RESTRICTIONS AND COVENAMES APPLICABLE TO CAPE MALIEU SUBDIVISION, BEING 73.290 ACRES OF LAND OUT OF AND A PART OF THE WM. WEIR SURVEY, ABSTRACT NUMBER 42, MONTCOMERY COUNTY, TEXAS.

THE STATE OF TEXAS
COUNTY OF MONICOMERY

WHEREAS, The Bonanza Corporation, a Texas corporation, of Montgomery County, Texas, is the owner in fee simple of the hereinafter described premises in Montgomery County, Texas, to-wit:

Being CAPE MALIBU SUBDIVISION, and Being 73.290 acres of land out of and a part of the Wm. Weir Survey, Montgomery County, Texas, Abstract No. 42, and also being a part of a 100 acre tract described in Volume 444, Page 459, and also a part of a 295 acre tract described in Volume 405, Page 174, of the Deed Records of Montgomery County, Texas, as per map or plat of said Subdivision filed for record under File Number of the County Clerk's Office of Montgomery County, Texas.

and,

WHEREAS, it is the desire of said Owner of said Subdivision for the purpose of insuring harmonious, pleasant and satisfactory living conditions in a residential subdivision, and to insure means for mutually safe-guarding and enhancing the value of invistments in said subdivision by each property owner therein, to fix and adopt the restrictions and covenants set forth hereinafter, which said restrictions, covenants, and provisions shall govern the development and use of said subdivision, and shall be binding upon the undersigned, its successors and assigns, for the term stipulated herein.

GENERAL PROVISIONS

- 1. THEM: These covenants, restrictions and/or provisions are to run with the land and shall be binding on all parties and all persons claiming under them for a period of eventy-five (25) years from date, after which time said covenants, restrictions and provisions shall be automatically extended for successive ten (10) year periods, unless an instrument signed and acknowledged by a majority of the than owners of the lots has been recorded, agreeing to change said covenants in whole or in part at the expiration of any such ten (10) year period.
- 2. SEVERABILITY: Restrictive covenants, and each part of any covenant, shall be held severable, in that the invalidation of any covenant or part thereof by Court Judgment shall not run to any other provision by restrictive covenants, and said other provisions shall remain in full force and effect.
- 3. ENFORCEMENT: Enforcement of restrictive covenants shall be by proceedings at law or in equity against any person or parties violating or attempting to violate any restrictions, covenants or terms, and legal remains shall lie in restraint of violation or in recovery of said damages. The right of legal action in enforcement shall accrue to any owner of property in this addition or any claimant thereumder, and to any political unit or government authority having jurisdiction in the matter in question.

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- A. LIEES: Liens upon any lot, building site or tract of land in this Subdivision given to secure payment of notes for purchase monay advanced, or for improvements made or to be made, or for the extension or reneval of such indebtedness or notes, or any part thereof, shall not be invalidated or affected in any vay by any violation of these covenants on the part of any person or party acquiring any such lot, building site or tract of land; such liens shall remain in full force and priority in the case of any court judgment against such owner of such lot, building site or tract of land; said premises shall remain subject to such liens; and no reloase of any restrictive covenants, or any part thereof, shall be construed as against the original purchaser, his heirs, executors, administrators, assigns or successors, as the case may be; and sale under a forcelosure of such liens as hereinabove recited shall pass title to such premises subject to the restrictive covenants then in effect.
- 5. ARCHITECTURAL COMTROL: No building shall be erected, placed or altered on any lot until the construction plans and specifications and a plan showing the location of the structure, and complete plans of septic system showing relation to lot lines and vater lines have been approved by the architectural control committee as to quality of workmanship and materials, hormony of external design with existing structures, and as to location with respect to topography and finish grade elevation. Approval shall be as provided in Part 6 hereof.
- 6. ARCHITECTURAL CONTROL CONSULTIE: The architectural control committee is composed of Jim W. Fuller, Carl D. Bridges, Jr., and Paul F. Crommell, all of Conroe, Texas. In the event of death or resignation of any member of the committee, the remaining members shall have full authority to designate a successor. Neither the members of the committee, nor its designated representative, shall be entitled to any compensation of services performed rursuant to this covenant. At any time, the than record owners of a majority of the lots shall have the power through a duly recorded written instrument to change the membership of the committee or to withdraw from the committee or restore to it any of its powers and duties.
- 7. PROCEDURE: The committee's approval or disapproval as required in these covenants shall be in writing. In the event the committee, or its designated representative, fail to approve or disapprove within 30 days after plans and specifications have been submitted to it, or in any event, if no cuit to enjoin the construction has been commenced prior to the completion thereof, approval will not be required and the related covenants shall be deemed to have been fully complied with.
- 8. EASELETTS: It is understood and agreed that the easements granted berein are reserved as permanent easements for the purpose set forth in said paragraphs and are not subject to the time limit applicable to other restrictions.

