

DECLARATION OF RESTRICTIVE COVENANTSFOROAK LANDING SUBDIVISION

THIS DECLARATION made this 7th day of January, 1987, by L. R. STRYKER, TIM R. JOHNSON and ROSS M. HAMILTON.

W I T N E S S E T H:

L. R. STRYKER, TIM R. JOHNSON and ROSS M. HAMILTON are the owners of that certain tract of land (hereinafter referred to as the "Subdivision") lying and being situated in Henderson County, Texas, and more particularly described on Exhibit "A" attached hereto and made a part hereof for all purposes.

The signatories hereto desire to subject the Subdivision to the covenants, conditions, restrictions, and easements hereinafter set forth, each and all of which is and are for the benefit of the Subdivision and each owner thereof, and to further provide for the formation of a Texas corporation whose owners are the owners of the lots for the purpose of assuring the upkeep, maintenance, improvement and administration of the Subdivision and for the purposes of enforcing the restrictions and covenants set out herein and collecting and disbursing the assessments and charges hereinafter set forth.

NOW, THEREFORE, the signatories hereto declare that the Subdivision is and shall be held, transferred, improved, sold, conveyed and occupied subject to the covenants, conditions, restrictions and easements hereinafter set forth.

ARTICLE A
Definitions

The following words when used in this Declaration or any supplemental declaration, unless the context shall prohibit shall have the following meanings:

(a) "Developer" shall mean and refer to L. R. STRYKER, TIM R. JOHNSON and ROSS HAMILTON, and any assignee who shall receive by assignment from the said L. R. STRYKER, TIM R. JOHNSON and ROSS HAMILTON all or a portion of their rights hereunder as the Developer, by an instrument expressly assigning such rights as Developer to such assignee.

(b) "Subdivision" shall mean and refer to those certain tracts of land hereinbefore described as the Subdivision.

(c) A "lot" shall mean and refer to any plot or tract of land shown on any recorded subdivision map of the Subdivision, together with any and all improvements that are now or may hereafter be placed or constructed thereon.

(d) An "owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any lot which is a part of the Subdivision.

(e) A "residence" shall mean and refer to a conventional home meeting the minimum requirements set out herein.

(f) A "mobile home" shall mean and refer to mobile homes, modular, and manufactured homes as they are commonly known meeting the minimum requirements set out herein.

(g) "Common Areas" shall mean all of the property other than the lots consisting of a private roadway and recreational areas as designated on the plat of the Subdivision.

(h) "Member" shall mean any person and/or entity who owns a fee interest in a lot.

(i) "Person" shall mean an individual, corporation, trust or other legal entity or any combination thereof.

ARTICLE B
Property Owners Association

1. Membership in the Association. Each person (which shall be deemed to include the Developer) who is the record owner of any lot shall have one vote (which vote shall be deemed to constitute a "Membership") in the Association for each lot he owns, regardless of the number of persons who hold an interest in said lot. An interest in said lot shall not be deemed to include those persons who hold a vendor's lien, deed of trust lien, or other security interest in a lot until such person becomes the record owner of such lot. Membership in the Association shall be appurtenant to and may not be separated from record ownership of any lot, and the transfer of any Membership not made as a part of a transfer of lot shall be null and void and of no further effect. Ownership of a lot shall be the sole qualification for being a Member of the association. No sale, sales contract, transfer, lease or other disposition of any interest in any lot in the Subdivision shall be consummated unless and until the purchaser or transferee has applied for and has been accepted as a member in the association. Membership in the association shall be conditioned upon payment, when due, of the association fees and charges as are set forth herein.

2. Ownership Use and Management of Common Areas. Members of the association shall have the right to use the common areas as designated on the plat of the Subdivision subject to the restrictions set out herein. Each member shall have the non-exclusive right and easement of enjoyment and use of the Common Areas, and such easement shall be appurtenant to and shall pass with the title to every lot. Such right and easement shall be subject to the following provisions:

(a) The right of the association to make such reasonable rules and regulations regarding the use of the Common Areas;

(b) The right of the association in accordance with its Articles of Incorporation and Bylaws to borrow money for the purpose of improving the Common Areas and facilities and construct new facilities thereon, and in connection therewith, to mortgage the Common Areas or portions thereof. The Developer will convey the Common Areas to the association as soon as 51% of all the lots in the Subdivision are sold. However, until such time, the Developer shall have the exclusive use and control thereof, except that the owners shall have the reasonable right of access over and along the Common Areas. At such time as the association becomes the owner of the Common Areas, the association shall have the exclusive right to control, maintain, manage and improve the Common Areas provided in these Restrictive Covenants and in its Articles of Incorporation and Bylaws.

