

**RESTRICTIVE COVENANT AGREEMENT AND
DECLARATION OF EASEMENTS, COVENANTS, CONDITIONS, AND RESTRICTIONS
FOR RANCHES OF BLUEBONETT VENTURES**

STATE OF TEXAS §
 § KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF LAMPASAS §

This RESTRICTIVE COVENANT AGREEMENT AND DECLARATION OF EASEMENTS, COVENANTS, CONDITIONS, AND RESTRICTIONS FOR RANCHES OF BLUEBONETT VENTURES (this "**Declaration**") is entered into as of the 25th day of January _____, 2022 ("**Effective Date**"), by **BB2 Burnett Ranch FM963 Ranch, LLC**, a Texas limited liability company (the "**Declarant**") and (ii) ("**Grantee**"). Declarant and Grantee are hereinafter individually and collectively referred to herein as the "**Party(ies)**").

RECITALS

A. Declarant is the owner of that certain tract of land consisting of approximately 163 acres located in Lampasas County, Texas as more particularly described on **Exhibit "A"** attached hereto and incorporated herein by reference ("**Declarant's Original Tract**").

A. As of even date herewith, Grantee is purchasing and acquiring from Declarant, and Declarant is selling and conveying to Grantee, that certain tract of real property, subdivided from Declarant's Property, as more particularly described on **Exhibit "B"**, attached hereto and incorporated herein by reference ("**Grantee's Tract**").

B. As of even date herewith, Grantor continues to own lands in the vicinity of Grantee's, which includes the remainder of Grantor's Original Tract ("**Grantor's Retained Lands**").

C. In connection with consummating the sale of the Property to Grantee, the Parties have agreed that Grantee's Tract and Grantor's Retained Lands (collectively, the "**Property**") to establish certain covenants, conditions, and restrictions and to establish a general scheme and plan for development for the purpose of protecting the value and character of the Property, for the benefit of Declarant, Grantee, and their respective heirs, successors, and assigns.

NOW, THEREFORE, in consideration of the mutual promises contained herein, and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Declarant hereby agree and covenant that all the Property shall be held, sold, transferred,

conveyed, used, occupied, mortgaged or otherwise encumbered subject to the covenants, conditions, restrictions, easements, assessments and liens, hereinafter set forth, and which shall run with the title to the real property hereby made subject to the provisions of this Declaration, and shall be binding on all persons having any right, title or interest in all or any portion of such real property, their respective heirs, legal representatives, successors, successors-in-title and assigns, and shall inure to the benefit of each and every owner of all or any portion thereof.

ARTICLE I: DEFINITIONS

Unless the context shall prohibit, the following words when used in this Declaration (unless the context shall otherwise prohibit) shall have the following meanings:

- 1.01 "Applicable Rights Holder"** shall have the meaning set forth in **Section 5.1**.
- 1.02 "Covenants and Restrictions"** shall mean all covenants, conditions, and restrictions contained in this Declaration.
- 1.03 "Declarant"** shall mean and refer to LOMETADS163 LLC, a Texas limited liability company.
- 1.04 "Environmental Law"** shall mean all federal, state, and local laws relating to protection of public health, welfare, and the environment.
- 1.10 "Governmental Authority"** shall mean the United States, the State of Texas, Burnet County and all political subdivisions thereof, in which a Lot is located or which exercise jurisdiction over the Lot, and any agency, department, commission, board, bureau or instrumentality of any of them which exercise jurisdiction over the Lot.
- 1.11 "Governmental Requirement" or "Governmental Requirements"** shall mean all laws, ordinances, public restrictive covenants, rules, and regulations of any Governmental Authority regarding the ownership, use and operation of a Lot.
- 1.12 "Hazardous Materials"** means any substance, chemical, material or waste now or in the future defined as a "hazardous substance," "hazardous material," "hazardous waste," "toxic substance," "toxic pollutant," "contaminant," or "pollutant" within the meaning of or regulated or addressed under any Environmental Law.

- 1.13** "Lot" is a generic term for a separate tract of real property contained within the Property, which is owned and operated as a separate functional tract. Declarant intends to sell the Property, in stages, creating numerous Lots. Declarant may configure the Property into as many Lots as it so desires. Ordinarily, Lots are numbered or lettered, separately identifiable Lots on recorded subdivision plats for portion of the Property, or for unplatted areas to be sold out of the Property, as described by metes and bounds and/or shown on a survey of property offered for sale.
- 1.14** "Lot Owner(s)" or "Owner(s)" shall mean and refer to every person or entity who is a record owner of a fee or undivided fee interest in any Lot which is subject to this Declaration, including, without limitation, Grantee, its successors and assigns.
- 1.15** "Lot Setback" shall have the meaning set forth in **Section 3.1**.
- 1.16** "Property" shall mean and refer to the real property subject to this Declaration as more particularly described in **Section 2.3** below.
- 1.17** "Roadway Setback" shall have the meaning set forth in **Section 3.1**.
- 1.18** "Setbacks" shall have the meaning set forth in **Section 3.1**.
- 1.19** "Subdivision" means the Property, along with any additional property made subject to this Declaration.

