DUSTY ROSE RANCH EAST

RESTRICTIONS AND COVENANTS

The property in the Dusty Rose Ranch East, as recorded in the plat records of Edwards/Kinney County, Texas, is subject to the covenants hereby made by the developer, (Seller), to-wit:

1. That these covenants are to run with the land and shall be binding on the Purchaser and all persons claiming under him. Purchaser understands that these restrictions and covenants are filed in the Real Property Records of Edwards/Kinney County, Texas.

2. Hunting of all kinds for all game or other animals, whether on foot or by vehicle, is prohibited on or from roads in Dusty Rose Ranch East. That the above property herein shall not be used for commercial or day lease hunting nor any manufacturing purposes. There exists a grazing lease on this property. Purchaser understands that livestock may be present on his land and that sources of water on his land that existed when the property was purchased may be used for said livestock. Purchaser has no obligation to continue this lease and may cancel the lease on his property by constructing fencing that meets local standards and is adequate to keep Lessee's livestock off his property and then giving Lessee 30 days advance notice that he wishes to not participate in the lease. If Purchaser desires to remove or alter any existing fences on his property Lessee shall be notified in advance in order to maintain control of the livestock.

3. That no automobile, truck, trailer, or other vehicle shall be abandoned on this property, nor shall there be any dumping or placing of unsightly objects of any kind on the property.

4. That no structure of any kind or temporary camp sites (including hunting blinds and/or deer feeders) shall be permitted within 100 feet of any property line. All fencing must be thirty (30) feet from the centerline of all main access roads.

5. No noxious or offensive activity shall be carried on upon any tract nor shall anything be done thereon which may be or become an annoyance or nuisance to any adjoining tract. No tract shall be maintained or utilized in such a manner as to violate any applicable statute, ordinance or regulation of the United States of America, the State of Texas, the County of Edwards/Kinney, if applicable, or any other governmental agency having jurisdiction thereof.

6. Discharge of sewage from an RV, home or cabin on your property is strictly prohibited and illegal unless it is discharged into a permitted septic system (On Site Sewage Facility - OSSF) installed by a licensed installer.

7. Not more than one residence shall be permitted on any tract. No communal residences shall be permitted.

8. That no commercial swine operation shall be permitted.

9. PURCHASER agrees not to impede the flow of water in and to existing water lines, tanks, or troughs that are on his property and grants ingress and egress to persons who need to maintain said improvements and wells which furnish water to the lines, tanks or troughs. Only those Purchasers who own an interest in an existing well shall have the right to use water from said well unless water use is granted by the owners of the well. Seller will not furnish water to any existing water troughs or tanks.

10. That no tract may be subdivided without the express written consent of the SELLER. This restriction will not prevent the Texas Veteran's Land Board (TVLB) from deeding a tract to a veteran for the purpose of a home site.

11. PURCHASER hereby authorizes SELLER and/or Assigns to charge each property owner a maintenance fee of $1.00 per acre, per year, not to exceed $300.00 to improve and maintain entrances, roads, community wells, water lines, storage tanks and any other maintenance deemed necessary by the SELLER and/or Assigns in the Dusty Rose Ranch East Subdivision. Such charge shall not be assessed against SELLER and/or Assigns. Such charge shall be made by direct billing to the property owner. If PURCHASER refuses to make said payments, PURCHASER hereby authorizes SELLER, at SELLER's option, to deduct such charge from payments made by PURCHASER, and any such charge so deducted will not be credited to the payment on the bce due on the purchase price, principal or interest. It is understood and agreed that this road maintenance charge (if not paid within 60 days of billing date) shall become a lien against the tract being conveyed, permitting SELLER and/or Assigns such rights to enforce said liens as may be set forth in Sec. 51.002 of the Texas Property Code, as amended time to time.

12. That at such time as SELLER may determine at his sole discretion, the SELLER shall have the authority but not the obligation to notify each tract owner of the time, date, and a place of a meeting of all tract owners to be held for the purpose of organizing a Property Owner's Association. A majority of the votes of the tract owners in attendance at such meetings or by written proxy shall be sufficient to transact business at such meeting. Each tract owner, including SELLER, attending or represented by written proxy at such meetings shall have one vote for each tract owned by such owner on all business to come before the meeting. Upon the creation and organization of such organization, as non-profit corporation, or otherwise, SELLER shall transfer and assign to the association the current balance of the road improvement and maintenance, if any. Thereafter such association shall have the power, authority and obligation to maintain the roadways of the development and collect the road maintenance assessment. All such assessments upon any tract in the development shall become the personal obligation of the owners of such tract and such association is hereby granted a lien upon each lot to secure the payments of such assessments, permitting said association such rights to enforce said liens as may be set forth in Sec. 51.002 of the Texas Property Code, as amended time to time. It is understood that SELLER, or SELLER’S assigns, shall not be responsible for paying this assessment under any circumstances. In the event a lien has been placed on property to secure the payment of assessments and that property is repossessed or otherwise transferred to SELLER it is understood that all such liens will be released.

13. No deviation of any kind shall be permitted from these restrictions unless permission is granted in writing by the SELLER