

WATERWOOD SUBDIVISION, UNIT 42
RESTRICTIVE COVENANTS AND EASEMENTS

THE STATE OF TEXAS

KNOW ALL MEN BY THESE PRESENTS;

THE COUNTY OF BEXAR

WATERWOOD DEVELOPMENT COMPANY, herein called declarant, is the owner in fee simple of certain real property located in Bexar County, Texas, known by official plat designation as Waterwood Subdivision, Unit 42, a subdivision pursuant to a plat recorded in the Plat Records of Bexar County, Texas, in Volume 9518, page 17 for the purpose of enhancing and protecting the value and usefulness of the lots or tracts constituting such Subdivision. Declarant hereby declares that all the real property described in said Plat, and each part thereof, should be held, sold and conveyed only subject to the following easements, covenants, conditions and restrictions, which shall constitute a covenant running with the land and shall be binding on all parties having any right, title or interest in the above described property, or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof, to-wit:

1. All tracts shall be used solely for residential purposes. No activity shall be conducted on any of these tracts which is noxious or harmful by reason of emission of odor, dust, smoke, gas fumes, noise or vibration; and provided further that the Grantor expressly reserves the right to vary the use of any property notwithstanding the restrictions, should Grantor in its sole judgment deem it in the best interest of the Subdivision to grant such variance or variances. The granting of such variance by the Grantor shall be specifically set forth in both Contract of Sale and the Grantor's Deed conveying said tract or tracts.
2. No tract may be subdivided unless written approval is given by the Grantor, its assignee, successors or designees.
3. No building other than a single family residence containing not less than 800 square feet for single wide or 1100 square feet for double wide or site built houses, exclusive of open porches, breezeways, carports and garages, shall be moved onto, erected or constructed on any residential tract in Waterwood, Unit 42, and no garage may be erected except simultaneously with or subsequent to erection of the residence. All building must be completed not later than six (6) months after laying of foundations. No structures of any kind may be moved onto the property except new modern manufactured homes, with composition shingled roofs and hard board finished other suitable materials, approved in writing by Grantor, its nominees or designees and constructed in accordance with the Manufactured Housing Standard Act, Title 88 of U.S.C. Any manufactured unit must not have been installed or occupied previously at any other site. Any manufactured home moved onto the property must have the axles, wheels and towing device removed. All residences must be completely enclosed from the ground level to the eaves with outside exterior walls with a HUD approved masonry, vinyl, fiberglass, metal or other specifically designed for the purpose of enclosing manufactured homes approved by Grantor, its successors or designees, so as to maintain a neat, harmonious appearance and to be completely opaque from outside view within sixty (60) days after utilities are connected to the property. No more than one (1) manufactured home or residence shall be constructed on a single tract.
4. No improvements, including fences, shall be erected or constructed on any tract in Waterwood, Unit 42, nearer than thirty (30) feet to the front property line or to the front property line of any other or real property lines. In the case of corner tracts or where the front property line is irregular, it may be necessary to build closer to the front property line, and in such cases the approval of Grantor is required. All improvements, driveway, stairs, etc., shall be installed to the satisfaction of Grantor or his designees before any construction of a residence on any tract in Waterwood, Unit 42.

5. No building or structure, including outbuildings and storage buildings, shall be moved, erected or constructed on any tract until the building plans, manufactured home specifications, plot plans and external design have first been approved in writing by the Grantor, or by such nominee or nominees as it may designate in writing. To preserve the value and beauty of Waterwood, Unit 42, no trees on the above described property shall be cut down or destroyed without Grantor's prior written approval. Removal of trees for approved driveway and building site is permitted without additional approval.

