

**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR
KOKERNOT RANCH ESTATES
Amended January 22, 2011**

THE STATE OF TEXAS §
 §
COUNTY OF BREWSTER §

Doc# 89489
KNOW ALL MEN BY THESE PRESENTS:

THAT this Declaration of Covenants, Conditions and Restrictions for Kokernot Ranch Estates (hereinafter the "Restrictions") is made on the date hereinafter set forth by Beulah V. Kokernot, owner on January 22, 2010, of 17 of the 20 Kokernot Ranch Estates Sites (hereinafter referred to as "Declarant");

WITNESSETH:

WHEREAS, Declarant is the owner of that certain real property known as Kokernot Ranch Estates (hereinafter referred to as the "Property"), being a tract of land in Brewster County, Texas, containing 551.97 acres and being more particularly described in Exhibit "A" attached hereto and made a part hereof for all purposes; and

WHEREAS, it is deemed to be in the best interests of Declarant and any other persons who may purchase property in Kokernot Ranch Estates that there be established and maintained a uniform plan for the improvement and development of Kokernot Ranch Estates as a restricted ranch community of high quality;

NOW, THEREFORE, Declarant hereby declares that the Property shall be held, sold and conveyed subject to the following easements, restrictions, covenants, and conditions, all of which are for the purpose of enhancing and protecting the value, desirability and attractiveness of said Property. These easements, covenants, restrictions, and conditions shall run with said real property and be binding upon all parties having or acquiring any right, title or interest in a Site, as hereinafter defined, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

**ARTICLE I
DEFINITIONS**

The following words, when used in this Declaration of Covenants, Conditions and Restrictions, shall have the following meanings:

"Association" shall mean and refer to Kokernot Ranch Estates Property Owner's Association, a Texas non-profit corporation, its successors and assigns.

"Declarant" shall mean and refer to [buyers name], his successors and assigns, provided such successors and assigns (i) acquire more than one Site in the Property for purposes of development or resale and (ii) are designated as the Declarant by an instrument in writing executed by Declarant, and filed of record in the Official Public Records of Real Property of Brewster County, Texas.

"Kokernot Ranch Estates roadway" shall mean and refer to Cielo Drive, the roadway giving access to each of the land parcels in Kokernot Ranch Estates, containing 10.51 acres and being more particularly described on Exhibit "D" attached hereto and made a part hereof for all purposes.

"Living Unit" shall mean and refer to any improvements on a Site which are designed and intended for occupancy and use as a residence.

"Member" shall mean and refer to every person or entity who holds a membership in the Association.

"Owner" shall mean and refer to the record owner, whether one or more persons or entities, of fee simple title to any Site which is a part of the Property, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation. However, the term "Owner" shall include any mortgagee or lienholder who acquires fee simple title to any Site through judicial or non-judicial foreclosure.

"Site" shall mean and refer to any of the twenty tracts of land, more particularly described in Exhibit "E" attached hereto and made a part hereof for all purposes, which will be conveyed by Declarant out of the Property to third parties (except the Kokernot Ranch Estates Roadway, aka Cielo Drive).

**ARTICLE II
PROPERTY RIGHTS**

Section 1. Owner's Easement of Access and Enjoyment. Every Owner shall have an easement of access and a right to use of the Kokernot Ranch Estates roadway; such easement shall be appurtenant to and shall pass with the title to every Site, subject to the following provision:

The right of the Association to suspend a Member's voting rights and right to use the recreational and other facilities owned or operated by the Association, excluding domestic water, for any period during which any assessment against his Site or any other sum due the Association by him remains unpaid; and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations.

Section 2. Title to the Kokernot Ranch Estates Roadway. The Kokernot Ranch Estates Roadway shall be owned by the Association or its successors and assigns.

**ARTICLE III
MEMBERSHIP AND VOTING RIGHTS**

Section 1. Organization. The Association has been previously organized and is currently existing as a nonprofit corporation under the laws of the State of Texas. The principal purposes of the Association are the collection, expenditure and management of the maintenance funds, enforcement of the Restrictions, providing for the maintenance, preservation, and architectural control within the Property, the general overall supervision of all of the affairs and well-being of the Property and the promotion of the health, safety and welfare of the residents within the Property.

