

SUBDIVISION RESTRICTIONS

WHEREAS, SM Land Investments, LLC, a Texas limited liability company (the "Developer") is the owner of the following real property:

Being 580.943 acres of land and being all of a 160.0 acre tract (Parcel 1), a 127.5 acre tract (Parcel 2), a 53.41 acre tract, a 66.67 acre tract, and a 160.0 acre tract (Tract 2) conveyed in deed to Jay Linn Estes, dated September 21, 2009, of record in Volume 223, Page 358, Official Public Records, Callahan County, Texas, and a 13.33 acre tract conveyed in deed to Jay L. Estes et ux, dated May 24, 2016, of record in Volume 175, Page 85, Official Public Records, Callahan County, Texas, and 0.039 of an acre out of a 13.333 of an acre tract (Tract 10) of record in Volume 50, Page 550, Deed Records, Callahan County, Texas, all out of Survey 64, Block 14, T. & P. R.R. Company Survey, Abstract 1107, Callahan and Shackelford Counties, Texas, and said 580.943 acres being more thoroughly described as follows:

Beginning at a found "60-D" nail, in the intersection of County Road 100 and County Road 105, for the Southeast corner of said Survey 64, the Southwest corner of Survey 63, Block 14, T. & P. R.R. Company Survey, the Northeast corner of Survey 67, Block 14, T. & P. R.R. Company Survey, the Southeast corner of said 160.0 acre tract (Parcel 1) and the Southeast corner of this tract;

Thence S84°34'31"W, along said County Road 100 a distance of 5281.7' to a set "60-D" nail, in the intersection of County Road 107 and said County Road 100, for the Southeast corner of Survey 69, Block 14, T. & P. R.R. Company Survey, the Northwest corner of said Survey 67, the Southwest corner of said Survey 64, the Southwest corner of said 160.0 acre tract (Parcel 1) and the Southwest corner of this tract;

Thence N05°33'15"W, along said County Road 107 a distance of 1981.31' to a point for the Southwest corner of a 8.314 acre tract conveyed in deed to Isaac D. Torres et ux, dated October 21, 2020, of record in Instrument No. 2020-2487, Official Public Records, Callahan County, Texas, the Westerly Northwest corner of said 66.67 acre tract and an exterior corner of this tract;

Thence N84°42'06"E, at 20.5' passing a found 3/8" rebar and continuing generally along a fence line for a total distance of 878.12' to a 5/8" sucker rod for the Southeast corner of said 8.314 acre tract and an interior corner of said 66.67 acre tract and of this tract;

Thence N05°39'33"W, generally along a fence line a distance of 659.21' to a found rebar for the Northeast corner of a 2.5 acre tract conveyed in deed to Roger Freeman, dated July 10, 1987, of record in Volume 566, Page 358, Deed Records, Callahan County, Texas, the Northerly Northwest corner of said 66.67 acre tract and an interior corner of this tract;

Thence S84°43'21"W, at 858.91' passing a 3/8" rebar in concrete and continuing generally along a fence line for a total distance of 876.91' to a point, in said County Road 107, for the Northwest

corner of said 2.5 acre tract, the Southwest corner of said 160.0 acre tract (Tract 2) and an exterior corner of this tract;

Thence N05°33'15"W, along said County Road 107 a distance of 2610.77' to a found 3/8" rebar, in the intersection of County Road 150 and said County Road 107, for the Southwest corner of Survey 61, Block 14, T. & P. R.R. Company Survey, the Northeast corner of said Survey 69, the Northwest corner of said Survey 64, the Northwest corner of said 160.0 acre tract (Tract 2) and the Northwest corner of this tract;

Thence N84°05'13"E, along said County Road 150 at 2640.01' passing a point, for the Northwest corner of a 0.014 of an acre tract surveyed this same date and the Northwest corner of said 13.333 acre tract, the Northeast corner of said 160 acre tract (Tract 2) and continuing for a total distance of 2645.23' to a point for the Northeast corner of said 0.014 of an acre tract and an exterior corner of this tract;

Thence S04°13'57"E, at 2.73' passing a found "60-D" nail, on the South line of said County Road 150, and continuing generally along a fence line, at 235.72' crossing the East line of said 160 acre tract and the West line of said 13.333 acre tract, for the South corner of said 0.014 of an acre tract and the North corner of a 0.098 of an acre tract and continuing for a total distance of 857.66' to a found 3/8" rebar for the Southwest corner of said 0.098 of an acre tract and an interior corner of this tract;

Thence N85°09'01"E, generally along a fence line at 13.77' passing the East line of said 160 acre tract and the West line of said 13.333 acre tract for the Southeast corner of said 0.098 of an acre tract and the Northwest corner of a 0.376 of an acre tract surveyed this same date, and continuing for a total distance of 662.19' to a found 3/8" rebar for an interior corner of said 0.376 of an acre tract and an interior corner of this tract;

Thence N04°26'50"W, generally along a fence line, at 780.4' crossing the East line of said 13.333 acre tract and the West line of said 53.41 acre tract for the North corner of said 0.376 of an acre tract and the South corner of a 0.001 of an acre tract surveyed this same date, at 858.31' passing a found 3/8" rebar on the South line of said County Road 150 and continuing for a total distance of 869.87' to a point, in said County Road 150, for the Northeast corner of said 0.001 of an acre tract and an exterior corner of this tract;

Thence N84°05'13"E, along said County Road 150 a distance of 658.35' to a point for the Northwest corner of a 32.8 acre tract conveyed in deed to Robert Graven, dated February 21, 2008, of record in Volume 424, Page 185, Deed Records, Shackelford County, Texas, the Northeast corner of said 53.41 acre tract and the Northerly Northeast corner of this tract;