ARTICLE II: PURPOSE

2.1 General Purpose. Declarant, on behalf of its successors and assigns, does hereby encumber the Property with the covenants, conditions, and restrictions set forth in this Declaration, for the purposes of establishing a general scheme and plan for development and use of the Subdivision and protecting the value and character of Declarant's Retained Lands, as well as the value and character of the lands of any future Owners of any Lots.

2.2 Binding Effect. The Declarant and all Owners, by their acceptance of their deeds, leases, or occupancy of any Lot agree that (i) each Lot shall be subject to the covenants, conditions, and restrictions contained herein (collectively, the "**Covenants and Restrictions**") and that such Covenant and Restrictions are necessary and desirable to establish a uniform

plan for the development and use of the Subdivision for the benefit of all Owners; (ii) that the Covenants and Restrictions run with the land and shall be binding upon all Owners, occupants, and any other person holding an interest in or to a Lot; and (iii) that each Owner and occupant of a Lot agrees to comply with this Declaration and agrees that failure to comply may subject such person to damages or injunctive relief. No mortgagee of any record owner of any portion of the Property shall have any liability under the Covenants and Restrictions, except for any acts of such mortgagee occurring after the date on which the mortgagee becomes the owner of a portion of such Property, by foreclosure or otherwise. The owner of any portion of the Property shall be obligated to comply with the Covenants and Restrictions imposed on such portion only during the period of his or its ownership, and liability shall be assessed against an owner only for violations constituting a breach of the Covenants and Restrictions and arising by, through or under such owner, and which occur on his or its portion of the Property owned during the period of his or its ownership of same.

2.3 Property Subject to Declaration. The Property which is, and shall be, held, transferred, sold, conveyed, and occupied subject to this Declaration is located partially in Burnet County, Texas and partially in Lampasas County, Texas, and is more particularly described in **Exhibit "A"** attached hereto and incorporated herein by reference for all purposes.

2.4 Declarant Land to be Sold and Developed. All parties to the Declaration acknowledge that the Declarant anticipates that it may eventually sell, develop and/or subdivide the Property into numerous Lots and that Declarant may configure the Property (excluding Grantee's Tract) into any number of Lots as the Declarant so desires. Accordingly, the Declarant requires flexibility in its creation of Lots out of the Property. With respect to the foregoing, Declarant may, without the necessity of the joinder of any person, remove any Lot located within the Property or portions of any Lot located within the Property from the provisions of this Declaration and/or subject additional lands (beyond the Property) to the provisions of this Declaration provided that such additional land is adjacent to the Property. Any such addition or removal of land from the provisions of this Declaration may be conclusively evidenced by a written document executed by Declarant and recorded in each of the Real Property Records of Lampasas County, Texas, with reference to this Declaration and specifically describing the land so added or removed, in which case such land shall automatically be deemed added or removed.

ARTICLE III: USE OF PROPERTY AND LOTS – RESTRICTIVE COVENANTS

The Property and each Lot situated thereon shall be constructed, developed, reconstructed, repaired, occupied, and used according to the following development regulations (the "**Development Restrictions**"):

3.1 **Development Restrictions.**

(i) **Subdivision.** No new Lot shall be created that is less than ten (10) acres in size. Any subdivisions shall be in accordance with all applicable Governmental Regulations, and any subdivided land shall, at a minimum, be subject to all Deed Restrictions, including, without limitation, the Setbacks described below. No Lot, nor any portion thereof, shall be conveyed if such conveyance would be in violation of these Development Restrictions.

(ii) **Single-Family Only.** No multi-family residence, including duplexes or apartment complexes, may be constructed on the Property.

(iii) **Setbacks.** No building or structure shall be placed within fifty (50) feet of any Lot line of an adjacent property (the “**Setbacks**”).

(iv) **Building Size Minimum.** Any residence constructed on a Lot shall contain a minimum of 1,500 square foot of habitable space. For purposes of this provision, “habitable space” expressly excludes any open and enclosed porches, terraces, patios, balconies, carports, and garages.

