

RESTRICTIONS
OF
LAKEWOOD SUBDIVISION

THE STATE OF TEXAS §

COUNTY OF GOLIAD §

WHEREAS, Weldon Mallette, Trustee, of Victoria County, Texas, hereinafter referred to as "DECLARANT", is the owner in fee simple of all lots and blocks in "LAKEWOOD SUBDIVISION", a subdivision in Goliad County, Texas, according to the map and plat thereof duly recorded in Vol. _____, page _____, of the Deed Records of Goliad County, Texas, to which map and plat reference is here made for all purposes; and,

WHEREAS, Declarant owns or may acquire additional real property which Declarant may place subject to this Declaration for purposes of developing all at one time or in stages; and,

WHEREAS, said Declarant desires to place of record certain restrictive covenants, conditions and limitations affecting all the lots and blocks in said Lakewood Subdivision above referred to:

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS: That the said Weldon Mallette, Trustee, for the purpose of impressing upon the properties, hereinabove described and referred to, the restrictive covenants and conditions hereinafter set out, does hereby make and publish the following limitations, restrictions, covenants and conditions which shall apply to and become a part of all contracts of sale, deeds, and all other legal instruments whereby title and/or possession is divested out of the present owner of the above described properties and invested in any other person or persons, to all of which the aforesaid owner does hereby bind himself, as the fee owner of the above described properties; all of said limitations, restrictions, covenants and conditions shall extend to and include all the heirs, executors, administrators, assigns, devisees, lessees, and holders of every kind who may purchase or otherwise acquire any real property in the said Lakewood Subdivision from the owner thereof, and said owner expressly retains and reserves in every part, parcel and lot in said proportion the proprietary right to enforcement and observance of all of such limitations, restrictions, covenants and conditions.

ARTICLE I.

RESTRICTIONS

Section 1. Residential Lots. The property herein conveyed shall be used for private residential purposes only, and no building other than a private one family residence building shall be constructed or be permitted to remain on any part thereof; provided, however, that buildings such as one story family garages, servants rooms, wash rooms and other small buildings customarily and ordinarily used in connection with a private residence may be constructed and allowed to remain thereon.

Section 2. Lake Front Lots. No main residential building which has less than 1000 square feet of floor space, exclusive of porches, carports, or attached garages, shall be erected or placed on any lot fronting on Coletto Lake.

Section 2A. Lots Without Lake Frontage. No main residential building which has less than 800 square feet of floor space, exclusive of porches, carports, or attached garages shall be erected or placed on any lot not fronting on Coletto Lake.

Section 3. Buildings. No structure of a temporary character, second-hand house, barracks, house trailer, basement, tent, shack, garage or other building shall be used on said property at any time as a residence, either temporary or permanent. A motor home is excepted from this provision.

Section 4. Septic System. Every residential building must be connected to an approved septic system complying with the standards required by the Texas Health Commission. Not more than one residence shall be connected to each approved septic tank.

Section 5. Animals. No animals, sheep, livestock, or poultry of any kind shall be raised, bred or kept on the herein conveyed property for commercial purposes, and no hogs shall be permitted at any time on the herein conveyed property.

Section 6. Building Lines. No building shall be located on the herein conveyed property nearer than thirty-five feet (35') from the front property line or nearer than ten feet (10') from any exterior side property line, or nearer than ten feet (10') from any interior side property line.

Section 7. Offensive Activities. No noxious or offensive activities shall be carried on upon the herein conveyed property nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood.

Section 8. Lumping. The herein conveyed property shall never be used or maintained as a dumping ground for rubbish, used lumber, building materials, abandoned cars, tires, junk, or other unsightly items.

Section 9. Signs. No sign of any kind shall be displayed to the public view on the herein conveyed property except one professional sign of not more than one square foot or one sign of not more than five square feet advertising the property for sale or rent, or signs used by the builder to advertise the property during the construction and sales period.

Section 10. Drilling. No oil drilling, oil development operations, oil refining, quarrying, or mining operations of any kind shall be permitted upon or in any lot, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or on any lot.

Section 11. Storage. No exterior storage of any items of any kind shall be permitted except with prior written approval and authorization of the Committee. Any such storage as is approved and authorized shall be in areas attractively screened or concealed (subject to all required approvals as to architectural control) from view from neighboring property, pathways and streets.

