

WEST SIDE

RESTRICTIONS

It is fully understood and expressly agreed by Grantee that this conveyance is made subject to and is expressly accepted by Grantee subject to all of the covenants herein and hereby made by said Grantee and further subject to the condition that the real property herein conveyed, hereinafter called "The Tract", shall at no time be used in whole or in part in violation of the following development and use conditions, restrictions, and covenants or any of them, to-wit:

(A) The Tract shall be used for non-residential commercial purposes only, and, as such, no residence of any nature, except for reasonable overnight accommodations for transient personnel, shall ever be constructed or maintained on The Tract or any part thereof. By way of enlargement and not by way of limitation of the foregoing requirements, no trailer, mobile home, camper, recreational vehicle, tent, shack, portable building, or other such temporary structure shall ever be placed on The Tract or any part thereof or used at any time as a residence thereon. This requirement, however, shall not preclude the use of a temporary building for storage purposes only during the active construction of a permanent building, but such temporary storage building must be removed totally from The Tract immediately upon completion of the permanent building.

(B) The Tract shall be used only for the purpose of hangaring, keeping, maintaining, and operating aircraft, and if a hangar is erected on The Tract for such purpose, then The Tract may be used for the additional purpose of constructing and maintaining associated office, lounge, and storage space to be used in conjunction with Grantee's normal and usual aviation operations. As used herein, the term "aviation operations" shall include any or all of the following types of commercial aviation activities, and no others, to-wit: (1) hangaring of aircraft for compensation, (2) fueling and/or servicing of aircraft for compensation (subject to the provisions of Paragraph J hereinbelow), (3) aircraft repair and maintenance shop, (4) aircraft paint shop or upholstery shop, (5) aircraft radio or instrument repair shop, (6) aviation flight training school, including ground school, (7) aircraft dealership or distributorship, (8) air taxi, air ambulance, air freight, or other scheduled or unscheduled aircraft charter or passenger service, (9) aircraft manufacturing and/or outfitting (but specifically excluding the salvaging of aircraft), (10) any service activity (e.g., restaurant, cafeteria, snack bar) which is closely associated with and logically and reasonably related to Grantee's normal and usual aviation operations as defined hereinabove and which is carried on primarily for the comfort, convenience, and benefit of Grantee's regular customers and/or employees, and (11) any other commercial activity first approved in writing by the David Wayne Hooks Memorial Airport. As much as possible all aircraft normally and regularly based on or operated from The Tract must be kept hangared when not in actual use, and a hangar must be either fully erected or under active construction on the ground before any aircraft of any type may be based on or operated from The Tract or any part thereof.

(C) No building or other structure shall be erected or placed on The Tract or any part thereof nor subsequently added to or modified in any way unless said building, structure, addition, or modification fully complies with all specifications and standards as to structural integrity appropriate thereto as set forth in the Southern Building Code for the Texas Gulf Coast region (or such other standard building or engineering code, guidelines, or regulations as may be applicable and generally recognized and followed at the time by the building and

EXHIBIT "B"

construction industry and trades in Harris County, Texas), and all engineering and construction plans and specifications therefor must be prepared and fully approved in writing by a registered professional engineer licensed and certified by the State of Texas. In addition to and by way of enlargement and not by way of limitation of the foregoing requirements, no building or other structure shall be erected or placed on The Tract or any part thereof nor subsequently added to or modified in any way unless and until all engineering, construction, and architectural plans and specifications (including all site and plot plans) therefor are first submitted to and approved in writing by the David Wayne Hooks Memorial Airport, which approval shall not be withheld unreasonably.

(D) No portion of The Tract may be subdivided into two (2) or more parcels of land at any time without the express prior written approval of the David Wayne Hooks Memorial Airport, which approval shall not be withheld unreasonably. All buildings or other structures erected, placed, or maintained on The Tract or any part thereof shall be of a permanent nature and shall be constructed and set back (a) at least fifty (50) feet from any common-use aircraft taxiway area or ramp area officially designated as such at the time by the David Wayne Hooks Memorial Airport and (b) either five (5) feet or more from all other boundary lines of The Tract or no closer to such boundary line(s) than the internal edge of any roadway, utility, or other easement or right-of-way along same, whichever distance is greater. Additionally, Grantee expressly agrees that adequate clearance will be provided for and left in order that no aircraft, automobile, truck, or other vehicle shall ever be parked upon, along, or across any roadway or taxiway serving or intended to serve The Tract or any neighboring or adjacent Tracts. No fence, wall, or similar barrier may be erected or placed on The Tract or any part thereof without the express prior written approval of the David Wayne Hooks Memorial Airport, and any fence, wall, or similar barrier which is so approved must comply with all setback and clearance requirements set forth in this paragraph, including the requirement that any such fence, wall, or similar barrier must not extend out beyond the front wall or doors of any hangar erected on The Tract. Grantee further expressly agrees that adequate clearance will be provided for and left in order that no aircraft, automobile, truck, or other vehicle shall ever encroach upon property adjacent to The Tract.

