RESTRICTIONS FOR SADDLE VALLEY SUBDIVISION LOTS 1-14

WHEREAS, Saddleside Realty, Inc., hereinafter called the "Declarant", is the owner of all that certain real property located in Hill County, Texas, described in attached deed Exhibit "A".

WHEREAS, Declarant will convey the above-described properties, subject to certain protective covenants, conditions, restrictions, liens and charges as hereinafter set forth;

NOW, THEREFORE, Declarant hereby declares that all the properties described above shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with, the real property and be binding on all parties having any right, title or interest in the described properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

- 1. The premises shall be used primarily for residential purposes and no full time advertised commercial business shall be operated hereon. No part of the premises shall be used or maintained as a place for the acquisition, storage, procuring, disposition or sale of junk, used goods or bulk materials or goods.
- 2. All buildings to be erected shall be maintained in good repair. The wood exterior of all buildings shall be stained or painted with two coats of paint or stain.
- 3. No house trailer, mobile home, factory assembled home, truck body, basement, tent, shack, garage, barn, or other building or structure shall be used as a residence, temporarily or permanently. No outside toilet shall be allowed on said acreage.
- 4. All buildings shall be of new material, substantially and safely constructed of wood or masonry and maintained in good repair. All exterior wood shall be stained or painted. No residence of less than 1,500 square feet or living area, exclusive of garage and porches shall be permitted. Homes less than 2,000 square feet of living area must have 25% masonry exterior. Homes in excess or 2,000 square feet of living area have no masonry restriction. The exterior of all dwellings shall be constructed of common residential quality materials; either hardwood vertical lap boards or other material in vertical lap appearance, or stucco or brick.
- 5. Nothing contained within the restrictions shall prevent the Buyers from constructing a barn of any material so long as the material is safely constructed and is stained or painted with two (2) coats of stain or paint.

- 6. There shall not be placed on said acreage any new building nearer than 50 feet from any road line thereof, or within 50 feet from the property line of any abutting property owner.
- 7. The GRANTOR reserves the right to install electric service lines, gas, telephone, water mains, over and upon the 50 foot lanes described in the preceding paragraph and the right to license or permit the same to be done.
- 8. No noxious or offensive activity shall be carried on said acreage, nor shall anything to be done thereon which may be or become an annoyance or nuisance to the neighborhood.

 All sanitary arrangements must comply with all state and local health laws and regulations. No outside toilet shall be allowed on said acreage, or in connection therewith.
- 9. No acreage shall be re-subdivided. One (1) dwelling unit per lot allowed.
- 10. Household and domestic pets are allowed, but are limited in number. Excessive numbers of cats, dogs, etc. so as to constitute a commercial or large breeding operation are excluded. Livestock may not be kept on any lot in excessive numbers so as to create offensive odors or ground pollution from water run-off. Lot perimeter fences must be of good quality and kept in good repair. Livestock shall not exceed a density of one head per 2 acres.
- 11. No Lot shall be used or maintained as a dumping ground for rubbish or trash, and no garbage or other wastes shall be kept except in sanitary containers. All incinerators or other equipment for the storage or disposal of such materials shall br kept in a clean and sanitary condition.
- 12. All driveways connecting a Lot to any street, road or highway shall have drainage culverts acceptable to Hill County officials to prevent the damming or diversion of water flow or shall be built lower than the roads so as to prevent the damming or diversion of water flow.
- 13. The Declarant or any owner of any adjoining property shall have the right to enforce, by any proceedings at law or in equity, the covenants, conditions and restrictions of this declaration.
- 14. The covenants, conditions and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of, and be enforced by, the Declarant or the owner of any adjoining property, and their respective legal representatives, heirs, successors or assigns, and shall be effective for a term of twenty (20) years from the date this declaration is recorded, after which time said covenants, conditions and restrictions shall be automatically extended for successive periods of ten (10) years. The covenants, conditions and restrictions of this Declaration may not be amended.

These restrictions shall be considered as covenants running with the land and shall bind the PURCHASERS and their heirs, executors, administrators and assigns, and if the parties hereto, or

any of them or their heirs, successors or assigns shall violate or attempt to violate any of the covenants or restrictions herein contained, it shall then be lawful for any other person or persons owning any other adjoining property to prosecute any proceeds at law or in equity against the person or persons violating or attempting to violate any such covenants or restrictions, and either to prevent him or them from so doing or to recover damages or other dues for such violation. Any invalidation of any of these covenants or restrictions by judgment or court order in no wise shall effect any other provisions, which shall remain in full force and effect.

dk/F:/WP/DOCS/DONDI/CME/JOHNSON/SADDLE/SAVALLEY.DEC

Memo

To:

All Land Owners

From:

Randy Marsh

CC:

Date:

5/9/2005

Re:

Current Dues

Please be advised that the Saddleside H.O.A., at its last meeting, voted to forgive all outstanding dues for the year ending Dec. 31, 2004 and established a reduced fee for the year beginning Jan. 1, 2005. The new rate of dues owed to the association is \$5.00 per lot per month. This decision was predicated on the fact that the Home Owners Association had enough money to pay for the new gate and the road repairs. The association voted to repair the private road (PR326) and then put a gate at the east end of the road to prevent further damage due to excessive use. The road was constructed sufficient to accommodate the developments landowners traffic, but not sufficient to accommodate its present use. As the newly elected President of the association I wanted to inform every landowner of these decisions.

Due to the decision of the association to reduce the dues, please find below your current assessment of monies owed for the year 2005.

Please make your check payable to: Saddleside H.O.A

Please mail payment to: Randy Marsh-President

Phil Anderson-Treasurer

P.O. Box 134

6533 Woodland Drive

Bynum, Texas 76631

Dallas, Texas 75225 3252 COLL # 214-769-

Lot # Saddle Valley	Lot # Saddle Ridge #	= 7
Responsible party: LEDRGE +	MELANIE DON'EL	Kevin
Total Amount Due: # LD		Haine S
Thank you for your attention to this matt	er.	

Randy Marsh