

AMENDMENTS TO SECOND AMENDED
AND RESTATED DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
OF SHADY HOLLOW ESTATES

December 13, 1994 Amendment
November 8, 2001 Amendment
November 4, 2003 Amendment
November 18, 2004 Amendment
November 17, 2005 Amendment

AMENDMENT

Approved December 13, 1994
Executed May 9, 1996

1. The following language is added to Section 1, Article VI of the Declaration:

“The Association may set time limits for completion of members' projects proposed and approved by the ACC. Any such time limits shall be included in the ACC approval of a proposed project and shall be reasonable for any particular project per the project plan submitted by the Member. By setting such time limits, the Association intends to induce Members to complete projects in a timely manner to avoid situations for which working materials and equipment would be left exposed for unreasonably extended period of time”.

2. The following language is added to Section 1, Article VII of the Declaration:

“Section 1a. Low Impact Home Businesses. This is to provide an exception to the prohibition against the use of a Tract for business or professional purposes, generally permitting those in-home businesses that can be conducted without creating a nuisance for the neighborhood. Specifically prohibited however, are businesses which result in commercial vehicles being regularly parked on a Tract, businesses with employees who are not residents of the subdivision working on the premises of a Tract, and businesses which result in excessive traffic. An in-home business will be considered a nuisance, and therefore prohibited, if at least three Members representing three separate Tracts within close proximity to the Tract conducting the in-home business petition the Board of Directors in writing setting out the specific complaint against the in-home business, and the Board of Directors finds it to be in the best interest of the neighborhood to prohibit the business. The Board of Directors may make other rules regarding in-home businesses to fulfill the intent of this Section.”

3. The following language is added to Section 4, Article VIII of the Declaration:

“Section 4a. Fines. The Association may levy penalties for violations of one or more of the provisions of these Second Amended and Restated Covenants, Conditions and Restrictions of Shady Hollow Estates. Any such penalties shall be established by the Board of Directors at a duly constituted meeting of the Board of Directors and shall be published and mailed to every Member of the Association. No fine may be levied without first providing the violating Member with adequate notice of the violation and reasonable opportunity to correct the violation. The Board of Directors may delegate to the Architectural Control Committee the authority to impose penalties on willful violators of the Covenants and Restrictions that the Architectural Control Committee has been charged to enforce. In no case can the penalty exceed ten dollars per day. The penalties, however, are cumulative and may be enforced by lien in favor of the Association. The penalties may be waived or abated at the discretion of the Board of Directors.”

AMENDMENT

Approved November 8, 2001

Executed February 3, 2002

1. Article VII, Section 16 of the Declaration entitled “Oil, Gas, and Mining Operations; Water Wells” is hereby amended to delete any reference to “water wells” so that this section now reads in its entirety:

“Section 16. Oil, Gas, and Mining Operations. No oil or gas exploration, drilling or development operations or oil or gas refining, quarrying or mining operations at any time shall be permitted upon or within any portion of the Property, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or within any portion of the Property. No derricks or other structure design for use in boring for oil or natural gas shall be erected, maintained or permitted upon any portion of this Property.”

AMENDMENT

Approved November 4, 2003

Executed September 2, 2004

1. Article V, Section 8 is amended to make it clear that assessment liens are subordinate to refinancing of purchase money liens and home equity liens. Article V, Section 8 is amended by deleting subsection (b) which states "all liens, including but not limited to, vendor's liens, deed of trust, mortgages and other security instruments which secure any loan for part of the purchase price for the Tract and/or the cost of improvements thereon and which are filed for record prior to the date the annual assessment becomes due and payable" and replacing this language in its entirety with the following:

"(b) all liens, including but not limited to, vendors liens, deeds of trust, mortgages, and other

security instruments which secure any loan for any part of the purchase price for the Tract, or secure any subsequent refinancing thereof and/or the cost of improvements thereon, or which secure any home equity loan, which are filed for record prior to the date the annual assessment becomes due and payable".

[The rest of the language in this paragraph is unchanged.]

AMENDMENT

Approved November 18, 2004

Executed July 22, 2005

TBD

AMENDMENT

Approved November 17, 2005

Executed February 22, 2006

1. Article VII, Section 1 is amended by ADDING the following new language to the end of the section: 'Carports are not permitted structures, and shall not be erected or permitted to remain on any Tract.'