

**THIRD SUPPLEMENT TO DECLARATION
OF COVENANTS, CONDITIONS AND RESTRICTIONS**

*Walnut Hills
Annexation of Walnut Hills Section Five*

THIS THIRD SUPPLEMENT OF DECLARATION TO COVENANTS, CONDITIONS AND RESTRICTIONS (this "Third Supplement") is made and entered into effective as of March 30, 2004 by **KB HOME LONE STAR LP** ("Declarant").

WHEREAS, the Declarant filed for record that certain Declaration of Covenants, Conditions and Restrictions for Walnut Hills, on or about April 7, 2000 (the "Declaration") as Instrument Number D200072636 in the Real Property Records of Tarrant County, Texas (such property referenced in the Declaration with all property annexed to such property and subject to the Declaration, hereinafter, the "Original Property"); and

WHEREAS, Article VII, Section 7.16(a) of the Declaration provides that the Declarant may annex property adjacent to or adjoining the Original Property or property adjacent to or adjoining property annexed to the Original Property in accordance with the terms and conditions set forth therein; and

WHEREAS, the Declarant filed for the record that certain **First Supplement to Declaration of Covenants, Conditions and Restrictions for Walnut Hills (Annexation of Section Three)**, in Volume 15260, Page 180 et seq. of the Real Property Records of Tarrant County, Texas;

WHEREAS, the Declarant filed for the record that certain **Second Supplement to Declaration of Covenants, Conditions and Restrictions for Walnut Hills (Annexation of Section Four)**, in Volume 14288, Page 156 et seq. of the Real Property Records of Tarrant County, Texas;

WHEREAS, the Declarant owns certain property located adjacent to the Original Property known as **Walnut Hills Section Five** as more particularly described in that certain Final Plat recorded on or about October 28, 2003 in **Cabinet A, Slide 8736**, of the Real Property Records of Tarrant County, Texas (the "Supplemental Property");

WHEREAS, Declarant desires to annex the Supplemental Property with the Original Property so that the terms, conditions, covenants and restrictions set forth in the Declaration shall apply to the Supplemental Property; and

WHEREAS, unless otherwise provided in this Third Supplement, definitions contained in the Declaration shall have the same meaning in this Third Supplement.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt, adequacy and sufficiency of which is hereby acknowledged, Declarant hereby agrees to supplement the Declaration as follows:

1. Declaration in Effect. The foregoing recitations are true and correct.
2. Annexation of Supplemental Property. The Supplemental Property is hereby annexed into the Declaration and all terms, conditions, covenants and restrictions of the Declaration shall be applicable to the Supplemental Property, including, but not limited to the obligation to pay dues, charges and assessments to the Association.
3. No Further Changes. Except as expressly set forth herein, the Declaration shall remain unchanged and shall continue in full force and effect.

IN WITNESS WHEREOF, the Declarant has executed this Third Supplement as of the date and year first above written.