3. Voting Rights in the Association. Each owner shall have the right to vote in person or by proxy his membership or memberships in the association. When more than one person owns an interest in a lot, all such persons shall be members, but only one member may be voted for each lot. The method of

voting membership owned by more than one more person shall be such as the owners shall decide among themselves.

4. Covenants for Maintenance of Assessments.

(a) Agreement to pay Assessments. The owner of each lot by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, is deemed to covenant and agree to pay the association all annual assessments and special assessments as hereinafter described, such assessments to be fixed, established and collected from time to time as hereinafter provided. The annual and special assessments, together with any interest thereon and costs of collection therefor as hereinafter provided, allocable to each lot shall be a charge on such lot and shall be a continuing lien upon the lot against which each such assessment is made until paid in full, but such lien shall be inferior to any prior recorded vendor's lien and/or deed of trust lien. Each such assessment, together with such interest, costs and reasonable attorney's fees, shall also be the personal obligation of the person who is the owner of such lot at the time when the assessment or charge was made. Such personal obligation shall not pass to his successors in title unless expressly assumed by them, but the lien arising by reason of such assessment shall continue to be a charge and lien upon the lot as set out above. Each owner agrees upon request of the association to execute and deliver to the association in recordable form a deed of trust covering the lot owned by him subject only to a prior recorded valid vendor's lien and/or deed of trust lien to secure such assessment lien. In any event, the lien for non-payment of assessments or charges made against any lot may be enforced by the association, such sale to be conducted in accordance with the provisions of the law applicable to the exercising of powers of sale or foreclosure in deeds of trust or in any manner permitted by law. In any such foreclosure or sale, the owner shall be required to pay the costs and expenses of such sale and other proceedings, including reasonable attorney's fees.

(b) Use of Assessments. All assessments levied and collected by the association shall be used exclusively for the purposes of improving and maintaining Common Areas and facilities thereon. Without limiting the generality of the foregoing, the association shall perform or cause to be performed the following duties:

(i) Paying ad valorem and other property taxes and assessments levied thereon (if any);

(ii) Entering into contract that may be deemed necessary with any person or entity for the performance of all or any portion of the duties of the association provided herein;

(iii) Obtaining general public liability insurance as deemed necessary by the association;

(iv) Contracting for the mowing and removal or trash from lots and the Common Areas;

(v) Effecting repairs, replacements, and additions to the Common Areas and facilities thereon, including the private roadways and recreational areas.

5. Initial Annual Assessment. The initial annual assessment for the calendar year shall not exceed \$50.00 per lot.

6. Increase in Assessments.

(a) Within thirty days prior to the beginning of each calendar year and after consideration of current maintenance and replacement costs and a reasonable reserve for contingencies of the association, the board of directors shall estimate and fix the annual assessment at an amount deemed necessary by the board of directors. However, such amount shall not increase the annual assessment more than ten percent (10%) over the annual assessment for the previous year. The association shall then notify each owner of the amount of the annual assessment on or before the 1st day of such calendar year.

(b) The annual assessment shall not initially exceed \$50 per lot. However, if at any time the board of directors of the association feel that such amount is inadequate to fulfill the functions of the association, it shall duly call a meeting of the association for the purpose of increasing the maximum annual assessment and deliver written notice to all members not less than ten days nor more than thirty days before the date of the meeting setting forth the purposes of the meeting. At such meeting, the maximum annual assessment may be increased by a vote of a majority of the membership, but such increase shall not be more than ten percent (10%) over the previous annual assessment. Such increase shall continue until a majority of the membership at a meeting duly called for that purpose, written notice of which shall be delivered to all members not less than ten days nor more than thirty days before the date of the meeting shall decide otherwise.

(c) The failure of the association to affix the annual assessment to provide herein for any year shall not be deemed a waiver or release of any owner from the obligation to pay the annual assessment, but the annual assessment fixed for the preceding year shall continue until a new assessment is fixed.