6. No advertising or "For Sale" signs may be erected in Waterwood, Unit 42, without written approval of Grantor.

7. No building or structure shall be occupied or used until the exterior thereof is completely finished with not less than two (2) coats of paint. No outside toilet shall be installed or maintained on any premises and all plumbing shall be connected with a septic system approved by the State and Local Departments of Health. Before any work is done pertaining to the location of utilities, approval of said location must first be obtained from the Grantor and the local Department of Health. No removal of trees or excavation of any other materials other than for landscaping, construction of buildings, driveways, etc. will be permitted without the written permission of Grantor. All driveways must be constructed with concrete, asphalt or other suitable materials approved by Grantor. All driveways must be completed within ninety (90) days after utilities are connected to each residence.

8. No noxious, offensive, unlawful or immoral use shall be made of the premises.

9. No livestock, poultry or wild animals of any kind shall be raised, bred or kept on any tract. Dogs, cats or other household pets may be kept provided that they are not kept, bred or maintained for any commercial purpose. No kennels may be kept or maintained on any tract.

10. All covenants and restrictions shall be binding upon the Grantee, his successors, heirs or assigns. Said covenants and restrictions are for the benefit of the entire Subdivision. If the parties hereto or any of them or their heirs, assigns, or successors interest shall be violated or attempted to violate any of these covenants, then any person or persons owning real property situated within this Subdivision may institute proceedings in law or equity against such violators or such attempted violators to prevent completion of the attempt or continuation of the violation or cumulatively to recover damages and other relief for such breaches.

11. The Grantor reserves to itself, its successors and assigns, an easement or right-of-way over a fifteen (15) foot strip along the front and a six (6) foot strip along the side and rear boundary lines of the tract or tracts hereby conveyed, for the purpose of installation or maintenance of public utilities, including but not limited to gas, water, electricity, telephone, drainage and sewage and any appurtenance to the supply lines thereof, including the right to remove and/or trim trees, shrubs or plants. This reservation is for the purpose of providing for the practical installation of such utilities as and when any public or private authority or utility company may desire to serve said tracts with no obligation to Grantor to supply such services. Should a utility pipeline be installed in an area where the Grantee erects a fence, the Grantee agrees to install a gate so that the utility company may have access to such pipeline.

12. All tracts are subject to easements, liens and restrictions of record and to all applicable zoning rules and regulations. All mineral, oil or underground gas reserves and rights are excepted from the Contract and hereby reserved to the Grantor. The surface of the entire Subdivision shall not be used for exploratory drilling or development of mineral resources. No person may drill a water well on any lot.

13. An assessment of \$150.00 annually per tract (which shall include the portion of the cost of annually) shall run against each tract of said property for the use and maintenance of the recreational facilities, etc. and operating costs according to the rules and regulations of the Grantor. The decision of the Grantor, its committee or its assignee with respect to the amount of such assessment and the manner of its collection shall be conclusive and binding on the Grantee.

be used. Such assessment shall be and is hereby secured by a lien on each tract respectively, and shall be payable semi-annually to the Grantor in San Antonio, Texas, or to such other persons as Grantor may designate by instrument filed of record in the office of the County Clerk of Bexar County, Texas on the 1st day of June and January of each year which assessment shall accrue upon such acceptance. In cases where one (1) owner owns more than one (1) tract there will be only one (1) assessment for such owner. Provided, however, that if such an owner should sell one or more of his tracts to a party who theretofore did not own property, then said tract or tracts so transferred shall thereafter be subject to the lien provided herein. Grantor shall have the option of increasing said assessment on an annual basis, but in no case should assessment increase by more than 10% in any one year. Grantor shall be responsible for maintenance of parks, recreational facilities, etc. until June 1, 2005, after which time Grantor shall have no further responsibility for maintenance of parks, recreational facilities, etc. and the liens and assessments created herein shall have no further force or effect, except as to accrued and unpaid assessments, unless prior to June 1, 2005, said assessment and/or liens created herein are transferred to another entity or to a property owner's association comprised of at least 10% of the property owners in the Subdivision which accepts responsibility for maintaining parks, recreation facilities, etc. In that instance all liens and assessment provided for shall continue in force and effect for the benefit of such entity or property owner's association, and such entity or property owner's association shall have all of the authority herein retained by Grantor with respect to the administration of these restrictions, including, but not limited to, the approval of plans, specifications, buildings, granting of variances, and Grantor shall be relieved of all further responsibility thereof. Use of parks and recreation area shall be at the user's own risk. Once accepted by an owner of a Lot, the lien of the assessment provided for herein shall be subordinate to the lien of any first mortgage and the sale or transfer of any such lot shall not affect the assessment lien and no sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof; however, the sale or transfer of any such Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer.

