

SPECIAL WARRANTY DEED

STATE OF TEXAS §

§

COUNTY OF MONTGOMERY §

KNOW ALL MEN BY THESE PRESENTS, that *CHAMPION REALTY CORPORATION*, a Delaware corporation (hereinafter called the "Grantor"), acting herein by and through its officer hereunto duly authorized, for and in consideration of *TEN AND NO/100 DOLLARS (\$10.00)* and other good and valuable consideration paid to the Grantor by *MARK WAYNE HOLT*, hereinafter called the "Grantee", whether one or more), the sufficiency of which consideration is hereby confessed and acknowledged by the Grantor, has *GRANTED, BARGAINED, SOLD* and *CONVEYED*, and by these presents does *GRANT, BARGAIN, SELL* and *CONVEY* unto the Grantee, whose mailing address is 1515 Wilson Road, Suite 7, Conroe, Texas 77304, the surface estate only of that certain real property and premises containing 20.22 acres, more or less, together with all improvements thereon, situated in Montgomery County, Texas, more particularly described in Exhibit "A" attached hereto and made a part hereof for all purposes (hereinafter called the "Subject Tract").

TO HAVE AND TO HOLD the Subject Tract, together with all and singular the rights and appurtenances thereto in anywise belonging, unto the Grantee, Grantee's heirs and assigns, forever; and the Grantor does hereby bind itself, its successors and assigns, to *WARRANT* and *FOREVER DEFEND* all and singular the Subject Tract unto the Grantee, Grantee's heirs and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof, by, through or under Grantor, but not otherwise, subject, however, to the reservations, covenants and restrictions set forth herein and to lawful and validly enforceable claims of third persons, if any, under or with respect to the matters or items listed in Exhibit "B" attached hereto and made a part hereof for all purposes (hereinafter called the "Permitted Encumbrances"), and subject, also, to any rules, regulations, and subdivision zoning, planning or platting ordinances if any, affecting the Subject Tract, promulgated by state, county, municipal or other authorities, in effect at the time of this conveyance. The references to lawful claims, if any, of third persons contained herein in connection with the Permitted Encumbrances are made for the exclusive purpose of exceptions from the Grantor's warranty herein, and no reference or recital herein contained shall operate to enlarge, recognize, ratify, revive or confirm rights, if any, of third persons.

Grantor excepts herefrom such valid mineral and royalty interests in the Subject Tract as may appear of record in the Official Public Records of Real Property of Montgomery County, Texas, and Grantor further excepts herefrom and expressly reserves unto itself, its successors and assigns, all oil, gas and other minerals not heretofore reserved by or conveyed to Grantor's predecessors in interest which are in and under and that may be produced or saved from the Subject Tract, it being understood and agreed that this interest shall be for the benefit of and be owned by Grantor, and its successors and assigns, and that in no event by warranty, estoppel, reversion, or otherwise, shall Grantee or Grantee's successors or assigns acquire any part of the mineral estate in the Subject Tract as a result of this conveyance.

This Deed is further made and accepted upon and subject to the following restrictions and covenants which shall run with the land and benefit other lands owned by Grantor adjacent to or in close proximity to the Subject Tract, including lands owned by Grantor in the J. C. Pitts Survey, A-28, Montgomery County, Texas, for a period ending thirty (30) years from the date hereof (with the exception of the restriction enumerated at subparagraph (g) below which shall not terminate):

- (a) The restrictions as set forth in that certain West Restriction Agreement dated effective February 22, 1994, by the Owners of the Property (as such terms are defined therein), and recorded on September 21, 1994, under Clerk's File No. 9453639, in the Real Property Records of Montgomery County, Texas, a copy of which (with signature and acknowledgment pages omitted) is attached hereto as Exhibit "C" and made a part hereof for all purposes. The West Restriction Agreement was also recorded on October 26, 1994, under Clerk's File No. 9460010, in the Real Property Records of Montgomery County, as to the signatures only .

To the extent the restrictions filed of record or as contained on Exhibit "C" are less onerous than Grantor's standard restrictions that follow, the following restrictions shall govern:

- (b) No structure of a temporary character in the nature of a basement, tent, shack, garage, barn or other outbuilding shall be used on any portion of the Subject Tract at any time as a residence, either temporarily or permanently. A temporary building may be placed on the Subject Tract only if such building is necessary as a construction shack, and its placement on the Subject Tract shall be allowed only if approved by Grantor upon prior request in writing made to Grantor;
- (c) Residences and other buildings on the Subject Tract shall be constructed of new materials, neither old nor second-hand houses or buildings shall be moved onto the Subject Tract nor shall any residence or building be erected on the Subject Tract with second-hand lumber or second-hand building materials and all such buildings shall be of solid construction and complete on the exterior;
- (d) No outside toilet facilities, portable or otherwise, shall be maintained on the Subject Tract, except as such temporary facilities are placed upon the Subject Tract in connection with construction activity, pursuant to approval by Grantor. Drainage into any road, street, alley or other public ditches, either directly or indirectly, is strictly prohibited. Any sewage disposal system shall be of a type approved by the county and/or state department of health and shall be maintained by Grantee or Grantee's heirs and assigns at all times in

proper sanitary condition and in accordance with applicable state, county and city laws;

