DEED RESTRICTIONS FOR CRESCENT SHORES SUBDIVISION

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STATE OF TEXAS

COUNTY OF POLK

WHEREAS, Crescent Shores Subdivision, hereinafter called "Developer", is the record owner of all the lots, tracts and parcels of land shown upon that certain map or plat of a subdivision known and designated as Crescent Shores, a Subdivision in Polk County, Texas, according to the map or plat of such subdivision filed for record in the Office of the County Clerk of Polk County, Texas in Vol. ____, Page _____, reference to which map or plat and the record thereof is hereby made for all purposes:

NOW THEREFORE, Crescent Shores Subdivision does hereby dedicate said property in accordance with the dedication appearing upon said map and agree that the land shown to be subdivided into numbered lots according to said map is held and shall hereafter be conveyed subject to the covenants, conditions, stipulations and restrictions, as hereinafter set forth.

For the purpose of creating and carrying out a uniform plan for the improvements and sale of said property in said subdivision, as a restricted subdivision, the following restrictions upon the use of said property are hereby established and adopted, and shall be made a part by appropriate reference to this instrument, of each and every contract, deed and lease by Developer covering the numbered lots set forth on said map, and same shall be considered a part of each contract, deed and lease, as though fully incorporated therein.

And the restrictions hereinafter set forth, except as herein otherwise provided shall be and are hereby imposed upon each numbered lot in said subdivision, as shown by said map and as referred to herein, and same shall constitute covenants running with the land and shall be binding upon and shall inure to the benefit of Developer, his heirs, executors, successors and assigns, and all subsequent purchasers of said property, their heirs, executors, administrators, successors and assigns, and each such party, by virtue of accepting a contract, deed or lease covering said property, shall be subject to and bound by such restrictions, covenants and conditions as hereinafter set forth.

1. These covenants are to run with the land and shall be binding upon all the parties and all persons claiming under them until June 1, 1991, at which time said covenants shall be automatically extended for

successive periods of Ten (10) years; provided that a majority of the then owners of the tracts may amend, change or otherwise remove these covenants and restrictions in whole or in part at any time by signing and filing for record an instrument evidencing such action. If the parties hereto, or any of them, or their heirs, successors and assigns shall violate or attempt to violate any of the covenants herein it shall be lawful for the Developer, their successors or assigns to enter and abate such violation without liability, or their successors or assigns, and any other persons owning any real property situated in said subdivision shall have the right to prosecute any proceeding at law or equity against the person or persons violating or attempting to violate such restrictions, and either to prevent them from doing, or to cause to be removed such violation, or to recover damages for such violations.

2. The violation of any restriction or covenant herein shall not operate to invalidate any mortgage, deed of trust, or other lien acquired and held in good faith against said property or any part thereof, but such liens may be enforced against any and all property covered thereby, subject nevertheless to the restrictions herein.

3. If any one of such restrictions shall be held to be invalid, or for any reason is not enforced, none of the others shall be affected or impaired thereby, but shall remain in full force and effect.

4. No building shall be erected, placed or altered on any building tract in this subdivision until the plans specifications and plot plan showing the location of such building has been approved in writing as to conformity and harmony of external design with existing structures in the subdivision, and as to location with respect to topography and finished ground elevation by a majority of the Architectural Committee composed of Garland Henderson or by a representative designated by a majority of the members of the said committee. In the event of death or resignation of any member of said Committee, the remaining member or members shall have full authority to appoint a successor or successors with full authority. The Committees' approval or disapproval as required in these covenants shall be in writing. In the event the Committee, or the designated representative, fail to approve or disapprove within thirty (30) days after Plans and Specifications have been submitted to it, such approval will not be required and this covenant shall be deemed to have been complied with. Neither the members of such Committee nor its designated representatives shall be entitled to any compensation for services performed pursuant to this covenant.

5. No outside privies or toilets shall be permitted in this subdivision. All toilets shall be inside the houses and prior to occupancy the same shall be connected to a sewage disposal system or a septic tank at the expense of the person building on the building tract, and such septic tank shall have a field line and shall be

constructed and maintained in accordance with the requirements of the State Health Officer of Polk County, Texas or other governmental authority having jurisdiction, and shall be subject to the inspection and approval of such authorities. When and if water lines are installed each lot shall be subject to a charge of \$1.75 per front foot for installation of water lines; this charge is and shall be due and payable upon completion of such water lines, provided, however, that nothing herein contained shall obligate developer to install such water lines; the payment of this charge shall be secured by a vendor's lien which is hereby retained and imposed against and upon each and every lot in this subdivision which is subject to such charge.