7. Special Assessments. The association may levy in any year special assessments for the following purposes:

(a) Defraying in whole or in part the cost of any construction or reconstruction, unexpected repair or replacement of a capital improvement upon the Common Areas, provided that such assessment shall have the assent of at least two-thirds of the membership pursuant to votes cast at a meeting duly called for this purpose, written notice of which shall be delivered to all members not less than ten nor more than thirty days in advance of the meeting setting forth the purpose of the meeting; provided, however, that the maximum amount of any special assessment shall not exceed a figure equal to twice the annual assessment against any member for one calendar year.

(b) Defraying the amount of any debts created by an excess of expenditures of the association over receipts for the previous year, provided that the maximum amount of any special assessment for this purpose may not exceed 25% of the annual assessment for the current year.

Written notice of each special assessment shall be delivered to every owner. The date for payment of such special assessment shall be established by the association and shall be specified in such notice.

8. Quorum. At any meeting of the association, the presence at the meeting of persons holding memberships aggregating at least 50% of all the memberships whether

represented personally or by proxy of the association shall constitute a quorum.

9. Certificate of Assessments. The annual assessments provided for herein shall be deemed to commence as to each lot on the 1st day of July, 1987. The association shall upon request of an owner at any time furnish a certificate in writing signed by an officer of the association setting forth whether or not the assessment on the lot owned by such owner has been paid. A reasonable charge may be made by the association for the issuance of these certificates. Such certificates shall be conclusive evidence of payment of any assessment therein stated to have been paid.

10. Continuing Liability for Assessments. Any assessment which is not paid within 30 days after due shall be delinquent and shall bear interest from the due date thereof at the rate of 10% per annum. The association shall be entitled to bring an action at law against the owner personally obligated to pay the same and/or to foreclose the lien against the lot. All interest, costs, and reasonable attorney's fees for such action shall be added to the amount of such assessment and be a part of the lien against the lot. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Areas or abandonment of his lot.

11. Pro Rata Assessments. All assessments made by the association shall be pro rata and the assessment made against any lot shall in no case be higher or lower than the assessment against any other lot.

12. Abatement of Assessments. No reduction or abatement of assessments shall be allowed or claimed for inconveniences or discomfort arising from the making of repairs or improvements to the Common Areas or for any action taken to comply with any law, ordinance or order of a governmental authority.

13. General Obligations of Owner. If any owner believes any other owner is in violation of these restrictive covenants, he may so notify such owner in writing explaining his reason for his complaint. If the owner fails to remedy the alleged violation in ten days after delivery of such notice, a complaint may be transmitted in writing to the chairman of the board of directors of the association who shall thereupon choose within not more than ten days a neutral party to arbitrate the dispute in such a manner as the latter deems best, but he shall in all cases announce his decision within thirty days after the transmittal of the complaint to the chairman of the board of directors of the association. If the chairman of the board of directors or the arbitrator fails to act, the complaint will be considered denied. The arbitrator shall be paid his reasonable expenses, the cost of which shall be borne by the losing party. If the association believes any owner is in violation of these restrictive covenants or the prior covenants, it shall so notify such owner in writing explaining its reason for such complaint. If the owner fails to remedy the alleged violation within ten days following the delivery of such notice, then the association shall have the right to (i) institute appropriate legal action, or (ii) submit the dispute to arbitration, such arbitration to be held in accordance with the rules of the American Arbitration Association by the action of a majority of arbitrators chosen as follows: (a) One arbitrator shall be chosen by the owner; (b) one arbitrator shall be chosen by the association; (c) one arbitrator shall be chosen by the two arbitrators previously chosen. If either party fails to choose an arbitrator within fifteen days after the

transmission of the complaint to the owner, the other party may choose a second arbitrator. The decision of the arbitrators shall be made within thirty days after transmission of the complaint to the owner. If the arbitrators fail to act within ninety days, the complaint will be considered dismissed. The prevailing party in any such litigation arbitration shall be entitled to recover from the other party all costs and expenses, including attorney's fees, in connection therewith.

14. Remedy of Violation. If a court or the arbitrator(s) as provided above, upholds the complaint, the owner shall be so notified in writing and shall promptly remedy the violation of these restrictive covenants, and he fails to remedy such violation within thirty days after the date of such notice or within the time specified in such proceeding as appropriate, the association may (but shall not be obligated to) remedy such violation and add the cost of effecting such remedy as a special assessment to the normal assessment of such owner. The association and its designee shall have the right of entry upon the lot owned by such owner for such purposes.