- (e) The Subject Tract shall not be used or maintained as a dumping ground for rubbish or trash and no garbage or other waste shall be kept upon the Subject Tract 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. Notwithstanding the foregoing, no Hazardous Substance shall be brought onto, installed, used, stored, treated, disposed of or transported over the Subject Tract, and all activities on the Subject Tract shall, at all times, comply with Applicable Law. The term "Hazardous Substance" shall mean any substance which, as of the date hereof, or from time to time hereafter, shall be listed as "hazardous" or "toxic" under the regulations implementing The Comprehensive Environmental Response Compensation and Liability Act ("CERCLA"), 42 U.S.C. §§9601 *et seq.*, The Resource Conservation and Recovery Act ("RCRA"), 42 U.S.C. §§6901 *et seq.*, or listed as such in any applicable state or local law or which has been or shall be determined at any time by any agency or court to be a hazardous or toxic substance regulated under applicable law. The term "Applicable Law" shall include, but shall not be limited to, CERCLA, RCRA, The Federal Water Pollution Control Act, 33 U.S.C. §§1251 *et seq.*, The Clean Air Act, 42 U.S.C. §§7401 *et seq.*, and any other local, state and/or federal laws or regulations that govern the existence, cleanup and/or remedy of contamination on property, the protection of the environment from spill deposited or otherwise in place contamination, the control of hazardous waste or the use, generation, transport, treatment, removal or recovery of hazardous substances, including building materials;
- (f) Unless same occurs in connection with the operation of a retail automotive repair business, no portion of the Subject Tract shall be used to store vehicles which are not in serviceable or usable condition nor to store junk, wrecked cars or other similar materials and no inoperable or unlicensed automobile or vehicle shall be parked on any lot or street, nor permitted to remain thereon. No trucks and no commercial-type vehicles shall be stored on any portion of the Subject Tract except while parked in a closed garage or parked on any residential street in any portion of the Subject Tract except while engaged in transporting to or from any portion of the Subject Tract. No automobile or automobiles shall be maintained on any portion of the Subject Tract unless the same shall be currently registered and licensed. No automobile or other vehicle shall be parked on subdivision streets which impede proper traffic flow. All boats and

travel trailers shall be parked, maintained or stored on any portion of the Subject Tract beyond the building setback line. Trucks shall not be allowed to be parked on any portion of the Subject Tract unless adequate improved driveways and parking facilities are provided therefor. Nothing herein contained prohibits the use, by Grantee, of the Subject Tract for bona fide restoration of no more than three (3) motor vehicles at any one time, so long as such restoration is commenced and contained in good faith with reasonable expectations of such restoration; and

- (g) No use shall be made of the word or name "Champion" in any designation of the Subject Tract.

Grantor, for and on behalf of itself, and Grantee, by Grantee's acceptance hereof and for and on behalf of Grantee and Grantee's heirs and assigns, covenant and agree that:

- (a) Nothing contained herein shall imply that any other property of Grantor shall be subject to restrictions applicable to the Subject Tract, and no restrictions shall be created hereby with respect to other property owned by Grantor, whether by negative implication or otherwise; and,
- (b) In the event any one, or more of these covenants and agreements shall become or be held invalid, by reason of abandonment, waiver, or judicial decision, same shall in no wise affect or impair the validity of the other covenants and agreements which shall remain in full force and effect.

The foregoing restrictions may be enforced, waived or modified at any time and in such manner as permitted or prescribed by law. Further, in the event that title to all or any portion of the Subject Tract shall be revested in Grantor or Grantor's successors or assigns, then Grantor or its successors or assigns as the case may be, in its or their sole discretion, may modify or remove any of such restrictions insofar as the same shall affect any part of the Subject Tract, the title to which has been so revested in Grantor or its successors or assigns.

All ad valorem taxes for the current year have been prorated by and between Grantor and Grantee as of the date of delivery of this Deed. Grantee, by its acceptance hereof, expressly assumes and agrees to pay all ad valorem taxes for the current year and years subsequent to 2000. Grantee, by Grantee's acceptance hereof, further expressly agrees to pay any rollback taxes assessed upon the Subject Tract subsequent to the effective date hereof, due to change in ownership of the Subject Tract or Grantee's use thereof.

