

*copy recording
Knots Landing LLC
17079 Knots Landing
Address TX 75081 9*

**SOUTH PRAIRIE ESTATES
USE AND ARCHITECTURAL RESTRICTIONS**

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THE STATE OF TEXAS §
COUNTY OF NUECES § Doc# 2001022352

Knots Landing, L.L.C., as owner of the land located in Nueces County, Texas, described on the attached Exhibit A which is incorporated by reference (the "Land"), establishes, adopts and imposes upon each tract or parcel of the Land hereafter sold by Developer to a third-party purchaser these Use and Architectural Restrictions. The limitations and restrictions created by this instrument are intended to encumber only each tract or parcel of the Land sold by Developer to a third-party purchaser. In this regard it is recognized that Developer intends to sell portions of the Land by contract for deed or by warranty deed conveyance, and the tract or parcel described in each such contract for deed or warranty deed shall be encumbered by the restrictions and limitations created by this instrument. All references in this instrument to a "tract" shall refer to the tract or parcel of land described in such contracts for deed or warranty deeds, and all references herein to the "Subdivision" shall refer to all of the tracts or parcels of land subsequently sold by contracts for deed or warranty deed by Developer out of the Land.

These restrictions, conditions and limitations shall constitute covenants running with each tract, shall inure to the benefit of the Developer and Developer's successors and assigns, and shall be binding upon and inure to the benefit of all parties acquiring any tract in the Subdivision, whether by purchase, descent, devise, gift or otherwise, and each party, by the acceptance of title to any tract, shall agree and covenant to abide by and perform these terms, conditions, restrictions and covenants. Such restrictions, conditions and use limitations shall be made a part of each contract and deed executed by or on behalf of Developer conveying any tract by reference to the recording information of this instrument, and by acceptance thereof, the buyer and grantee, and all parties claiming under such buyer or grantee, shall be subject to and bound thereby, and each contract and deed shall be conclusively held to have executed, delivered and accepted subject to all of these terms, conditions, restrictions and covenants.

USE RESTRICTIONS

A. USE RESTRICTIONS:

Use of the Land is limited and restricted by these USE AND ARCHITECTURAL RESTRICTIONS.

B. NUISANCES:

No mining activity may be conducted upon the land including without limitation the removal of sand, gravel, dirt, rock or caliche otherwise than for legitimate purposes in connection with the construction of improvements upon the Land. No noxious or

offensive activity shall be carried on any tract, or anything be done thereon which may be or may become an annoyance or nuisance to the other parties owning tracts within the Subdivision. No commercial enterprise may sell alcoholic beverages of any type for on-premises consumption. No motorcycles or other motor-driven vehicular tract or course shall be permitted upon any tract of the Subdivision. No cellular telephone towers may be erected on the property.

C. TEMPORARY STRUCTURES AND STORAGE:

No structure of a temporary character, nor any car, bus, travel trailer, basement, tent, shack or other outbuilding shall be used on any tract at any time as a residence or dwelling either temporarily or permanently. No tract shall be used to store, permanently or temporarily, junk or junk vehicles or as an automobile wrecking yard. No vehicle without current state license registration or which is not in operating condition shall be stored or maintained on any tract.

Garages and outbuildings may be erected on each tract to be of good construction and painted outside. Storage barns used in respect to livestock owned by the owner of the tract upon which the livestock are located and horse stalls and pens shall be considered allowable as appurtenant outbuildings. Business and commercial buildings will not be allowed. No mobile home parks will be allowed on any tract.

D. LIVESTOCK AND POULTRY:

No commercial feeding operation for livestock shall be conducted (e.g. feedlot for cattle, sheep or goats, feeder floor for swine, or intensive culture facilities for chicken for either meat or eggs) on any tract. Rearing and feeding of livestock for the county and state livestock show circuit is allowed. Open grazing of livestock is permitted with the proviso that all animals must be restricted to the tract and not allowed to roam outside the boundaries of the tract owned by the owner of the animals.

E. GARBAGE AND REFUSE DISPOSAL:

No tract shall be used or maintained as a dumping ground for rubbish, trash or garbage. Other waste shall be held or stored on a temporary basis only and must be kept in sanitary containers. All incinerators or other equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition.

F. SEWAGE:

Each residence shall have a separate sanitary sewerage disposal system complying with the requirements of and approved by the Public Health Department for the State of Texas or the County. No outhouse or privies will be allowed.