6. No lot or tract shall be used except for residential purposes, except that Lot 1 in Block 1, Lot 7 in Block 2, Lot 11 in Block 6, Lot 17 in Block 8, and Lot 36 in Block 9, and the reserved area may be used for any legal purpose. The term "residential purposes" as used herein shall be held and construed to exclude hospitals, clinics, duplex houses, apartment houses, boarding houses, hotels and to exclude all commercial and professional uses whether from homes or otherwise, and all such uses of said property are hereby expressly prohibited. No building shall be erected, altered, placed or permitted to remain on any residence tract other than one single family dwelling not to exceed two stories in height, with garage and/or boat house and/or enclosed recreation area.

7. No improvement shall be located nearer then Ten (10) feet to the front line on Lots 10 through 16, inclusive, and Lots 18 though 26, inclusive, Block 8; no improvements shall be located on any other tract nearer than twenty (20) feet to the front line, or nearer than ten (10) feet to any side street line, or nearer than five (5) feet from the rear lot line, except that a detached garage may be located within three (3) feet from the rear lot line, or nearer than five (5) feet from any side line, except that the front and back building lines shall not apply to Lots 9 and 10, Block 6; Lot 1, Block 8; and Lots 6 through 35, inclusive, Block 9, the back building lines shall not apply to Lots 2 through 8, inclusive, Block 6, Lots 2 though 6, inclusive, Block 8; and Lots 1 through 5, inclusive, Block 9. In the event improvements are constructed on more than one platted lot, then the outer property lines shall be considered the side lot lines and the inside lot lines shall thereafter be considered abandoned and of no effect. The word "improvement" shall include galleries, porches, porte-cocheres and every other pertinent part of the improvements, except a parapet wall, steps or the extension of the eaves of a roof. Lots 7, 8 and 9 in Block 8 will front on Lazy Water Drive and will have a 20 foot set back line in front and a 25 foot set back line in the rear with a 5 foot building line on the inside and a 10 foot building line on the corner. The lines pertaining to these three lots only, may be changed by the unanimous consent of the Architectural Control Committee.

8. No fence or hedge shall be erected or maintained on the property of this subdivision which shall unreasonably restrict or block the view from an adjoining lot or which shall materially impair the continuity of the general landscaping plan of the subdivision; and no fence shall be constructed on any lot or tract without written permission from the Architectural Committee.

9. No noxious or offensive activity shall be carried on upon any lot or tract or shall anything be done thereon which may be an annoyance or nuisance to the neighborhood.

10. No structure of a temporary character, trailer, basement, shack, garage, barn or other outbuilding shall be used on any lot or tract at any time as a residence either temporarily or permanently. No trailer house or covered trailer shall at any time be erected or placed on any lot or tract for any purpose whatsoever. No building shall be moved onto any lot, but shall be erected to conform to requirements set out herein, unless approved in advance by the Architectural Committee. No utility trailer of any type, or broken down automobiles or trucks of any type, may be stored on any lot unless it is stored in the rear yard of the house occupying the lot.

11. No residential structure shall be placed on a residential lot or tract unless its living area has a minimum of six hundred (600) square feet of floor area excluding open or screened-in porches, carports and garages.

12. No animals, livestock, or swine of any kind shall be raised, bred or kept on any residential lot or tract, except that two (3) dogs, two (3) cats or other household pets not to exceed two (3) in number may be kept, provided they are not kept, bred or maintained for any commercial purposes;

13. No sign of any kind shall be displayed to the public view except one sign of not more than five (5) square feet, advertising the property for sale, or rent, or signs used by the builders to advertise the property during the construction and sales period.

14. No lot or tract shall be used or maintained as a dumping ground for rubbish, trash, garbage or other wastes. Garbage and waste shall not be kept except in sanitary containers. All incinerators or other equipment for the storage or disposal of such materials shall be kept in a clean and sanitary condition.

15. All residences shall be completed within six (6) months from date of beginning construction unless such period is extended in writing by Architectural Committee.