RESTRICTIONS

- 1. LAID UNE: No lot, building site or tract shall be used except for residential purposes. No building shall be eracted, altered, placed or permitted to remain on any lot other than one detached simple-dwelling house not to exceed two end one-half stories in height, a private garage for the family wentcles, storage facilities, and bathing, toilet, or dressing ruoms for private pools. No business of any type, kind, or character, or apartment house, nor any occupation or business for commercial gain or profit shall be done or carried on on said residential area. All parts of said Subdivision are hereby designated as a residential area, except as hereinafter explicitly excluded.
- 2. EAJUNTS: Easements as shown and called for on the official plat of said Subdivision have been dedicated for the installaction, operation and maintenance therein of utilities servicing the needs of residents of this Subdivision. Ground easements are drawn and marked on the official plat. Any facilities such as storm severs, water mains, sanitary severs, gas mains, electric power lines and telephone lines will be installed upon street right-of-way and easements as dedicated on the official plat. Title to all utility systems and to all parts thereof shall remain vested in the person, firm,

corporation, or political unit having due and legal authority to install, own and operate such system, and no right of ownership therein, or of any part thereof, shall pass to any owner of real property in this Subdivision by virtue of such ownership. The owners of utility systems shall have the rights of ingress and egress for purposes of installation, operation und maintenance, and, for like purposes, shall have prior rights in the une of land under easement as against the owner of such land.

- 3. <u>BUILDING SITES:</u> A building site consists of one lot, or one or more lots or parts of lots, or parts of two adjoining lots. Building sites made up of fractional parts of adjacent lots thall be no smaller in area and have no less footage than the larger of the two lots as shown on the official plat, if there be any difference between the size of the two lots involved. Under no circumstances shall a residence be built on less than one whole lot as dedicated on the official plat.
- 4. BUILDING TYPE AND SIZE: The building erected upon any building site shall consist of no more than one single-family dwelling establishment. No building shall be erected upon any building site, nor any building altered, placed or permitted to remain on such site other thun one single-family dwelling, togethe, with housing space for usual family requirements, such as garage, household laundry, storage, or servant's quarters.

The covered part of the dwelling proper, exclusive of open porches, carports, carages, and servants quarters will contain a minimum of 1,000 square feet if erected on any of the lots described as follows:

ALL of Lots Numbers One (1) through Seventeen (17), inclusive in Block Number One (1); ALL of Lots Numbers Seven (1) through Twelve (12), inclusive in Block Number Three (3); ALL of Lots Numbers One (1) through Twelve (12), inclusive in Block Number Four (4); ALL of Lots Numbers One (1) through Twelve (12), inclusive in Block Number Five (5); ALL of Lots Numbers One (1) through Eight (8), inclusive in Block Number Six (6); ALL of Lots Numbers Five (5) through Ten (10) and ALL of Lots Numbers Twenty-One (21) through Thirty-Two (32), inclusive in Block Number Seven (7); ALL of Lots Numbers Twenty-Four (24) through Twenty-Six (26), inclusive in Block Number Eight (8), of Cape Malibu, a Subdivision in the William Weir Survey, Abstract 42, Montgomery County, Tuxas.

The covered part of the dwelling proper, exclusive of open porches, carports, garages, and servants quarters will contain a minimum of 1,400 square feet if erected on any of the lots described as follows:

ALL of Lot Number Eighteen (16), in Block Number One (1); ALL of Lots Numbers One (1) through Six (6), inclusive in Block Number Three (3); ALL of Lots Numbers Nine (9) through Fourteen (14), inclusive in Block Number Six (6); ALL of Lots Numbers One (1) through Four (4) and ALL of Lots Numbers Eleven (11) through Thenty (20), inclusive in Block Number Seven (7); ALL of Lots Numbers One (1) through Three (23), inclusive in Block Number Eight (8), of Cape Mailtu, a Subdivision in the William Weir Survey, Abstract 42, Montgomery County, Texas.

