

DECLARATION OF RESTRICTIONS

KJR HOLDINGS, LLC ("Declarant") is the owner of that certain tract of land described as follows:

A tract of land containing 73-67/100 acres, being part of the MAXIMO MORENO SURVEY, Abstract number 14, situated about 10 miles S60E from the courthouse in Belton, in Bell County, Texas, and embracing a portion of the tract described in the deed to KJR HOLDINGS, LLC, TRACTS NINE and TRACT TEN, recorded in Document Number 2011-00012311 of the Bell County Official Public Records, also being a portion of the tract described in the deed to Keifer Marshall, Jr., Second Tract, recorded in Volume 1067, Page 613 of the Bell County Deed Records, and a portion of the tract described in the deed to RWK Marshall, First Tract, recorded in Volume 182, Page 490 of said Deed Records, more particularly described in fieldnotes attached hereto as Exhibit "A."

Declarant declares that the Property is held and will be conveyed subject to the covenants, conditions and other Restrictions (the "Restrictions") set forth in this Declaration of Restrictions (the "Declaration").

Each of the Restrictions shall be covenants running with the Property, every part thereof, and every re-subdivision thereof, until twenty-five (25) years from the date of the recording of these Restrictions in the Official Public Records of Real Property of Bell County, Texas, and shall be binding on the Property owners, their purchasers, successors, heirs, executors, administrators and assigns. The Restrictions may only be amended with the consent of all owners of the Property. At the end of twenty-five (25) years, the Restrictions automatically extend for successive periods of ten (10) years unless a document is executed by all owners of the Property and recorded in the Official Public Records of Real Property of Bell County, Texas, agreeing to amend the Restrictions in whole or in part.

Any waiver of the Restrictions, or any part thereof, will be effective only if in writing executed by each of the then owners of the Property. A waiver of any breach or failure to enforce any of the Restrictions will not in any way affect, limit or waive Declarant's, or any other party's, rights, hereunder at any time to enforce strict compliance of the Restrictions. Invalidity of any one or more of the Restrictions, covenants, limitations and conditions by judgment or court order shall in no manner affect any of the other provisions hereof, but they shall remain and continue in full force and effect.

Each of the Restrictions, covenants, limitations and conditions set forth in this Document shall be covenants enforceable by proceedings at law, or in equity, against any person or persons violating or attempting to violate any of the covenants, either to restrain the violation or to recover damages. If any owner of any parcel or tract of the Property, their purchasers, successors, heirs, executors, administrators and assigns, shall violate, or attempt to violate any of these covenants, it shall then be lawful for any other person or persons owning any other parcel or tract of the Property, or their heirs, successors or assigns or Declarant to prosecute any

proceedings at law, or in equity, against the person or persons violating, or attempting to violate, any such covenant, either to prevent him/her or them from doing so, or to recover damages for such violation. Declarant and every Owner of a Lot has the right to enforce all Restrictions, conditions, and covenants imposed by this Document. Failure by Declarant or any Owner to enforce a provision is not a waiver of a right to do so thereafter. Neither Declarant nor Owner will be liable to any Owner or other party for failure to enforce any provisions of this Document at any time.

Should it become necessary for the Declarant or any owner of a parcel or tract of the Property to retain the service of an attorney for the specific enforcement of any of the covenants, the person in violation of any of the covenants agrees to pay for reasonable attorney's fees and all other reasonable expenses in connection therewith.

Vision:

Declarant envisions that the Property will be an attractive residential ranch and farm community. The covenants are intended to promote each owners enjoyable use of their personal home while also promoting the enjoyable use of the Property for small farm or ranch operations. Effort has been made to allow flexibility for these varying uses while also providing protections that promote the attractiveness and enjoyment of the same.

Barndominiums are a fairly new concept in construction that combine residential living quarters for a single family with a large structure such as a barn. Considering the increased interest in this type of construction Declarant has determined that barndominiums may be constructed on the Property subject to the concepts and criteria provided in this Document.

Definitions:

1. "Declarant" means KJR Holdings, LLC, a Texas limited liability company
2. "Lot" means a portion of the Property for which independent ownership has been established by a deed from Declarant. Each separate portion of the Property conveyed by Declarant shall be a Lot.
3. "Owner" refers to the holder of recorded fee simple title to all or any portion of the Property.
4. "Resident" means an occupant of a dwelling, regard less of whether the person owns the Lot.

