

AMENDED RESTRICTIVE COVENANT AGREEMENT
FOR HIGHLAND HILLS SUBDIVISION

STATE OF TEXAS

1973

COUNTY OF BURNET

WHEREAS, it is the desire and intention of all respective owners of the contiguous and adjoining tracts of land in the Highland Hills Subdivision, Burnet County, Texas hereto to restrict said land according to a common plan as to use and permissible construction, so that all of said lands shall be benefited and each successive owner of all or a part of said lands shall be benefited by the preservation of the value and the character of said lands;

NOW, THEREFORE, for and in consideration of the mutual promises, covenants and agreements of the parties hereto, each to the others as Covenantors and Covenantees, and expressly for the benefit of, and to bind, their successors in interest, the said parties agree as follows:

1. All tracts shall be used for residential purposes only, and no residence shall be erected, altered, placed, or permitted to remain on any tract other than one detached, single family dwelling unit per tract. No mobile nor modular homes; no duplexes, condominiums, or multifamily dwelling units of any type, kind, or size shall be erected, placed, or permitted to remain on any tract.

1a. All persons owning multiple adjacent tracts shall be allowed to use such tracts as supporting tracts to the residential tract. A supporting tract is governed by the same restrictions set out herein as a residential tract except it has no residence requirement.

1b. If a supporting tract is sold with an outbuilding on it, a residence must be completed within one year on such supporting tract.

2. No building, fence, wall, or other structure shall be commenced, erected, or maintained upon the Properties, nor shall any exterior addition to, or change or alteration

therein, be made upon any tract, until the plans and specifications showing the nature, kind, shape, height, materials, and location of the same shall have been submitted to, and approved in writing by the Architectural Control Committee of the Highland Hills Subdivision as to harmony of external design and location in relation to surrounding structures and topography. No outbuilding may be constructed on any tract until the residential dwelling has been commenced.

3. No building, including residential dwelling units and barns shall be located nearer than thirty (30) feet to the front property line, and must be constructed parallel, or as nearly parallel as may be practicable, to the street-line or the radius of the curve of the street. No residential dwelling unit shall be located nearer than thirty (30) feet to any side street on any tract in this subdivision, nor nearer than ten (10) feet to any interior tract line. No residential dwelling unit shall be located on any interior tract nearer than (10) feet to the rear tract line. For the purpose of this covenant, eaves, steps, and open porches shall not be considered as a part of a building; provided; however, that this shall not be construed to permit any portion of a building on a tract to be nearer than six (6) feet to any interior tract line or nearer than twenty-six (26) feet to any side street line.

4. There shall be no resubdivision of the original platted tracts in Highland Hills Subdivision so that any tract in the subdivision will contain less than 5 acres.

5. There shall be no easements allowed upon any tract or property located within the Highland Hills Subdivision, except the easements to utility companies or water districts exclusively for the installment and maintenance of utility and drainage facilities and to the Veterans Land Board if required in order to build upon the property. All other easements are strictly prohibited.

6. No structure of a temporary character, trailer, mobile home, basement, tent, shack, barn or other outbuilding shall be used on any tract at any time as a residence, either temporarily or permanently. No building or structure of any kind shall be moved onto any tract or constructed on any tract without first obtaining prior written majority approval by the Board of Directors and the Architectural Control Committee of the Highland Hills Subdivision. Residences shall contain no less than 1400 square feet of living area for one story detached, single family dwelling units and no less than 2000 square feet for multistory, detached, single family dwelling units, exclusive of porches, breezeways, garages and carports. No residence shall be occupied until the exterior has been completed. The exterior shall be completed within six (6) months from the date construction starts.

7. All detached, single family dwelling units shall be served by septic tanks of adequate capacity; sewer lines carrying detergents from kitchens and washing machines shall by-pass septic tanks and extend to lateral lines. Sewer systems connected to each dwelling shall have lateral lines of at least 300 feet in length and all property owners in the subdivision will at all times be subject to the rules and directives of the County Health Officer as to sewage disposal and shall conform with the requirements of State, County and local health departments.

8. No obnoxious, offensive, or unlawful use shall be carried on upon any tract, nor shall anything be done thereon which may be or become an annoyance, nuisance or unsightly to the neighborhood.

