Deed Restrictions

Subdivision of Mill Creek Crossing - Section One

Polk County, Texas

The Subdivision of Mill Creek Crossing - Section One, (the "Property"):

1. Use of Property. Unless otherwise expressly disallowed by these Deed Restrictions, the Property may be used for any purposes permitted under the applicable zoning laws of Polk County, Texas ("County"). The Property is prohibited from use as (i) a commercial storage or resale facility for scrap materials of any type, including inoperable vehicles or disassembled mechanical equipment; (ii) the commercial breeding, raising, or sale of hogs, canines, or exotic animals commonly considered to be of a dangerous nature.

2. Trash and Debris. Any refuse, household trash, scrap materials, inoperable vehicles, or disassembled mechanical equipment held onsite for personal use must be located inside a Permanent Structure (further defined) or in a manner to render these materials not visible to the unaided eye from adjacent property owners and the public right-of-way. Toxic waste is not permitted to be stored in any manner or form on the Property.

3. Dwelling Type and Size Guidelines. The total ground floor area of a dwelling structure on the Property ("Dwelling Structure"), defined as an enclosed structure intended as living quarters to persons residing on the Property, shall be a minimum of eight hundred (800) square feet, exclusive of open porches, garages and carports, and shall be setback a minimum of seventy-five (75) feet from the Property boundary adjacent to the public right-of-way and twenty-five (25) feet from all other Property boundaries. Metal-fabricated buildings designed for residential use (sometimes referred to as "barndominiums"), are a permissible Dwelling Structure to the extent allowed by the County. Mobile and manufactured homes ("M and M Homes") with a manufactured date within sixty (60) months of the first date such M and M Homes are delivered to and installed on the Property are permissible for use as a Dwelling Structure. M and M Homes must be installed to meet all County, State and Federal regulations for such structures. All M and M Homes shall be installed and finished in a workmanlike manner without visible exposure of the underpinnings. The number of

Dwelling Structures and residents therein that are located within the boundaries of a particular lot of the subdivided Property shall not exceed the lesser of that allowable by the zoning laws of which the Property is governed by -OR- one (1) Dwelling Structure per two (2.0) acres. All buildings of any type constructed on the Property shall be properly permitted and conform to all County regulations. Once begun, all onsite construction of any type (i.e. buildings, fences, roads, septic systems, water wells, etc.) will be built to a finished state within a reasonable time period not to exceed eighteen (18) months from commencement of construction, as defined by the date the first related material(s) were delivered or installed in any manner onto the Property.

4. Sanitary Facilities. At minimum, all Dwelling Structures shall be equipped with a septic system which follows the laws, regulations, and permitting of the County and the State of Texas for such systems.

5. Permanent Structures. All structures and buildings located on the Property that are built with an implied or expressed intent to remain in place for a period greater than six (6) months must rest on, or otherwise be supported by, a permanent foundation which meets all applicable regulations ("Permanent Structure").

6. Outbuildings. Outbuildings that are unattached to a Dwelling Strucure, as further defined as Permanent Structures above, shall be built to a finished state in a manner to prevent deterioration.

7. Perimeter Fences. Perimeter fencing is limited to privacy and security purposes of the lot. Acceptable fence designs include the commonly accepted definitions for vertical and horizontal wood-board, split-rail, metal-pipe, chain-link, barbed-wire, and any other fencing commonly found throughout the County for residential and agricultural uses. Materials that are otherwise considered dangerous to the welfare of the public or native wildlife, such as razor-wire, are expressly prohibited. All fencing of any type and location shall conform to the regulations of the County.

8. Animals. Domestic livestock (i.e. horses, cattle, goats, chickens, etc.) and pets (i.e. dogs, cats, etc.) are permitted on the Property to the extent allowable by the County. Domestic livestock and pets must be permanently constrained to ensure the animals remain within the lot boundaries of their respective owners, unless expressly permitted otherwise by neighboring property owners. Animals may not be constrained in any manner generally considered to be harmful or neglectful, including restraint by leash or held in under-sized pens or kennels for extended periods. All animals must be actively cared for and tended to by the property owners or the owners' leasehold tenants to the standard of care commonly accepted by local, licensed veterinary science physicians.

9. Recreational Vehicles. Recreational vehicles (including motor homes, 3/4-wheelers, travel trailers, motorcycles, boats, jet-skis, and other vehicles of similar recreational character) are allowed on the Property. Recreational vehicles that are functional and operable but otherwise not in regular use, as defined by remaining in a state of inactivity or immobility for a period exceeding six (6) months, shall be located in a manner such that the recreational vehicle is not visible to the unaided eye from the public right-of-way, such as behind or within a Permanent Structure, enclosure, or fence system. Recreational vehicles located on the Property that are not functional or operable, and that remain in such state for a period exceeding fifteen (15) days, shall be located in a manner such that the recreational vehicle is not visible to the unaided eye from adjacent property owners and the public right-of-way.

10. Quality and Design. Permanent Structures, outbuildings, fences, and other such constructed elements to be located on the Property must meet the standards of quality and design with respect to that which is professionally designed and constructed for improved property located in the surrounding community of the County and the State of Texas.

11. Maintenance. All constructed elements and improvements of any type must be kept in good, workable condition with regular maintenance and care provided by the property owners and the property owners' leasehold tenants. Exterior surfaces visible to the unaided eye from adjacent property owners and the public right-of-way of all built structures and elements must well maintained and free of excessive deterioration. All improved and unimproved areas within the Property boundaries that are visible to the unaided eye from adjacent property owners and the public right-of-way shall remain free of trash and debris. The burning of brush and vegetation is subject to the rules and regulations of the County.

12. Duration. These restrictions are binding and enforceable by the collective owners of the Property and the governmental authorities of the County and other related municipalities for an effective period of ten (10) years following the date these Deed Restrictions are recorded with the County, after which time said restrictions shall be automatically extended for successive five (5) year periods, not to exceed four (4) such successive extended periods, unless terminated or amended by a recorded vote of a simple majority of all current owners of the subdivided Property.

13. Conveyances. At the time that a purchaser or lessee of the Property shall become entitled to a conveyance and use of all or part of such property covered by such related contract, these restrictions shall be incorporated in such conveyance as covenants

and restrictions running with the land for the duration of the remaining effective period of these Deed Restrictions.

14. Enforcements. If the restrictions and covenants detailed herein are violated, the collective owners of the subdivided Property and the governmental authorities of the County may pursue all civil enforcement actions allowable by law. If one or more of the restrictions and covenants described herein is deemed invalid or unenforceable, all others are to remain in force.

These Deed Restrictions are filed with the Polk County Clerk's office in Livingston, Texas.

BY SIGNING BELOW, ALL LISTED PERSONS ACKNOWLEDGE THEIR RECEIPT AND UNDERSTANDING OF, AS WELL AS THEIR ONGOING LEGAL OBLIGATIONS UNDER, THE DEED RESTRICTIONS DETAILED HEREIN AND AGREE TO THE STRICT PERFORMANCE AND ENFORCEMENT OF SAME.

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<Name> Date

Block <#> Lot <#>