THE SUBJECT TRACT IS CONVEYED BY GRANTOR AND, BY ITS ACCEPTANCE HEREOF, ACCEPTED BY GRANTEE "AS IS", AND WITH ALL FAULTS AND OTHER THAN THE WARRANTY OF TITLE HEREIN MADE, GRANTOR MAKES NO REPRESENTATION OR WARRANTY WHATSOEVER, WHETHER

EXPRESSED, IMPLIED OR STATUTORY, WITH RESPECT TO THE SUBJECT TRACT. GRANTEE, BY GRANTEE'S ACCEPTANCE HEREOF, AGREES THAT GRANTEE IS NOT RELYING ON ANY WARRANTY OR REPRESENTATION OF GRANTOR OR ANY AGENT, EMPLOYEE, REPRESENTATIVE, DIRECTOR OR OFFICER OF GRANTOR, AND THAT GRANTEE IS ACQUIRING THE PROPERTY "AS IS", SUBJECT TO ALL FAULTS AND WITHOUT ANY EXPRESSED OR IMPLIED WARRANTIES OF ANY KIND INCLUDING, WITHOUT LIMITATION, WARRANTIES AS TO THE CONDITION OF THE SUBJECT TRACT, HABITABILITY, TENANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, MERCHANTABILITY OR THE ENVIRONMENTAL CONDITION OF THE SUBJECT TRACT AND THE PRESENCE OF OR CONTAMINATION BY HAZARDOUS MATERIALS THEREON AND GRANTOR HEREBY EXPRESSLY DISCLAIMS ANY SUCH WARRANTIES. GRANTEE, BY ITS ACCEPTANCE HEREOF, REPRESENTS TO GRANTOR THAT GRANTEE HAS DETERMINED (I) THE PHYSICAL CONDITION OF THE SUBJECT TRACT AND THAT THERE IS NO DEFECT OR CONDITION WHICH IS UNACCEPTABLE TO GRANTEE, (II) WHETHER ANY PORTION OF THE SUBJECT TRACT LIES IN ANY FLOOD PLANE, FLOODWAY OR ANY SPECIAL FLOOD HAZARD AREA, (III) WHETHER ANY GEOLOGICAL FAULT OR UNSATISFACTORY SOIL CONDITION EXISTS ON ANY PORTION OF THE SUBJECT TRACT, AND (IV) THAT ALL ENVIRONMENTAL CONDITIONS RELATING TO THE SUBJECT TRACT ARE ACCEPTABLE TO GRANTEE.

EXECUTED the 12th day of May, 2000, to be effective as of and from the 15th day of May, 2000.

CHAMPION REALTY CORPORATION

By: _____



Name: E. H. Daniels, III

Title: Vice President - General Manager



712-00-1843

STATE OF TEXAS

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COUNTY OF HARRIS

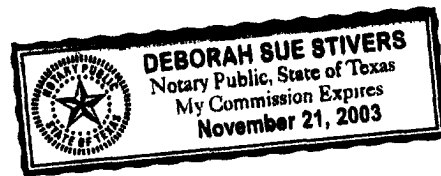
This instrument was acknowledged before me on May 12, 2000, by E. H. DANIELS, III, the VICE PRESIDENT - GENERAL MANAGER of CHAMPION REALTY CORPORATION, a Delaware, on behalf of said corporation.

Deborah Sue Stivers

Notary Public in and for
the State of Texas

ATTACHMENTS:

- EXHIBIT "A"** - *Description of Subject Tract*
- EXHIBIT "B"** - *Permitted Encumbrances*
- EXHIBIT "C"** - *West Restriction Agreement*



RETURN TO:

CHAMPION REALTY
16825 NORTHCHASE DRIVE
HOUSTON, TEXAS 77060-6081

712-00-1844

EXHIBIT "A"

DESCRIPTION OF SUBJECT TRACT

Being 20.22 acres, more or less, Surface Site designated as Reserve "F" of Texaba, Section 1, a subdivision situated in the Jonathan C. Pitts Survey, A-28, Montgomery County, Texas, according to the map or plat thereof recorded in Cabinet D, Sheet 17A of the Map Records of Montgomery County, Texas.