(v) **No Manufactured or Mobile Homes.** There shall be no manufactured or mobile homes placed on the property; provided, however, an Owner shall be entitled to park recreational vehicles on the Owner’s Lot so long as such recreational vehicles are completely enclosed in a structure or completely screened with landscaping.

(vi) **Wastewater/Sewage.** All buildings that contain plumbing shall be connected to either a septic system approved by the applicable Governmental Authority or an alternative sewer disposal systems approved by the applicable Governmental Authority.

(vii) **No Dumping.** The storage or dumping of Hazardous Materials, toxic waste, garbage, trash, ashes, landscaping waste, construction waste, or any other materials that may negatively impact or be detrimental to surface or subsurface waters is expressly prohibited. Any construction materials brought onto the property for new construction shall be removed within thirty (30) days after completion of construction. All household garbage and trash must be kept in sanitary containers constructed of metal or hard plastic with secure lids. No inoperable vehicle, nor any vehicle parts may be stored on the property for longer than sixty (60) days, unless said vehicles or parts thereof are completely contained in a garage or other building built in accordance with these Deed Restrictions.

(viii) **Animals.** Swine, hogs, and pigs are expressly prohibited from being kept, maintained, or bred on any Lot. All other livestock, horses, and domestic animals (such as dogs and cats) may be kept on a Lot; provided, however, each Lot shall be fenced

such that all animals are kept from leaving the Lot or damaging adjoining properties or any pets, livestock, or people on adjoining properties. No shelter or facility that houses or contains animals (except for a single-family home) may be placed within 100 feet from any adjoin property line and must be screened from the view of any other Lot by landscaping or fencing.

(ix) No Drilling. No drilling, mining, nor any other type of exploration, production, or operation for oil or gas, minerals, metal, road base, sand, gravel, lignite, limestone, coal, iron ore or any other such substance shall be conducted on any Lot, nor any portion thereof. This restriction does not restrict digging or installing water wells, septic lines or tanks, so long as such water wells, septic lines or tanks are installed in accordance with applicable Governmental Regulations.

(x) No Nuisance. No Lot shall be used for any noxious, dangerous or offensive activities, nor shall any Lot be used in a manner that will create a nuisance to adjoining properties or that would interfere with the residential use of the adjoining properties.

(xi) Workmanlike Manner. All structures and improvements shall be completed in a workmanlike manner and shall maintained so that they do not become unsafe or unsightly.

(xii) Other Prohibited Uses. Without limitation to the foregoing, at no time shall any portion of the Property be used for any of the following additional prohibited uses:

- a. distilling, refining or smelting operations;
- b. asphalt plant operations;
- c. heavy manufacturing;
- d. any operation which is hazardous by reason of excessive danger of fire or explosion, or any operation in which the manufacture, storage or sale of Hazardous Materials is the primary use of the Property, including but not limited to fireworks or other incendiary products, solvents and fuel;

- e. any operation of a trailer court, junk yard, stockyard or scrap metal yard; provided, however, this prohibition shall not be applicable to either (a) the use of trailers for delivery or transport of goods or (b) temporary use of construction trailers during periods of construction, reconstruction or maintenance;
- f. any used goods business or a business that specializes in bankruptcy or liquidation sales or the selling of fire damaged items;
- g. any auction house or flea market;
- h. any night club, bar, amusement or game room, lounge, restaurant or tavern;
- i. any "adult" bookstore, theater, studio, parlor or other facility, any of which show on-premises X-type rated or unrated pornographic motion pictures or video films or provide forms of entertainment appealing to the prurient interests of the general public, or whose employees are required to wear provocative clothing;
- j. any dumping or disposing of garbage, or any other display, sale or storage of waste material; or
- k. any correctional and/or rehabilitation facility whether operated by a governmental entity or a private enterprise.

ARTICLE IV EASEMENTS

4.1 Utility Easements. In addition to any existing utility easements of record, there shall be reserved, in perpetuity, ten (10) feet along the perimeter of each Lot, for public utility easements, guy wires, poles, anchors, water or sewer lines or other items necessary for the operation of public utilities on the Lot or other properties serviced by public utilities. Areas reserved for public utility easements must be accessible to utility companies in accordance with applicable governmental regulations and utility company policies. The provisions of this **Section 4.4** shall not be applied in any manner which would unreasonably prohibit, restrict, or impair the use or development of any Lot.

ARTICLE V ENFORCEMENT

5.1 Enforcement. The right to enforce the Covenants and Restrictions contained herein against the Property are referred to herein collectively as the "**Enforcement Rights**". The following provisions apply with respect to the Enforcement Rights.