Section 12. Garbage. No garbage or trash shall be placed on the exterior of any building, except in containers meeting the specifications of the Committee, and the placement, maintenance and appearance of all such containers shall be subject to reasonable rules and regulations of the Committee. All rubbish, trash and garbage shall be regularly removed from each lot and shall not be allowed to accumulate thereon.

Section 13. Re-subdivision. No lot shall be further subdivided and no portion less than all of any such lot, or any easement or any other interest therein, shall be conveyed by any owner without the prior written authorization and approval of the Committee.

Section 14. Burning and Incinerators. No open fires or burning shall be permitted on any lot at any time and no incinerators or like equipment shall be placed, allowed or maintained upon any lot. The foregoing shall not be deemed to preclude the use, in customary fashion, of outdoor residential barbecues and grills.

Section 15. Motor Vehicles. Motor vehicles owned or in the custody of any owner may be parked only in the carport or driveway located upon or pertaining to such person's lot or dwelling unit, or in parking areas designed by the Committee, unless otherwise authorized by the Committee in writing. No buses, vans, or trucks having a carrying capacity in excess of 3/4 ton or designed for commercial purposes shall be placed, allowed or maintained upon any residential lot except with the prior written approval and authorization of the Committee in areas attractively screened or concealed (subject to all required approvals as to architectural control) from view of neighboring property, pathways and streets.

Section 16. Carports. The interiors of all carports shall be maintained by the owner in a neat, clean and sightly condition. No carport shall be used for storage; and no power equipment, hobby shops or carpenter shops shall be maintained in any carport, nor automobile overhaul, repair or maintenance work conducted therein.

Section 17. Prosecution of Construction, Maintenance and Repairs. All construction, maintenance and repair work shall be prosecuted diligently from commencement until completed.

Section 18. Maintenance. No dwelling unit shall be permitted to fall into disrepair and each such building and structure shall at all times be kept in good condition and repair, adequately painted or otherwise finished; and the Committee, or its agent, with three days' prior written notice to the owner shall have the right to enter upon and inspect any lot or dwelling unit for the purpose of ascertaining whether or not the provisions of these covenants have been or are being complied with, and the Committee shall not be deemed guilty of trespass by reason of such entry provided such entry be made during reasonable hours of the daytime.

Declarant herein further represents and here now provides that each and all of the restrictions herein contained are hereby made covenants running with the land for the use and benefit of each and every subsequent owner of any of said lots above described, or parts thereof. Enforcement of the restrictions and covenants herein set out shall be by proceedings at law or in equity against any person violating or attempting to violate any restrictions or covenants, either to restrain such violation or violations, or to recover damages.

Notwithstanding any of the restrictions, limitations, provisions and covenants herein contained, it is here now specifically provided that violation of any such restrictions, limitations, provisions and covenants shall not in any way affect the rights of any future good faith lien holder having a valid lien on said property, or any part thereof, who is in no way responsible for such violation.

These covenants and restrictions shall run with the land and shall be binding upon Declarant, his successors and assigns, and all parties claiming under him, for a period of twenty-five (25) years from date hereof, at which time, they shall be automatically extended for successive periods of ten (10) years each, unless prior to the expiration of such ten year period, the then owners of a majority of the lots in Lakewood Subdivision shall execute an instrument changing these covenants and restrictions in whole or in part, and the provisions of such instrument shall become operative at the expiration of each ten year period in which it is executed and recorded.

ARTICLE II.

IMPROPER MAINTENANCE BY OWNER

In the event any portion of a lot or dwelling unit thereon is in the Committee's judgment so maintained by the owner as to not comply with these covenants or present a public or private nuisance, or as to substantially detract from the appearance or quality of the neighboring lots or dwelling units, or other areas of the property which are substantially affected thereby or related thereto, the Committee may, by resolution, make a finding to this effect, specifying the particular condition or conditions which exist, and pursuant thereto, deliver notice thereof to the offending owner that unless

corrective action is taken within ten days, the Committee will cause such action to be taken at such owner's cost. If at the expiration of said ten day period of time the requisite corrective action has not been taken, the Committee shall be authorized and empowered to cause such action be taken and the cost (the Maintenance Cost) thereof shall be assessed against the lot and dwelling unit of the offending owner and shall be secured by the Maintenance Lien hereinafter provided. Written notice of such assessment shall be delivered to the offending owner which notice shall specify the amount of such Maintenance Cost and shall demand payment thereof within thirty (30) days after the date of said notice.

ARTICLE III.