RESTRICTIONS

NOW THEREFORE, it is hereby declared that all of the Property will be held, sold, and conveyed subject to the following Restrictions, easements, covenants and conditions, which are for the purpose of protecting the value and desirability of and which will run with the Property

and will be binding on all parties having any right, title, or interest in or to the Property or any part thereof and their heirs, successors and assigns and which Restrictions, easements, covenants and conditions will inure to the benefit of each owner thereof:

CONSTRUCTION AND IMPROVEMENTS

1. **TEMPORARY:** Single Family Dwellings will be restricted to permanent structures actually built on Property. No trailer house, trailer, mobile home, basement, tent, shack, modular home, or RV may ever be used as a dwelling, temporarily or permanently except as follows:
 - A. A RV or travel trailer may be used to live in for up to 180 days if construction of a permanent single family dwelling has actually commenced. At the end of the 180 days such occupancy must cease.
2. **NUMBER:** Owner may construct one primary single family dwelling and one secondary single family dwelling on the Lot, but no more than two single family dwellings may be constructed on the Lot and no more than two single families are allowed to reside on the Lot. While two residential dwellings are allowed, the dwellings shall not be sold separately and may only be sold together as a single Lot. Each single family dwelling shall be designed as either a Traditional or Barndominium as referred to below.
3. **COLOR AND MATERIAL:** Declarant envisions buildings including masonry of Austin limestone, brick, or masonry in an earth-tone shade. Exterior colors of paint and stain for trim are natural earth-tone colors. "Earth-Tone" colors are non-reflective rust, beige, gray, dark green, tan, brown, taupe, and other more neutral background colors; however, darker colors, and other deep tones may be used with Declarant approval. Barns and Barndominiums may be painted in earth tone colors or white. Declarant may issue guidelines which further define or modify the acceptable colors and building materials.
4. **BARNDOMINIUM:** "Barndominium" for purposes of this Document shall apply to any permanent structure such as a barn, shop, garage or other building, that also includes within the structure "living quarters" for a single family.
 - A. "Living Quarters" for the purposes of this Document shall be defined as including a kitchen, bathroom and bedroom.
 - B. Any Barndominium constructed must be either the primary or secondary single family residence, or both, but under no circumstances shall more than any two structures that include residential living quarters be constructed on the Lot.
 - C. If a Barndominium is the primary residence, the structure must have a maximum of 6000 square feet including a minimum heated and cooled area for the Living Quarters of 1800 square feet.
 - D. Construction of "Living Quarters" inside a shop, building or other structure that does not include the exterior features as described herein for a Barndominium is strictly prohibited.

- E. A Barndominium must include exterior barn features such as a large door. Specifically the structure must also include the following exterior features of a traditional home: residential windows, residential doors, and covered porch. The roof must have a minimum pitch of 5/12 and the roof must overhang and extend past the exterior walls a minimum of fourteen (14") inches. The covered porch space must be equal to or greater than ten percent (10%) of the heated and cooled area for the Living Quarters.
- F. Acceptable siding materials are listed above, provided that as a minimum, twenty five percent (25%) of the exterior walls on the front and sides must include masonry. Any metal siding used should have the general appearance of a residential home with painted wood siding and not the appearance of a commercial building or shop.

5. TRADITIONAL:

- A. The single family dwelling must include a minimum of 1800 square feet of heated and cooled area, which excludes any basement and garage, whether enclosed or not. This restriction does not prevent the construction of attached or detached garages or other buildings where the main building conforms to the square footage of area required.
- B. The building exterior must be at least eight five percent (85%) masonry. The covered porch space must be equal to or greater than ten percent (10%) of the heated and cooled area.

- 6. BARN, SHOP AND OTHER BUILDINGS:** To avoid unsightly storage and keep the area attractive, each Owner may construct a barn and/or other buildings to provide storage for equipment and supplies needed to facilitate the residential, farming and ranching activities of the Owner on the Lot. Approved building materials include any materials approved for the residential structures as well as metal siding, metal doors and metal roofing, provided however that corrugated metal may not be used on the exterior of any structure. The buildings must be attractively designed with colors that follow the theme of the residence and must be constructed of new materials. Buildings specifically must not include Living Quarters or be used as Living Quarters on a temporary or permanent basis and neither shall they be used for commercial activity. No buildings or any part thereof may be leased or rented for storage or any other purpose. No more than **two** such buildings may be constructed on the Lot and the combined area of the buildings shall not exceed ten thousand (10,000) square feet.

Carports, and detached garages and a swimming pool house adjacent to the swimming pool containing a changing area and bath and wash facility are not considered a building under this paragraph as they are considered a part of the single family dwelling.

