



SURVEY NO. 5
B.S. & F.
BLOCK "A"
ABSTRACT NO. 176
615.86 ACRES

ATTENT ACREAGES ARE SHOWN IN PARENTHESIS

Upon completion of said payments in full, SELLER will issue or cause to be issued to PURCHASER a General Warranty Deed conveying title to surface only of said property. It is expressly agreed that all ad valorem taxes from the date of purchase shall be the obligation of PURCHASER. Should said taxes become due and payable and remain unpaid, PURCHASER hereby authorizes SELLER, at SELLER'S option, to deduct from PURCHASER'S payments a sum equal to such taxes and to pay such taxes to the proper taxing authorities. Any sum so deducted for taxes shall not be credited to the payment of the balance due on the purchase price, principal or interest, as above provided, but shall be applied to PURCHASER'S contractual obligation to pay such taxes on said property pursuant to this contract, and a service charge of \$10.00 shall be made by PURCHASER to SELLER each time this condition occurs.

PURCHASER expressly takes said land subject to all matters of record affecting the title, included but not limited to, all restrictions, reservations, covenants, rights of way, easements, and other matters, if any, affecting the property that are valid, existing and properly of record with the county clerk of Menard County or shown on the attached map or plat. A title policy will be issued at closing at PURCHASER'S option and PURCHASER'S expense. In the event PURCHASER fails or refuses to make payments as above provided, including principal, interest, and/or taxes, or fails to comply with the attached restrictions and covenants, the entire remaining balance will immediately become due and payable to SELLER, and this contract may, at SELLER'S option, be canceled and the amount paid to SELLER retained as liquidated damages for breach of this contract. Forfeiture under this covenant shall take place in compliance with Section 5.061 et. seq., of the Texas Property Code. Seller shall never be held to have waived any default by accepting late payments or granting extensions to PURCHASER.

In the event that SELLER shall grant purchaser a reinstatement after the contract has been canceled as herein before set forth, PURCHASER agrees to pay a fee of \$50.00 for any such reinstatement. Furthermore, PURCHASER agrees to pay a fee of \$10.00 for any payment received by SELLER which is ten days delinquent. If the delinquency is over ten days, then such fee shall be increased proportionately for the number of days in excess of ten.

PURCHASER has identified and is satisfied as to the location of the above described land. SELLER assumes no liability for changes in usage or appearance of adjoining property. SELLER will not be responsible for any statements made by its agents not contained herein, and this contract shall not be binding on SELLER until same has been confirmed by SELLER, and is not assignable by PURCHASER without the written consent of SELLER.

SELLER reserves the right to deed this property at any time so desired and PURCHASER agrees to execute a note and deed of trust with the same terms and conditions for the remaining balance. PURCHASER hereby authorizes PURCHASER's credit report to be furnished to SELLER. If this contract for deed or a subsequent note is assigned to a third party by SELLER, PURCHASER agrees to provide current financial information within 15 days of the request for same to the third party to facilitate said transfer. It is understood that all financial information provided by PURCHASER shall be kept in confidence.

SELLER has or intends to construct a graded caliche covered road (the "Access Road") between the entrance of the development and the above described property adequate in width for single vehicle access. SELLER, by written instrument or by the plat, grants to PURCHASER or PURCHASER's heirs and/or assigns, a non-exclusive easement right to use said Access Road for the purpose of ingress and egress to the property. Except for the construction of the Access Road, SELLER does not intend to otherwise develop or provide new amenities (including, without limitation, any electric, sewer, water, telephone or other utilities) to the property being purchased by PURCHASER under this Agreement.

PURCHASER is advised that the presence of wetlands, toxic substances including lead-based paint or asbestos and wastes or other environmental hazards or the presence of a threatened or endangered species or its habitat may affect PURCHASER'S intended use of the property. If PURCHASER is concerned about these matters, an addendum either promulgated by the Texas Real Estate Commission or required by the parties should be used.

This contract is contingent upon the survey and acquisition of this property by Seller. If, for any reason, Seller fails to acquire the property, this contract is cancelled and Purchaser shall be refunded all money and neither party shall have any further liability or obligation.

The terms and conditions of this contract shall survive the closing of this transaction.

There shall be no prepayment penalty.

PURCHASER agrees to comply with the restrictions and covenants as follows:

RESTRICTIONS AND COVENANTS

The property in the Menard County Ranch, as recorded in the plat records of Menard County, Texas, is subject to the covenants hereby made by the developer, (Seller), to-wit:

1. That these covenants are to run with the land and shall be binding on the Purchaser and all persons claiming under him. Purchaser understands that these restrictions and covenants are filed in the Real Property Records of Menard County, Texas.
2. That the above property herein shall not be used for day lease hunting or any manufacturing purposes.
3. That no automobile, truck, trailer, or other vehicle shall be abandoned on this property, nor shall there be any dumping or placing of unsightly objects of any kind on the property.
4. That no structure of any kind (including hunting blinds) shall be permitted within 200 feet of any roadway easement or property line.
5. No noxious or offensive activity shall be carried on upon any tract nor shall anything be done thereon which may be or become an annoyance or nuisance to any adjoining tract. No tract shall be maintained or utilized in such a manner as to violate any applicable statute, ordinance or regulation of the United States of America, the State of Texas, the County of Menard, if applicable, or any other governmental agency having jurisdiction thereof.