9. No tract shall be used or maintained as a dumping ground for rubbish or trash, and no garbage or other waste shall be kept except in sanitary containers. All incinerators or other equipment for the storage and disposal of

such materials shall be kept in a clean and sanitary condition. No passenger cars, trucks, or airplanes shall be allowed to remain on any property that do not have a valid Texas inspection sticker and a valid Texas registration or a valid federal number if applicable unless housed in an enclosed building.

10. No commercial activity to which the general public is invited or which causes the influx or outgo of traffic in the subdivision shall be conducted on any tract. Each residence may have one (1) garage sale per year.

11. Animals will be allowed if a tract has been properly fenced to contain such animals, dogs and cats are excepted unless they create a nuisance. It is, specifically agreed that there will be no commercial operation pertaining to said animals permitted upon any said tract if said commercial operation creates an influx or outgo of traffic or constitutes a nuisance.

12. No surface mining, quarrying, selling topsoil, or oil or gas production shall be permitted on any tract.

13. There shall be no discharge of firearms; shot-guns excepted.

14. No signs shall be allowed on any tract without first receiving written approval by the Architectural Control Committee.

15. An assessment of \$100.00 per tract per year shall run against each tract to be used for the road maintenance, enhancement, protection and safety of the property rights of the Highland Hills Subdivision. Such assessment shall be and is hereby secured by a lien on each tract and shall be payable to the Treasurer of the Highland Hills Subdivision on the first day of January of each year commencing January 1, 1986.

The responsibility for extending the assessment towards the enhancement, protection, and safety of Highland Hills and for providing for the maintenance of access roads, and/or enforcing the restrictions contained herein, shall be vested in the Board of Directors of the Highland Hills Property Owners Association. In the event of the death or resignation of any member of said committee the remaining member or members shall designate a successor(s).

16. Enforcement shall be by proceedings at law or in equity against any person or persons violating or attempting to violate any covenant, either to restrain violation or to recover damages. All covenants and restrictions are for the benefit of the entire subdivision and shall be binding upon the purchaser or his or her successors, heirs and assigns, and may be enforced by a property owner of the subdivision.

17. Invalidation of any one of these covenants or restrictions by judgment or Court order shall in no way affect any of the other provisions, which shall remain in full force and effect.

18. These covenants, conditions, and restrictions shall run with and bind the land, and, unless amended as provided herein, shall be effective for a term of twenty (20) years from the date they are recorded, after which time these covenants, conditions, and restrictions shall be automatically extended for successive periods of ten (10) years. These covenants, conditions, and restrictions contained herein may be amended by an instrument signed by the owners of seventy five (75%) percent of the tracts, each tract being recorded as one (1) vote. No amendment shall be effective until duly recorded in the office of the County Clerk, Burnet County, Texas.

DATED: March 12, 1986

Page Five

HIGHLAND HILLS PROPERTY OWNERS
ASSOCIATION

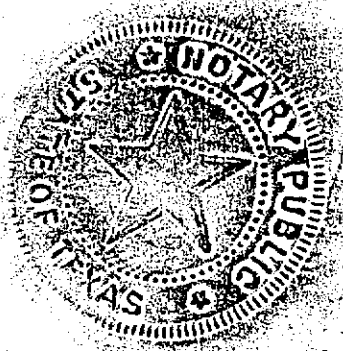

By: EDDIE G. SHELL, President

ACKNOWLEDGMENT

THE STATE OF TEXAS

COUNTY OF BURNET

The foregoing instrument was acknowledged before me on the 12th day of March, 1986, by EDDIE SHELL, President of Highland Hills Property Owners Association, a nonprofit Corporation, on behalf of said Corporation.



Allison Chism

NOTARY PUBLIC in and for

The State of Texas

My Commission expires: 7/17/89

Allison Chism

VOL 357 PAGE 865

AFFIDAVIT

THE STATE OF TEXAS

COUNTY OF BURNET

"My name is JAMES B. HENDERSON, JR. I have read the attached "Amended Restrictive Covenant Agreement for Highland Hills Subdivision" in full. I am the owner of tract(s) 15010, 15011, 15012 located within this subdivision. By signing my name below, I am voting that these Amended Restrictions be passed and become effective as soon as legally possible."

James B. Henderson, Jr.