Not more than three (3) Accessory structures are allowed and are also not considered a building under this paragraph. Accessory structures include but are not limited to a gazebo, playhouse, swing set and greenhouses and must contain no more than 400 square feet each. Accessory structures may be constructed on the Lot or may also be constructed offsite and moved onto the Lot. Accessory structures may not be located in front of the primary residence. All such structures shall be appropriately maintained in a reasonably neat, clean and attractive manner. No Accessory structure shall be used at any time as Living Quarters.

An accessory structure does not include a portable storage building. A portable storage building is not allowed as an Accessory structure. Any storage building is considered a shop or other building and must meet the requirements specified in this paragraph for such building.

Up to two (2) metal coverings for a boat or RV is allowed and is also not considered a building under this paragraph. However, such covering may not be located in front of the primary residence. Such covering must be appropriately maintained in a reasonably neat, clean and attractive manner and the color must reasonably match the color of the single family dwelling. The boat and RV must be in good repair and must be maintained in a clean and attractive manner to prevent algae growth, disrepair, flat tires, etc.

7. **TIMING:** Once construction has commenced for a single family dwelling or a barn, shop or other building, it must be completed within 12 months.
8. **REMODEL:** All Restrictions apply to future remodeling of and additions to buildings and to rebuilding in case of total or partial destruction of any existing structure.
9. **SETBACK:** Any single family dwelling or building will not be closer than one hundred (100) feet to the road upon which the first single family dwelling faces and no closer than fifty (50) feet to any other Property line.

USE

10. **USE:** Each Lot will be used primarily for residential farming and ranching purposes. Owner is not required to build a residence on the Lot provided however Owner must maintain the Lot in an attractive manner and limit its primary usage to farming or ranching operations according to this Document.
11. **ANIMAL RESTRICTIONS:** No animal, bird, fish, reptile or insect of any kind may be kept, maintained, raised or bred anywhere on the Property except as provided herein. Horses, cattle (including bulls), mules, donkeys, goats and sheep may be kept on Lots, provided no more than one livestock unit per two acres of land may be maintained on each Lot. A mature cow, donkey, mule or horse shall constitute one livestock unit. A young calf, young colt, sheep or goat shall each constitute one-half of a livestock unit. Chickens or turkeys shall be allowed as long as such birds are kept in a coup and do not exceed twenty (20) birds per Lot. Up to two ducks can be kept on a Lot provided the ducks are kept confined in a fenced or otherwise restricted area so as to not leave the Lot. Pigs and hogs are not allowed on any Lot unless the pig or hog is being raised as a show animal in a youth program such as FFA, FHA, or other area youth livestock programs and then no more than a total of three with such animals housed in a suitable pen, barn or other such facility that is maintained in a clean manner. Dogs, cats or other household pets not to exceed a total of five (5) in number (exclusive of unweaned offspring), may be kept on the Lot provided they are kept in a manner that confines the pet on the Owner's Lot and the pet does not disturb the peaceful enjoyment of the Residents of other Lots. All livestock and pets must be registered, licensed and inoculated against disease as required by law.

12. **BUSINESS USE:** Except as may be specifically permitted herein, the Property shall be used only for residential purposes and small farming and/or ranching activities. Therefore, no restriction in this section shall be construed to limit the use of this Property for the farming or ranching activities allowed by other provisions in this Document.

Resident may use a dwelling or other allowed structure for business uses, such as telecommuting, personal business, and professional pursuits, provided that: (1) the uses are incidental to the primary use of the Lot as a residence and/or ranch, (2) the uses conform to applicable governmental ordinances; (3) the uses do not entail visits to the Lot by employees or the public in quantities that materially increase the traffic to and from the Lot, and (4) the uses do not interfere with the residential use and enjoyment of neighboring Lots by other residents.

Specifically prohibited are businesses that involve manufacturing, fabrication, storing of dangerous materials, and sales that generate traffic. Also prohibited are any business signs. No garage sale, yard sale, moving sale, rummage sale or similar activity may be conducted on any Lot for a period that exceeds 4 days and no more than two such sales may be conducted in a calendar year.