IMPOSITION OF LIEN: OWNER'S AGREEMENT

Section 1. Imposition of Maintenance Lien. The Committee shall have the right at any time there is unpaid Maintenance Cost outstanding with respect to a lot, to file of record with the County Clerk of Goliad County, Texas, a written statement describing such lot and/or the dwelling unit thereon, and declaring the amount of unpaid Maintenance Cost relating thereto in which event, upon such filing there shall automatically be imposed on such lot and the dwelling unit thereon, a lien (the "Maintenance Lien") in favor of the Committee for the amount of such unpaid Maintenance Cost. Upon payment of all Maintenance Cost relating to any such lot, the Committee shall file of record with the County Clerk of Goliad County, Texas, an appropriate release of any Maintenance Lien previously filed against the lot and the dwelling unit thereon for such Maintenance Cost. The Maintenance Lien shall be for the sole benefit of the Committee, its successors and assigns.

Section 2. Owner's Promises Regarding Maintenance Costs and Maintenance Lien. Each owner, for himself, his heirs, executors, administrators, trustees, personal representatives, successors and assigns, covenants and agrees:

- (a) That he will pay to the Committee within thirty days after the date of written notice thereof any Maintenance Cost assessed by the Committee against his lot and the dwelling unit thereon;

(b) That by accepting a Deed to his lot, he shall be and remain personally liable for any and all Maintenance Cost assessed against his lot and the dwelling unit thereon while he is (or was) the owner thereof, regardless of whether such covenants or agreements are expressed in such Deed and regardless of whether he signed the Deed.

ARTICLE IV.

RIGHTS AND POWERS

Section 1. The Civic Committee as Enforcing Body. The Civic Committee, as the agent and representative of Owners, shall have the exclusive right to enforce the provisions of this Declaration. However, if the Civic Committee shall fail or refuse to enforce this Declaration for an unreasonable period of time, after written request to do so, then any owner may enforce this Declaration on behalf of the Civic Committee by any appropriate action, whether in law or in equity.

Section 2. Civic Committee's Remedies to Enforce Payment of Maintenance Cost. If the owner of any lot fails to pay the Maintenance Cost when due, the Civic Committee may enforce the payment of the Maintenance Cost and/or the Maintenance Lien by taking either or both of the following actions, concurrently or separately (and by exercising either of the remedies hereinafter set forth, the Civic Committee does not prejudice or waive its right to exercise the other remedy):

- (a) Bring an action at law and recover judgment against the owner personally obligated to pay Maintenance Cost;
- (b) Foreclose the Maintenance Lien against the lot and dwelling unit thereon in accordance with the then prevailing Texas law relating to the foreclosure of realty mortgages and liens (including the right to recover any deficiency).

Sale or transfer of any lot shall not affect the Maintenance Lien, provided, however, that if the sale or transfer is pursuant to foreclosure of a mortgage or deed of trust, or pursuant to any sale or proceeding in lieu thereof, the purchaser at the mortgage foreclosure or deed of trust sale, or any grantee taking by deed in lieu of foreclosure, shall take the lot and any dwelling unit located thereon free of the Maintenance Lien for all Maintenance Cost that have accrued up to the date of issuance of a Sheriff's or Trustee's Deed or Deed in lieu of foreclosure.

Section 3. Costs to be Borne by Owner in Connection with Enforcement of Payment of Maintenance Cost. In any action taken pursuant to Section 2 of this Article, the owner shall be personally liable for, and the Maintenance Lien shall be deemed to secure, the amount of the Maintenance Cost together with interest thereon at the rate of fifteen per cent (15%) per annum, the Civic Committee's cost, and attorney's fees.

Section 4. Contracts with Others for Performance of the Civic Committee's Duties. Subject to the restrictions and limitations contained herein, the Civic Committee may enter into contracts and transactions with others, for the carrying out of its duties, and such contracts or transactions shall not be invalidated or in any way affected by the fact that one or more partners (limited and general) in the Civic Committee and/or one or more directors of the general partner of the Civic Committee is employed by or otherwise connected with the Civic Committee, its subsidiaries and affiliates, provided that the fact of such interest shall be disclosed or known to the other partners and/or directors acting upon such contract or transaction, and provided further that the transaction or contract is fair and reasonable; and any such partner and/or director may be counted in determining the existence of a quorum at any meeting which shall authorize any such contract or transaction, and may vote thereat to authorize any such contract or transaction with like force and effect as if he were not so interested.

ARTICLE V.

