionately affect some but not all members of the Association (or of the Neighborhood, if appropriate), the board (or the Neighborhood Leadership) will make an effort to balance the perspectives in its appointment of Voting Members and alternates.

(c) Oath. By accepting appointment by the board (or by the Neighborhood Leadership), each Voting Member and alternate agrees (1) to serve as a volunteer, (2) to become informed about the matter requiring a vote of members, (3) to reach an independent decision on how to vote on the matter, (4) to refrain from lobbying members or directors about the issue being voted, and (5) to be guided by what the Voting Member determines to be in the best interests of the Association as a whole.

(d) Replacements. If a Voting Member is unable or unwilling to participate at the appointed time, the board (or the Neighborhood Leadership) will instruct an alternate to fulfill the responsibility of the Voting Member.

If you
● Don't vote or ● Don't appoint an actual proxy
then, a Voting Member may cast your vote.

(e) When Used. At any meeting of the Association for which a quorum only is required to decide an issue, such as the annual election of directors, Voting Members will not be used if a quorum is obtained by the participation of owners, in person or by actual proxy. Similarly, on any issue requiring a vote of owners, if the Association receives a sufficient number of votes from owners and actual proxies to decide the issue - for or against, Voting Members will not be used. The use of Voting Members is limited to decisions requiring a vote of the owners for which there is insufficient participation by the owners - in person or by actual proxy - to constitute a quorum or to decide the issue.

(f) Voting Deemed Proxies. The Association will create a record of lots for which actual proxies and/or votes have been received. If use of Voting Members is warranted, the remaining lots - being all lots for which the Association received neither an actual proxy nor a vote - will be divided among the Voting Members as evenly as possible, by any method that the board deems to be fair and expedient. The allocation among Voting Members may be "blind" as to the location or ownership of a lot (except that votes from a Neighborhood with its own appointed Voting Members will be divided between those Voting Members). For illustration purposes only, if 980 lots are not participating or represented in a decision, then 980 votes will be divided among the 5 board-appointed Voting Members, so that each Voting Member will have 196 votes. In exercising his responsibilities, a Voting Member may abstain from voting provided he submits his abstention in writing at the appointed time of the vote, or may vote "none of the above."

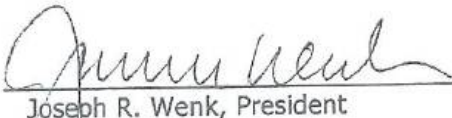
(g) Exceptions & Clarifications. The following exceptions and clarifications pertain to this Section's system of automatic Voting Members.

SIGNED AND ACKNOWLEDGED

SIGNED on the 12th day of November 2004.

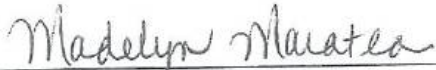
SNAPDRAGON PROPERTIES ASSOCIATES, L.P.,
a Delaware limited partnership

By: SNAPDRAGON ENTERPRISE, INC., a Delaware
corporation, its general partner

By: 
Joseph R. Wenk, President

STATE OF NEW YORK §
 §
COUNTY OF NEW YORK §

This instrument was acknowledged before me on the 12th day of November 2004 by Joseph R. Wenk, President of Snapdragon Enterprises, Inc., a Delaware corporation, on behalf of the corporation in its capacity as general partner of Snapdragon Properties Associates, L.P., a Delaware limited partnership, on behalf of the limited partnership.


Notary Public, State of New York

MADELYN MARATEA
Notary Public, State of New York
No. 01MA8107203
Qualified in Nassau County
Commission Expires March 22, 2008


After recording, please return to:

Ms. Sharon Reuler • SETTLEPOU • Attorneys
3333 Lee Parkway, Eighth Floor
Dallas, Texas 75219

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FILED AND RECORDED
OFFICIAL PUBLIC RECORD

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 COUNTY CLERK
DALLAS CO., TEXAS

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