

Oak Terrace Estates, Inc., Section Six (6), a Subdivision of 3.93 acres out of the James Garner Survey, A-33, Polk County, Texas, more particularly described on a plat of said Subdivision on Record with the County Clerk of Polk County, Texas.

In order to provide for a more uniform plan of development, the following restrictions and reservations are hereby established on the improvements, use and sale of the property located in Section Six of Oak Terrace Estates and shall apply equally to all of the residential lots in said Subdivision as herein stated and are for the mutual protection and benefit of all future owners of residential lots in said Subdivision to be considered as covenants running with the land and binding upon all future owners and enforceable by any one of the land owners in said Subdivision until December 31., 2000, A.D. whereupon such restrictions shall terminate and cease, unless extended as hereinafter provided, to-wit:

RESERVATIONS

1. There shall be reserved the utility easements and drainage easements as shown on said plat of said subdivision and an easement over all streets for the purpose of installing, using, repairing and maintaining public utilities, water, sewer lines, electric lighting and telephone poles, pipe lines and drainage ditches or structure and/or any equipment necessary for the performance of any public or quasipublic service and functions and for all other purposes incident to the development and use of said property as a community unit, with the right of access thereto for the purpose of further construction, maintenance and repairs. Such right of access to include the right, without liability on the part of any one or all of the owners or operators of such utilities, to remove any or all obstructions on said easement rights-of-way, caused by trees, brush, fences, shrubs, or other obstructions which in their opinion may cause interference with the installation or operation of their facilities. Such easements shall be for the general benefit of the subdivision and the property owners thereof, and are hereby reserved and created in favor of any and all utility companies entering into and upon said property for the

purposes aforesaid, subject to the limitations as to water service hereinafter set forth. There is also reserved for use of all public utility companies an unobstructed aerial easement five (5) feet wide from a plane twenty (20) feet above the ground upward, located adjacent to the said easements reserved hereby.

2. Owners reserve unto themselves, their heirs, administrators, and assigns, the exclusive right at all times to use any and all areas reserved or dedicated as a public utility easement or street, for the purpose of laying, placing or constructing, installing, maintaining or repairing of all kinds and types of water lines, mains or pipes as well as other equipment necessary or incidental to the operation and maintenance of water service and/or supply systems, and its appurtenances, to service, furnish or supply this Subdivision with water.

3. There is reserved unto owners, their heirs, administrators and assigns, and unto the owners of residential tracts in said Subdivision all areas designated as "Park" on the plat of said Subdivision as community ownership for boat launching and parking and other type activities. The boat parking and launching areas shall be under the supervision of the architectural committee hereinafter constituted which said committee for purposes of beautification and conformity shall approve any structures or improvements in the same manner as provided for residential tracts. The architectural committee shall be entitled to use all necessary and reasonable means in avoiding the use of said property, residential, commercial, or boat launching areas by the public at large, and thereby restrict the use thereof and in the furtherance thereof such use shall remain subject to supervision of the architectural committee herein. Reserves constituting the park areas as reflected by the aforesaid plat, shall be for the sole and exclusive use of lot owners of Oak Terrace Estates, and their house guests, to the exclusion of the general public at large, and the maintenance and use thereof shall be under the exclusive control and supervision of the architectural committee.

RESTRICTIONS

For the purposes of setting forth a substantially uniform plan of development, owners of the said Section Four and Section 5 of said Oak Terrace Estates Subdivision, do hereby covenant and provide that they, their heirs, administrators, and assigns, and all parties holding title by, through and under them, shall hold such land subject to the following restrictions running with the land which shall be observed by themselves, their heirs, administrators, and assigns, and shall run in favor of and be enforceable by any person who shall hereafter own any of said tracts of land above described, save and except the park area, reserve and commercial lots which shall not be in any manner restricted hereby unless specifically referred to, and further provided that owners may select a suitable tract for location of a water-well and facilities.