(E) In conjunction with Paragraph (B) hereinabove, it is expressly understood and agreed that Grantee by this conveyance has no right or privilege, either express or implied, of access to or use of the David Wayne Hooks Memorial Airport and its facilities except as specifically granted and defined in and by a License Agreement as may be entered into by and between Grantee and said Airport. This restriction additionally applies to all tenants, lessees, sublessees, invitees, licensees, permittees, assigns, and successors in interest of Grantee, and Grantee hereby agrees to expressly inform all such parties of same.

(F) No building or other structure erected or placed on The Tract or any part thereof shall exceed in height the limit permitted by Federal Aviation Administration or other regulations currently or hereafter in force and effect governing airports and buildings and other structures located and maintained on and around airports.

(G) All owners, occupants, lessors, lessees, sublessees, tenants, and/or other users of The Tract shall jointly and severally have the duty and responsibility, at their sole cost and expense, of keeping The Tract and each structure and building site thereon in a well-maintained, safe, clean, and attractive condition at all times.

EXHIBIT "B"

Grass, weeds, shrubs, and other vegetation (including trees) on The Tract shall be cut or trimmed, as appropriate, as often as may be necessary in order to maintain an attractive appearance and to minimize the danger of fire on The Tract. During the time The Tract is in a substantially unimproved condition Grantor expressly reserves the right, but shall not be obligated so to do, without the necessity of Grantee's approval or concurrence, to enter upon The Tract at any time for the purpose of mowing grass, weeds, and other vegetation should Grantor in its sole judgment and discretion determine that a fire hazard to adjacent and surrounding property exists, and Grantee hereby expressly covenants and agrees to reimburse Grantor for the cost thereof. By way of enlargement and not by way of limitation of the foregoing, no abandoned vehicles shall be stored or parked on The Tract, all refuse piles and storage areas shall be appropriately shielded so as to present an attractive appearance at all times, and no used or discarded lubricating oil, grease, hydraulic fluid, cleaning fluid, or other similar substances or products shall be poured upon or otherwise deposited onto The Tract or any part thereof nor into any drainage ditch adjoining same nor onto any other property adjacent to The Tract. Grantee and the other parties first recited hereinabove shall jointly and severally have the duty and responsibility, at their sole cost and expense, of maintaining all drainage ditches and culverts on or adjacent to The Tract in a clean and attractive condition at all times, and such ditches and culverts, including the area between same and the edge of any pavement adjacent thereto, shall be mowed or trimmed, as appropriate, and kept free of all trash, rubbish, and other objects as often as may be necessary in order to facilitate proper drainage and present a neat appearance.

(H) No use shall ever be made of The Tract or any part thereof which in any manner would create an offensive odor or emit smokes that would interfere with the operation of an airport, and, by way of enlargement and not by way of limitation of this requirement, no livestock or other animals shall ever be kept or pastured on The Tract or any part thereof.

(I) No activities which are unlawful or illegal or which are noxious or offensive or constitute a nuisance or health hazard to the neighborhood or which are hazardous by reason of danger from fire or explosion may be conducted upon any part of The Tract. By way of enlargement and not by way of limitation of the foregoing, the use or discharge of pistols, rifles, shotguns, and other firearms is strictly prohibited on The Tract or any part thereof. This restriction, however, shall not apply to the reasonable possession and use of firearms in conjunction with his normal employment duties by a properly trained and currently licensed security guard on the premises.

(J) No part of The Tract shall ever be used for the storage or sale of automotive gasoline or related petroleum products, aviation gasoline, diesel fuel, jet fuel, lubricating oil, or other petroleum products which in any manner would constitute any form of competition with the normal and usual business operations of the David Wayne Hooks Memorial Airport without the express prior written permission of said Airport. However, this limitation does not preclude Grantee or a business owned and operated by same from keeping in stock a reasonable supply of lubricating oil, grease, and/or hydraulic fluid to be used exclusively in aircraft without such permission.

(K) Grantee shall not erect, maintain, or display any advertising signs, posts, or similar devices at or on The Tract without the express prior written approval of the David Wayne Hooks Memorial Airport, which approval shall not be withheld unreasonably. However, on those interior portions of improvements located on The Tract which are not visible from outside said improvements Grantee may install

directional and identification signs necessary for Grantee's operations without such prior approval.