Thence S05°30'07"E, at 18.2' passing a found 1/2" rebar and continuing for a total distance of 1075.1' to a set 3/8" rebar with a cap marked "Estes 5003" for the Southwest corner of said 32.8 acre tract, the Northerly Northwest corner of said 127.5 acre tract and an interior corner of this tract;

Thence N84°05'12"E, at 1310.84' passing a set 3/8" rebar with a cap marked "Estes 5003" and continuing for a total distance of 1328.19' to a point, in said County Road 105, for the Southeast corner of said 32.8 acre tract, the Northeast corner of said 127.5 acre tract and the Easterly Northeast corner of this tract;

Thence S05°26'35"E, along said County Road 105 a distance of 4221.62' to the point of beginning, containing 580.943 acres of land, more or less (the "Property"); and

WHEREAS, the Developer desires to establish certain restrictive covenants for the Property to better serve the current and future owners of the Property, and to provide for the uniform development and use of the Property:

NOW, THEREFORE, Developer, as the fee simple owner of the Property, establishes the Restrictions as covenants, conditions and restrictions, whether mandatory, prohibitive, permissive, or administrative, to regulate the structural integrity, appearance, and uses of the Property and the improvements placed on it. Developer stipulates that (a) the Restrictions touch and concern the Property; (b) privity of estate exists by reason of the ownership of the Property; (c) notice is given by filing this instrument in the real property records in the county in which the Property is situated; and (d) the Restrictions are reasonable, their purpose being for the common benefit of Developer and owners of the Property. The Restrictions run with the land making up the Property, are binding on Developer, and all future owners of any portion of the Property, together with their successors and assigns forever, and inure to the benefit of and future owners of any portion of the Property and their heirs, successors, and assigns forever. The Restrictions on the Property are as follows (the "Restrictions"):

1. Further Subdivision. The Property is being divided by the Developer into smaller tracts for resale (each individually a "Tract" and collectively, the "Tracts"). The Property shall not be further subdivided or separated by any owner into smaller tracts; provided, however, this provision shall not prohibit deeds of correction or deeds to resolve boundary line disputes and similar corrective instruments.
2. Single Family Dwelling. No more than one residence per 10 acres is allowed on any Tract. Any house constructed on a Tract shall have a minimum square footage of 1500 square feet. No trailer/manufactured home/mobile home may be placed on a Tract. No person may reside in a recreational vehicle on a Tract (other than guests of the owner who may stay for up to 14 days). Houses must be "stick built"; that is, built in place with customary construction methods, and not built off-site and transported to the property. Barndominiums are allowed, as long as new construction materials are used. Additional shops and additional outbuildings are allowed on the Property, provided they are constructed of new materials and kept in good condition. No building shall be located closer than fifteen feet to the front, back or side boundary line of any Tract. With reasonable diligence, and in all events within nine months of construction (unless completion is prevented by war, strikes, or an Act of God), any dwelling commenced shall be completed as to its exterior.
3. Activity. No junkyards, auto repair, second-hand businesses, or other commercial uses that create a negative visual impact, excess noise or congestion from traffic or parking, or that is

open to the public shall be conducted on a Tract. No storage of buses, machinery, equipment or building materials shall occur on a Tract unless enclosed in a proper structure so as not to be visible from roadways or adjoining properties.

4. Vehicles. Any motor vehicle under repair or is inoperable may not be parked on any roadway, driveway, or other easement, and must be enclosed in a proper structure so as not to be visible from roadways or adjoining Tracts. All vehicles, engines and motors must be operated with a muffler and/or spark arrestor.
5. Trash. No part of a Tract may be used for temporary or permanent storage of rubbish or trash. Trash must be kept in covered containers and screened from view from adjacent Tracts, and such containers shall be kept in a clean and sanitary condition.
6. Sewage. No cesspool or other individual sewage system shall be installed or used on a Tract other than a septic tank or similar improved sanitary method of sewage disposal meeting the requirements of the proper governmental authorities. The drainage of septic tanks into any road, ditch, or surface easement, either directly or indirectly, is prohibited. No condition will continue to exist that causes unpleasant noxious odors caused by the neglect, or willful action, of any Tract owner.
7. Hazardous Substances. No Tract owner shall cause, contribute to, or permit the release of any "hazardous substances" on the Property. "Hazardous substance" means any toxic, radioactive, or hazardous materials, waste, pollutant, or contaminant which has the characteristics which render the substance dangerous or potentially dangerous to the public health, safety, welfare, or environment. No Tract owner shall locate, transport, manufacture, treat, store, refine or handle any hazardous substance in, on, under, or about the Property and each Tract owner shall comply with all relevant federal, state, and local laws, regulations, ordinances, court orders, attorney general opinions, or interpretative letters concerning the same.
8. Animals. No swine may be kept on any Tract, other than up to 3 per Tract for FFA or 4-H show projects, provided that they are kept in pens that are kept clean. Pets of reasonable kind and number ordinarily kept in residential areas may be kept on a Tract, but they shall not be allowed to run at large outside of that Tract. The maximum number of livestock that can be kept on a Tract shall be as follows: (a) for animals over 500 pounds (such as cattle, donkeys, horses), no more than 1 animal per acre; (b) for animals under 500 pounds (such as goats, sheep), no more than 2 animals per acre.
9. Enforcement. Any violation of these restrictions may be enforced by Developer or any other owner of a portion of the Property (the "Affected Property Owners"). Available relief shall include, but not limited to, injunctive relief in the District Court of the county in which the Tract is located. The prevailing party in any legal proceedings brought to enforce these restrictions shall be entitled to recover attorney's fees and costs of the court.
10. Duration and Amendment. These Restrictions shall continue in perpetuity, or until revoked.