Section 2. Membership. Every person or entity who is a record owner of a fee or undivided fee interest in a Site which is a part of the Property, including contract sellers, shall hold a membership in the Association. The foregoing is not intended to include persons or entities who hold an interest in a Site merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of a Site. Ownership of a Site shall be the sole qualification for membership. Any mortgagee or lienholder who acquires title to any Site which is a part of the Property, through judicial or nonjudicial foreclosure, shall be a Member of the Association.

Section 3. Board of Directors. The Association shall act through a Board of Directors who will manage the affairs of the Association as specified in the Bylaws of the Association.

Section 4. Voting Rights. There shall be two classes of membership entitled to voting rights in the Association with respect to the Property and they shall be as follows:

(a) **Class A:** All Owners other than Declarant shall be considered Class A Members, and each Owner shall be entitled to one (1) vote on each matter coming before the Members at any meeting or otherwise, unless their voting rights have been suspended by the Board of Directors as hereinabove provided in Article II, Section 1(b). When a particular Site is owned by more than one individual or entity, all the individuals or entities holding an ownership interest in that Site shall be considered Class A Members, however, for that particular Site they shall be entitled to a total of no more than one vote on each

matter coming before the Members at any meeting or otherwise. The vote for such Site shall be exercised as they among themselves determine.

(b) Class B: Class B Members shall be the Declarant, who shall be entitled to 10 votes on each matter coming before the Members at any meeting or otherwise. All Class B memberships shall cease and be automatically converted into Class A Memberships on the happening of any of the following events, whichever occurs earlier:

(i) When the total number of votes entitled to be cast by the Class A Members, with respect to the Property, at any meeting of the Members or otherwise, equals the total number of votes entitled to be cast by the Class B Members, with respect to the Property;

(ii) Ten years from the date these Restrictions are filed with the County Clerk of Brewster County, Texas; or

(iii) At such earlier time as the Class B Member, in his or her sole discretion, shall elect.

ARTICLE IV COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation for Assessments. The Declarant, for each Site within the Property which shall be or thereafter become subject to the assessments hereinafter provided for, hereby covenants, and each Owner of any Site that shall be or thereafter become assessable, by acceptance of a Deed therefor, whether or not it shall be express in the Deed or other evidence of the conveyance, is deemed to covenant and agree to pay the Association the following:

- (a) Annual assessments or charges;
- (b) Special assessments for capital improvements; and
- (c) Any other sums to the extent they are specifically provided for elsewhere in this instrument.

Such assessments or charges are to be fixed, established and collected as hereinafter provided. These charges and assessments, together with such interest thereon and cost of collection thereof, as hereinafter provided, shall be a charge on the land and shall be secured by a continuing lien upon the Site against which such assessments or charges are made. Each such assessment or charge, together with such interest, costs and reasonable attorney's fees shall also be and remain the personal obligation of the

individual or individuals who owned the particular Site at the time the assessment or charge fee becomes due notwithstanding any subsequent transfer of title to such Site. The personal obligation for delinquent assessments and charges shall not pass to successors in title unless expressly assumed by them.

Section 2. Purposes of Assessments. The assessments levied by the Association shall be used exclusively for the purpose of maintaining Cielo Drive.

Without limiting the foregoing, the total assessments accumulated by the Association, insofar as the same may be sufficient, shall be applied toward the payment of all taxes, insurance premiums and repair, maintenance and acquisition expenses incurred by the Association, and at the option of the Board of Directors of the Association for any or all of the following purposes: lighting, improving and maintaining Cielo Drive; collecting and disposing of garbage, ashes, rubbish, and materials of a similar nature; payment of legal and all other expenses incurred in connection with the collection, enforcement and administration of all assessments and charges and in connection with the enforcement of this Declaration of Covenants, Conditions and Restrictions; employing a security service; and doing any other thing necessary or desirable in the opinion of the Board of Directors of the Association to keep and maintain the property in the Property within its jurisdiction in neat and good order or which they consider of general benefit to the Owners or occupants of the Property, including the establishment and maintenance of a reserve for repair, maintenance, taxes, insurance, and other charges as specified herein. It being understood that the judgment of the Board of Directors of the Association in establishing annual assessments, special assessments and other charges and in the expenditure of said funds shall be final and conclusive so long as said judgment is exercised in good faith.