5.1.1 Right of Enforcement. Notwithstanding anything herein to the contrary, regardless of whether portions of the Property are conveyed to one or more third parties, each Lot Owner shall hold and be entitled to exercise the Enforcement Rights against the Property, by proceedings at law or in equity against any person or persons violating or attempting to violate same. Upon the

election of a majority of the Lot Owners (in writing), the Lot Owners may designate an individual or an entity, such as a property owners' association, to hold and be entitled to exercise the Enforcement Rights on behalf of the Lot Owners (the "**Applicable Rights Holder**"), and there shall only be one Applicable Rights Holder at any given time. If the Lot Owners designate an Applicable Rights Holder, the Applicable Rights Holder shall be the sole and exclusive holder of all such Enforcement Rights to be exercised, modified, waived, or released as such Applicable Rights Holder may desire in its sole and absolute discretion. In such event, the Covenants and Restrictions may be enforced, modified, released, waived, or otherwise controlled by the Applicable Rights Holder, in its sole discretion, and no other person or entity shall have any right to enforce these Covenants and Restrictions or to contest any modification, release, waiver or other action by the Applicable Rights Holder with respect thereto. The Applicable Rights Holder shall have the right to enforce against the owner of the Property, by any proceeding at law or in equity, the Covenants and Restrictions, and may exercise such other rights and remedies as may be available at law or in equity.

5.1.2 No Waiver. The Lot Owners' and the Applicable Rights Holder's failure to enforce any of the Covenants and Restrictions contained herein shall in no event be deemed to be a waiver of the right to do so thereafter.

5.2 Duration. The Covenants and Restrictions shall remain in effect until twenty (20) years after the Effective Date (the "**Initial Term Expiration Date**"). The Covenants and Restrictions shall be automatically extended for successive ten (10) year periods thereafter; *provided however*, that the Covenants and Restrictions may be terminated, (i) written agreement signed by sixty-seven (67%) of all then current Lot Owner of the entire Property, or (ii) if applicable, the Applicable Rights Holder, in the Applicable Rights Holder's sole and absolute discretion, by executing and recording in the Real Property Records of Burnet County and Lampasas County, a written instrument specifying such termination.

ARTICLE VI GENERAL PROVISIONS

6.1 Amendments. This Declaration may be amended by, and only by, (i) written agreement signed by sixty-seven (67%) of all then current Lot Owners of the entire Property; or (ii) if applicable, the Applicable Rights Holder, in the Applicable Rights Holder's sole and absolute discretion; and any such amendment shall be effective only when recorded in the Real Property Records of Burnet County and Lampasas County.

6.2 Non-Waiver. The obligations contained in this Declaration shall be deemed to be of a continuing and continual nature. The waiver by any party of a breach of any provision of this Declaration shall not be deemed a continuing waiver or a waiver of any subsequent breach whether of the same or another provision of this Declaration.

6.3 No Partition. The easements established hereunder shall remain undivided, and no person shall bring any action for partition or division of the whole or any part thereof without the written consent of all Lot Owners of all portions of the Property and without the written consent of all holders of all mortgages encumbering any portion of the Property.

6.4 Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provision which shall remain in full force and effect.

6.5 Headings. The headings contained in this Declaration are for reference purposes only and shall not in any way affect the meaning or interpretation of this Declaration.

6.6 Notices to Lot Owners. Any notice required to be given to any Lot Owner under the provisions of this Declaration shall be deemed to have been properly delivered when deposited in the United States mail, postage prepaid, addressed to the last known address of the person who appears as Lot Owner on the records in the Real Property Records of Burnet County and Lampasas County at the time of such mailing.

6.7 Termination of and Responsibility of Declarant. If Declarant shall convey all of its right, title, and interest in and to the Property and assign all its rights, benefits, and obligations as Declarant hereunder to any partnership, individual or individuals, or corporation or corporations, then and in such event Declarant shall be relieved of the performance of any further duty or obligation hereunder, and such partnership, individual or individuals, or corporation or corporations, shall be obligated to perform all such duties and obligations of the Declarant.