EXHIBIT "B"
ATTACHED TO AND MADE A PART OF THE
SPECIAL WARRANTY DEED
FROM
CHAMPION REALTY CORPORATION, AS GRANTOR
TO
MARK WAYNE HOLT, TRUSTEE, AS GRANTEE

PERMITTED ENCUMBRANCES

1. All matters of record affecting the Subject Tract filed in the Real Property Records of Montgomery County, Texas.
2. Standby fees, taxes and assessments by any taxing authority for the year 2000 and all subsequent years not yet due and payable.
3. Any and all mineral reservations or conveyances, restrictions, easements, and covenants of record in the Office of the County Clerk of Montgomery County, Texas, applicable to, and enforceable against, the Subject Tract.
4. Rights of parties in possession.
5. Any and all easements, rights-of-way, encroachments, conflicts or matters of a similar nature, the existence of which would be reflected by a current and accurate survey of the Subject Tract.
6. A 10 foot building line restriction along all but the most southerly line of the Subject Tract; a 50 foot drainage easement over and across a portion of the northeast corner of the Subject Tract as imposed by the Map and Dedication recorded in Cabinet D, Sheet 17A of the Map Records of Montgomery County, Texas, and a drainage easement 15 feet wide on each side of the centerline of all gullies, ravines and natural drainage courses on the Subject Tract as imposed by the Map and Dedication recorded in Cabinet D, Sheet 17A of the Map Records of Montgomery County, Texas.
7. All the oil, gas and other minerals, the royalties, bonuses, rentals and all other rights in connection with same all of which are expressly excepted herefrom as the same are reserved by Hutchings-Sealy National Bank of Galveston, Texas, Successor Trustee, under the Magnolia W. Sealy Trust by instrument recorded in Volume 252, Page 113 of the Deed Records of Montgomery County, Texas, save and except a 1/32nd non-participating royalty interest herein conveyed. Waiver of surface rights as set forth by instrument recorded under Clerk's File No. 8123378 of the Real Property Records of Montgomery County, Texas.
8. An undivided 1/32nd non-participating royalty interest in and to all the oil, gas and other minerals on, in, under or that may be produced from the Subject Tract is excepted herefrom as the same are conveyed to U. A. University Avenue Properties, N. V., by instrument

recorded under Clerk's File No. 8126171 of the Real Property Records of Montgomery County, Texas. Said interest subsequently conveyed to The Associates, S. A. R. L., a Lebanese corporation by instrument recorded under Clerk's File No. 9123209 of the Real Property Records of Montgomery County, Texas.

9. Drill sites as imposed by the map and dedication recorded in Cabinet D, Sheet 17A of the Map Records of Montgomery County, Texas.

712-00-1847

EXHIBIT "C"

**Copy of West Restriction Agreement
[Attached]**

WEST RESTRICTION AGREEMENT

This agreement (the "Agreement") is made and entered into by and among the parties whose names are subscribed hereto, and being owners of the Property, as defined below.

RECITALS

All references to recording references used in this Agreement are to the Official Records of Montgomery County, Texas, unless otherwise specifically set out. In deed (the "Champion's Deed") dated June 25, 1981, filed for record under Clerk's File No. 8123372, Champion Realty Corporation ("Champion") conveyed real property (the "Property") described in the Champion's Deed to Texaba Development Company ("Texaba"). The Champion's Deed contained restrictive covenants (the "Champion Restrictions") imposing use restrictions on the Property. Reference to the Champion's Deed and the record thereof is here made for all purposes, including, but expressly not limited to, a more particular description of the Property and the Champion Restrictions.

Subsequent to the delivery of the Champion's Deed, Texaba filed a subdivision plat (the "Plat") in Cabinet D, Sheets 17A-21A, of the Map Records of Montgomery County, Texas, covering portions of the Property creating on the portions of the Property covered thereby, a subdivision (the "Texaba Subdivision"). Texaba also imposed use restrictions (the "Texaba Restrictions") on portions of the Property in instrument captioned "Declaration of Covenants, Conditions and Restrictions of Texaba Subdivision" which is filed for record under Clerk's File No. 8239944. References to the Plat, the Texaba Restrictions and the records thereof are here made for all purposes, including, but expressly not limited to, a more particular description of the portions of the Property covered thereby and a more detailed description of the Texaba Restrictions.

Champion acquired title to portions of the Property in a General Warranty Deed dated December 12, 1991, filed for record under Clerk's File No. 9205943. The portion of the Property acquired by Champion is herein called the "Champion Property". Champion also acquired title to the Champion Property by Substitute Trustee's Deed dated January 5, 1993, filed for record under Clerk's File No. 9300581.

In deeds (the "Alders Deeds") dated July 7, 1993, and July 30, 1993, respectively, filed for record under Clerk's File No. Nos. 9335476 and 9342486, Champion conveyed to Alders portions (the "Alders Property") of the Champion Property. Reference to the Alders Deeds and the records thereof is here made for all purposes, including, but expressly not limited to, a more particular description of the Alders Property. Alders did, in instrument captioned "Declaration, Reservation, Conditions and Restrictions Affecting Reserves "PP", "RR", "SS", "A", "TT" and "WW" of Texaba Subdivision" (the "Alders Restrictions") dated July 12, 1993, filed for record under Clerk's File No. 9336257, impose certain restrictions on the portions of the Property therein described.