The covered part of the dwelling proper, exclusive of open porches, carports, garages, and servants quarters will contain a minimum of 1,800 square feet if erected on any of the lots described as follows:

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ALL of Lots Numbers One (1) through Thirty-Two (32), inclusive in Block Number Two (2); ALL of Lots Numbers One (1) through Thirty-Three (33), inclusive in Block Number Rine (9), of Cape Malibu, a Subdivision in the William Weir Survey, Abstract 42, Montgomery County, Texas.

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In building shall be erected off of the premises and moved onto said findivision. That is, no other building shall be moved from other premises into this Subdivision and all buildings or units shall be constructed and errited on said premises. In the event of a multi-story dwelling unit, the ground floor area, exclusive of open porches and garages, shall not be less than eight hundred (800) net square feet. Garages may be built attached to or separate from the dwelling proper.

- 5. BUILDING LOCATION ON SITE: For these purposes porches, stoops, bays and covered areas are considered a part of the building. No part of any building shall be closer than twenty (201) feet from the front property line nor closer than five (5') feet to side division lines of building sites. The drip line of eaves shall be kept back from side and back property lines by at least one foot. In cases where building is done adjacent to easements, encroachments upon such easements by any part of such building, including foundations, and caves, shall be at the owner's risk. All residences shall be erected with the front thereof facing the street with the smallest area adjacent to said lot. That is, the issidence shall be erected fronting on the street adjacent to the smallest frontage of said lot.
- 6. SEQUENCE OF BUILDING: No housing for garage, servant's quarters, or other service function of the dwelling establishment shall be erected or placed upon any building site until construction of the dwelling proper has been started and is actually under way.
- 7. TEMPORARY STRUCTURES AND UTILITY BUILDINGS: No temporary building or structure will be erected on any lot in this subdivision, nor will any building of any type or for any purpose be erected on any lot in this subdivision prior to the construction of a dvelling, as per these restrictions and approved by the architectural committee. No temporary structures such as a trailer, tent, shack, shed, storage room or garage shall be used at any time on any building site in this Subdivision as either temporary or permanent residence.
- 6. WATER SUPPLY: Water for this Subdivision will be provided by distribution lines connected with a cu.tral water system and no vater wells shall be made, bored or drilled, nor any type or kind of private system installed or used; except that a private well may be drilled at the owner's option for sprinkler systems or similar non-drinkable use.
- SATITARY SEWERS: In open or pit type toilets will be allowed in this Subdivision. All Dwellings constructed in this Subdivision, prior to occupancy, must have a sewerage disposal system installed to comply with the following minimum requirements set forth for septic system: A Dwelling with one bath will have installed a soptic tank with a minimum capacity of 300 callons and will install a minimum of 150 lineal fact of field line. Dwellings with more than one bath will install a septic tank with an incroused capacity of at least 200 gallons for each additional beth and a minimum of 100 feet of additional field line for each additional bath. All dwellings will have a separate grease trap through which kitchen waste will flow prior to entering the field lines. All field lines must be installed at grades to allow proper seepage into soil and must be installed with a minirum of Six (6") inches of washed gravel in the bottom of Twelve (12") to ditch and covered with a minimum of Bix (6") inches of washed gravel over the top of field lines. No field lines will be allowed within Ten (10') feet of water supply lines. No septic system will be allowed to drain into ditches or lake or upon the surface of any ground in this Subdivision. Septic systems must operate properly at all times with all of effluent being absorbed into the subsurface soil and never seeping to the surface of the ground.
- 10. WALLS AND FENCES: Walls and fences, if any, shall be no higher than six feet above ground; shall be no closer to front street property lines than the front of the dwelling located on said lot and no closer than five feet to side street lines. Any ercetion of any wall, fence or other improvement on any easement shall be at the property owner's risk.
- 11. MUISANCES: No muisance shall be maintained nor any noxious or offensive activity carried on on any lot, building site or tract of land in this Subdivision; nor shall anything be done thereon which may or might become a nuisance to the neighborhood.

