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Covenants and Restrictions for Exhibits "A,B,C,&D"

1. Easements

A) All tracts to have fifteen foot (15') easement around the perimeter and a twenty foot (20') easement along the county road for the purpose of running utilities, including electric and water lines. Within these easements, no dwelling, structure, planting, or other material shall be placed or permitted to remain thereon which may damage or interfere with the installation and maintenance of utilities, or which may damage, interfere with, or change the direction of flow of drainage facilities in the easements. The area of each Lot and all improvements therein shall be continuously maintained by the Owner of such Lot, except for maintenance of which a public utility company is responsible.

B) Such easements, reservations, and rights of way shall at all times be open and accessible to public and quasi-public corporations, their employees and contractor, and shall also be open and accessible to Declarant, its successors and assigns, all of whom shall have the right and privilege of doing whatever may be necessary in, on, under, and above such locations to carry out any of the purposes for which such easements, reservations and rights of way are reserved.

Article II  
Use Restrictions

The tract shall be occupied and used only as follows:

2-1 Each tract shall maintain a residential appearance. No structure may be placed closer than one hundred feet (125') from the public or private access point without written permission of the Architectural Control Committee. No residence may be placed within twenty five feet (25') of any one side or rear line without prior A.C.C. approval.

2-2 No obnoxious or offensive activities shall be carried on upon said Lot or Lots, nor shall anything be done thereon which may be or become an annoyance or a nuisance to the neighborhood. No portion of the property shall be used in a manner that adversely affects adjoining lots or creates any annoyance or nuisance to other lot owners. This shall include noise pollution such as barking dogs, loud music or any other animal or fowl that creates a nuisance.

2-3 The raising or keeping of hogs on any part of the tract is strictly prohibited. The raising of horses and cows shall be allowed, but, shall be limited to one head per acre. No swine shall be permitted, nor shall any cattle feeding, fowl feeding and other feeding or commercial operations, expressly including commercial kennels, be permitted all of which are expressly prohibited, except animals for 4-H or FFA purposes. If any member of an owner's family is under the age of nineteen (19) and is a bonafide member of a 4-H Club or Future Farmers of America Club, then one animal per each member (but not in excess of three) shall be permitted for the purpose of raising each animal for competition or as part of a club project, provided, however, that (1) such animal shall be kept in a sightly pen or other structure, (2) the lot shall be kept clean and in a sanitary and odorless condition, and (3) the animal shall be removed from the lot upon completion of the competition or club project. Chickens (no guinea fowl or pea fowl) shall be permitted provided their number is limited to three (3) per acre. Shelter for these animals shall be located in the rear one-third (1/3) of the property, not visible from the road, a minimum of fifty feet (50') from the side property line and neatly maintained. Exotic Game shall be allowed upon the property, with the exception of those that would affect the health, safety and or welfare of any of the land owners within the subdivision. Any and all animals, including household pets, require appropriate fencing to confine them to their lot. No animal shall be permitted until the appropriate fencing is completed.

2-4 No rubbish, trash, garbage, or other waster material, shall be kept on any Lot except in sanitary containers located in appropriate areas concealed from public view.

2-5 No motor vehicle shall be left parked, abandoned or otherwise unattended in specific location on any portion of any Lot or street within the Subdivision for more than five (5) days. No motor vehicle which is not in operating condition or not bearing current license plates shall be placed or permitted to remain on the street or on any portion of any Lot. Restoration of vehicles is permitted providing all work, parts and framework are done in a concealed garage.

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2-6 Iron ore, top soil, clay, gravel, or marketable timber (including firewood) shall not be mined or sold until land is paid in full.

2-7 Each inhabited structure constructed on this tract shall be connected to a septic tank with capacity and drain field installed in accordance with the regulations of the County Health Officer and shall be inspected and approved by such Officer. This restriction is enforceable by the County Health Unit and/or the Seller of the tract of land. Prior to construction Owner of said Lot(s) shall contact said Health Officers for approval of individual septic systems.

2-8 One (1) single family dwelling is allowed per tract. However, the Architectural Control Committee shall have the authority to allow more than one residence per tract.

2-9 Purchaser may dispose of timber for building sites and gardens, but must leave ample trees for shade over tract.

2-10 All driveways are to be installed and maintained by Individual Tract Owners.

### **Article III** **Architectural Control**

3-1 No residence shall be erected on any part of said property or building site having less than thirteen hundred (1300') square feet of floor space livable area in main building with one hundred percent (100%) thereof of masonry construction, with exception of Log homes which will not require one hundred percent (100%) of masonry construction. Fiber cement products may be considered masonry. **It is the intent and belief of the Declarant and Architectural Control Committee that square footage does not dictate quality, rather workmanship, design, and materials.**

3-2 It is the intent of the undersigned that all dwellings and other structures have a neat and attractive appearance. It is also contemplated that dwellings be of traditional county mode and not modern looking facilities which would look out of place in rural surroundings. No metal wall or walls of temporary sheeting will be allowed. The entire exterior walls of all dwelling units or other buildings hereafter constructed must be completed within one year after the commencement of work thereon or the placing of materials therefor on said property, whichever occurs the earliest, and in connection therewith it is understood that by the use of the word "completed", is also meant the finishing of all such exterior walls.

3-3 No tents or campers, trailers or other vehicles shall be used on any of the property for residential purposes, on a temporary or permanent basis. No pre-manufactured, modular, trailer or any other structure not built on site shall be permitted. No Jim Walters type of home or other comparable types of homes shall be permitted.