15. Liability of Board of Directors and Officers. The members of the board of directors and officers of the association shall not be liable to any owner or any person claiming by or through any owner for any act or omission of such director or officer in the performance of his duties, except if such act or omission shall involve gross negligence, bad faith, or reckless disregard of his duties, and the association shall have the power to indemnify all such directors and officers from all claims, demands, actions and proceedings and any expenses in connection therewith, except if such director or office be judicially declared to have acted in a grossly negligent manner, with bad faith, or in reckless disregard of his duties.

ARTICLE C Restrictions

1. Use. No lot shall be used for other than residential purposes. No soil or trees shall be removed for any commercial use. Cutting of trees shall be limited to the extent necessary for clearing the foundation site, pads for mobile homes, placing of mobile homes on the property and for parking; any additional cutting of trees shall be done only upon the written approval of the Committee (as herein defined). No commercial activity shall be permitted on any lot.

2. Mailbox. Each residence may have a mailbox.

3. Lot Area. No lot may be resubdivided; provided, however, that individual lots may be divided between abutting owners and thereafter each owner's resulting oversize lot shall be considered as one lot. Nothing herein contained shall prohibit the construction of a single residence on two (2) lots, in which case both such lots shall be considered as one (1) lot for building purposes.

4. Architectural Control Committee. An Architectural Control Committee ("Committee") shall be appointed, from time to time, by Developer, whose purpose it shall be to review plans, to insure for all owners harmony of location, and harmony of external and structural design and quality with external and structural design and quality with existing structures. The Committee shall have the right to designate a representative to act for it in all matters arising hereunder. Until such time as the Committee has been constituted and

appointed, Developer, or its nominee or representative, shall carry out all functions of the Committee relating to these restrictions. After fifty-one percent (51%) of all lots have been sold in the Subdivision, or sooner at the election of Developer or the Board of Directors of the Property Owners Association, the members of the Committee shall be selected by a vote of the Board of Directors of the Property Owners Association.

5. Structures.

(a) No residence shall be constructed or permitted to remain on any lot or tract in the Subdivision unless such residence shall have a minimum of 800 square feet of living area (living area does not include porches or garages).

(b) Any mobile home may be placed on said lots so long as they are of a recent model and design not to exceed five years in age, a minimum of 700 square feet of living area, be of good appearance and repair, and be underpinned with the appropriate materials within 90 days after the unit is placed on said property, and such unit must be placed square with the lot lines. Older mobile homes may be allowed with the express written approval by the Committee.

(c) No improvements shall be placed on any lot or tract until the building plans, specifications and plot plans showing the location of such improvements on the lot or tract have been approved in writing by the Committee and a building permit secured from the Committee or local authorities where applicable. The terms and conditions of such building permit shall be set forth in such permit as determined by the Committee and/or the local authorities. Likewise, the alteration of any existing improvements which materially affects or changes the exterior design thereof may not be made until the plans for such alterations have been approved in writing by the Committee and a building permit for such alteration or changes has been obtained. In the event the Committee disapproves of any such plans, specifications and/or plot plans, notice of such disapproval shall be delivered in person or by registered or certified letter addressed to the party submitting the same at an address which must be supplied with the submission. In passing upon all of such plans, specifications and/or plot plans, the Committee may take into consideration, among other things, the suitability of any such proposed building or structure or the alteration thereof and the materials of which it is to be constructed to the lot or tract upon which it is to be constructed, and the effect thereof upon adjacent neighboring or other lots or tracts. Any such notice shall set forth the elements disapproved and the reason or reasons therefor, but need not contain suggestions as to methods of curing any matters of things disapproved. The judgment of the Committee in this respect in the exercise of its sole and absolute discretion shall be final and conclusive. If said Committee fails to approve or disapprove said plans, specifications and/or plot plans within thirty (30) days after the same have been submitted to it, it will be presumed that the same have been approved. These requirements for approval by the Committee as herein set out cover not only the residences to be constructed in the Subdivision, but all piers and other structures built in the water (such as boat docks) as well as on the land, and also apply to any retaining walls and any significant moving of soil in or out of the water. All structures will comply with the requirements of the Tarrant County Water Control District.

(d) All structures which extend into the water shall meet the following requirements:

(1) Permission for any such structure must first be obtained from the Committee, and the construction of such structure shall be in accordance with the description of same as set forth in the Committee's written approval. The Committee shall not approve more than one pier per lot or tract except under circumstances deemed to be exceptional by the Committee. All boat houses must be covered with a mansard or pitched roof.