DECLARANT

KB HOME LONE STAR LP

By: KBSA, Inc., a Texas corporation, its general partner

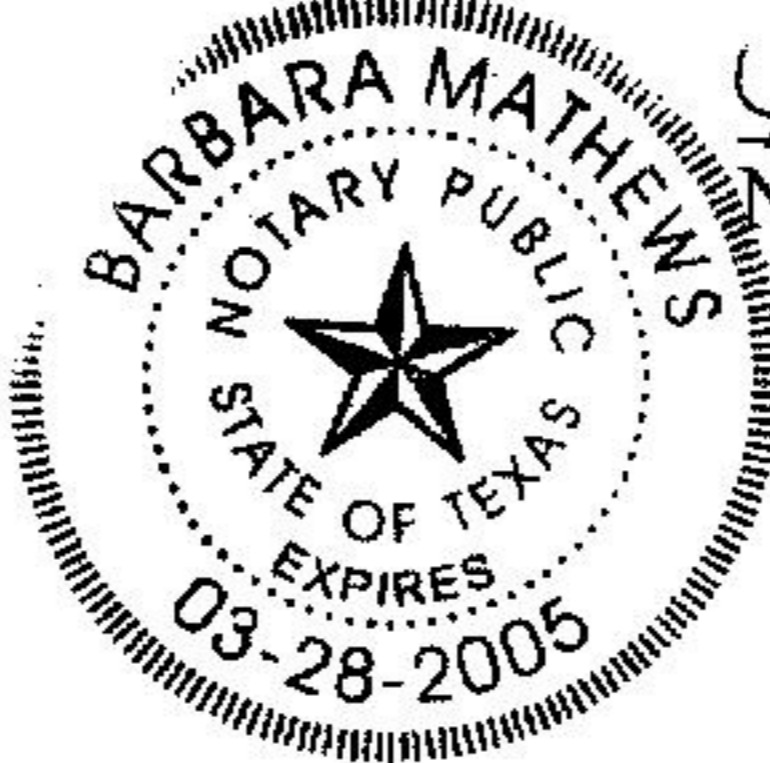
By: Sue A Blankenship
 Name: Sue A. Blankenship
 Title: Secretary

State of Texas

County of Dallas

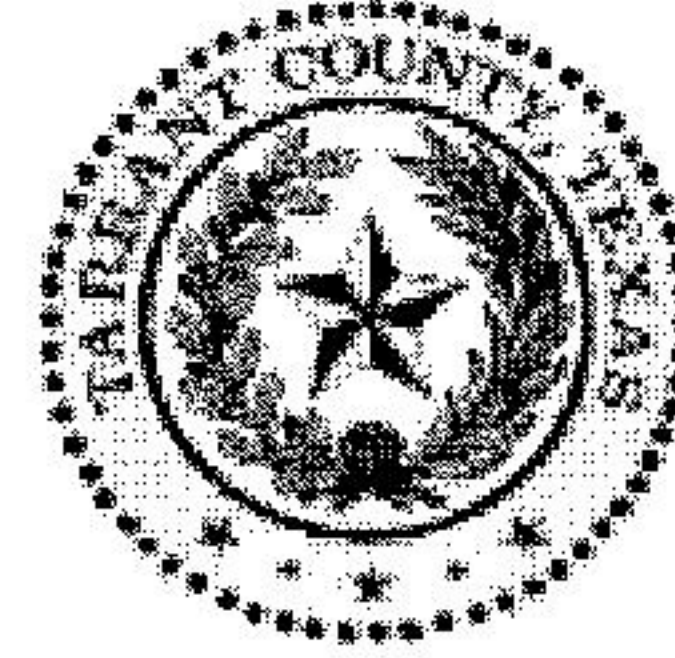
This instrument was acknowledged before me this 6th day of April, 2004, by Sue Blankenship, Secretary, of KBSA, Inc., a Texas corporation, General Partner of KB Home Lone Star LP, a Texas limited partnership, on behalf of said partnership.

Barbara Matthews
 Notary Public, State of Texas



After Recording Return to

KB Home Lone Star LP
 Attn: Legal Department
 4800 Fredericksburg Road
 San Antonio, Texas 78229



KB HOME LOAN STAR LP
4800 FREDICKSBURG ROAD

SAN ANTONIO TX 78229

Submitter: SUE BLANKENSHIP

SUZANNE HENDERSON
TARRANT COUNTY CLERK
TARRANT COUNTY COURTHOUSE
100 WEST WEATHERFORD
FORT WORTH, TX 76196-0401

DO NOT DESTROY
WARNING - THIS IS PART OF THE OFFICIAL RECORD.

Filed For Registration: 04/12/2004 10:47 AM
Document No.: D204106868
WD 3 PGS \$16.00

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By: _____



D204106868

ANY PROVISION WHICH RESTRICTS THE SALE, RENTAL OR USE
OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR
RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.