

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

THE STATE OF TEXAS §
 § KNOW ALL MEN BY THESE PRESENTS THAT:
COUNTY OF GILLESPIE §

WHEREAS, HOHS, LTD., is the owner of that 172.71 acre tract of land situated in Gillespie County, Texas, which is comprised of the following portions of surveys: 9.37 acres, more or less, of the B.B.B. & C. Railroad Company Survey No. 700, Abstract No. 73; 163.34 acres, more or less, of the J. H. Maxwell Survey No. 505, Abstract No. 1123, an unplatted Subdivision, known as "Hills of Hickory Springs" and being more fully described by metes and bounds on Exhibit "A" attached hereto and made a part hereof for all pertinent purposes;

WHEREAS, HOHS, LTD. will convey the above-described lands subject to certain protective covenants, reservations, conditions, restrictions and charges as hereinafter set forth;

NOW, THEREFORE, it is hereby declared that all of the Property shall be owned, held, sold, transferred and conveyed subject to all of the terms and provisions set forth below which are for the purpose of protecting the value and desirability of, and which shall run with, said Property and shall be binding on all parties having a right, title or interest in or to the above-described property or any part thereof, and their heirs, successors and assigns and which restrictions, covenants and conditions shall inure to the benefit of each owner thereof, any contract or deed which may hereafter be executed in connection with said tract or tracts or any part thereof shall be conclusively held to have been executed, delivered and accepted subject to the terms and conditions contained in this instrument, regardless of whether or not such terms and conditions are specifically set out in said contract or deed.

I.

DEFINITIONS

1.01. OWNER shall refer to the record owner, whether one or more persons or entity, of the fee simple title to any portion of the above-described property, excluding however, those having any interest therein merely as security for the performance of an obligation.

1.02. TRACT shall refer to any portion of the land as owned by any Owner.

1.03. DEVELOPER as used in these restrictions shall refer to HOHS, LTD., its heirs, successors or assigns.

1.04. PROPERTY shall mean and refer to that certain real property hereinbefore described as 172.71 acre tract of land situated in Gillespie County, Texas, which is comprised of the following portions of surveys: 9.37 acres, more or less, of the B.B.B. & C. Railroad Company Survey No. 700, Abstract No. 73; 163.34 acres, more or less, of the J. H. Maxwell Survey No. 505, Abstract No. 1123, an unplatted Subdivision, known as "Hills of Hickory Springs", and being more fully described by metes and bounds on Exhibit "A" attached hereto and made a part hereof for all pertinent purposes.

1.05 PRIVATE ROADWAY EASEMENTS shall mean and refer to the easement to

be conveyed for the ingress, egress and regress to the Property, which easement is more particularly described by metes and bounds in Exhibit "B" attached hereto and incorporated herein by reference.

II.

BUILDING RESTRICTIONS

2.01. No more than one single-family dwelling, containing not less than 1,800 square feet of living area which is heated and air conditioned, exclusive of open porches, breezeways, carports and garages, shall be erected or maintained on a Tract. An Owner may also construct one or more guest homes and other related improvements on a tract, so long as such improvements are for the personal use of the Owner and guests or invitees of the Owner.

2.02. The exterior of any building shall be completed not later than fifteen (15) months after laying the foundation for such building.

2.03. Premanufactured, modular and industrial built homes, doublewide, singlewide mobile homes and/or trailer houses are prohibited. No recreational vehicles, travel trailers, or other temporary structures shall be used as a residence on any tract except that a recreational vehicle or travel trailer may be occupied while the residence is under construction.

2.04. No residence or other permanent structure (other than fencing and entranceways) shall be constructed, erected or placed nearer than 50 feet from the side or rear property line of the tract and no closer than 75 feet from the front property line.

2.05. In the event an Owner shall own title to two or more tracts which have a common boundary line, the building setback restrictions provided herein shall not apply to the common property line of the abutting tracts. Solely for purposes of determination of building setbacks, the tracts shall be treated as if they constituted a single tract of land and there shall be no building setback as to the common boundary line so long as the tracts which share a common boundary line are owned by the same Owner.

III.

USE RESTRICTIONS

3.01. Developer, in Developer's discretion, may subdivide the Property into Tracts. A tract may be subdivided into two tracts by a non Developer Owner provided the two resultant tracts each exceed ten (10) acres in size and the resubdivision complies with all county regulations and ordinances.

3.02. Harvesting and taking (hunting) wildlife other than by Owners and persons related to Owners within the second degree of affinity or consanguinity is prohibited. Leasing or other receipt of compensation for harvesting and taking (hunting) wildlife is prohibited.