GENERAL

13. **SEPTIC:** Installation of a septic tank/soil absorption sewage disposal system will be in accordance with the minimum recommendations by a duly authorized agent of the Bell County Health Department.
14. **SUBDIVIDE:** Once a Lot has been conveyed by Declarant, the Lot shall not be further divided, subdivided or sold in any manner that creates two or more parcels from the original Lot as it was conveyed by Declarant. One or more separately described tracts of land conveyed by Declarant to one buyer shall each be a "Lot" whether conveyed in one or more deeds. Declarant will not convey any of the Property into smaller lots or parcels of land less than ten and one one hundredth (10.01) acres. After a period of twenty-five (25) years from the date this Document is recorded, this subdivision restriction will be deemed deleted unless all the Owners of the Property sign a document and file it of record in the Real Property Records of Bell County, Texas extending this restriction.
15. **NUISANCE:** No noxious or offensive activity may be carried on upon the Property nor may anything be done on the Property which may be or may become an annoyance or nuisance to the adjoining Owners. No open or outdoor privies may be placed or permitted to be placed on the Property. Except, during the construction of a single family dwelling, an outdoor privy may be placed on the Property for the use of the construction crew so long as it does not become an annoyance or nuisance to the surrounding Owners. This does not prohibit an outdoor wash house for a swimming pool constructed to code.

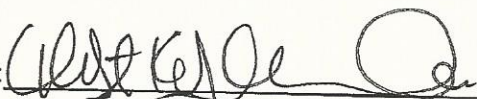
16. **MAINTENANCE:** The Owners or Residents of the Property must, at all times, mow and maintain the lawn and landscaping surrounding any improvements in a sanitary, healthful and attractive manner.
17. **DRAINAGE:** The Owners or Residents of the Property may not block, impound, divert, or contaminate any stream, spring, or watercourse adjacent to or which crosses any portion of the property owned or occupied by them, or any adjoining property, whether or not the watercourse flows continually or is seasonal, except with the prior written approval and consent of Consolidated Farm Service Agency and/or any other governmental entity that regulates such stream, spring, or watercourse, if applicable. Notwithstanding the foregoing, Owner may install a tank or pond to the extent not prohibited by applicable law.
18. **NOTICES:** All notices required to be given by the Restrictions will be deemed delivered when the notifying party (a) deposits written notice in the United States mail, first class, postage prepaid, certified mail, return receipt requested properly addressed to the Lot owner, or (b) hand delivers written notice in person to the Lot owner.
19. **DUMPING:** No wrecking yard or dumping ground will be permitted on the Property. No inoperable or wrecked vehicles may be stored on the Property. This includes but is not limited to cars, trucks, motorcycles, boats, aircraft, etc. The Lot will not be used or maintained as a dumping ground. All trash, garbage, or other waste will be kept in sanitary containers and out of sight except on collection days. No burning of trash, garbage, or other waste.
20. **EASEMENT:** Any Owner of tracts on public road frontage will provide a twenty foot (20') easement along the Property boundary abutting such public road for utility service of water, electric, or communication lines for the benefit of the adjoining tracts.
21. **SIGNS:** No signs advertising or billboards are allowed.
22. **APPLICABLE:** This Document may be attached to the first deed for conveyance of a Lot but is deemed to apply to all the Property, whether or not attached to each subsequent deed and shall be binding on all subsequent Owners of the Property.
23. **INVALIDITY:** If any provision contained in this Document is held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Document shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.
24. **CONSTRUCTION:** Whenever used herein, the singular number shall include the plural, and the plural number shall include the singular. The masculine, feminine or neuter gender shall be interpreted to include the other genders.
25. **BINDING:** The provisions of this Document shall be binding upon and inure to the benefit of the undersigned and their respective heirs, executors, administrators, successors and assigns.

These Restrictions, covenants, conditions and limitations are in all respects subject to, any applicable zoning regulations lawfully in force or hereafter adopted.

Executed to be effective on this the 11th day of January, 2017.

DECLARANT:

KJR HOLDINGS, LLC:

By: 

Name: Robert K. Marshall, IV

Title: Vice-President

ACKNOWLEDGMENT

STATE OF TEXAS

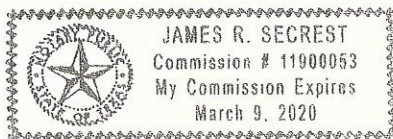
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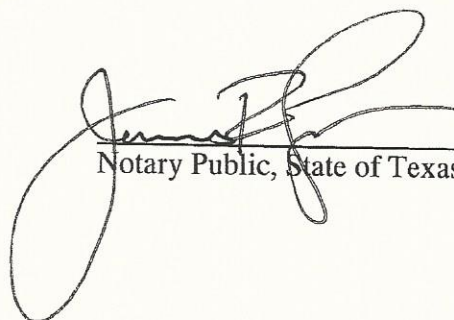
COUNTY OF BELL

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This instrument was acknowledged before me on this the 11th day of January, 2017, by Robert K. Marshall, IV, Vice-President of KJR HOLDINGS, LLC, a Texas limited liability company, in the capacity therein stated.




Notary Public, State of Texas