6.8 NON-LIABILITY. IN NO EVENT SHALL DECLARANT (NOR ANY PARTNER NOR PARENT NOR SUBSIDIARY NOR RELATED ENTITY NOR EMPLOYEE NOR AGENT THEROEF) IN ANY WAY OR MANNER BE HELD LIABLE OR RESPONSIBLE FOR ANY VIOLATION OF THIS DECLARATION BY ANY OTHER PERSON OR ENTITY. DECLARANT (NOR ANY PARTNER NOR PARENT NOR SUBSIDIARY NOR RELATED ENTITY NOR ANY EMPLOYEE NOR AGENT THEREOF) DOES NOT MAKE ANY REPRESENTATIONS WHATSOEVER AS TO THE IMPROVEMENTS THEREON OR ANY RELATED APPURTENANCES. EACH LOT OWNER DOES HEREBY HOLD DECLARANT (AND ANY PARTNER, PARENT, SUBSIDIARY, RELATED ENTITY OR EMPLOYEE OR AGENT THEREOF) HARMLESS FROM ANY LOSS OR CLAIM ARISING FROM THE OCCURRENCE OF ANY CRIME OR OTHER ACT.

6.9 Attorneys' Fees. If any controversy, claim, or dispute arises relating to this instrument, or enforcement, the prevailing party shall be entitled to recover from the losing party reasonable expenses, attorneys' fees, and costs.

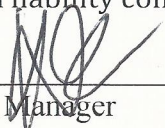
IN WITNESS WHEREOF, the Parties execute this Declaration to be effective as of the Effective Date.

[Signature Pages Follow]

**RESTRICTIVE COVENANT AGREEMENT AND
DECLARATION OF EASEMENTS, COVENANTS, CONDITIONS, AND RESTRICTIONS
FOR RANCHES OF BLUEBONETT VENTURES**

DECLARANT SIGNATURE PAGE

BB¹BURNETT RANCH FM963 RANCH LLC,
a Texas limited liability company

BY: 
Hari Rao, Manager

STATE OF TEXAS §
 §
COUNTY OF FORT BEND §

PR. The foregoing instrument was acknowledged before me on the 25 day of JANUARY, ~~2022~~ ~~2021~~, by Hari Rao, manager of BB¹BURNETT RANCH FM963 RANCH LLC, a Texas limited liability company, on behalf of such company.



Notary Public in and for the State of Texas
My Commission expires: 05-13-2025.

**RESTRICTIVE COVENANT AGREEMENT AND
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FOR RANCHES OF BLUEBONETT VENTURES**

GRANTEE SIGNATURE PAGE

GRANTEE:

_____, a(n) _____

BY: _____

STATE OF TEXAS §
 §
COUNTY OF _____ §

The foregoing instrument was acknowledged before me on the ____ day of _____,
2021, by _____.

Notary Public in and for the State of Texas
My Commission expires: _____

EXHIBIT "A"

DECLARANT'S ORIGINAL TRACT

*[See legal description,
beginning on following page*

FIELD NOTES FOR AN 11.00-ACRE TRACT OF LAND IN BURNET COUNTY, TEXAS TRACT 12, BLUE BONNET RANCHES

Being 11.00 Acres, more or less, out of the J. B. Stevenson Survey No. 952, Abstract No. 773, and being out of a 192.66-Acre tract described in a General Warranty Deed to William E. Price and Alice Price Gregg as recorded in Instrument No. 202117457, Official Public Records of Burnet County, (O.P.R.B.C.), and being more particularly described by Metes and Bounds as follows:

BEGINNING, at a 1/2 Inch Iron Rebar Set, with "GOODSONS 4330" Cap, for the Southwest corner of this tract, in the East Right of Way line of County Road No. 210B, which bears N 21° 23' 30" W, 622.70 Feet from which a 1/2 Inch Iron Rebar found for the Southwest corner of the 2.60-Acre tract described in Exhibit C in Deed to Charles Monroe McAllister and Leal Ann McAllister as recorded in Instrument No. 202110549, O.P.R.B.C.;

THENCE, N 21° 23' 30" W, 514.01 Feet, along the East line of County Road 210B to a 1/2 Inch Iron Rebar Set, with "GOODSONS 4330" Cap, for the Northwest corner of this tract;

THENCE, N 68° 36' 30" E, 931.90 Feet, to a 1/2 Inch Iron Rebar Set with "GOODSONS 4330" Cap for the Northeast corner of this tract;

THENCE, S 21° 23' 34" E, 514.08 Feet, to a 1/2 Inch Iron Rebar Set with "GOODSONS 4330" Cap for the Southeast corner of this tract;

THENCE, S 68° 36' 46" W, 931.90 Feet, to the PLACE OF BEGINNING Containing 11.00-ACRES. Survey completed on the ground October 20, 2021. Basis of Bearings, as determined by G.P.S. Also reference accompanying Plat of the Tract described hereon. Signed October 21, 2021.


Mike W. Krjegel
Registered Professional
Land Surveyor No. 4330



EXHIBIT "B"

GRANTEE'S TRACT

*[See legal description,
beginning on following page]*