3.03. Abandoned or inoperative equipment, vehicles or junk shall not be permitted or stored on any tract or any portion of any ingress or egress easement.

3.04. Tracts shall not be used for any commercial purposes, except permanent agricultural crops including vineyards, fruit trees, pecan groves, permanent grass (hay meadows or grazing pastures), and livestock production. No industrial pursuit or enterprise shall be

permitted to be conducted on any tract. Industrial pursuit or enterprise shall mean engaging in the manufacture or assembly of goods or processing of raw materials unserviceable in their natural state for sale or distribution to third parties (other than a cottage industry by an artisan, i.e. artist, painter, photographer, wood, metal or glass sculptor or fabricator) and shall be inclusive of, but not exclusive of:

Auto painting and repair, heavy machinery operation or storage; welding or machine shop or machining business; concrete products manufacture.

“Bed and Breakfast”, which is known as tourist lodging services within rooms of the principal residence or separate guest house situated on the tract, shall be permitted. Only one Unit used as a “Bed and Breakfast” within the principal residence shall be permitted. Only one unit used as a “Bed and Breakfast” within a guest house shall be permitted.

3.05. Swine shall not be kept on any tract other than in connection with a sanctioned 4-H or FFA livestock project. Other livestock, pets and poultry shall be permitted provided said livestock, pets or poultry are kept within the boundaries of a tract at all times, and they are not unreasonably offensive to adjacent landowners by smell, sound, or otherwise. There shall not be any commercial feeding operations conducted thereon.

3.06. Surface mining (including, but not limited to stone, gravel, sand, caliche), or exploration of any type which will damage the surface is prohibited. Road material, including gravel or caliche, used to construct roads on the property may be removed and utilized, after which the removal site shall be restored as much as possible to its original condition. Notwithstanding the foregoing: (a) exploration of water, and the use thereof, is permitted; and (b) excavation for, and installment of, a septic system is permitted.

3.07. No cellular tower or other type of commercial tower shall be erected or placed upon the property.

3.08. Noxious or offensive activities shall not be permitted on any tract. Owners are to keep their tract clean and neat in appearance and free of litter at all times, including the occasional mowing of grass and weeds which shall enhance the beauty of the tract and act as a fire protection measure. Garbage or refuse shall not be disposed of or buried on any tract.

3.09. The Owner of a tract shall fence the perimeter of the tract at Owner’s sole cost and expense. The fence shall be constructed of new material and shall be completed and maintained in a good and workmanlike manner, regarding quality and appearance, and shall be constructed and designed to restrain livestock. Until such time as Owner completes the construction of the required fence, Owner agrees that Developer, Developer’s agents or lessees may graze livestock upon the tract purchased by Owner without compensation or lease payment to Owner. Upon completion of the construction of the required fence, all privileges to continue the grazing of livestock by Developer, Developer’s agents or lessees shall terminate and immediately cease.

3.10. Utility lines constructed or erected, by or at the request of Owners other than Developer, shall be underground.

IV.

UTILITY EASEMENTS

4.01. Developer reserves unto itself and/or its assigns, an easement for underground and aerial utility purposes ten (10) feet in width upon (1) all sides of all Tracts and (2) that portion of the Property which is adjacent to and abutting the private roadway easements, and within the roadway easements, for the installation and maintenance of underground, and aerial, electric, telephone, and other utility lines with the right of ingress to and egress from and across said Property to employees of utilities owning said lines.

V.

ROADWAY EASEMENTS AND MAINTENANCE

5.01. THE ROADWAY ACCESSING THE PROPERTY IS A PRIVATE EASEMENT ROAD IN AN UNPLATTED SUBDIVISION OF GILLESPIE COUNTY, TEXAS. THE ROADWAY SHALL BE PRIVATELY MAINTAINED BY THE OWNERS OF TRACTS OUT OF THE PROPERTY. GILLESPIE COUNTY, TEXAS SHALL NOT BE RESPONSIBLE FOR THE MAINTENANCE AND REPAIR OF THE ROADWAY. THE ROADWAY WILL BE MAINTAINED AND REPAIRED BY MAINTENANCE ASSESSMENTS WHICH ARE COLLECTED FROM OWNERS OF TRACTS OUT OF THE PROPERTY. BY ACCEPTANCE OF A DEED TO A TRACT OUT OF THE PROPERTY, EACH OWNER OF SUCH TRACT COVENANTS AND AGREES TO WAIVE ANY RIGHT SUCH OWNER MAY HAVE TO DEMAND OR COMPEL THE MAINTENANCE OR REPAIR OF THE ROADWAYS OUT OF THE PROPERTY BY GILLESPIE COUNTY, TEXAS AND IS ESTOPPED FROM DOING SO.