1. These covenants are to run with the land and shall be binding upon all parties and all persons claiming under them until December 31st., 2000, A.D., at which time said covenants shall be automatically extended for successive periods of Ten (10) years, unless an instrument signed by a majority of the then owners of the tract has been recorded, agreeing to change said covenants in whole or in part.
2. If the parties hereto, or any of them, or their heirs, successors, or assigns, shall violate or attempt to violate any of the covenants herein, it shall be lawful for the undersigned owners, their heirs, administrators, or assigns, to enter and abate such violation without liability, or they, their heirs, administrators, 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 him or them from doing, or to cause to be removed such violation, or to recover damage for such violation.
3. 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.
4. No building shall be erected, placed or altered on any building tract in this subdivision until the plans, specifications and plot plans showing the location of such building has been approved in writing as to conformity and harmony of external design with the existing structures in the subdivision, and or to location with respect to topography and finished ground elevation by the architectural committee of Oak Terrace Estates, or by a representative designated by a majority of the members of 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 approve or disapprove such design and location within sixty days after said plan and specifications have been submitted to it, and in the event said committee fails to approve or disapprove such plans within such time, 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. The architectural committee shall have the same authority over the boat launching areas and park areas and no structure or improvement shall be placed thereon except as a community project and upon approval of the committee.
6. All purchasers of lots in Oak Terrace Estates hereby agree to maintain at all times a clear passageway with minimum of twenty-five (25) feet in width in the center of all coves and inlets in order that boats may safely pass in and out of said coves and inlets.
7. No outside privies or toilets shall be permitted in this subdivision. All Toilets shall be inside the houses and prior to the occupancy the same shall be connected to a central sewage disposal system if there is one in existence at such time to serve the subdivision, but if no central sewage disposal system is in existence at such time, then all toilets shall be connected to a septic tank at the expense of the person building on the building tract, and such septic tank shall have a field line and and shall be constructed and maintained in accordance with the requirements of the State Health Department, and shall be subject to the inspection and approval of such authority, provided however, that whenever a central sewage treatment plant and disposal system shall be established

to serve this subdivision, whether publicly owned or privately owned or operated, then all of the tract owners and/or occupants to whom such sewage disposal service is available shall connect their premises thereto for sewage disposal, paying the established rates and all connection fees or charges therefore at their expense, and from and after the time such sewage disposal service becomes available to any lot, no septic tank whether therefore or thereafter built or installed, shall be used in connection with any tract.

8. All septic tank installations must be inspected and approved in writing by the architectural committee before tanks and lines are covered.

9. The drainage of sewage into a road, street, alley, ditch or any waterway either directly or indirectly is prohibited. This shall not apply to the discharge of effluent from a sewage treatment plant serving this subdivision.

10. The land to be conveyed hereunder shall be used for residential purposes only, except those which are designated on the official plat of said addition as being commercial lots or reserves and except those lots which may from time to time be designated by grantor, its successors or assigns, for business, recreational or commercial purposes. The term "residential purposes" as used herein shall be held and construed to exclude hospitals, clinics, duplex houses, apartment houses, boarding houses, hotels, and all other commercial uses 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 detached single family dwelling and a private garage for not more than two cars.

11. All residences shall be located in accordance with the building lines shown on the plat of said subdivision and all residences shall be constructed on the tract to front on the street on which such tract faces. No residences shall be located nearer than five (5) feet to any side line.

12. No noxious or offensive activity shall be carried on upon any lot or shall anything be done thereon which may be an annoyance or nuisance to the neighborhood. No hunting or firing of firearms shall be permitted in this subdivision.

13. No structure of a temporary character, trailer, mobile house, basement, tent, shack, garage, barn, or other outbuilding shall be used on any tract any time as a residence either temporarily or permanently.
14. No residential structure shall be placed on a residential tract in Section Two and Three unless its living area has a minimum of 850 square feet of floor area, exclusive of porches and garage.
15. Culverts must be used for driveways and walks and the drainage structures under private driveways shall have a net drainage opening of sufficient size to permit free flow of water without back water and shall be a minimum of a twelve inch diameter pipe culvert.
16. No animals, livestock or poultry of any kind shall be raised, bred or kept on any residential tract, except that dogs, cats or other household pets may be kept provided they are not kept, bred, or maintained for any commercial purposes.
17. No sign of any kind shall be displayed to the public view except signs used by the developers in the original sale of lots in said subdivision or signs used by builders to advertise property during the construction and sales period.
18. No tract shall be used or maintained as a dumping ground for rubbish, trash, 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.
19. No fence, wall, hedge, or detached improvement shall be erected, grown, or maintained on any tract forward of the front building line.
20. No building of frame construction shall be erected on any tract unless same shall at time of construction receive at least two coats of paint unless specifically excepted from this provision by the architectural committee.
21. All residences shall be completed within four (4) months from date of beginning construction unless such period is extended in writing by the architectural committee.
22. No boat docks, piers, boat houses, boat storage sheds, slips, pilings or rip-rap shall be constructed, placed or excavated until plans and specifications shall be approved in writing by the architectural committee.
23. No boats or trailers may be parked in front of the front building line or any tract for a period of over 48 hours.