G. ENVIRONMENTAL COVENANTS

No owner of any interest of any Land in the Subdivision will engage in, or permit any other party to engage in, any activity on the Land which will violate, or create liability for either the owner or the Land, under any environmental law, statute, regulation, ordinance or ruling, including, but not limited to, the Resource Conservation and Recovery Act of 1976 ("RCRA") 42 U.S.C. §6901, et seq., as amended, the Texas Solid Waste Disposal Act ("TSWDA"), Chapter 361 Texas Health and Safety Code, the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA"), the Superfund Amendments and reauthorization Act of 1986 ("SARA"), 42 U.S.C. §9601, et seq., as amended, the Federal Water Pollution Control Act, 33 U.S.C. §1251, et seq., or the Clean Air Act, 42 U. S. C. §7401, et seq.

In the event the tract is used in any way which is in violation of the terms and conditions of any applicable environmental law, statute, regulation, ordinance or ruling, the owner of the tract which engaged in, or permitted, such activity shall indemnify and hold harmless the Developer and all other owners of property in the Subdivision from any loss, damage, or liability arising as a consequence of such improper use.

H. ENFORCEMENT OF RESTRICTIONS & UPKEEP OF PREMISES:

These restrictions shall be binding upon the parties hereto and all parties claiming by, through or under them and upon all owners of property in the Subdivision. The Developer of any of the owners of any tracts or their assigns shall have the right to enforce the observance of these restrictions. In the event a tract becomes so unsightly with debris or other offensive items or any other violation is committed, the Developer, any owner of any tract in the Subdivision, or any governmental agency having jurisdiction shall have the right but not the obligation to request that the offending owner clean up his property or cure such violation, and if he fails to do so within thirty (30) days from the date of such notification, the party or parties giving notice shall have the right to clean such property or cure such violation and charge the owner with the cost thereof. In the event such expense is not paid, suit may be filed against such owner for collection of such costs. Developer shall have the right, but not the obligation, to enforce these Restrictions during the entire term of these Restrictions, regardless of whether Developer then owns any tract in the Subdivision.

ARCHITECTURAL RESTRICTIONS

A. DWELLING:

All construction visible from the outside must be completed within one (1) year after commencement of work above the foundation of the structure. All buildings and structures located on any tract must be designed and constructed in a manner so as to be insurable against loss due to fire or other casualty. Any tar paper used on the outside of any structure shall be covered with the final exterior of the structure within sixty (60) days after installation. Any building moved onto the property must be inspected and approved by Developer before being moved onto any tract and completed outside and painted within ninety (90) days and must be at least 1500 square feet exclusive of garages, barns and porches. The owner of any tract shall keep the improvements in good repair and condition. No tract shall be re-subdivided into tracts less than 10.01 acres.

B. LIMITATION ON STRUCTURES:

No more than two (2) modular homes permanently secured to a permanent foundation or conventional site built houses shall be allowed on any tract. No mobile homes or trailers are allowed.

C. BUILDING:

No building or structure (except fences and driveways) shall be located on any tract nearer than fifteen (15) feet to any tract boundary line, and no building or structure shall be located within seventy-five (75) feet of the primary road on which the tract faces.

D. DRAINAGE:

The owner of any tract shall not allow the drainage culvert or bar ditch appurtenant to any roadway or road easement upon or adjoining the tract to become obstructed in any manner, provided, however, the owner of a tract may, at the owner's risk and expense, construct and install access road ways from an adjoining road to the tract for ingress and egress purposes across any such drainage culvert or bar ditch; provided each such access road way is installed in a manner allowing free passage and drainage of surface waters during storm conditions and in compliance with the requirements of the applicable County authority and all other governmental agencies having jurisdiction. In no event shall such access road way contain a drainage conduit pipe less than fifteen (15) inches in diameter. All such access road ways to a tract shall be maintained in good condition and appearance at all times by the owner of the tract.

EASEMENTS

Easements for the installation and maintenance of utilities and drainage facilities are dedicated and reserved (a) as described and created in a contract for deed or a warranty deed signed by Developer with respect to a tract, and (b) along and within ten (10) feet of all exterior boundaries of each tract, except at rear of each tract, there will be a twenty (20) foot easement. Within these easements, no structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities or which may change the directions of flow of surface water drainage in the easements. Within such easements, the right of use, ingress and egress shall be had at all times for the installation, construction, operation, maintenance, repair, replacements, relocation or removal of any utility and drainage facility, together with the right to remove any obstruction or improvement that may be placed within such easement which may interfere with the use of such easement for these purposes. The easement area of each tract shall be maintained continuously by the owner of the tract, except for those improvements for which a public authority or utility company is responsible. A utility easement may be used for any and all utilities, water, sewage disposal, telephone, gas and/or electricity or drainage unless expressly limited to a specific use on any recorded plat of the Subdivision or stated in the instrument of conveyance by Developer.