Section 3. Date of Commencement and Determination of Annual Assessment. The annual assessment provided for herein shall commence as to all Sites on a date fixed by the Board of Directors of the Association. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. On or before the 30th day of November in each year, the Board of Directors of the Association shall fix the amount of the annual assessment to be levied against each Site in the next calendar year. Written notice of the figure at which the Board of Directors of the Association has set the annual assessment shall be sent to every Owner whose Site is subject to the payment thereof. However, the failure by the Board of Directors of the Association to fix an annual assessment for any year will not be deemed a waiver with respect to any of the provisions of this Declaration or a release of liability of any Owner to pay annual assessments, or any installments thereof, for that or any subsequent year. In the event of such failure, each Owner shall continue to pay the annual assessment established for the previous year until the new annual assessment is established. The new annual assessment established by the Board of Directors of the Association shall be applied retroactively to the commencement of the then current

assessment year and the deficit shall be paid by each Owner within thirty (30) days after receipt of a statement therefor. Assessments shall be due and payable yearly in advance on the first day of January or as directed by the Board of Directors of the Association. The Association shall, upon demand, and for reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Site have been paid. A properly executed certificate of the Association as to the status of assessments on a particular Site is binding upon the Association as of the date of its issuance.

Section 7. Effect of Non-Payment of Assessments; Remedies of the Association.

Any assessments or charges which are not paid when due shall be delinquent. If an assessment or charge is not paid within thirty (30) days after the due date, it shall bear interest from the due date at the lesser of (i) eighteen percent (18%) per annum or (ii) the maximum rate permitted by law, and the Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien herein retained against the Site. Interest, costs and reasonable attorneys' fees incurred in any such action shall be added to the amount of such assessment or charge. In order to secure the payment of the assessments or charges hereby levied, a vendor's lien for the benefit of the Association, shall be and is hereby reserved in the Deed from the Declarant to the purchaser of each Site or portion thereof, which lien shall be enforceable through appropriate judicial and nonjudicial proceedings by the Association. As additional security for payment of the assessments hereby levied, each Owner of a Site in the Property, by such party's acceptance of a deed thereto, hereby grants the Association a lien on such Site which may be foreclosed on by nonjudicial foreclosure and pursuant to the provisions of Section 51.002 of the Texas Property Code (and any successor statute); and each such Owner hereby expressly grants the Association a power of sale in connection therewith. The Association shall, whenever it proceeds with nonjudicial foreclosure pursuant to the provisions of said Section 51.002 of the Texas Property Code and said power of sale, designate in writing a Trustee to post or cause to be posted all required notices of such foreclosure sale and to conduct such foreclosure sale. The Trustee may be changed at any time and from time to time by the Association by means of a written instrument executed by the President or any Vice President of the Association and filed for record in the Real Property Records of Brewster County, Texas. In the event that the Association has determined to non-judicially foreclose the lien provided herein pursuant to the provisions of said Section 51.002 of the Texas Property Code and to exercise the power of sale hereby granted, the Association shall mail to the defaulting Owner a copy of the notice of Trustee's Sale not less than twenty-one (21) days prior to the date of which sale is scheduled by posting such notice through the U.S. Postal Service, postage prepaid, registered or certified, return receipt requested, properly addressed to such Owner at the last known address of such Owner according to the records of the Association. If required by law, the Association or Trustee shall also cause a copy of the Notice of Trustee's Sale to be recorded in the Real Property Records of Brewster County, Texas. Out of the proceeds of such sale,

there shall first be paid all expenses incurred by the Association in connection with such default, including reasonable attorney's fees and a reasonable trustee's fee; second, from such proceeds there shall be paid to the Association an amount equal to the amount of default; third, any amounts required by law to be paid before payment to the Owner; and, fourth, the remaining balance shall be paid to such Owner. Following any such foreclosure, each occupant of any such Site foreclosed on and each occupant of any improvements thereon shall be deemed to be a tenant at sufferance and may be removed from possession by any and all lawful means, including a judgment for possession in an action of forcible detainer and the issuance of a writ of restitution thereunder.

In addition to foreclosing the lien hereby retained, in the event of nonpayment by any Owner of such Owner's portion of any assessment, the Association may, acting through the Board, upon ten (10) days prior written notice thereof to such nonpaying Owner, in addition to all other rights and remedies available at law or otherwise, restrict the rights of such nonpaying Owner to use the Common Areas, if any, in such manner as the Association deems fit or appropriate and/or suspend the voting rights of such nonpaying Owner so long as such default exists.