After Recording
RETURN TO
FOULS & MOORE
ATTORNEYS AT LAW
5908 SAN FELIPE, 17th Floor
HOUSTON, TEXAS 77056-2725
Attn: Bob Belk

The Texaba Restrictions were amended and restated by Champion, as owner of more than five (5) per cent of the Lots in the Texaba Subdivision and as the successor Declarant, in that certain Amended and Restated Declaration of Covenants, Conditions and Restrictions of Texaba Subdivision filed for record under Clerk's File No. 9237988, and in that certain Second Amended and Restated Declaration of Covenants, Conditions and Restrictions of Texaba Subdivision filed for record under Clerk's File No. 9341962 (collectively, the "Amended Texaba Restrictions").

The parties hereto desire to terminate all restrictive covenants affecting the Property, including, but not limited to, the Champion Restrictions, the Texaba Restrictions, the Amended Texaba Restrictions and the Alders Restrictions (collectively, the "Existing Restrictions"). The parties desire hereto to impose new restrictive covenants on the portion of the Property (except for (i) the portions of the Property conveyed to Conroe Telephone Company as described in Deed filed for record under Clerk's File No. 8602769, (ii) the portions of the Property conveyed to Ted Mathis as described in Deed filed for record under Clerk's File No. 8644249, and (iii) the portions of the Property conveyed to Richard Fogle and wife, Christy Fogle, as described in Deed filed for record under Clerk's File No. 9305148) which is located west and north of a line (the "West Restriction Line") which is more particularly described by metes and bounds in the West Restriction Line Exhibit attached hereto and made a part hereof for all purposes, which portions of the Property (the "West Property", which does not include the portion of the Property conveyed to Conroe Telephone Company, Ted Mathis and Richard Fogle and wife, Christy Fogle) shall hereafter be burdened with and shall be governed only by the restrictive covenants set out and described herein.

AGREEMENT

In consideration of the sum of \$10.00 each to the other paid, and other good and valuable considerations, including, but not limited to the mutual agreements and covenants herein made, the parties agree as set out herein. It is understood and agreed by the parties that the restrictions described herein shall become final and binding only upon the recordation by Champion in the Real Property Records of Montgomery County, Texas, and upon the recording hereof, the Existing Restrictions shall be terminated. At such time as Champion, in its sole discretion, is satisfied that all requirements relative to the effectiveness of the below described restrictions (the "West Restrictions") have been met, then Champion shall record this Agreement in the Official Records of Montgomery County, Texas.

WEST RESTRICTIVE COVENANTS**ARTICLE I**
GENERAL

Section 1.1 "Owner" shall mean and refer to each of the record owners, whether one or more persons or entities, of the fee simple title to any portion of the West Property, but excluding those having such interest merely as security for the performance on an obligation. Owners of property in the West Property shall be entitled to vote on any matter herein requiring or permitting the vote of the owners of West Property. Owners shall be entitled to cast votes on the basis of a fraction, the numerator of which shall be the total number of acres, or portions thereof owned, and the denominator of which is 276.17, which is deemed to be the total acreage in the West Property.

Section 1.2 If any owner of any portion of the West Property shall violate any of the covenants hereinafter set out, it shall be lawful for any other person owning all or any portion of the Property to prosecute any proceedings at law or in equity against the person or persons violating any of such covenants, and either to prevent him from so doing or to recover damages for such violation, or both.

Section 1.3 Invalidation of any of these covenants by judgment or court order shall in nowise affect any of the other provisions, which shall remain in full force and effect.

ARTICLE II
USE RESTRICTIONS

Section 2.1 No structure of a temporary character in the nature of a basement, tent, shack, garage, barn, or other outbuilding is to be used on any portion of the West Property as a residence, whether temporary or permanent. Unless this Agreement is amended as hereinafter provided, no mobile home, whether a single wide or double wide, and no structure which is not on a permanent foundation shall be used as a residence, whether temporary or permanent.

