

After Recording Return To:
Cheryl Moczygema
8222 Douglas Ave., Ste. 660
Dallas, Texas 75225

5198 02470
134956

FHA AMENDMENT

TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR PROVIDENCE

A. Valerian Properties Associates, L.P., a Delaware limited partnership (the "**Declarant**"), developed Providence, a phased planned development, the plat of the initial phase having been recorded in Cabinet U, Page 573, Plat Records, Denton County, Texas.

B. Providence is subject to the Declaration of Covenants, Conditions and Restrictions for Providence, recorded June 12, 2002, as Document No. 2002-R0073755, in Volume 5105, Page 02787, Real Property Records, Denton County, Texas (the "**Declaration**").

C. According to Section 7.1 of the Declaration, Declarant has the right to amend the Declaration, without consent of other owners or any mortgagee, "as necessary to comply with the requirements of HUD (Federal Housing Administration)."

AMENDMENT

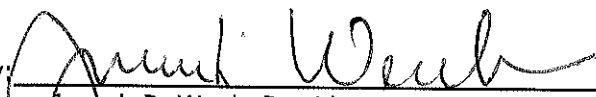
To qualify the Declaration and the Property for approval by the U.S. Department of Housing and Urban Development for FHA-insured loans, Section 8.2 of the Declaration is hereby amended by the addition of the following sentence at the end of the "CLASS B" paragraph:

Notwithstanding anything herein to the contrary, the Class B membership ceases and converts to Class A membership upon the earlier of the following: (i) June 11, 2012, or (ii) when title to 75% of the maximum number of Lots planned or approved for the Property has been transferred to Class A Members other than builders who purchase Lots for development and sale.

SIGNED on the 17 day of October 2002.

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

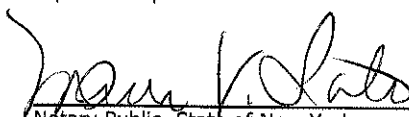
By: **FIRST REGENCY ENTERPRISES, INC.**, a Delaware
corporation, its general partner

By: 
Joseph R. Wenk, President

STATE OF NEW YORK §
COUNTY OF NEW YORK §

This instrument was acknowledged before me on the 17 day of October 2002 by Joseph R. Wenk, President of First Regency Enterprises, Inc., a Delaware corporation, on behalf of the corporation in its capacity as general partner of Valerian Properties Associates, L.P., a Delaware limited partnership, on behalf of the limited partnership.

MARIA V. SANTORO
Notary Public, State of New York
No. 01SA4901903
Qualified in Bronx County
Commission Expires Aug. 17, 2005


Notary Public, State of New York

30-11

ANY PROVISION HEREIN WHICH RESTRICTS THE SALE, RENTAL, OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.
THE STATE OF TEXAS }
COUNTY OF DENTON }
I hereby certify that this instrument was FILED in the File Number sequence on the date and the time stamped hereon by me; and was duly RECORDED, in the Official Public Records of Real Property of Denton County, Texas on

OCT 23 2002

Cynthia Mitchell
COUNTY CLERK
DENTON COUNTY, TEXAS



Filed for Record in:
DENTON COUNTY, TX
CYNTHIA MITCHELL, COUNTY CLERK

On Oct 23 2002
At 12:58pm

Receipt #: 60443
Recording: 5.00
Doc/Mgmt: 6.00
Doc/Num: 2002-R0134956
Doc/Type: AMD
Deputy -ERIN