It is the intent of the provisions of this Section 8 of Article IV to comply with the provisions of said Section 51.002 of the Texas Property Code relating to nonjudicial sales by power of sale and, in the event of the amendment of said Section 51.002 of the Texas Property Code hereafter, the President or any Vice President of the Association, acting without joinder of any other Owner or mortgagee or other person may, by amendment to this Declaration filed in the Real Property Records of Brewster County, Texas, amend the provisions hereof so as to comply with said amendments to Section 51.002 of the Texas Property Code.

No Owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Area or abandonment of his Site. In addition to the above, rights, the Association shall have the right to refuse to provide the services of the Association to any Owner who is delinquent in the payment of the above described assessments.

Section 8. Subordination of the Lien to Mortgages. The lien created in Section 8 of this Article IV shall be subordinate to valid purchase money liens or mortgages and any valid lien securing the cost of construction of home improvements. Sale or transfer of any Site shall not affect said lien; however, the sale or transfer of any Site which is subject to any valid first purchase money lien or mortgage or valid lien securing the construction of improvements pursuant to a judicial or nonjudicial foreclosure under such lien or mortgage or any conveyance in satisfaction of such debt (commonly called a "deed in lieu of foreclosure") shall extinguish the lien securing such assessment or charge only as to payments which became due prior to such sale or transfer and

additionally shall not cause a merger of such lien with the title conveyed in satisfaction of such debt. No sale or transfer shall relieve such Site or the Owner thereof from liability from any charges or assessments thereafter becoming due or from the lien thereof. In addition to the automatic subordination provided hereinabove, the Association, in the discretion of its Board of Directors, may subordinate the lien securing any assessment provided for herein any other mortgage, lien or encumbrance, subject to such limitations, if any, as such Board may determine.

Section 9. Exempt Property. All properties dedicated to, and accepted by, a local public authority and all properties owned by a charitable or nonprofit organization exempt from taxation by the laws of the State of Texas shall be exempt from the assessments and charges created herein. Notwithstanding the foregoing, no Site which is used as a residence shall be exempt from said assessments and charges.

ARTICLE V INSURANCE

The Association, through the Board of Directors, or its duly authorized agent, shall have the authority to obtain the following types of insurance policies:

(a) A comprehensive policy of public liability insurance covering Cielo Drive and insuring the Association, within such limits as it may consider acceptable, and any other covering the Association deems prudent and which is customarily carried with respect to projects similar in construction, location and use; and

(b) A policy of fidelity coverage to protect against dishonest acts on the part of officers, directors, trustees, and employees of the Association and all others who handle, or are responsible for handling funds of the Association; such fidelity bonds shall be of the kind and in an amount the Association deems necessary for the protection of the Owners.

Premiums for all such insurance policies carried by the Association shall be a common expense payable from the annual assessments on all of the Sites. Liability and property insurance for Sites and the contents of residences shall be the responsibility of each individual Owner. All proceeds from policies held by the Association shall be deposited in a bank or other financial institution, the accounts of which bank or institution are insured by a federal governmental agency, with the provision agreed to by said bank or institution that such funds may be withdrawn only by signature of at least two (2) of the members of the Board of Directors, or by an agent duly authorized by the Board of Directors. In no event shall the insurance company or the bank or other financial institution holding proceedings on a policy issued in the name of the Association be authorized to distribute any proceeds therefrom to the Declarant. Proceeds from such

policies shall be used by the Association only for the benefit of its Members and where such proceeds arise out of an occurrence in which an improvement owned by the Association is damaged or destroyed, they shall be used to repair, restore and rebuild such improvements. In the latter event, the Board of Directors shall advertise for sealed bids from licensed contractors, and upon acceptance of a bid received thereby, may negotiate with the contractor, who shall be required to provide a full performance and payment bond for the repair, reconstruction or rebuilding of such destroyed improvements. In the event the insurance proceeds are insufficient to pay all costs of repairing and/or rebuilding said improvements to their original condition, the Association shall levy a special assessment for capital improvements against all Owners to make up the deficiency. This shall be done only after compliance with all the requirements for imposition of special assessments.

