

EXHIBIT

Use and Development Restrictions

The use and development of the Property must comply with all the restrictions (the "Restrictions") set out below. The Restrictions will run with the land, and be binding on the successful bidder, and all subsequent owners of the Property as provided for herein.

1. **RESTRICTIONS.**

- a. **Single Family Residential Use.** The Property shall be used only for single-family residence purposes. The house must be site built with a minimum of 1,800 square feet of air-conditioned and livable space. The only exterior materials used on the residential structure shall be either masonry, stucco, stone or wood. All homes must have central HVAC and no HVAC window units are allowed. Every residence must have an enclosed garage, attached or detached, for at least 2 full sized automobiles. No carports are allowed. All storage sheds and outbuildings must be located behind the residence. Any propane or fuel tanks must be constructed underground. Construction of the residence must include landscaping. At all times, open areas must be mowed or grazed and maintained in a neat and clean appearance. **The following can not be used at any time as a RESIDENCE: prefabricated structures or structures of a temporary character, any recreational vehicle, camper, mobile home, trailer, tent, shack, garage, playhouse or other buildings except for it is allowed to live in a recreational vehicle or camper for one year while the permanent home is being constructed.** Only (1) single-family residence per tract is allowed.
- b. **No Subdivision of Lots.** The Property shall not be subdivided into lots and shall remain one lot during the term of the Restrictions. Furthermore, no easements may be granted and no condominium regimes may be created without Grantor's consent. Grantor, its successor and assigns may remove or modify these restrictions at a later date but has no obligation to do so.
- c. **No Commercial Breeding.** No swine or poultry of any kind shall be raised, bred or kept on the Property except as pets or for recreational uses provided they are not kept, bred or maintained for commercial purposes. In addition, no high-density animal operations of any kind are allowed. FFA and 4H animals may be raised.
- d. **Prohibition of Offensive or Commercial Uses.** There shall be no commercial activity on the Property and no activity on the Property may become an annoyance or nuisance to the surrounding property owners or interfere with the quiet enjoyment of the owners of the surrounding properties. The Property is not to be used as a dumping, salvage, or storage area. There shall be no dumping of trash, refuse, or items that are viewed as an annoyance to the surrounding

property owners. Such prohibition on dumping, salvage and storage is not exhaustive and is meant by way of example. Any objects that are in plain sight on the property must be in good working condition and in regular use by the owner.

- e. **Safety.** Grantee represents and warrants that they, or a person who is expected to reside at the Property, have not been found guilty of a violent crime or are on the Texas Public Sex Offender Registry or other state or Federal criminal registry. Furthermore, grantee represents and warrants that they will not rent, lease, sell or allow to reside on the Property, a person who has been found guilty of a violent crime or is on the Texas Public Sex Offender Registry or other state or Federal criminal registry.

2. **TERM AND ENFORCEMENT.**

- a. **Term.** The Restrictions shall run with and bind the Property for a term of 75 years from the date this instrument is recorded, after which time they shall automatically expire.
- b. **Correcting Of Errors.** Grantor may correct typographical or grammatical errors, ambiguities, or inconsistencies contained herein, provided that any correction must not impair or affect a vested property right of any owner of the Property.
- c. **Enforcement.** Grantor, its successor and assigns, shall have the right to enforce, by any proceeding at law or in equity, by injunction or otherwise, all covenants, conditions, and restrictions now or hereafter imposed by the provisions of these Restrictions, or in order to prevent a breach thereof, and shall be entitled to reimbursement of all costs and expenses incurred in connection therewith, including reasonable attorney's fees. Failure to enforce any covenants, conditions, and restrictions herein contained shall in no event be deemed a waiver of the right to do so thereafter. Grantor may exercise any and all of such rights and remedies at any time and from time to time, cumulatively or otherwise. If a provision of this instrument is unenforceable for any reason, to the extent the unenforceability does not destroy the basis of the bargain among the parties, the unenforceability does not affect any other provision herein, and this instrument is to be construed as if the unenforceable provision is not a part of the instrument.