24. Upon the sale or execution of contract for deed, the Purchasers shall be liable for a maximum maintenance charge of \$25.00 per year for each lot, for the purpose of creating a fund to be known as "Oak Terrace Estates Maintenance Fund" to be paid by the owner of each lot in conjunction with a like charge to be paid by the owners of other lots in Oak Terrace Estates, the same to be secured by lien upon such lot, and such sum, shall be paid at time of the purchase of a lot and on the same date annually thereafter to the architectural committee of Oak Terrace Estates, hereinabove created through the First National Bank of Livingston, Texas, and said charge and lien are hereby assigned to such committee; such annual charge may be adjusted from year to year by said committee as the needs of property may in its judgment require, but in no event shall charge be raised above \$25.00 per year unless agreed to by a majority of the lot owners. Funds arising from said charge shall be applied so far as is sufficient towards the payment of maintenance expenses or construction costs incurred for any or all of the following purposes: lighting, improving and maintaining the streets, employing policemen and watchmen, caring for vacant lots and construction of clubhouse facilities, ramps, boat landing, boat basins and other similar recreational facilities, and doing any other things necessary or desirable in the opinion of said committee to keep the property neat and in good order and which it considers of general benefit to the owners or occupants of the subdivision, it being understood that the judgment of said committee in expenditure of said funds shall be final so long as such judgment is exercised in good faith. All conveyances of lots shall be subject to such maintenance charge and by acceptance of his deed or contract for deed, each purchaser consents and acknowledges that developers shall have no obligation to furnish maintenance or do any other thing described in this paragraph other than from maintenance funds.

25. The architectural committee shall be composed of the above named individuals for the first five years and thereafter the lot owners shall call an election and shall by majority vote elect three (3) members or more if they desire, to serve for a two year period and elections shall be held each two years thereafter for such purpose. One vote shall be cast for each lot owned.

26. Each lot owner shall be assessed a charge as water-tap fee when water shall be made available to his lot, and thereafter shall be charged a reasonable sum for water use. No water well shall be drilled or maintained on any lot except as approved by the architectural committee.



STATE OF TEXAS ( )  
COUNTY OF POLK ( )

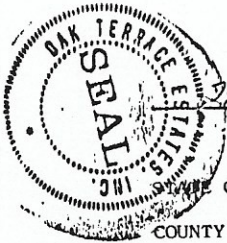
KNOW ALL MEN BY THESE PRESENTS:

THAT OAK TERRACE ESTATES, INC., owner of that certain Sub-division known as Oak Terrace Estates, in Polk County, Texas, Plat or Plats of which are recorded in the office of the County Clerk of Polk County, Texas, does hereby impress all of Section Six (6), with the following Restrictions and Reservations attached hereto and marked "Exhibit A" and made a part hereof for all purposes.

WITNESS the execution hereof on this the 1 day of April, 1977.

OAK TERRACE ESTATES, INC.

By Sidney R. Smith  
President



Marisa Harmer  
Secretary

STATE OF TEXAS ( )  
COUNTY OF POLK ( )

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared Sidney R. Smith, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said Oak Terrace Estates, Inc., a Corporation, and that he executed the same as the act of such corporation for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 1st day of April, 1977.



Charles Smith  
Notary Public in and for  
Polk County, Texas

THE STATE OF TEXAS  
County of Polk

I hereby certify that the foregoing instrument with its certificate of authentication was filed for record in my office on the 1st day of April.....1977... at 3:30..... o'clock P...M. and was this day duly recorded at 9:50..... o'clock A..... M., in Vol.....328.. Pages .....56..... of. seq. Deed Records of said County.

Witness my hand and official seal at office in Livingston this 12th. day of April.....1977..



ALINE STEPHENSON  
Clerk, County Court, Polk County, Texas  
By Jewel Harmer Deputy