ARTICLE VI ARCHITECTURAL CONTROL

Section 1. Architectural Control Committee. There is hereby created an Architectural Control Committee (herein referred to as the "Committee") initially comprised of three members designated by the Declarant or his successor in interest, each of whom shall serve until his or her successor is appointed. Any two (2) of the members of the Committee shall have the full authority and power to act for the Committee. In the event any member of the Committee should die, resign, refuse to act, or become unable or ineligible to act, Declarant or his successor in interest shall have the authority to designate a successor. At the discretion of Declarant or his successor in interest, the property owners' association may appoint further successors to the Committee. No member of the Committee or its designated representative(s), as herein defined, shall be entitled to any compensation for services performed pursuant to this Article. The Committee may, however, employ one or more architects, engineers, attorneys, or other consultants to assist the Committee in carrying out its duties hereunder, and the Association shall pay such consultants for such services as they render to the Committee. A majority of the Committee may designate one or more representative(s) to act for it and such representative(s) shall have the full right, authority, and power to carry out the functions of the Committee.

Section 2. Duties and Powers. The purpose of the Committee is to protect the environmental and architectural integrity of the Property in accordance with the provisions of this Declaration. **No building, fence, wall, outbuilding, barn or other structure or improvement of any nature shall be placed, constructed, erected, or maintained on any Site, nor shall any exterior addition to or change or alteration therein be made until the construction plans and specifications for the same shall have been submitted to and approved in writing by the Committee as to: (a) conformity and harmony of external design and location in relation to surrounding structures and topography, and (b) quality of workmanship and materials. Any plans**

and specifications to be submitted shall specify, in such form as the Committee may reasonably require, the location upon the Site where the improvements are to be placed and the dimensions thereof as well as appropriate information concerning the structural, mechanical, electrical, and plumbing details and the nature, kind, shape, height, color scheme, and materials of the proposed improvements or alterations. The Committee shall also have the right, where not otherwise set forth herein, to specify:

- (a) Minimum setbacks;
- (b) The location, height and extent of fences, walls, or other screening devices;
- (c) The orientation of structures and landscaping on Sites with respect to streets and structures on adjacent properties; and
- (d) A limited number of acceptable exterior materials and/or finishes that may be used in the construction, alteration or repair of any improvement.

Further, no person exercising any prerogative of approval or disapproval by the Committee shall incur any liability by reason of the good faith exercise thereof.

Section 3. Committee Approval. Any approval or disapproval by the Committee or its designated representative(s) on any of the above matters shall be in writing and either conveyed in person or by registered or certified mail, return receipt requested. In the event said Committee or its designated representative(s) fail to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, then such plans and specifications shall be deemed approved. The Committee shall have the right, exercisable at its discretion, to grant variances to the architectural restrictions in specific instances where the Committee in good faith deems that such variance does not adversely affect the architectural and environmental integrity of the Property or the common scheme of the development. If the Committee shall approve a request for variance, the Committee may evidence such approval, and grant its permission for such variance, only by written instrument, addressed to the Owner of the Site(s) relative to which such variance has been requested, describing the applicable restrictive covenant(s) and the particular variance requested, expressing the decision of the Committee to permit the variance, describing (when applicable) the conditions on which the variance has been approved and signed by a majority of the then members of the Committee. If any such variances are granted, no violation of the provisions of this Declaration shall be deemed to have occurred with respect to the matter for which the variance is granted; however, that the granting of a variance shall not operate to waive any of the provisions of this Declaration for any purpose except as to the particular property and particular provisions hereof covered by the variance, nor shall the granting of any variance affect in any way the

Owner's obligation to comply with all governmental laws and regulations affecting the Sites and with the Plat. Failure by the Committee to respond within thirty (30) days to a request for a variance shall operate as a denial of the variance.

Section 4. Term. The duties and powers of the members of the Committee herein named, their successors, assigns, and designated representative(s) shall cease ten years from the date this Declaration of Covenants, Conditions and Restrictions is recorded in the Official Public Records of Real Property of Brewster County, Texas. Thereafter, the duties and powers of the Committee shall vest in the Board of Directors of the Association or an Architectural Control Committee composed of three (3) or more representatives appointed by the Board of Directors of the Association. The approval required in this Article and the duties and powers vested in the Committee and its successors shall continue so long as this Declaration of Covenants, Conditions and Restrictions remains in force and effect. The then current members of the Committee may at any time voluntarily transfer all their duties and powers to the Board of Directors of the Association. To be effective, such a transfer shall be evidenced by a document executed by each of the then current members of the Committee.