3-4 No structures used for storage purposes shall be erected or placed upon any parcel which will be visible from any roadway, unless placed within the most rear one-third (1/3) of the parcel, that being such portion farthest away from any roadway. All such structures shall be neatly maintained.

3-5 No re-subdivision of any tract of less than 5.00 acres shall be permitted except that this restriction shall not apply to any tract acquired by the Veterans Land Board of the State of Texas nor to any tract mortgaged for construction purposes and subsequently foreclosed upon.

3-6 **COMMITTEE MEMBERSHIP:** The Architectural Control Committee is composed of S.E. Rutledge and Barton Galle. In the event of death or resignation of any member of the Committee, the remaining member shall have full authority to designate a successor. Declarant shall have authority to serve as the Architectural Control Committee, until such time as all of the property within the subdivision has been sold by Declarant or at such time that Declarant appoints at least two (2) owners to serve as the Architectural Control Committee who shall serve for a period of one (1) year, and thereafter, owners of the subdivision shall with a two-thirds (2/3) vote of the lot owners elect Committee members who shall serve for a one (1) year term.

3-7 **Architectural Control:** No structure, building, fence or driveway shall be erected, placed or altered on any tract until the construction plans and specifications and a plan showing the location of the structures has been approved by the Architectural Control Committee to quality of workmanship and as to location with respect to topography and finish grade elevation. The Committee as required for these covenants, shall indicate approval or lack of it in writing. In the event the committee or its designated representative, fails to approve or disapprove within thirty (30) days plans and specifications that have been submitted to it, approval will not be required and the related covenants shall be deemed to have been fully complied with. Two Sets of plans must be submitted in order that one can be kept on file for any future references.

3-8 All fences on boundary lines fronting any subdivision roads shall be approved by the A.C.C., the specifications of which shall be detailed by the A.C.C.

3-9 All dwellings, exclusive of open porches, garages, carports and patios, shall be at least thirteen hundred (1300') square feet.

3-10 No campers, buses, boats or recreational vehicles of any type shall be permitted on front one-half (1/2) of the lot or be visible from the county road or driveway easement. No structure other than fencing shall be permitted closer than twenty-five(125") feet from any side property line.

3-11 RIGHT OF WAIVER. The Committee shall have the right to waive any restriction if the Committee deems such waiver to be in the best interest of the Lot Owner and such action will not alter the general scheme of the adjoining tract.

3-12 These restriction are enforceable by the Seller or any individual Purchaser or Owner of any tract or lot. These Restrictions shall be effective for a term of twenty (20) years from the effective date, after which time said Restrictions shall be automatically extended for successive periods of ten (10) years. These Restrictions may be amended by an instrument signed by not less than seventy five percent (75%) of the tract or lot owners of the Subdivision , with an amendment recorded in the official records of Caldwell County, Texas. Further, Declarant reserves the right to unilaterally amend these Restrictions for five (5) years from the effective date hereof in order to make corrections of typographical or grammatical errors, oversight, ambiguity or inconsistency appearing herein, provided that any such unilateral amendment by the Declarant shall be consistent with and in furtherance of the general plan and scheme of development of the Subdivisions.

\* 3-13 There is currently a grazing lease on the entire 43.549 acres. The term of lease begins July 14, 2004, 2004 and is for a period of 36 months, ending July 14, 2007, with an option to renew on an annual basis not to exceed three (3) option periods.. It is each Purchaser/Owner responsibility to install a gate and/or cattle guard to prevent cattle from getting onto the county road. It is further the responsibility of Owner/Purchaser who installs a gate to keep it closed at all times. Any Purchaser/Owner of any tract of land who elects not to have livestock grazed upon his property under the existing lease will need to fence off his property. ANY CHANGE OF USE OF PROPERTY COULD RESLUT IN A ROLBACK TAX. WHICH WILL BE THE RESPOSBILTY OF EACH LOT OWNER. SELLER IS NOT RESPONSIBLE FOR ANY ROLBACK TAXES DUE TO THE CHANGES IN USE OF SAID PROPRTY FROM AGICULTURAL TO NON-AGRICULTURAL. IT IS PURCAHSE/OWNER RESPONSIBLILTY TO INDIVIDUALLY APPLY FOR AGRICULTURAL USE AND PAY SUCH ROLBACK IF ENFORCED ONCE THE EXSISTING LEASE HAS EXPIRED.

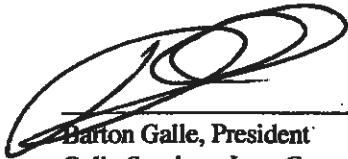
\_\_\_\_\_  
Purchaser

\_\_\_\_\_  
Date

\_\_\_\_\_  
Purchaser

\_\_\_\_\_  
Date

\_\_\_\_\_  
S.E. Rutledge, President  
SE & JL Inc., General Partner  
MTSR Ltd.

  
\_\_\_\_\_  
Barton Galle, President  
Galle Services, Inc., General  
Partner, MTSR Ltd.

STATE OF TEXAS       \*  
COUNTY OF HAYS     \*

This instrument was acknowledged before me on the \_\_\_\_ day of July, 2004, by S.E. Rutledge, President, SE & JL Inc., said corporation being and acting herein as General Partner, MTSR Ltd., and by Barton Galle, President, Galle Services Inc., said corporation being and acting herein as General Partner, MTSR Ltd.

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Notary Public

After filing return to:

MTSR Ltd.  
P.O. Box 1249  
San Marcos, Texas 78667-1249