Section 2.2 Unless same occurs in connection with the operation of a retail automotive repair business, no portion of the West Property be used to store vehicles which are not in serviceable or usable condition. In no event shall any portion of the West Property shall be used to store junk, wrecked cars or other similar materials and no inoperable or unlicensed automobiles shall be parked on any portion of the West Property or street, or permitted to remain thereon. No trucks and no commercial-type vehicles shall be stored on any portion of the West Property except while parked in a closed garage or parked on any residential street in any portion of the West Property except while engaged in transporting to or from any portion of the West Property. No automobile or automobiles shall be maintained on any portion of the West Property unless the same shall be currently registered and licensed. No

automobile or other vehicle shall be parked on subdivision streets which impede proper traffic flow. All boats and travel trailers shall be parked, maintained or stored on any portion of the West Property beyond the building setback line. Trucks shall not be allowed to be parked on any portion of the West Property unless adequate improved driveways and parking facilities are provided therefor.

Section 2.3 No portion of the West Property shall be increased in size by filling in any water it may abut. The elevation of the West Property shall not be changed so as to materially affect the surface elevation or grade of the surrounding Lots. No rock, gravel, or clay shall be excavated or removed from any portion of the West Property for commercial purposes.

Section 2.4 No outside toilets may be constructed on any portion of the West Property. No outside toilet facilities, portable or otherwise, shall be maintained on any portion of the West Property except as temporary facilities during construction. Drainage into any road, street, alley or other public ditches, either directly or indirectly, is strictly prohibited.

Section 2.5 No obnoxious, noxious, offensive, unlawful, dangerous or immoral activity or use shall be made of any portion of the West Property, or shall anything to be done thereon which may be or become an annoyance or nuisance to the neighborhood.

Section 2.6 All portions of the West Property, whether occupied or not, shall be maintained in a reasonably presentable manner; and, no trash, garbage or other waste shall be kept upon any portion of the West Property, except in sanitary containers. All incinerators or other equipment for storage and disposal of such nature shall be kept in a clean and sanitary condition. No portion of the West Property shall be used or maintained as a dumping ground for rubbish. All incinerators or other equipment for storage of such material shall be kept in a clean and sanitary condition. The burning of trash, garbage or other debris on any portion of the West Property is prohibited. No garbage or other waste shall be kept upon any portion of the West Property 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. In addition to the foregoing, no hazardous substance shall be brought onto, installed, used, stored, treated, disposed of or transported over any portion of the West Property, and all activities on any portion of the West Property shall, at all times, comply with applicable law. The term "hazardous substance" shall mean any substance which, as of the date hereof, or from time to time hereafter, shall be listed as "hazardous" or "toxic" under the regulations implementing the Comprehensive Environmental Response Compensation and Liability Act ("CERCLA"), 42 U.S.C. §§9601 *et seq.*, and the Resource Conservation and Recovery Act ("RCRA"), 42 U.S.C. §§6901 *et seq.*, or listed as such in any applicable state or local law or which has been or shall be determined at any time by any agency or court to be a hazardous or toxic substance regulated under applicable law. The term "applicable law" shall include, but shall not be limited to, CERCLA, RCRA, the Federal Water Pollution Control Act, 33 U.S.C. §§1251 *et seq.*, the Clean Air Act, or an successor statute, 42 U.S.C. §§7401 *et seq.*

and any other local, state and/or federal laws or regulations, as therein amended, that govern the existence, cleanup and/or remedy of contamination on property, the protection of the environment from spill deposited or otherwise in place contamination, the control of hazardous waste or the use, generation, transport, treatment, removal or recovery of hazardous substances, including building materials.

Section 2.7 Building materials shall be stored upon any portion of the West Property only in an orderly and neat manner, and only beyond the building setback line, unless there is a residence on the property, in which case the building materials must be stored behind the residence.

Section 2.8 The general principle of waste shall apply with regard to all portions of the West Property so that the excavation of soil for removal to another site is prohibited, and the cutting of trees is restricted to the reasonable clearing of land for construction of improvements, to remove dead or unsightly trees or for the thinning of trees to improve the growth of the remaining trees, in keeping with sound conservation principles.

Section 2.9 No hogs, goats or other animals generally considered to be undesirable shall be raised, bred or kept on any portion of the West Property, except that dogs, cats or household pets may be kept provided that they are not kept, bred or maintained for any commercial purposes. Horses may be kept, bred, or maintained for general personal use only, but not for commercial purposes as long as such horses are kept in a suitable enclosure for the number and type thereof. Farm animals, such as cattle, chickens, rabbits, goats, sheep or similar farm animals, may only be kept, bred and maintained on any portion of the West Property as long as they are part of a children's 4-H, FFA school sponsored agricultural education project and not for commercial purposes. Nothing herein shall exempt or except the keeping of animals, live-stock, or poultry from the covenant against nuisances elsewhere herein. Animal pens or stables shall be kept in a clean and sanitary condition and maintained in a manner that does not depreciate the value of any portion of the West Property.