(L) Grantee agrees to provide the management and labor personnel necessary to conduct the aviation operations and maintain the aviation facilities of Grantee in a first class manner and, as such, further agrees to perform continuing maintenance upon Grantee's facilities on The Tract, including related and associated appurtenances, landscaping, paved areas, and installed and operating equipment. In addition, Grantee agrees to provide all necessary cleaning services, janitorial and custodial services, trash removal services, and any and all other related services necessary to maintain the improvements on The Tract in good condition. Such maintenance shall be at Grantee's sole cost and expense and will be subject to general monitoring by the David Wayne Hooks Memorial Airport to ensure continuing high quality of appearance and structural conditions commensurate with maintenance and safety standards of said Airport.

(M) The installation of sewage and waste water disposal and/or treatment systems on The Tract or any part thereof shall be accomplished in strict compliance with all standards and requirements governing same as set forth in and established by applicable federal, state, and local laws and regulations.

(N) If The Tract or any portion thereof is approved for subdivision as provided in Paragraph (D) hereinabove, then prior to final approval as herein provided of plans for each and every hangar to be built on The Tract or any portion thereof and before actual construction of such hangar is commenced on the ground, Grantee first must file for public record in the Official Public Records of Real Property of Harris County, Texas, an instrument satisfactory to and approved by Grantor styled "Declaration of Tract" declaring each and every portion of The Tract being so developed with a hangar facility to be a separate and distinct tract or parcel of land for such purpose and setting forth the dimensions of same, such dimensions to be consistent with and such tract(s) or parcel(s) of land to be fully subject to all requirements of applicable deed restrictions.

(O) No wine, whiskey, beer, liquor, or other intoxicating or alcoholic beverage in any form shall ever be sold, served, distributed, dispensed, stored, or consumed on The Tract or any part thereof without the express prior written permission and approval of the David Wayne Hooks Memorial Airport.

(P) The definition of the word "hangar" as used throughout these covenants and restrictions (A) through (S) and each of them specifically excludes the type of hangar commonly referred to as a "T-hangar" and is further defined as having an interior concrete slab area for the storage of aircraft of at least two thousand one hundred sixty (2,160) square feet.

(Q) The setback requirements of Paragraph (D) hereinabove notwithstanding, which requirements otherwise shall remain in full force and effect, should Grantee own the property immediately adjoining and entirely contiguous to either of the side boundary lines of The Tract at the time construction of any improvement on The Tract is actively commenced on the ground, then there shall be no setback requirement as to such common boundary line only; provided, however, that this limited modification of the setback requirements set forth herein shall never be construed as allowing any encroachment upon any easement by any building or other improvement or structure, and provided further that prior to final approval as herein set forth of plans for each and every such improvement to be built on The Tract or any portion thereof and before actual construction of such improve-

ment is commenced on the ground, Grantee first must file for public record in the Official Public Records of Real Property of Harris County, Texas, an instrument satisfactory to and approved by Grantor styled "Declaration of Tract" declaring each and every portion of The Tract being so improved and developed to be a separate and distinct tract or parcel of land for such purpose and setting forth the dimensions of same, such dimensions to be consistent with and such tract(s) or parcel(s) of land to be fully subject to all requirements of applicable deed restrictions.

(R) If Grantee or any other person, firm, corporation, organization, or entity shall violate or attempt to violate the restrictions and covenants or any of them herein set forth, it shall be lawful for Grantor, its successors, assigns, and legal representatives, or for any person, firm, corporation, organization, or other entity owning or operating the David Wayne Hooks Memorial Airport or any part of the land included therein to prosecute proceedings at law and in equity against Grantee, Grantee's heirs, executors, administrators, successors, assigns, and/or legal representatives or any other person, firm, corporation, organization, or entity violating or attempting to violate said restrictions and covenants or any of them, either to prevent them from so doing or to correct such violation or to recover damages or other relief for such violation. Invalidation of any one or any part of these restrictions and covenants by judgment or court order shall in no way affect any of the other provisions or partial provisions of same, which shall remain in full force and effect.

(S) These restrictions and covenants are hereby declared to be covenants running with the land (The Tract) and shall be fully binding upon all persons, firms, corporations, and other organizations or entities acquiring an interest in The Tract or any part thereof, whether by descent, devise, inheritance, purchase, lease, assignment, or otherwise, and the Grantee herein and any other person, firm, corporation, organization, or entity by the acceptance of title to or other interest in any portion of The Tract shall thereby agree and covenant to abide by and fully perform the foregoing restrictions and covenants and each of them. Said restrictions and covenants shall be in force and effect only as long as the David Wayne Hooks Memorial Airport or any other public-use airport adjacent to The Tract continues in operation without a cessation of normal business activity for a period in excess of one (1) year.

END OF RESTRICTIONS

EXHIBIT "B"

Page 5 of 5