

1. Further Subdivision. The Property is being divided by the Developer into smaller tracts for resale (each individually a "Tract" and collectively, the "Tracts"). The southern portion of the property is to be a single tract of approximately 202 acres (the "South Tract"). The remainder of the Property will be subdivided into tracts of approximately 15 to 70 acres (the "North Tracts"). The Restrictions applicable to the South Tract will vary from the Restrictions applicable to the North Tracts as further described herein. A Tract may be further subdivided; however, no Tract shall be further subdivided or separated by any owner resulting in any Tract being less than 10 acres; provided, however, this provision shall not prohibit deeds of correction or deeds to resolve boundary line disputes and similar corrective instruments.
2. Residences. No more than one residence per 10 acres is allowed on any Tract.
3. South Tract Restrictions. The provisions of this paragraph 3 only apply to the South Tract. No building, structure, container, material stockpile, or vehicle of any kind may be constructed or placed within three hundred feet (300') from the north boundary line of the South Tract except that a Single Family Dwelling (as described in paragraph 4 below) may be constructed within three hundred feet (300') but no less than one hundred feet (100') from the north boundary line of the South Tract if the structure complies with paragraph 4 below.
4. Single Family Dwelling. The provisions of this paragraph 4 only apply to the North Tracts and any structure constructed within three hundred feet from the north boundary line of the South Tract. Any house constructed on a Tract shall have a minimum square footage of 1500 square feet. No trailer/manufactured home/mobile home may be placed on any Tract. No person may reside in a recreational vehicle on a Tract (other than guests of the owner who may stay for up to 14 days). Houses must be "stick built"; that is, built in place with customary construction methods, and not built off-site and transported to the property. Any new house shall have exterior walls covered by a minimum of 50% of brick, stone, or stucco. All houses shall be kept in good condition. Additional shops and additional outbuildings are allowed on the Property, provided they are constructed of new materials, kept in good condition, and the cumulative square footage of additional shops and additional outbuildings shall not be more than twice the square footage of the house. One house accessory building (such as a pool house, detached garage, or guest quarters), built of similar construction and visual appearance to the house, may be constructed on the property and shall not be considered an additional shop or outbuilding if it is less than 1,200 square feet and within 100 feet of the house. No building or structure shall be located less than one hundred feet from any boundary line of any Tract. With reasonable diligence, and in all events within nine months of construction (unless completion is prevented by war, strikes, or an Act of God), any dwelling commenced shall be completed as to its exterior. Additional shops or additional outbuildings may be constructed prior to a house; however, construction of a house must commence within twelve months of commencing construction of any additional shop or additional outbuilding.
5. Activity. No junkyards, auto repair, second-hand businesses, or other commercial uses that create a negative visual impact, excess noise or congestion from traffic or parking, or that

is open to the public shall be conducted on a Tract. No storage of buses, RV's, machinery, equipment, shipping containers, or building materials shall occur on a Tract unless enclosed in a proper structure or shielded from view so as not to be visible from roadways or adjoining properties. No activity that creates nuisance noises, odors, or light emission is permitted. No billboards of any kind or posting of indecent or obscene signs or pictures are permitted. No hunting blind, whether permanent or temporary, may be placed within three hundred feet (300') of any property line of the North Tracts, or within three hundred feet (300') of the north boundary line of the South Tract, or in a location that provides a direct line of fire towards adjacent properties of structures.

6. Vehicles. Any motor vehicle under repair or that is inoperable must be enclosed in a proper structure so as to not be visible from roadways or adjoining Tracts. All vehicles, engines, and motors must be operated with a muffler and/or spark arrestor.
7. Trash. No part of any Tract may be used for temporary or permanent storage of rubbish or trash. Trash must be kept in covered containers and screened from view from adjacent Tracts, and such containers shall be kept in a clean and sanitary condition.
8. Sewage. No cesspool or other individual sewage system shall be installed or used on a Tract other than a septic tank or similar improved sanitary method of sewage disposal meeting the requirements of the proper governmental authorities. The drainage of septic tanks into any road, ditch, or surface easement, either directly or indirectly, is prohibited. No condition will continue to exist that causes unpleasant noxious odors caused by the neglect, or willful action, of any Tract owner.
9. Hazardous Substances. No Tract owner shall cause, contribute to, or permit the release of any "hazardous substances" on the Property. "Hazardous substance" means any toxic, radioactive, or hazardous materials, waste, pollutant, or contaminant which has the characteristics which render the substance dangerous or potentially dangerous to the public health, safety, welfare, or environment. No Tract owner shall locate, transport, manufacture, treat, store, refine, or handle any hazardous substance in, on, under, or about the Property and each Tract owner shall comply with all relevant federal, state, and local laws, regulations, ordinances, court orders, attorney general opinions, or interpretive letters concerning the same.
10. Animals. No swine may be kept on any Tract, other than up to three per Tract for FFA or 4-H show projects, provided that they are kept in pens that are kept clean. Pets of reasonable kind and number ordinarily kept in residential areas may be kept on a Tract. All animals must be securely contained within the property with safe and appropriate fencing. Corrals must be of sound construction and kept in good repair. The maximum number of livestock that can be kept on any Tract shall be as follows: (a) for animals over 500 pounds (such as cattle, donkeys, horses), no more than 1/2 animal per acre; (b) for animals under 500 pounds (such as goats, sheep), no more than one animal per acre. Regardless of the animal species or permitted maximum number of livestock described in this section, no animal or combination of animals shall create a nuisance odor or noise.

11. Enforcement. Any violation of these Restrictions may be enforced by the Developer or any other owner of a portion of the Property. Available relief shall include, but not limited to, injunctive relief in the District Court of Taylor County Texas. The prevailing party in any legal proceedings brought to enforce these Restrictions shall be entitled to recover attorney's fees and court costs.
12. Duration. These Restrictions run with the land and are binding for an initial term of 25 years. Thereafter, these Restrictions automatically continue for successive terms of 10 years each, unless within 6 months before the end of a term, the owners of 2/3 of the North Tracts and 2/3 of the Tracts contained within the South Tract elect to terminate the Restrictions. An instrument reflecting a vote to terminate the Restrictions should be recorded in the public records.
13. Variances and Developer Amendments. The Developer may allow reasonable variances and amendments of these Restrictions in order to overcome practical difficulties in the application of the Restrictions, provided that such is done in conformity to the intent and proposes hereof and provided, also, that in every instance such variance or amendment will not be materially detrimental or injurious to other Tracts within the Property. Any such variance must be granted in writing by the Developer.
14. Amendment by Owners. Any and all of the Restrictions contained herein may be annulled, amended or modified at any time after a period of ten years from date hereof by a vote of the owners of 2/3 of the North Tracts and 2/3 of the Tracts contained within the South Tract. Each Tract in the subdivision shall have one vote whether there be one, two, or multiple owners. All such Tract owners shall be given 30 days written notice of any proposed amendment before same is adopted. The person or persons requesting the amendment shall bear all expenses of such amendment.