Section 2.10 No cesspools shall be dug or permitted on any portion of the West Property. Septic tanks will be permitted upon portions of the West Property, but their structure and location shall comply with all existing state, county, or other laws relating thereto.

Section 2.11 Any and all purchasers of the West Property shall take such property subject to the rights of the Mineral Owner as set out in that Surface Use Agreement recorded in the Real Property Records of Montgomery County, Texas, on June 26, 1981, Clerk's File No. 8123378 and as indicated on the plat of the Subdivision recorded in the Map Records of Montgomery County, Texas.

ARTICLE III
AMENDMENT

Section 3.1 If the Middle Owners (defined below) consent as set out in Subsection 3.1.G, the owners of not fewer than fifty-one (51) per cent of the total acreage of the West Property may amend this Agreement to permit the use of the West Property for mobile homes, in which case, the following restrictive covenants shall be applicable:

A. Only one, single-family residence, dwelling, mobile home or pre-manufactured home shall be erected or placed on any lot which shall contain not less than one (1) acre.

B. Mobile homes shall be permitted on any lot so long as they are:

(1) Eight Hundred (800) net square feet or larger, excluding porches and must be at least fourteen (14) feet wide;

(2) Used mobile homes must be in good condition at the time such mobile home is moved onto any lot. A used mobile home shall not be older than a 1984 model at the time of move in. All mobile homes must be skirted thirty (30) days after move in and wood material must be painted to match the exterior color of the mobile home. Immediately after or before moving a mobile home onto any lot, it is necessary that a building permit be secured from the Planning Department, Permit Division, Montgomery County, Texas. Any additions such as porches, sheds, garages, etc. must be built with new material.

(3) All mobile homes shall be a minimum of seventy-five (75) feet from any road; and,

(4) All mobile homes shall be placed so that the longer side of the mobile home is parallel to the road abutting the lot and fronts on the road, except for corner lots.

C. No home or mobile home may be constructed or placed upon any lot unless it has complete sanitary facilities, including among others, lavatory, toilet, wash basin, tub or shower and kitchen sink, all with running water. All such facilities must be connected to the lot owner's private sewerage system in conformity with state and local health regulations. Each owner of a lot shall have the sole responsibility to construct and maintain his own sewerage facilities and same must be in strict compliance and under permit of the State, County and City Health Departments or other regulatory agency and applicable laws. No outside toilets may be constructed on any lot. No outside toilet facilities, portable or otherwise, shall be maintained on any lot except as temporary facilities during construction. Drainage into any road,

street, alley or other public ditches, either directly or indirectly, is strictly prohibited.

- D. The amendment to this Agreement to adopt the foregoing restrictions shall be in writing, shall refer to this Agreement and shall affirmatively adopt the provisions of this Article III, and thereafter must be placed of record in the Official Records of Montgomery County, Texas.
- E. If the owners amend this Agreement to adopt the foregoing provisions of this Section 3.1, no owner shall thereafter place a mobile home on any portion of the West Property within twenty-five (25) feet of the West Restriction Line.
- F. The signatures of the owners to adopt the amendment to this Agreement must be obtained within a period of twelve (12) consecutive months to be effective.
- G. This West Restriction Agreement is executed by the undersigned owners contemporaneous with an instrument captioned Middle Restriction Agreement filed for record in Montgomery County, Texas, which imposes certain restrictive covenants and conditions on the property therein described (the "Middle Property"). Reference to the Middle Restriction Agreement is here made for all purposes. Fifty-one (51) per cent of the "Owners" (as defined in the Middle Restriction Agreement, and herein called the "Middle Owners") of the Middle Property must consent in writing to the adoption of the amendment to this Agreement.
- H. If, pursuant to the Middle Restriction Agreement, the Middle Owners amend the Middle Restriction Agreement to permit mobile homes on the Middle Property, such amendment to the Middle Restriction Agreement shall automatically constitute an amendment to this Agreement to adopt this Section 3.1, without further action on the part of the owners, whereupon, the restrictions contained in this Section 3.1 shall thereafter be and become effective without the necessity of any further action on the part of the owners of the West Property or the Middle Owners.

Section 3.2 No amendment to this Agreement shall be effective until it is recorded in the Real Property Records of Montgomery County, Texas, unless adopted pursuant to Section 3.1.H above, and until the approval of any governmental regulatory body which is required shall have been obtained.

ARTICLE IV MISCELLANEOUS

Section 4.1 For a violation or a breach of any of these reservations and restrictions, the owners, or any of them separately, shall have the right to proceed at law or in equity to compel a compliance with the terms hereof or to prevent the violation or the breach of any of

them. The failure promptly to enforce any of the reservations and restrictions shall not bar their enforcement at any later time. The invalidation of any one or more of the restrictions by a court of competent jurisdiction shall in no manner affect any of the other restrictions, but they shall remain in full force and effect.