Section 5. No Implied Waiver or Estoppel. No action or failure to act by the Committee or by the Board of Directors shall constitute a waiver or estoppel with respect to future action by the Committee or Board of Directors with respect to the construction of any improvements within the Property. Specially, the approval by the Committee or Board of Directors of any such residential construction shall not be deemed a waiver of any right or an estoppel to withhold approval or consent for any similar residential construction or any similar proposals, plans, specifications, or other materials submitted with respect to any other residential construction by such person or other Owner.

ARTICLE VIII USE RESTRICTIONS

Section 1. Residential Use. The property shall not contain more than a single residence structure and related outbuildings.

Section 2. Prohibition of mobile homes and temporary structures. Mobile homes, manufactured homes, pre-fabricated homes, recreational vehicles, and temporary structures of all types are expressly prohibited, except for camping tents used by Grantee or his immediate family, for a period of not more than ten consecutive days, or twenty total days during any six-month period. However, it shall be permissible the builder of any residence to maintain, during a reasonable period of construction, temporary facilities incidental to building. Nothing in this provision is intended to prohibit

Declarant from constructing a sales office or related structures which may be incidental to the sale of Sites within the Property.

Section 3. Business Activity. No business activities of any kind whatsoever except home occupations. Home occupations include any occupation or profession carried on by a member of the family, residing on the property; no mechanical equipment may be installed or used except that is normally used for single family domestic or household purposes, and that the business does not bring regular traffic into the Property. This prohibition does not apply to domestic workers or employees, or lawn maintenance contractors employed by Grantee for the maintenance of the property.

Section 5. No other leaseholds. Grantee is prohibited from granting any leases for commercial uses on the property, including hunting, hiking, camping, riding, or the like.

Section 6. Subdivision. The property shall not be subdivided after Grantee acquires title except that one subdivision may be made if the resulting parcels each contain at least 20 acres.

Section 7. Disposal of Trash. No portion of the Property shall be used or maintained as a dumping ground for rubbish, trash, garbage, or other wastes. All rubbish, trash, garbage or other waste shall be kept in sanitary containers and out of sight of the Common Area and any street or adjacent Site, except on days designated by the Association for pick-up of such garbage. No incinerator may be maintained on any portion of the Property. Burning garbage is expressly prohibited. In a manner consistent with good housekeeping, the Owner of each Site shall remove such prohibited matter from his Site at regular intervals at his expense.

Section 8. Hazardous Substances. Grantee shall not cause, contribute to, or permit the release of any "hazardous substance" on the Property. "Hazardous substance" means any toxic, radioactive, or hazardous material, waste, pollutant, or contaminant which has characteristics which render the substance dangerous or potentially dangerous to the public health, safety, welfare, or environment. The term includes, without limitation, any substances defined as "hazardous material," "toxic substances," "hazardous waste," or "hazardous substance" under any Environmental Law. Grantee shall not locate, transport, manufacture, treat, store, refine, or handle any hazardous substance in, on, under, or about the property and shall also comply with any and all relevant federal, state, and local laws, regulations, ordinances, court orders, attorney general opinions, or interpretive letters concerning the same.

Section 9. Hazardous Activities. No activities shall be conducted and no improvements constructed on the property which might be unsafe or hazardous to any person or property. No firearms shall be discharged within the property except in self-defense. Hunting on the property is expressly prohibited. No open fires shall be permitted on the property except in a contained outdoor barbecue or fireplace unit or pit attended by Grantee. This prohibition shall not apply for the purposes of controlled and attended fires for clearing or maintenance of the property.

Section 10. Pools, Spas and Hot Tubs. All pools, spas and hot tubs shall be maintained in a healthy, safe and sanitary condition as prescribed by the Texas Department of Health. No pools, spas or hot tubs shall be visible from any road off Grantee's property, but shall be shielded from view.

Section 11. Clothes Drying. No outside clothesline or other outside facilities for drying or airing clothes shall be erected, placed or maintained on the property if visible from any neighbor's property, nor shall clothing or household fabric or any other article be hung, dried, or aired on the property in such a way as to be visible by neighbors or from any road off Grantee's property.

Section 13. Vehicles. No non-working motor vehicle or non-motorized vehicle, boat, trailer, marine craft, recreational vehicle, camper rig off of truck, aircraft, machinery or equipment of any kind stored on any part of the property unless such vehicle or object is completely concealed from public view inside a garage or enclosure.