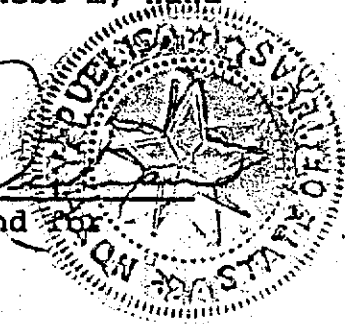
SUBSCRIBED AND SWORN to before me this the 12th day of March, 1986, to certify which witness my hand and seal of office.

Laura L. Dishman

NOTARY PUBLIC in and for
The State of Texas
LAURA L. DISHMAN

My Commission expires:

3-01-89



AFFIDAVIT

THE STATE OF TEXAS

COUNTY OF

"My name is George Atkinson. I have read the attached "Amended Restrictive Covenant Agreement for Highland Hills Subdivision" in full. I am the owner of tract(§) #15021 located within this subdivision. By signing my name below, I am voting that these Amended Restrictions be passed and become effective as soon as legally possible."

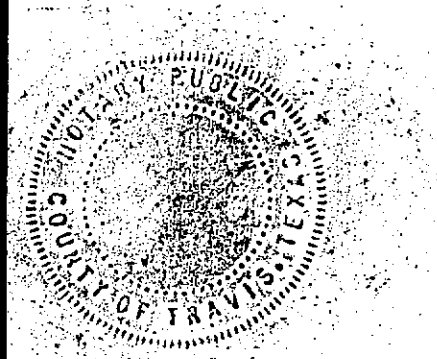
George J. Atkinson

SUBSCRIBED AND SWORN TO before me this 22nd day of May, 1985, to certify which witness my hand and seal of office.

Agnes D. Willinson

Notary Public in and for
The State of Texas
Agnes D. Willinson
My Commission expires: 1/25/88

VOL 357 PAGE 867



AFFIDAVIT

THE STATE OF TEXAS

COUNTY OF

"My name is Erann Anders. I have read the attached "Amended Restrictive Covenant Agreement for Highland Hills Subdivision" in full. I am the owner of tract(s) Seven located within this subdivision. By signing my name below, I am voting that these Amended Restrictions be passed and become effective as soon as legally possible."

Erann Anders

SUBSCRIBED AND SWORN TO before me this 28 day of May, 1985, to certify which witness my hand and seal of office.

Anita Bailey
Notary Public in and for
The State of Texas
Anita Bailey
My Commission expires: 6-12-88

VOL 357
PAGE 868

AFFIDAVIT

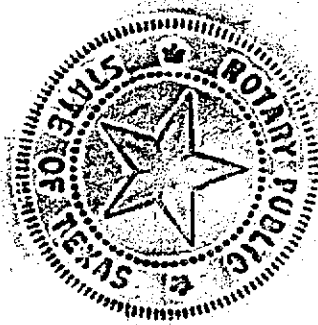
THE STATE OF TEXAS

COUNTY OF

"My name is DALE CORAN SHELL I have read the attached "Amended Restrictive Covenant Agreement for Highland Hills Subdivision" in full. I am the owner of tract(s) 15005 located within this subdivision. By signing my name below, I am voting that these Amended Restrictions be passed and become effective as soon as legally possible."

Dale Coran Shell

SUBSCRIBED AND SWORN TO before me this 11th day of May, 1985, to certify which witness my hand and seal of office.



Karen Bird
Notary Public in and for
The State of Texas

My Commission expires: 7-12-86

KAREN BIRD

AFFIDAVIT

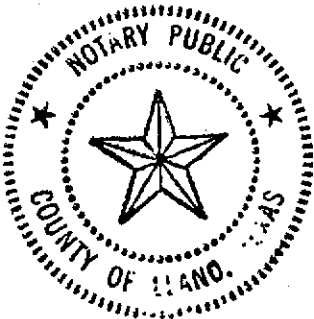
THE STATE OF TEXAS

COUNTY OF

"My name is Alan R. Houdek. I have read the attached "Amended Restrictive Covenant Agreement for Highland Hills Subdivision" in full. I am the owner of tract(s) 15019 and 15029 located within this subdivision. By signing my name below, I am voting that these Amended Restrictions be passed and become effective as soon as legally possible."

Alan R. Houdek

SUBSCRIBED AND SWORN TO before me this 21st day of May, 1985, to certify which witness my hand and seal of office.



Patsy Frazier
Notary Public in and for
The State of Texas
Patsy Frazier
My Commission expires: 9-30-88

VOL 357 PAGE 870