

CANYON LAKE ACRES

Units 1 & 2

DEED RESTRICTIONS, COVENANTS, AND CONDITIONS

Comal County, Texas • Computer Enhanced Condensed Copy • Not a Facsimile

As shown by map or plat of said subdivision duly recorded in the Office of the County Clerk of Comal County, Texas, in Volume _____ Page _____ of Plat Records of Comal County, Texas, reference to which is hereby made.

This conveyance is subject, however, to the following restrictions, covenants, conditions, easements and reservations which are a part of the consideration for the execution of this deed and which shall run with and burden the title to the property hereby conveyed and shall be binding upon the Grantees, their heirs, successors and assigns:

DEED RESTRICTIONS

1. Use of Lots

All lots shall be used solely for residential purposes, except lots designated for business purposes, provided, however that no business shall be conducted on any of these lots which is noxious or harmful by reason of the emission of odor, dust, smoke, gas fumes, noise or vibrations.

2. Business Lots

Lots designated as business may be used either for residential or business purposes provided, however, that if used for a business, the nature and purpose of the business use shall first be approved in writing by Grantor, successors, assigns or designees. No lot may be subdivided unless written approval is given by the Grantor, his assignees or designees. However, one house may be built on each one-half (1/2) acre tract and sold as such.

3. Building Requirements

No building other than a single family residence containing not less than 600 square feet, exclusive of open porches, breezeways, carports and garages, shall be erected or constructed on any residential lot in Canyon Lake Acres and no garage may be erected except simultaneously with or subsequent to erection of residence. All buildings must be completed not later than six (6) months after laying foundations and no structures or house trailers of any kind may be moved on to the property. Servants quarters and guest houses may be constructed on the rear one-third (1/3) of said lots after completion of the permanent residence.

4. Building Setbacks

No improvements shall be erected or constructed on any lot in Canyon Lake Acres, nearer than 30 feet to the front property line, nor nearer than 5 feet to the side property line, except that in the case of corner lots, no improvements shall be erected or constructed within 10

feet of side property lines adjacent to the streets. In lots 100 feet or less in depth, the 30 foot setback may be 10 feet.

5. Motels and Tourist Courts

Motels and tourist courts shall be deemed to be a business use.

6. Building Plan Approval

No building or structure shall be erected or constructed on any lot until the building plans, 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.

7. Advertising Signs

No advertising or "For Sale" signs shall be erected on Canyon Lake Acres without written approval of Grantor.

8. Exterior Finish and Plumbing

No building or structure shall be occupied or used until the exterior thereof is completely finished with not less than two coats of paint. No outside toilet shall be installed or maintained on any premises and all plumbing shall be connected with a sanitary sewer or septic tank approved by the State and Local Departments of Health.

9. Monthly Assessment — Parks and Recreational Areas (\$2.50/lot/month)

An assessment of \$2.50 per month per lot owner (which may be paid monthly, semi-annually, or annually) shall run against each lot in said subdivision for the use and maintenance of the parks and recreational areas, and operating costs according to rules and regulations of Grantor. The decision of the Grantor, its nominee or consignee with respect to the use and expenditure of such funds shall be conclusive and the Grantee shall have no right to dictate how such funds shall be used. Such assessment shall be and is hereby secured by a lien on each lot respectively, and shall be payable to the Grantor on the 1st day of June of each year, or to such persons as Grantor may designate by instrument filed of record in the Office of the County Clerk of Comal County, Texas. In cases where one owner owns more than one (1) lot, there will be only one (1) assessment for such owner. Provided, however, that if such an owner should sell one or more of said lots to a party who heretofore did not own property in Canyon Lake Acres, then said lot or lots so transferred shall thereafter be subject to the lien proved for in Covenant 9. The title in fee simple to land designated as parks and recreational areas, etc. is to be retained by the Grantor, its successors or assigns, and the Grantee, his heirs, successors, executors, administrators or assigns, further agrees that the use of the parks and recreational areas, etc., is subject to the approval of the user by the Grantor, its successors or assigns, rules or regulations now in force or which may from time to time be made by the Grantor, its successors or assigns and shall be binding upon the Grantee, his successors or assigns.

10. Civic Club Membership Required

No part of the said premises shall be used or occupied by any person or persons unless such person or persons be approved for membership in the Canyon Lake Acres Civic Club.

11. Access to Lake, Park, and Recreational Areas

Approved members of the Canyon Lake Acres Civic Club and their families shall have ingress and egress to the lake, park and recreational areas, etc. as shown on the plats of Canyon Lake Acres, subject to the rules and regulations of the Grantor, but all others must have written approval of said Grantor. The lake, park and recreational areas, etc. shall be available for use to approved members and their families at their own risk. Use of the lake and easement area is also subject to the rules and regulations as set forth by the Army Corps of Engineers, etc.

12. Water Level Disclaimer

It is expressly understood that the Grantor does not make any representation as to the water level to be maintained in the lake to be created by the construction of Canyon Lake Dam, which water level will vary from time to time.

13. Prohibited Uses

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

14. Binding Effect

All covenants and restrictions shall be binding upon the Grantee or successors, heirs and assigns. Said covenants and restrictions are for the benefit of the entire subdivision.

15. Utility Easements

The Grantor reserves to itself, its successors and assigns an easement or right-of-way over a strip along the side, front and rear boundary lines of the lot or lots hereby conveyed, for the purpose of installation or maintenance of public utilities, including, but not limited to gas, water, electricity, telephone, drainage and sewerage and any appurtenance to the supply lines therefore, 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 lots with no obligation to Grantor to supply such services.

16. Zoning and Recorded Easements

All lots are subject to easements and restrictions of record and are subject to any applicable zoning rules and regulations.

17. Mineral Rights Reservation

Grantor reserves unto itself, its successors and assigns, and excludes from this conveyance a one-sixteenth (1/16) nonparticipating royalty interest in all minerals of every kind that may be produced from the land hereby conveyed, same being one-half (1/2) of the usual one-eighth (1/8) landowners royalty.

18. Water Assessment (\$3.00/foot of frontage)

That an assessment, for the purpose of bringing water to each lot, of \$3.00 per foot for frontage along the front property line shall run against each lot and part thereof in said subdivision and an assessment on the same basis shall run against each tract of land sold in said subdivision by metes and bounds description. Such assessment shall and is hereby secured by a lien on each lot or tract, respectively; and in the event Grantor, its successors or assigns, shall construct a water main in the street and/or easement running by said lot or tract and water is made available to same, said assessment aforesaid shall become due and

payable to Grantor, its successors and assigns, at the time the water supply is made available to said property. Said assessment may be arranged on a satisfactory monthly payment.

19. Severability

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

TO HAVE AND TO HOLD the above described premises, together with all and singular the rights and appurtenances thereto in anywise belonging unto said Grantees and the heirs, successors and assigns of the Grantees, forever. The Grantor hereby binds itself and its successors to WARRANT and FOREVER DEFEND all and singular the said premises subject to the reservations, easements, restrictions and covenants above referred to, unto the Grantees and unto the heirs, successors, assigns and legal representatives of the Grantees against every person whomsoever lawfully claiming or to claim the same or any part thereof.

Taxes for the current year assumed by Grantees.

IN TESTIMONY WHEREOF, CANYON LAKE SHORES, INC., has caused this instrument to be signed by its President, attested by its Secretary, and the corporate seal to be hereunto affixed at San Antonio, Texas

this the _____ day of _____ A.D. 19_____

CANYON LAKE SHORES, INC.

By: _____