DURATION OF RESTRICTIONS

These restrictions and covenants are to run with the land and shall be binding on all owners of any tracts for a period of twenty (20) years from the date these covenants are recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years unless an instrument signed by not less than seventy five percent (75%) of the then owners of legal title to the tracts within the Subdivision (as shown by the records of the County Clerk of the County in which the Subdivision is located) has been recorded in the Official Records of the County in which the property is located, terminating these restrictions and covenants.

SEVERABILITY

Invalidation of any one of these covenants by judgment or court order shall not affect any of the other provisions which shall remain in full force and effect.

AMENDMENTS BY DEVELOPER

The Developer, as the original owner of the Subdivision, reserves and shall have the right at any time and from time to time, without the joinder or consent of any owner of any other tract or any other person, to amend these restrictions and limitations by an instrument in writing duly signed, acknowledged and filed for record, for the purpose of correcting any typographical error, ambiguity or inconsistency appearing in these restrictions. The Developer further reserves the right, without the necessity of joining any owner of any other tract or mortgagee, to amend these restrictions to meet any requirements of the Federal

Housing Administration, Veterans Administration, Federal Home Loan Mortgage Corporation, Federal National Mortgage Association, or any other agency, so long as Developer is the owner of one or more tracts, and each other owner of a tract, by accepting conveyance of any tract subject to these restrictions, grants to Developer a specific, irrevocable power of attorney, which power is coupled with an interest, to execute and file for record any such amendments to these restrictions as may be necessary to meet the requirements of the said agencies.

For so long as Developer remains the owner of more than fifty percent (50%) of the tracts in the Subdivision, Developer reserves the right to modify these restrictions and limitations, without the joinder or consent of any owner or mortgagee of any other tract or any other person, by an instrument in writing duly signed, acknowledged and filed for record, for the purpose of marketing the tracts in the Subdivision; provided that, any such modification or amendment shall be consistent with and in furtherance of the general plan and scheme of development as evidenced by these restrictions and limitations.

AGRICULTURAL USE EXEMPTION FOR PROPERTY TAXES

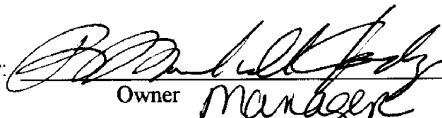
The tracts are subject to an agricultural use exemption under the constitution and laws of the state of Texas pertaining to property taxes. Buyer is notified that in the event that the agricultural use exemption is not continued by buyer, buyer may be subject to roll-back taxes assessed against the property. Further, in the event the agricultural use exemption is not continued by buyer, buyer may be required to plat the property with the county under the requirements of Chapter 232 of the Texas Local Government Code.

NO OTHER TRACTS AFFECTED

This instrument relates to and affects in the manner described above the above-described Land, and shall not affect other property not herein described.

Date: May 29, 2001

Knots Landing L.L.C.

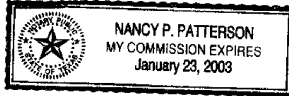
By:  By: _____
Owner Manager

Marshall Hodges

STATE OF TEXAS) (

THE COUNTY OF Dallas) (

This instrument was acknowledged to before me on this the 29 day of May, 2001 by R. MARSHALL HODGES, MANAGER OF Knot's Landing, LLC, a Texas limited liability company on behalf of said company.



Nancy P. Patterson
NOTARY PUBLIC IN AND FOR THE
STATE OF TEXAS
My Commission Expires: _____

Field notes of a 265.58 acre tract of land out of two 160 acre tracts of land conveyed to Frederick L. Crook, Jr., by Partition Deed dated May 29, 1987, and recorded in Volume 2076, Page 366, of the Deed Records of Nueces County, Texas.

Said 265.58 acre tract is out of an 160 acre tract, being the north one-half of the south one-half of Section 9 of the Laureles Farm Tracts, as shown on map recorded in Volume 3, Page 15 of the Map Records of Nueces County, Texas; and a second 160 acre tract, being the south one-half of the north one-half of said Laureles Farm Tracts;

Said 265.58 acre tract is comprised of a portion of the "El Rincon De Corpus Christi" Ramon De Ynojosa Survey, Abstract 411, is situated in Nueces County, Texas, approximately 2-1/2 miles southwest of the city of Corpus Christi, and is described by metes and bounds as follows:

Beginning at a point in the centerline of State Highway 286 (100 foot right-of-way), the west line of Section 8 of said Laureles Farm Tracts, and the east line of said Section 9, at the northeast corner of a third 160 acre tract conveyed to Edward Carter Crook by Partition Deed dated May 29, 1987, and recorded in Volume 2076, Page 366, of the Deed Records of Nueces County, Texas; the northeast corner of a 20.89 acre tract just surveyed, the southeast corner of said first 160 acre tract, and the southeast corner of this tract;