Section 16. Restriction on Animals. No animals, livestock, or poultry of any kind shall be raised, bred, or kept on the property, except a reasonable number of dogs, cats or other household pets, and a maximum of four horses or other large animals may be kept on the property, provided they are not kept, bred, or maintained for any commercial purpose. Animals raised as an FFA project are permitted as long as FFA standards are maintained for their care. Dogs are not permitted to run loose off their owner's property.

Section 17. Fencing. Grantee has the responsibility to build and maintain fences for the purpose of securing grantee's property against cattle. No damage caused by cattle will be the responsibility of the cattle owner(s) or Grantor.

Section 20. No Unsightliness or Nuisances. No unsightliness shall be permitted on the property. All unsightly equipment, objects or conditions shall be enclosed within a structure or screened from view, including vehicles other than functional and registered automobiles, campers, boats, garden and maintenance equipment, utility facilities, containers, and storage tanks, refuse, garbage and trash receptacles, lumber,

scrap, or trash. Refuse, garbage, trash, lumber, scrap and trash shall be maintained in sanitary containers, and removed from the property in a timely manner, and shall not be allowed to accumulate on the property. Grantee shall comply with the "Dark Skies" regulations and shall not allow any light emitted from the property to be unreasonably bright or cause unreasonable glare. No sound shall be emitted from the property which is unreasonably loud or annoying. No odor shall be emitted on or from the property which is noxious or offensive to others. No noxious or offensive activity of any type or nature shall be conducted on the property.

ARTICLE IX ARCHITECTURAL RESTRICTIONS

Section 1. Primary residence. The residence structure shall have a minimum living floor area of 1400 square feet, exclusive of garages, carports, porches, decks, patios and accessory structures. The exteriors of residence and related outbuildings must employ earth tone colors that blend into the land.

Section 2. Type of Construction. Exterior walls may be of masonry, brick, wood, or other suitable material approved by the Committee. No garage or accessory building shall exceed in height the dwelling to which it is appurtenant without the written consent of the Committee. Every garage and permitted accessory building shall correspond in style and architecture with the dwelling to which it is appurtenant. No structure of any kind or character that incorporates frame construction on the exterior shall be erected on any Site unless such structure received at least two coats of paint at the time of construction or the exterior is of redwood or cedar material.

Section 3. Dimensions of Living Units. Unless otherwise approved by the Committee, no residential structure shall be erected, altered, placed, or permitted to remain on any Site located in the Property unless its living area has a minimum of 1400 square feet of usable floor space exclusive of porches and garage, and, in the case of a two-story structure, at least 1000 square feet on the ground floor.

Section 4. Roof Material. Roofs of all residences shall be constructed so that the exposed material is of a color acceptable to the Committee.

Section 5. Mailboxes and Identifying Numbers. Mailboxes, house numbers and similar matter used in the Property must be harmonious with the overall character and aesthetic appeal of the community as determined by the Committee. The decision of the Committee that any such matter is not harmonious shall be final.

Section 6. Private Utility Lines. All electrical, telephone, cable television and other utility lines and facilities which are located on a Site, and are not owned by a governmental entity or a public utility company shall be installed in underground conduits or other underground facilities unless otherwise approved in writing by the Committee.

ARTICLE X GRANTOR'S RESERVATION OF RIGHTS

Section 1. Mineral Rights. Grantor retains all the mineral rights to the property.

Section 2. Water. No alteration of the natural drainage or flow of water on the property shall be permitted.

All subsurface water and water producing strata are reserved by Grantor and excepted from this conveyance except that Grantee may drill and equip one water well for purposes consistent with the uses of the property permitted by the restrictions. Any efforts of Grantor to develop or produce any water reserved and excepted from this conveyance shall be done from adjacent lands of Grantor, insofar as may be practicable, and shall be designed to cause as little disturbance to or interference with the use of the property by Grantee and Grantee's successors and assigns as may be reasonable and practicable.

Section 3. Wildlife Management and Grazing. Grantor reserves the right to manage all organisms, either plant or animal, living above, upon or below the soil surface and to graze livestock upon neighboring property. Neither Grantor, employees, heirs, agents nor assigns shall be liable for damage from wildlife, livestock or other disturbances commonly found on ranches.