Section 4.2 The covenants, conditions, and restrictions of this Agreement shall run with and bind the land, and shall inure to the benefit of and be enforceable by any of the owners of the Property, and their respective legal representatives, heirs, successors, and assigns.

Section 4.3 No use shall be made of the word or name "Champion" in any designation of the Property or any portion thereof.

This Agreement is executed in counterparts, but all of which taken together shall constitute one and the same agreement, and any of the parties hereto may execute this Agreement by signing any such counterpart. Executed as of various dates to be effective February 22, 1994.

SIGNATURES TO THIS WEST RESTRICTION AGREEMENT

COMMENCE ON THE NEXT PAGE

Being a description of a line of demarcation between properties in the J.C. Pitts Survey, A-28, Montgomery County, Texas, and being in and a part of the Texaba Subdivision, map of which is recorded in Cabinet D, Sheet 17A of Montgomery County Map Records, said description of the line of demarcation being more particularly described as follows:

Beginning at the Northwest corner of Unrestricted Reserve "DD" and the Northeast corner of Unrestricted Reserve "L" in the South right-of-way line of FM 2432;

Thence South $23^{\circ} 52' 18''$ West a distance of 471.85 feet to the Southwest corner of Unrestricted Reserve "DD";

Thence South $07^{\circ} 00' 33''$ West a distance of 1,044.00 feet to the Southwest corner of Unrestricted Reserve "AA" in the North right-of-way line of Northridge Drive;

Thence South $82^{\circ} 59' 27''$ East a distance of 625.86 feet to the Southeast corner of Unrestricted Reserve "AA";

Thence South $07^{\circ} 00' 33''$ West a distance of 730.15 feet to the Southeast corner of Surface Site Reserve "F";

Thence North $82^{\circ} 59' 27''$ West a distance of 625.86 feet to the Northwest corner of Lot 4, Block 2;

Thence North $85^{\circ} 26' 29''$ West a distance of 674.88 feet to the west corner of Reserve "F" in the East right-of-way line of Amar Drive;

Thence Southwesterly along the easterly right-of-way line of Amar Drive with a curve having a radius of 300.00 feet and central angle of $52^{\circ} 13' 05''$ an arc distance of 291.86 feet;

Thence South $59^{\circ} 14' 38''$ West a distance of 390.21 feet to the intersection point of the Southeasterly right-of-way of Amar Drive and the North right-of-way line of Fawnmist Drive;

Thence South $30^{\circ} 46' 22''$ East a distance of 692.38 feet along the North right-of-way line of Fawnmist Drive;

Thence Southeasterly along the North right-of-way line of Fawnmist Drive with a curve having a radius 930.00 feet, a central angle of $52^{\circ} 13' 05''$ an arc distance of 813.48 feet to the Southwest corner of Lot 1, Block 2;

Thence continuing South $07^{\circ} 00' 33''$ West a distance of 756.03 feet to the Southwest corner of Lot 4, Block 3;

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712-00-1857

Thence South 17° 10' 00" West a distance of 554.26 feet to the Southwest corner of Lot 2, Block 3;

Thence South 41° 11' 40" West a distance of 830.00 feet to the Southwest corner of Surface Site Reserve "D" and the point of termination.

STATE OF TEXAS
COUNTY OF MONTGOMERY

I hereby certify that this instrument was filed in File Number Sequence on the date and at the time stamped herein by me and was duly RECORDED in the official Public Records of Real Property of Montgomery County, Texas

SEP 21 1994



Roy Harris
COUNTY CLERK
MONTGOMERY COUNTY, TEXAS

FILED FOR RECORD

94 SEP 21 PM 3:43

Roy Harris
COUNTY CLERK
MONTGOMERY COUNTY, TEXAS

Copy of West Restriction Agreement
[Attached]

RECORDER'S MEMORANDUM:
At the time of recordation, this instrument was found to be inadequate for the best photographic reproduction because of illegibility, carbon or photo copy, discolored paper, etc. All black-outs, additions and changes were present at the time the instrument was filed and recorded.

STATE OF TEXAS
COUNTY OF MONTGOMERY
I hereby certify that this instrument was filed in File Number Sequence on the date and at the time stamped herein by me and was duly RECORDED in the official Public Records of Real Property of Montgomery County, Texas

MAY 24 2000



Mark Turnbull
COUNTY CLERK
MONTGOMERY COUNTY, TEXAS

FILED FOR RECORD
00 MAY 24 PM 4:17
MARK TURNBULL, CO. CLERK
MONTGOMERY COUNTY, TEXAS
[Signature]
DEPUTY