Thence S 89° 09' 43" W along the north line of said third 160 acre tract, the north line of said 20.89 acre tract, the south line of said first 160 acre tract, and the south line of this tract, at 50.00 feet pass a 5/8" iron rod set at the southeast corner of a 10.01 acre tract just surveyed, at 1402.05 feet pass a 5/8" iron rod set at the southwest corner of said 10.01 acre tract, in all a distance of 2722.40 feet to a point in the centerline of Oso Creek Tributary No. 5, at the southeast corner of a 54.58 acre tract just surveyed, the northwest corner of said 20.89 acre tract, and the southerly southwest corner of this tract;

Thence in a northwesterly direction along the centerline of said Oso Creek Tributary No. 5, the northeast line of said 54.58 acre tract, and the southwest line of this tract as follows:

N 27° 04' 04" W	146.57 feet,
N 42° 43' 38" W	835.96 feet,
N 51° 24' 54" W	205.24 feet,
N 58° 47' 59" W	125.68 feet,
N 78° 23' 09" W	1712.22 feet,

to a point in the centerline of County Road 47 (40 foot right-of-way), the east line of Section 10 of said Laureles Farm Tracts, and the west line of said Section 9, at the southwest corner of said second 160 acre tract, the northwest corner of said first 160 acre tract, and the northerly southwest corner of this tract;

Thence N 00° 48' 45" W along the centerline of said County Road 47, the east line of said Section 10, the west line of said Section 9, the west line of said second 160 acre tract, and the west line of this tract, a distance of 1320.00 feet to a point at the southwest corner of a fourth 160 acre tract conveyed from Frank Crook to C. L. Lehman by General Warranty Deed dated April, 1934, and recorded in Volume 214, Page 150, of the Deed Records of Nueces County, Texas; the northwest corner of said second 160 acre tract, and the northwest corner of this tract;

Thence N 89° 09' 43" E along the south line of said fourth 160 acre tract, the north line of said second 160 acre tract, and the north line of this tract, a distance of 5282.55 feet to a point in the centerline of said State Highway 286, the west line of said Section 8, the east line of said Section 9, and the west line of a 320 acre tract conveyed from Frank B. Whaley, et ux, to Hal Weatherford, Trustee, by Deed of Trust recorded in

Volume 895, Page 395 of the Deed of Trust Records of Nueces County, Texas; at the southeast corner of said fourth 160 acre tract, the northeast corner of said second 160 acre tract, and the northeast corner of this tract;

Thence S 00° 48' 45" W along the centerline of said State Highway 286, the west line of said Section 8, the east line of said Section 9, the east line of said second 160 acre tract, and the east line of this tract, a distance of 1320.00 feet to a point at the intersection of the centerlines of said State Highway 286, County Road 20A (60 foot right-of-way), and a Future Road Easement (60 foot right-of-way), at the southwest corner of said 320 acre tract, the southeast corner of said second 160 acre tract, the northeast corner of said first 160 acre tract, and an angle corner of this tract;

Thence S 00° 49' 48" E along the centerline of said State Highway 286, the west line of said Section 8, the east line of said Section 9, the east line of said first 160 acre tract, and the east line of this tract, a distance of 1320.00 feet to the Point of Beginning, containing 265.58 acres of land, more or less.

Bearings in this description were determined from a GPS Survey, NAD 27 Texas South Zone.

April 9, 2001
14956k: GN

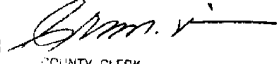
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Filed & Recorded in
Official Records of
NUECES COUNTY
ERNEST M. BRIONES
COUNTY CLERK
Fees \$23.00

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AMOUNT: _____
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SAN JACINTO TITLE COMPANY

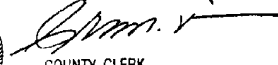
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SAN JACINTO TITLE COMPANY

Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY because of Race, Color, Religion, Sex, Handicap, Familial Status or National Origin, is Invalid and unenforceable under FEDERAL LAW, 3/12/89

STATE OF TEXAS
COUNTY OF NUECES
I hereby certify that this instrument was FILED in File Number Sequence on the date and at the time stamped herein by me, and was duly RECORDED, in the Official Public Records of Nueces County, Texas


COUNTY CLERK
NUECES COUNTY, TEXAS

STATE OF TEXAS
COUNTY OF NUECES
I hereby certify that this instrument was FILED in File Number Sequence on the date and at the time stamped herein by me, and was duly RECORDED, in the Official Public Records of Nueces County, Texas


COUNTY CLERK
NUECES COUNTY, TEXAS