(2) No part of such structures shall be closer to any projected side property lot or tract line than five (5) feet.

(e) No part of any building shall be located on any lot or tract nearer to any street than fifteen (15) feet. No part of any building shall be located nearer than five (5) feet to any interior lot or tract line, except that in the event of common ownership of more than one (1) lot or tract and the construction of one (1) building on more than one (1) lot or tract, the combined area owned shall be considered as one (1) lot or tract for this purpose. The building set-back lines may be relaxed by decision of the Committee, if the above described distances are not feasible, considering the terrain and/or dimensions of the lot.

(f) No structure shall be occupied or used until an occupancy permit has been granted by the Committee or by the local authority, as the case may be.

(g) Each residence, once commenced, must be completed within six (6) months from the date of commencement thereof. If any such residence is not completed within six (6) months after the date on which such residence is commenced, the owner of same hereby gives the Committee, or its representative or agent, the right and authority to enter upon the property upon which such structure is situated, and to disassemble such structure and store the building materials on the premises or elsewhere at the discretion of the Committee. The owner or occupant of any such lot agrees, by the purchase or occupancy thereof, that the Committee shall not be liable in trespass or otherwise in entering upon said lot or tract and disassembling any such structure.

(h) No tent, shack, or structure of a temporary character shall, at any time, ever be used as a permanent or temporary residence on any lot or tract, or moved onto or permitted to remain on any lot.

(i) Camping shall be permitted for a period not to exceed 72 hours or such longer period of time as may be approved in writing by Developer. Only self-contained commercially manufactured recreational vehicles or self-contained trailers or self-contained pick-up campers which shall remain attached to the pick-up at all times may be used. No camping vehicle or other camping equipment may be stored or kept on any unimproved lot when not being used on a daily basis. Tents and vehicles with no sanitary facilities are expressly prohibited.

(j) Decorative fences may be erected with the written approval of the Committee. Barbed wire is expressly prohibited.

(k) Structures may not be erected below elevation 325 feet except for approved piers and boat houses.

(l) All residences will have a conventional composition roof, or a fire-treated wood shingle or tile roof; however, wood shingles are expressly prohibited.

(m) No used house or structure shall be placed on any lot.

(n) No dwelling or residence shall be for other than single family purposes. No duplexes, triplexes, fourplexes, or any other type of multi-family unit or units shall be allowed on any designated lot in plat filed of record in Cabinet 11, Slide 177, of the Plat Records of Henderson County, Texas.

6. Signs. No "For Sale" sign or "For Rent" sign or any other advertising structures, may be displayed in the Subdivision without prior written approval of Developer.

7. Nuisances. No noxious or offensive activity shall be carried on or maintained on any lot in the Subdivision, nor shall anything be done or permitted to be done thereon which may be or become a nuisance in the neighborhood.

8. Firearms. The use or discharge of firearms, pellet guns or air rifles in the Subdivision is expressly prohibited.

9. Garbage and Trash Disposal. No lot or tract shall be used or maintained as dumping ground for garbage. Trash, garbage or other rubbish shall be kept only in sightly, sanitary containers. Each lot or tract owner shall be responsible for disposing of all of his trash, garbage and rubbish, and the burning of same within the Subdivision is expressly prohibited. All containers for storage or disposal of garbage and trash shall be kept in a clean, sanitary condition inside garages, behind decorative fencing, or otherwise hidden from view from the street.

10. Storage. If open carports are used, no unsightly storage and/or unsightly vehicles shall be permitted therein. No lot shall be used for outside storage. Any material stored on the premises must be kept in an enclosure complete with roof and sides, of neat construction and of a character to enhance the value of the property.

11. Animals. No residential lot shall be used for the purpose of keeping, breeding, or raising any animals for commercial purposes or as a place for keeping horses, mules, cattle or other animals for commercial purposes; provided, however, that the occupants of each residence may keep the usual and customary domestic or household pets. No commercial cat or dog kennel shall be permitted. No pet pigeons or pigeon houses shall be allowed on any lot. No chickens or roosters shall be allowed. Pets must be kept within an enclosure or on a leash. No pets shall be permitted to run at large, and in no event shall more than four adult pets be allowed. Developer shall specifically have the right to have any pets running at large picked up and disposed of.

12. Off-street Parking. Both prior to and after the occupancy of a dwelling on any lot, the owner shall provide appropriate space for off-street parking for his vehicles and/or boats, with a minimum of parking provided for two vehicles to allow passage of emergency vehicles. On street parking is prohibited.

