

#17.00

DRH Title Co.

Base

021879

After recording, return to:
Valerian Properties Associates, L.P.
8222 Douglas Ave., Suite 660
Dallas, Texas 75225

Cross-Reference: Declaration Volume 5105
Page 2787
FHA Amendment Volume 5198
Page 2470

5270 05324

**FIRST SUPPLEMENTAL DECLARATION
AND SECOND AMENDMENT OF
COVENANTS, CONDITIONS AND RESTRICTIONS FOR
PROVIDENCE
DENTON COUNTY, TEXAS**

THIS FIRST SUPPLEMENTAL DECLARATION AND SECOND AMENDMENT OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR PROVIDENCE, DENTON COUNTY, TEXAS (this "Supplemental Declaration") is made this 28th day of January, 2003, by Valerian Properties Associates, L.P., a Delaware limited partnership ("Declarant").

WITNESSETH

WHEREAS, on June 10, 2002, Declarant executed that certain Declaration of Covenants, Conditions and Restrictions for Providence, Denton County, Texas (the "Original Declaration"), recorded in Volume 5105, Page 2787 of the Real Property Records of Denton County, Texas;

WHEREAS, on October 17, 2002, Declarant executed that certain FHA Amendment to Declaration of Covenants, Conditions and Restrictions for Providence (the "First Amendment"), therein amending the Original Declaration, which First Amendment is recorded in Volume 5198, Page 2470 of the Real Property Records of Denton County, Texas (the Original Declaration and the First Amendment are herein collectively called, the "Declaration");

WHEREAS, in order to comply with the requirements of the Federal Housing Administration (the "FHA"), Declarant heretofore amended the Declaration by filing the above mentioned First Amendment and since the filing of the First Amendment, such requirements as set forth in the First Amendment are no longer requirements of the FHA and therefore, Declarant desires to amend the Declaration by eliminating the previously filed First Amendment, and according to Section 7.1 of the Declaration, Declarant has the right to amend the Declaration without consent of other owners or any mortgagee;

WHEREAS, in accordance with Article XIV of the Declaration, Declarant, may, without

the joinder and consent of any person or entity, subject additional property to the Declaration;
and

WHEREAS, Declarant desires to subject that certain real property described in **Exhibit A** attached hereto (the "Additional Property") to the terms of the Declaration;

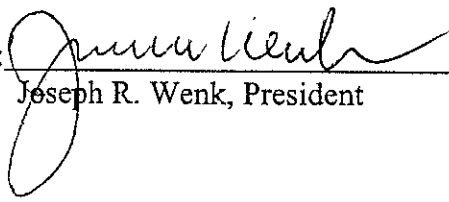
NOW, THEREFORE, Declarant hereby: (i) terminates and deletes in its entirety, the First Amendment, and the amendment of Section 8.2 as provided for in such First Amendment shall and hereby does revert to the language set forth in the Original Declaration prior to the existence of the First Amendment and from and after the date hereof, the First Amendment shall be of no further force or effect and such Section 8.2 shall be reinstated as originally written in the Original Declaration; and (ii) pursuant to Article XIV of the Declaration, Declarant hereby submits and subjects the Additional Property to the provisions of the Declaration. Such Additional Property shall be sold, transferred, used, conveyed, occupied, and mortgaged or otherwise encumbered pursuant to the provisions of the Declaration, as amended and supplemented from time to time, 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.

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

DECLARANT:

Valerian Properties Associates, L.P., a Delaware limited partnership

By: First Regency Enterprises, Inc., its general partner

By:  _____
Joseph R. Wenk, President

STATE OF NEW YORK:

COUNTY OF New York:

This instrument was acknowledged before me on this 6th day of February, 2003, by Joseph R. Wenk, President of First Regency Enterprises, Inc., general partner of Valerian Properties Associates, L.P., a Delaware limited partnership, personally known to me to be the person whose name is subscribed to the above instrument who acknowledged to me that he executed the instrument for the purpose and consideration therein expressed and in the capacity therein stated.

Maria V. Santoro
Notary Public, State of New York

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

EXHIBIT A**ADDITIONAL PROPERTY**

All of PROVIDENCE PHASE 1A, an addition in Denton County, Texas, according to the final plat thereof recorded in Cabinet U, Page 760 of the Plat Records of Denton County, Texas; and

All of PROVIDENCE PHASE 2, an addition in Denton County, Texas, according to the final plat thereof recorded in Cabinet U, Page 707 of the Plat Records of Denton County, Texas.