16. All driveways shall connect to roads over culvert pipe of ample size to permit adequate flow of water through the road ditches or if a bridge is used it shall be of sufficient height to permit free flow of water under it. These bridges or culvert pipes shall be approved by the Architectural Control Committee prior to installation.

17. There is hereby imposed upon each lot or tract regardless of the size, a \$80.00 per year maintenance charge. The maintenance charge of \$80.00 per year shall be collected on an annual basis at the option of the grantor. This maintenance charge will be collected and used for the purpose of creating a fund to be known as the Crescent Shores Maintenance Fund. Except as hereinafter stated, such maintenance charge shall be paid by each lot owner to developer, as the custodian and administrator, in advance.

However, if it is paid annually it shall be paid on the first day of January each year. Except, however, that the foregoing charge shall not apply to developer as owner or holder of title to any such lots, and such maintenance charge shall apply and begin to accrue against such lots only as and when the same are sold or leased. It is further provided that any transfer of title to any lots by Developer to any person, firm or corporation succeeding him as "Developer" or as "Trustee" or any transfer of title by Developer, as Trustee, to his principals, shall not be deemed a sale of any such lots for the purpose of the foregoing provisions and shall not cause the foregoing maintenance charge to attach to such lots so transferred. It is further provided that Developer shall have the right at any time to adjust, alter or waive such maintenance charge from year to year as in his judgment the maintenance needs of the various sections of Crescent Shores may require; moreover, Developer shall have the right at any time to discontinue and abandon such maintenance charge, without incurring liability to any person whomsoever, by filing a written instrument in the Office of the County Clerk of Polk County, Texas, declaring such discontinuance and abandonment.

Developer or its assigns shall act as the custodian and administrator of said maintenance fund, and it shall have the right to collect, hold and expend any and all monies paid or to be paid into said Maintenance Fund to carry out the provisions hereof. Developer shall not be liable or responsible to any person or persons whosoever for failure or inability to collect such maintenance charge or any part thereof from any person or persons and Developer shall not be accountable to any person for such fund.

All funds collected from said maintenance charge from the various sections of Crescent Shores, now or hereafter platted, may be pooled, merged and combined into a single maintenance fund to be expended by Developer for the general common good and benefit of the various sections of Crescent Shores, without regard to the amount collected from each section. Developer may use such founds or any part thereof, as far as the same will go, towards safety and/or health projects; for improving and maintaining the streets, roads, lanes and drives in any of the sections of Crescent Shores; picnic grounds and/or other recreational facilities; for providing various services to the owners and/or occupants of lots in the various sections of Crescent Shores, and in general for any and all purposes which Developer may consider to be a general benefit or useful to the owners and/or occupants of the lots in the various sections of Crescent Shores, it being agreed and understood that the judgment of the Developer, or his successor or assigns as custodian and administrator of said Maintenance Fund, when used in good faith in the expenditure of said funds or any part thereof shall be binding, final and conclusive on all parties at interest. Developer shall be entitled to reasonable compensation for acting as custodian and administrator of said "Maintenance Fund" notwithstanding anything herein to the contrary.

Developer shall not be required to hold such funds, herein designated as "Maintenance Fund," in any separate account and any and all of such funds may be co-mingled and used with any other funds of Developer and Developer shall not be liable for any such co-mingling or other temporary use of such funds, except for gross negligence.

The above maintenance charge provisions shall be in effect for the duration of the restrictions, covenants and conditions imposed by this instrument and such duration shall be governed by the provisions contained in paragraph 1, above.

The payment of the maintenance charge hereby imposed shall be secured by a vendors' lien which is hereby retained and imposed against and upon each and every lot in this subdivision which is subject to such charge; but such lien shall be inferior and subordinate to any bona fide construction loan to provide improvements on any lot or tract and to all extensions and renewals thereof, provide that said vendors' lien shall reattach as against any subsequent purchaser subject only to any vendors' lien retained in the deed to him.

18. This instrument of dedication and the restrictions and covenants on said subdivision map shall not affect any areas described therein as "Reserve."

19. No firearms of any nature or description shall be displayed or allowed outside of the residence or improvement of any lot or tract.

20. Developer reserves the right and privilege to make minor changes and additions for dedication of easements for the purpose of more efficiently and economically installing improvement.