

DEED RESTRICTIONS

The Sellers hereby declare that the Property shall henceforth be owned, held, transferred, sold and conveyed subject to the following covenants, conditions and restrictions which are intended for the purpose of protecting the value and desirability of, and which shall run with, the Property and shall be binding on the Sellers and all Owners, and their respective heirs, successors and assigns, and which shall inure to the benefit of the Sellers and the Owner of the Property, and their respective heirs, successors and assigns.

These restrictions shall run with and bind the herein described Property and shall be effective until December 31, 2045, and shall be enforceable by the Sellers herein, their heirs, successors and assigns.

Section 1. Building Restrictions

(1) Not more than one single-family dwelling may be erected on the Property. In addition, one (1) Guest house, and related outbuildings, barns, stables, pens, fences and other similar improvements may be constructed or erected on the Property.

(2) All dwellings shall be newly constructed and erected on site, except that relocation or reconstruction of a structure of historic quality and integrity shall be permitted. No dwelling shall be moved onto the Property. No structure of a temporary character, recreational vehicle, travel trailer, bus, camper, tent, shack, garage, other outbuilding, mobile, modular, pre-manufactured and/or industrial built home/building shall be used on the Property at any time as a dwelling (permanent or temporary) except as a temporary construction office during active construction of a building.

Section 2. Use Restrictions

(1) No industrial pursuit or enterprise shall be permitted to be conducted on either the Property. Industrial pursuit or enterprise shall mean engaging in the manufacture or assembly of goods or processing of raw materials unserviceable in their natural state for sale or distribution to third parties (other than a cottage industry by an artisan, i.e. artist, painter, photographer, wood, metal or glass sculptor or fabricator) and shall be inclusive of, but not exclusive of auto painting

and repair; heavy machinery operation or storage; welding or machine shop or machining business; concrete products manufacture.

(2) Except as set forth below, the Property shall be used for single-family residential purposes only. Notwithstanding the above and as exceptions thereto, a Guest house, B & B (Bed and Breakfast), or VRBO (Vacation Rental by Owner) may be operated on the Property. For purposes of these restrictions, the term "B & B" shall mean a lodging service within rooms of the principal dwelling or in a separately constructed Guest house.

(3) The Property shall not be used for any commercial purpose, except permanent agricultural crops including, but not limited to, vineyards, fruit trees, pecan groves and permanent grass (hay meadows or grazing pastures). The processing of agricultural goods into commercial products (for example, bales of hay or a winery) is permitted.

(4) There shall be no commercial feeding operation of animals or fowl on the Property. There shall be no commercial breeding of animals or fowl except horses on the Property. Animals used for grazing the Property while simultaneously raising young (e.g., a cow/calf operation) shall not be considered commercial breeding of animals.

(5) No pigs, hogs, swine or fowl shall be permitted on the Property unless raised in conjunction with a 4-H or FFA related project. Pets, poultry and other livestock, including, but not limited to, horses, sheep and goats, shall be permitted provided said animals are kept within the boundaries of said Property at all times, and they are not offensive to adjacent landowners by smell, sound, or otherwise.

(6) Seller and Seller's Lessee shall have the right to graze cattle or livestock on the Owner's Property until such time as such Owner has enclosed the Owner's Property by fence; and each Owner and their respective heirs, successors and assigns, by acceptance of title to an interest in the Property, hereby agree to indemnify and hold harmless Seller and Seller's Lessee from and against, and hereby waive and release any claims or causes of action such Owner may have with respect to any injuries to any persons or any damages to any properties that may be caused by livestock on the Owner's Property, or that may otherwise arise out of, or be suffered or incurred in connection with, the exercise by Seller and Seller's Lessee of the right to graze livestock on the Owner's Property and/or the presence of livestock on the Owner's Property.

(7) The Owner of the Property shall maintain any fence on the Property's boundary perimeter in a manner which will restrain livestock. All perimeter fences erected on the Property shall be of new material and erected in accordance with professional fence building standards regarding quality and appearance.

(8) The Property shall be further divided or re-subdivided without express written approval of the Sellers and all Owners, and their respective heirs, successors and assigns.

(9) No Hunting Blinds/Stands/Feeders shall be placed within 150 feet from any boundary of the Property. Commercial hunting is not allowed.

(10) The Property shall not be used as a dumping ground for rubbish. The Owner is to keep said property clean and neat in appearance and free of litter at all times. Disposal of any kind that would adversely affect the natural beauty and value of any adjacent property shall not be allowed. Abandoned or inoperative equipment, vehicles or junk shall not be stored or maintained on the Property. Garbage or refuse shall not be buried on the Property.

(11) No wind turbine, cellular tower or other type of commercial tower shall be erected or placed upon the Property.

(12) No commercial shooting range shall be set up on the Property.

(13) Noxious or offensive activity shall not be permitted on the Property, nor shall anything be done thereon which shall be an annoyance or nuisance to the owners of adjacent properties. (Example - frequent discharge of firearms).

(14) Mining (including, but not limited to stone, gravel, sand, or caliche), or exploration of any type which will damage the surface is prohibited. Road material, including gravel or caliche, used to construct roads on the Property may be removed and utilized, after which the removal site shall be restored as much as possible to its original condition.

(15) Water resources located on or under the Property (surface or ground water) shall not be used for any purpose prohibited on the Property by these Deed Restrictions, and the commercial development of such water resources for off-site commercial sale or use is expressly prohibited. Water wells for domestic use and Agricultural Purposes consistent with these Deed Restrictions may be drilled on the Property.

(16) No structure of any type shall hereafter be built or located in the Setback. The foregoing shall not apply to, without limitation, gates, fences, culverts, roads and entries. No storage of any items on a permanent basis shall be allowed within the Setback. Setback" means the area within the Property delineated by measuring 50 linear feet perpendicular from any point on the perimeter of the Property.