- 12. GAURAGE AND TRASH DISPOSAL: Carbage and trash or other refuse accumulated in this Subdivision shall not be permitted to be dumped at any place upon adjoining land where a nuisance to any residence of this Subdivision is or may be created. No lot shall te used or maintained as a dumping ground for rubbish. Trush, garbage or other waste shall not be kept except in sanitary containers. All incinerators or other equipment for the storage or iisposal of such material shall be kept in a clean and sanitary condition.
- 13. CH-THE-STREKT PARKING: At all times those areas of street rightof-way between pavement and property lines shall be maintained from eacumbrances by personal or private property, except for the routine parking of passenger vehicles in operable condition and in reasonably regular use.
- 14. SIGNS: No signs consisting of advertising display or devices of any type or kind shall be in public view on any building site in this addition, except for builder's signs during the construction and sales period, or to advertise a property for sale, in which latter case one installation on the building site of not more than five (5) square feet of sign space shall be the maximum allowable.
- 15. PETS, POULTRY AID LIVESTOCK: No animals of any kind, livestock, or poultry chall be raised, bred or kept on any lot, except that dogs, cats or other household pets may be kept, provided that they are not kept, bred or maintained for any commercial purposes.
- 16. MIERAL DEVELOPMENT: He cil well drilling, cil development operation or cil refining of any kind shall be permitted upon or on any lot, nor shall cil wells, tanks or mineral excavations be permitted on any lot. He derrick or other structures designed for use in drilling for cil, or natural gas shall be erected, maintained or permitted upon any of said lots; provided, however, that this provision shall not prevent the leasing of the land above described or any portion thereof, for cil, gas and mineral purposes and the development of same, it being contemplated that said premises or portions thereof may be developed from adjacent lands by directional drilling operations.
- 17. BIGHT DISTANCE AT INTERSECTIONS: No fence, well, hedge or shrub planting which obstructs sight lines at elevations between two and six feet above the roadways shall be placed or permitted to remain on any corner lot within the triangular area formed by the street property lines and a line connecting them at points twenty-five (25') feet from the intersection of the street lines, or in the case of a rounded property corner from the intersection of the street property lines extended. The same sight-line limitations shall apply on any lot within ten (10') feet from the intersection of the street property line with the edge of a drive-way or alley pavement. No trees shall be permitted to remain within such distances of such intersections unless the iolinge line is maintained at sufficient height to prevent obstruction of such sight lines.
- 18. STREETS OR PASSAGE-WAYS: No street or passage-way shall be erected on, over, or through any lot or block (except drive-ways to a house located on such lot or block) except as shown on the map or plat of such Subdivision.
- 19. CUTTING TREES IN R.O.W.: No trees over five (5") inches in diameter will be removed from street right-of-way lying between ditches and private property lines except as is absolutely necessary for access by automobile from street into lots.
- 20. DRAINAGE: Natural drainage of streets, lots or roadway ditches will not be impaired by any person or persons. Driveway culverts will be of sufficient size to afford proper drainage of ditches without backing water up into ditch or diverting the flow.

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21. MAINTERANCE OF LOTS: The owner of a lot or lots in this subdivision will be required to keep said property free of underbruch, weeds, and crass or any other unsigntly or offensive growth from the date of purchase of said lot. This requirement is effective on unoccupied lots as well as occupied lots. For the purpose of this and all other covenants, a lot or lots purchased under contract for deed will be considered to be owned by the purchaser the same as if it had been deeded to said purchaser. A governing body, as will be created by virtue of these covenants contained hereinafter, will have the authority to employ laborers to mov and clean any lot that is unkept and bill the owner of said lot for cost of work done plus ten (10%) per cent service fee and fifty (50¢) cents per month until owner repays amount expended. Funds used will be maintenance funds collected from lot owners and the ten (10%) per cent service fee plus fifty (50¢) cents as above set out will be paid into said funds along with the amount of cost charged lot owner when paid by the owner of the lot on which the work is done.