ARTICLE XII GENERAL PROVISIONS

Section 1. Enforcement. The Association or any Owner shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens, and charges now or hereafter imposed by reason of the provisions contained in this Declaration of Covenants, Conditions, and Restrictions. Failure of the Association or any Owner to enforce any of the provisions herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Duration and Amendment.

(a). The covenants, conditions, restrictions, reservations, liens, and charges set forth in this Declaration shall run with the land and shall be binding upon and inure to the benefit of the Association, all Owners, their respective legal representatives, heirs, successors and assigns for a term of forty (40) years from the date this Declaration of Covenants, Conditions and Restrictions is filed with the County Clerk of Brewster County, Texas, for recordation in the Official Public Records of Real Property of Brewster County, Texas, after which time said covenants, conditions, restrictions, reservations, liens, and charges shall be automatically extended and renewed for successive periods of ten (10) years each, unless prior to said renewal date an instrument signed and acknowledged by the then Owners of not less than two-thirds (2/3) of the total number of Sites in the Property is filed for record with the County Clerk of Brewster County, Texas, altering, rescinding or modifying said covenants and restrictions in whole or in part as of said renewal date. Notwithstanding anything to the contrary herein contained, it is expressly understood and agreed that the Owners of two-thirds (2/3) of the total number of Sites in the Property shall always have the power and authority to amend this Declaration and such amendment shall become effective on the date an instrument, signed and acknowledged by the then Owners of not less than two-thirds (2/3) of the total number of Sites in the Property is filed for record in Brewster County, Texas, so amending said Declaration of Covenants, Conditions and Restrictions. In addition, Declarant shall have the right at any time and from time to time, without the joinder or consent of any other party, to amend this Declaration of Covenants, Conditions and Restrictions by any instrument in writing duly signed, acknowledged, and filed for record in the Official Public Records of Real Property of Brewster County, Texas, for the purpose of correcting any typographical or grammatical error, ambiguity or inconsistency appearing herein, or for the purpose of complying with any statute, regulation, ordinance, resolution, or order of the Federal Housing Administration, the Veterans Administration, or any federal, state, county, or municipal governing body, or any agency or department thereof, provided that any such amendment shall be consistent with and in furtherance of the general plan and scheme of development as evidenced by this Declaration of Covenants, Conditions and Restrictions and any Supplemental Declarations taken collectively, and shall not impair or affect the vested property rights of any Owner or his mortgagee.

Section 3. Severability. If any provision of this Declaration of Covenants, Conditions and Restrictions or the application thereof to any person or circumstance shall, for any reason or to any extent, be invalid or unenforceable, neither the remainder of this Declaration of Covenants, Conditions and Restrictions nor the application of such provision to other persons or circumstances shall be affected thereby, but shall be enforced to the fullest extent permitted by law.

Section 4. Gender and Number. Whenever used, the singular number shall include the plural, the plural singular, and the use of any gender shall be applicable to all genders.

Section 5. Headings. The paragraph entitlements hereof are inserted for convenience of reference only and shall in no way alter, modify or define, or be used in construing the text of such paragraphs.

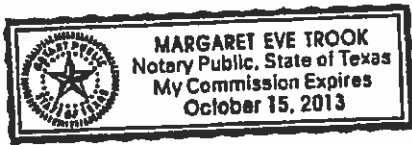
IN WITNESS WHEREOF, this Declaration is executed on this the 22 day of January, 2011.

DECLARANT:

Beulah V. Kokernot
BEULAH V. KOKERNOT

THE STATE OF TEXAS §
 §
COUNTY OF BREWSTER §

This instrument was acknowledged before me on January 22, 2011, by Beulah V. Kokernot.



Margaret Eve Trook
Notary Public, State of Texas

STATE OF TEXAS
COUNTY OF BREWSTER

I hereby certify that this instrument was FILED on the date and at the time stamped hereon by me and was duly RECORDED in the Volume and Page of the Official Public Records of Brewster County, Texas.



Berta Rios Martinez
County Clerk, Brewster County, Texas
VOL 266 PAGE 287
RECORDED 1-25-2011

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Pages 17
01/24/2011 4:49PM
Filed & Recorded in
Official Records of
BREWSTER COUNTY
BERTA RIOS-MARTINEZ
COUNTY CLERK
Fees \$80.00