13. Driveways. All driveways are to be concrete or such other materials as are approved by the Architectural Control Committee. Vehicles for each residence shall be parked upon the surfaced areas and not upon the lawn or yard areas.

14. Unused Vehicles. No unused automobiles or vehicles of any kind, except as hereinafter provided, shall be stored

or parked on any residential street or lot, except in a garage or carport. "Unused vehicle" shall be defined as any vehicle which has not been operated for a period of one month or longer. Streets are not to be used for private parking except by visitors.

15. Weeds and Trash. The owner of each lot or tract shall keep the same clean and free of trash and such weeds as will be in keeping with the other property and the community at any particular time. Upon failure to do this, Developer or the Committee may have the lot or tract cleaned and the cost or expense thereof shall be payable on demand by the owner to Developer or the Committee, as the case may be.

16. Sewerage. No building or structure shall be occupied as a residence unless all plumbing fixtures, dishwashers and toilets are connected to an adequate sewerage disposal system. No outhouses shall be permitted on any part of the property; all lavatories, toilets, and bath facilities shall be installed indoors and shall be connected with central sewerage, which has been constructed to comply with the specifications of State and local health authorities, and no "outside" or surface toilets shall be permitted under any circumstances. The owner of each lot is obligated to use and tie in to the central water and sewer systems available to the Subdivision.

17. Easements. Easements for the installation, operation and maintenance of fences, utilities (underground), cable television facilities, and drainage facilities, are reserved as shown on the recorded plat, and on, over and under a strip of ground five (5) feet wide, along the perimeter of each lot, and the right of ingress and egress for such purposes is expressly reserved unto Developer. An easement one foot in width is hereby reserved for the exclusive use of Oak Landing Development Co. along the boundary line of the subdivision across the rear or sides of each lot or street adjacent to the boundary line of the subdivision.

18. Commercial or Transport Vehicles. No commercial type vehicles and/or trucks shall be stored or parked on any lot except in a closed garage, nor parked on any residential street except while engaged in delivery to or transport from a residence. For the purpose of this covenant, a three-quarter ton or smaller vehicle (commonly known as a pick-up truck) shall not be deemed to be a commercial vehicle or truck. No vehicle of any size which normally transport flammable or explosive cargo may be kept in the Subdivision at any time.

19. Outside Lines, Antennae, and Smaller Structures. Outside clothes lines, aerials, antennae, carports, patio covers, free-standing basketball boards and other similar structures shall not be allowed unless approved in writing by the Architectural Control Committee.

20. Satellite Receivers. No satellite receivers (dishes) of any type or dimension shall be installed, temporarily or permanently, on any Owner's lot, except in locations approved by the Architectural Control Committee and only if cable TV is not available.

21. Motorcycles. All motorcycles, all terrain vehicles (ATV's), scooters, dirt bikes, or other type of vehicles other than automobiles, must be street legal and must be equipped with a quiet exhaust system and at no time allowed to exceed 25 m.p.h. All such vehicles under this paragraph 21 may be driven only on roads and any violation of these driving restrictions by driving any such vehicles over any area other than the roads to the subdivision shall be deemed to be a

trespass, and the Developer or each lot owner may individually prosecute for any such violation.

22. Cable Television Facility. The Developer shall have the sole authority to determine and contract with the company or companies to provide cable television service to the Subdivision.

23. Burning. No burning shall be commenced on any lot or lots without first obtaining a permit from the Architectural Control Committee. The Architectural Control Committee may authorize burning in the clearing of any lot or lots for the construction of a dwelling.

24. Exceptions to Residential Use. Notwithstanding anything to the contrary herein, Developer reserved unto himself, his heirs, successors and assigns and his or their designated agent or agents, the right to use any house of his or model home as a sales office, and to use any unsold lot or lots for storage and use of construction equipment and materials.

25. Subordination to Mortgages. Breach of any of the conditions and restrictions hereof, or any reversion by reason of such breach, shall not defeat, impair, or render invalid the lien of any mortgage, deed of trust, or other valid encumbrance made in good faith for value as to such affected property.

26. Severability. Invalidation of any one of these restrictions, covenants or conditions by judgment or court order shall in no wise affect any other provision which shall remain in full force and effect. In the event the provisions hereunder are declared invalid by a court of competent jurisdiction by reason of a period of time herein stated for which the same shall be effective, then, in that event, such term shall be reduced to a period of time which shall not violate the rule against perpetuities as set forth in the laws of the State of Texas.