22. ASSESSEETS FOR MAINTENANCE: In order to assure the private and exclusive use by property owners and their guests of the facilities of this subdivision the streets have been dedicated to property owners instead of the public and must be maintained by said property owners along with other community facilities. In order to assure continued and perpetual maintenance, on a fair and equitable basis, all lots purchased are subject to, and all lot purchasers agree to, the following method and procedure of assessment for maintenance funds:

All lots sold in this Subdivision are subject to a monthly levy of Five and No/100 (\$5.00) Dollars per lot for maintenance of streets and recreational facilities. This fee may be levied at the option of The Bonanza Corporation. This privilers of levy may be assigned by The Bonanza Corporation to a Board of Governors or Directors elected by a Property Owners Association.

Any such funds collected must be expended on maintenance as above stated and a scrit-annual report made to the Property Owners in this development at the address registered by property owners with The Bonanza Corporation or said Directors or Covernors. Mailing of such report to the last known address of each property owner will constitute compliance with regards to this requirement.

The above mentioned levy of Five and No/100 (\$5.00) Dollars per lot may be made an no hore than Two (2) lots owned by any one owner. The amount of levy may be raised or lowered by a majority vote of the Property Owners, at an election called by The Bonanza Corporation or above mentioned Property Owners Association with authority, however, no person, group, or firm till have the authority to authorize a change in the fact that no owner will be levied upon to pay a maintenance fee on more than Two (2) lots.

Failure of a Property Cymer to pay this levy will constitute a lien on the property so owned and the owner will forfeit the privilege of use of any and all of the available facilities in this subdivision. Right to use of facilities will be restored only upon payment in full of levy, plus penalties of One (\$1.00) Dollar a month for term of delinquency.

However, it is specifically stated that if one or more lots are sold to any purchaser by developer, The Bonanza Corporation, on a contract for Deed or Deed with Lien and Exte and archaser dafaults in payments and said let must be repeasessed by developer; then, developer will not be required to pay into the maintenance fund, whether administered by an association of authority or The Bonanza Corporation, any delinquent or unpaid dues or penalties accrued against said let or lets; however, this stipulation does not by any means relieve the purchaser in default, who failed to pay said maintenance fees and/or penalties, and from whom said let was repossessed, of his personal liability to pay such delinquent dues and penalties, though such delinquency will not attach to property as a lien.

The Bonanza Corporation is specifically excluded from the requirement to pay dues on any lot said corporation is holding in this development for sale or manie.

23. MULTI-OWNERSHIP: Corporate or multi-ownership of any lot in this subdivision, except husband and wife ownership, will exclude all such owners from use of recreational facilities in this subdivision, except that such group of multi-owners or corporation may designate one person or Busband and Wife as having the privileges of use of facilities, and then the person or persons so designated will have all the rights and privileges of an individual or Busband and Wife ownership, including the privileges of guests using the community facilities subject to Rules and Regulations then in force.

24. RULES COVERNING USE OF FACILITIES: Pules and Regulations governing the use of Recreational Facilities in this Development will be made and enforced by The Bonanza Corporation. This authority can be assigned to the above mentioned governing body by The Boranza Corporation at said corporation's option. Fersons violating said Rules and Regulations are subject to having their privilege of use of said facilities withdrawn by such party in autions

CREATION OF PROPERTY OWNERS ASSOCIATION: At the request of The 25. Bonanza Corporation, the property owners in this subdivision will organize a Property Owners Association with a Charter and By-Laws and having their purpose clearly setforth. Said association will elect a Board of Directors or Covernors according to their By-Laws who will administer funds and govern said association under the authority to be assigned to them by The Bonanza Corporation as per these convenants. Upon satisfaction of Developer that said ansociation is properly organized for the benefit of the property owners then The Bonanza Corporation at said The Bonanza Corporation's option will convey unto the association all of community facilities in the Development and assign to them the authority to collect and administer the funds as setforth herein.

26. All reserved areas designated and Block 10 as designated on plat are excluded from these restrictions and none of the restrictions or covenants hereinabove shall apply to these tracts, except that the sanitation restrictions as setforth in paragraph 9 will apply to said tracts.

CORFORD THIS 25th day of Aurust, A.D. 19 61.

THE DONAITA CORPORATION

Procident

THE STATE OF TEXAS

COUNTY OF HOLITGOHELY

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared JIM W. FULLER, President, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said THE DOMANZA CORPORATION, a corporation, and that he executed the same as the act of such corporation for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UIDER MY HAND AND SEAL OF OFFICE this the 25th day of August A. D. 19 65 .

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County, Texas.

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