APPROVAL OF PLANS

No building shall be erected, placed, or altered on any building plot in this subdivision until the building plans, specifications, and plot plan showing the location of such building, have been approved in writing as to conformity and harmony of external design with existing structures in the subdivision, and as to the location of the building with respect to the topography and finished ground elevation, and as to compliance with these restrictions and covenants by a committee composed of _____ and _____.

In the event of death or resignation of any member of said committee, the remaining members shall have full authority to approve or disapprove such design and location, or to designate a representative with like authority.

Neither the members of the committee nor its designated representative shall be entitled to any compensation for services performed pursuant to this covenant.

ARTICLE VI.

LAKEWOOD CIVIC COMMITTEE

Section 1. At such time as fifty per cent (50%) of the lots in Lakewood Subdivision be deeded by Declarant, the then owners may by vote, as hereinafter provided, appoint or elect a committee of three (3) members to be known as the Lakewood Civic Committee. Each member of the committee must be a lot owner in Lakewood Subdivision. Each owner shall be entitled to one vote for each lot.

Section 2. Declarant shall be obligated to arrange for the initial election of such Committee at such time (after the sale of fifty per cent of the lots as hereinbefore set forth) as ten or more lot owners in Lakewood Subdivision request in writing the call of such election. Thereafter, the Committee shall also be obligated to arrange for elections for the removal and/or replacement of Committee Members when so requested in writing by ten or more lot owners in Lakewood Subdivision. The Lakewood Civic Committee may also call such an election within its own discretion.

Section 3. Such election (or any other election for the removal or replacement of Committee Members) shall be governed by the following: The Lakewood Civic Committee (or Declarant until such Committee is initially elected) shall serve written notice of such election to each of the then lot owners in Lakewood Subdivision by addressing such notice by Registered Mail to the last known address of such owners at least two weeks prior to such election, therein apprising said owners of the time and place of said election.

Posting of such registered notice shall be conclusively deemed to be notice. Votes of owners shall be evidenced by written ballot furnished by the Committee (or Declarant) and the Committee shall maintain said ballots as a permanent record of such election. Any owner may appoint a proxy to cast his ballot in such election, provided that his written appointment of such proxy is attached to the ballot as a part thereof. The results of such election shall be determined by the majority vote of those owners then voting.

The appointment or election of the Committee and of any removal or replacement of members thereof, shall be evidenced by the recording of an appropriate instrument properly signed and acknowledged by a majority of the then property owners voting in such election. The Lakewood Civic Committee, when created, shall function as representatives of all of the property owners in Lakewood Subdivision to assure against depreciation of property values in said subdivision by giving its attention to the matters hereinafter set out as proper functions of such Committee, and shall be authorized to:

(1) Collect and expend, in the interest of the subdivision as a whole, the Maintenance Fund hereinafter created.

(2) Enforce, by appropriate proceedings, these covenants and restrictions.

(3) Enforce or release any lien imposed on any part of this subdivision by reason of violation of any of these covenants or restrictions, or by reason of failure to pay the maintenance charges provided for.

Section 4. Members of the Lakewood Civic Committee may, at any time, be relieved of their position and substitute members therefor appointed by vote, as above set out. Upon the death, resignation, refusal or inability of any member to serve, the remaining members of the Committee shall fill by appointment the vacancy pending further action by the lot owners. Until such time as the Lakewood Civic Committee has been formed, as above provided for, Declarant specifically reserves unto himself, or anyone to whom they may delegate such right, the right to act within the authority granted the Lakewood Civic Committee under these restrictions and covenants, and any reference in this instrument to the Lakewood Civic Committee shall mean Declarant until such time as the Lakewood Civic Committee has been elected as hereinabove provided for. Neither Declarant nor any member of the Lakewood Civic Committee shall ever be liable to any person, firm or corporation for any action (other than fraud or theft) taken with respect to the collection and/or administration and/or expenditure of the Maintenance Fund hereinafter provided for and the acceptance by any party of a Deed to any lot in Lakewood Subdivision shall constitute such party's covenant and agreement that such liability shall not exist.

Section 5. Declarant has constructed on land leased from the Guadalupe-Blanco River Authority, a park for the benefit of each lot within this subdivision and for the benefit of any future land which Declarant may develop

at one time or in stages. The Management of said park and all rules and regulations for the proper functioning, maintenance and use of said park shall be promulgated by the Lakewood Civic Committee at the will of the Lakewood Civic Club.