27. Flammable Materials. Storage and use of flammable liquids, gases, and other materials within the Subdivision shall be limited to quantities needed for normal household use.

28. Damage to Structure. If a structure is partially or wholly destroyed by fire, the elements, or by any other cause, the structure and debris of such structure shall be removed or disposed of within six months after said damage occurred. In the event the lot owner desires to reconstruct or restore the structure, such reconstruction or restoration must be commenced and completed within six months after the date of damage; otherwise, the structure must be removed and the debris cleaned off the lot within said six-month period. In the event the lot owner fails to comply with this covenant, the Committee may remove the structure, and the lot owner, by accepting a deed subject to these restrictions, consents to such removal and discharges and acquits the Committee from all liability for such removal if effected by the Committee.

29. Oil, Gas and Mineral Development. No oil or gas drilling, oil or gas development operations, oil or gas refining or treatment, quarrying or mining operations of any kind by lot or tract owners shall be permitted upon or in any part of the lands included in the Subdivision, and no rights of ingress or egress may be granted in connection with any oil, gas or mineral development.

30. Drainage Structures. Drainage structures under private driveways shall always have a net drainage opening area of at least twelve inches or a sufficient size to permit the free flow of water without backwater. The owner must comply with local codes, if applicable.

31. Developer's Sales Activities. Notwithstanding anything to the contrary contained herein, the Developers, their heirs and assigns, reserve for themselves and their designated agent or agents the right to use any unsold lot or tract for a temporary office location and the right to place a sign or signs on any unsold lot or tract in the subject Subdivision.

32. Covenants Running with the Land. All of the restrictions, covenants and conditions herein provided for and adopted shall apply to each and every lot in the Subdivision, and shall be covenants running with the Land. The Developers, their heirs and assigns, shall have the right to enforce observance and performance of the restrictions and covenants contained and provided for herein, and in order to prevent a breach or to enforce the observance or performance of same, shall have the right, in addition to all legal remedies elsewhere provided herein, to an injunction either prohibitive or mandatory. The owner of any lot or tract in the Subdivision affected shall likewise have the right either to prevent a breach of any such restrictions or covenants or to enforce the performance thereof.

33. Duration of Restrictions.

(a) The restrictions and covenants herein provided for and adopted, shall remain in full force and effect until December 31, 2011, subject to modification or amendment as hereinafter provided.

(b) At the end of the term provided in (a) immediately above, and at the end of each ten (10) year extension herein provided for, these restrictions shall be automatically extended and renewed for succeeding period of ten (10) years each, unless, within six (6) months prior to the date such restrictions and covenants would otherwise be automatically extended, an instrument shall have been signed by the then owners of a majority of the then existing lots and tracts in the Subdivision, each such lot or tract entitling its owner to one (1) vote, and shall have been recorded in the Office of the County Clerk of Henderson County, Texas, agreeing to change said restrictions and covenants in whole or in part.

(c) Any or all of the restrictions, covenants and conditions herein contained may be repealed, amended or modified at any time by a majority vote of the lot and tract owners in the Subdivision, each then existing lot or tract entitled its owner to one (1) vote. Such repeal, amendment or modification shall be effected by an instrument in writing executed by such majority of said lot and tract owners, and filed for record in the Office of the County Clerk of Henderson County, Texas.

34. Headings. All sections and paragraph headings used herein are for convenience only and shall have no effect in construing any of the restrictions, covenants or conditions herein contained.

35. Right to Assign. The Developers may, by appropriate instrument, assign or convey to any person, organization or corporation, any or all of the rights, reservations, easements and privileges herein reserved unto the Developers, and upon such assignment or conveyance being made its assigns or

grantees may, at their option, exercise, transfer or assign such rights, reservations, easements and privileges or any one or more of them at any time or times in the same way and manner as those directly reserves by them or it in this instrument.

EXECUTED this 7th day of January, 1987.

[Signature]
L. R. STRYKER

[Signature]
TIM R. JOHNSON
[Signature]
ROSS M. HAMILTON

STATE OF TEXAS)
COUNTY OF HENDERSON)

This instrument was acknowledged before on this 7th day of January, 1987, by L. R. Stryker, Tim R. Johnson and Ross M. Hamilton.

[Signature]
Notary Public
State of Texas



My commission expires:
10-21-90