14. No junk, wrecking or auto storage yards shall be located on any tract. Each tract shall be maintained in a neat manner, and at no time shall there be any boat hulls, inoperable automobiles, trucks, vehicles or trailers parked on the premises unless garaged under an approved carport, nor shall there be any garbage dumps, junk yards, stacks of lumber or cumulation of rubbish piles. Grantee agrees to keep this property neat in appearance and shall be responsible to keep brush and undergrowth at a minimum. In the event Grantee fails in this obligation, he agrees that Grantor or his agent may enter the property and perform whatever work in the opinion of the Grantor is necessary to render the property neat in appearance and Grantor may charge the Grantee a reasonable charge for this service.

15. No residence shall be permitted to become an eyesore either by looking faded or in appearance, e.g., faded paint, torn screen, etc. Grantee hereby agrees to keep his residence in a good state of repair and further agrees that in the event his residence becomes unsightly he will remedy such situation within thirty (30) days of notification by Grantor, its licensee or designee.

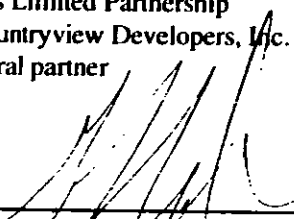
16. No hunting shall be permitted in this Subdivision and the discharge of firearms or the practice of any kind thereon shall be prohibited.

17. These covenants are to run with the land and they shall be binding on all parties claiming under them for a period of twenty-five (25) years from the date these covenants are recorded, after which time said covenants shall be automatically extended for another period of ten (10) years, unless an instrument signed by a majority of the owners of the lots affected is recorded, agreeing to change said covenants in whole or in part, or to terminate them for the benefit of the entire Subdivision and are not in violation of the provisions of the deed recorded exclusively.

Invalidation of any one of these covenants or restrictions by judgment of any court shall in no way affect any of the other provisions which shall remain in full force and effect.

EXECUTED this 2nd day of October, 1995.

WATERWOOD DEVELOPMENT COMPANY
A Texas Limited Partnership
BY: Countryview Developers, Inc.
its general partner



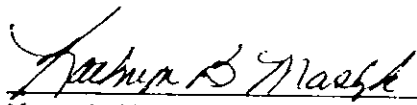
G.G. Gale, Jr. - Vice President

STATE OF TEXAS

COUNTY OF BEXAR

BEFORE ME, the undersigned authority, on this day personally appeared G.G. Gale, Jr., Vice President of Countryview Developers, Inc., General Partner of Waterwood Development Company, a Texas Limited Partnership, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein stated and as act and deed of said Partnership.

GIVEN UNDER my hand and seal of office this 2nd day of October, 1995



Notary Public in and for the State of Texas

After Recording Return to:
Waterwood Development Company
15315 San Pedro
San Antonio, Texas 78232

Any provision herein which purports to waive or limit the operation of real property laws shall be void. This instrument is subject to the laws of the STATE OF TEXAS. TOUGH TRACKS, INC.

OCT 11 1995



GERRY RICKHOFF, COUNTY CLERK

Filed for Record in:
BEXAR COUNTY, TX
GERRY RICKHOFF, COUNTY CLERK

On Oct 11 1995

At 2:33pm

Receipt #: 179253
Recording: 3.00
Doc/Mgmt: 0.00

Doc No: 95-0154633

Deputy: Suzanne Garcia