VI.

MISCELLANEOUS

6.01. These restrictive covenants shall be binding upon and inure to the benefit of all parties claiming under Developer until December 31, 2021, at which time said restrictive covenants shall be automatically extended without further notice for successive periods of ten (10) years until such time that the owners of 75% of the acreage contained within the Property shall execute an instrument waiving or amending the restrictive covenants. A Tract owner shall be the record owner of legal title as shown by the real property records of Gillespie County, Texas. Any amendments shall be in writing and shall not be effective until duly recorded. A copy of the amendments as recorded shall be forwarded to the last known address of all Tract owners.

6.02. If any term or provision of this instrument or the application thereof shall be held to be invalid, all other terms and provisions of these restrictive covenants or the application thereof shall not be affected thereby, nor shall any failure of the Developer or Tract owner to seek enforcement of any term or provision constitute a waiver of any right to do so in the future or the validity or enforceability of such term or provision.

6.03. Developer and every other person, firm or corporation hereinafter having any right, title or interest in any Tract in the Property shall have the right to enforce, by any proceeding at law or in equity, all restrictive covenants by injunction or other lawful procedure and to recover any damages resulting from such violations. Damages for the purpose of this paragraph shall include court costs and necessary attorney fees.

VII.

ADDITION OF LAND

7.01. Developer hereby reserves to itself and shall hereafter have the right, but not the obligation at any time and from time to time, in its sole and absolute discretion, and without notice to or the approval of any party or person whomsoever or whatsoever, to impose this Declaration or a substantially similar Declaration upon additional property adjacent, contiguous or nearby to the Property. Developer may, at any time and from time to time, add any other lands to the Property, and upon such addition, this Declaration and the covenants, conditions, restrictions and obligations set forth herein shall apply to the added land, and the rights, privileges, duties and liabilities of the persons subject to the Declaration shall be the same with respect to the added land as with respect to the lands originally covered by this Declaration, unless such supplemental Declaration shall provide for changes to the Declaration to deal with the unique character of Developer's overall development plans for the added property. In order to add lands to the Property hereunder, Developer shall be required only to record in the Official Public Records of Gillespie County, Texas, a notice of addition of land (in the form of a Supplemental Declaration) containing the following provisions:

- (a) A reference to this Declaration, which reference shall state the document number of the Official Public Records wherein this Declaration is recorded;
- (b) A statement that the provisions of this Declaration shall apply to the added land;
- (c) A legal description of the added land; and
- (d) Any covenants, conditions, or restrictions that are different or unique to the added land.

VIII.

AMENDMENT

(a) The Owners (but expressly excluding their respective mortgagee's, if any) of at least ninety percent (90%) of the acreage in the Property may amend this Declaration by executing and filing an instrument containing such amendment, in the office of the County Clerk of Gillespie County, Texas.

(b) Developer shall have and hereby reserves the right at any time and from time to time, without the joinder or consent of any other party, to amend these restrictive covenants by an instrument in writing duly signed and acknowledged by Developer only, filed for record in the office of the County Clerk of Gillespie County, Texas, for the purpose of correcting any typographical or grammatical error or any ambiguity or inconsistency appearing herein or for any reason whatsoever deemed necessary for the benefit or enhancement of the overall development as determined by Developer. Amendments shall be effective upon filing the amended restrictions with the County Clerk of Gillespie County, Texas.

EXECUTED this _____ day of June, 2007.

HOHS, LTD.

By: HOHS ONE, LLC
Its General Partner

BY:

J. JOE HARRIS, Member

BY:

DIANA H. HARRIS, Member

BY:

MIKE CLARK, Member

BY:

SALLY S. CLARK, Member

THE STATE OF TEXAS §

COUNTY OF GILLESPIE §

This instrument was acknowledged before me on this _____ day of June, 2007, by J. JOE HARRIS and DIANA H. HARRIS, Members of HOHS ONE, LLC, General Partner of HOHS, LTD., a Texas Limited Partnership, on behalf of said partnership.

Notary Public, State of Texas

THE STATE OF TEXAS §

COUNTY OF GILLESPIE

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This instrument was acknowledged before me on this _____ day of June, 2007, by MIKE CLARK and SALLY S. CLARK, Members of HOHS ONE, LLC, General Partner of HOHS, LTD., a Texas Limited Partnership, on behalf of said partnership.

Notary Public, State of Texas