

**EXHIBIT B**

**DUFFAU CREEK RANCH, LLC  
DUFFAU CREEK RANCH  
ERATH COUNTY, TEXAS  
RESTRICTIONS AND RESERVATIONS**

That Duffau Creek Ranch, LLC., a Texas limited liability company, as owner, does hereby adopt and impress the following restrictive covenants upon the property for the benefit of itself as owner of the land in said subdivision, and for the use and benefit of present or subsequent owner or owners of any Tract therein, as well as the use and benefit of all future owners thereof, the following covenants are made and adopted to run with the land as hereinafter set out.

If the parties hereto, or any of them or their heirs, successors or assigns, shall violate or attempt to violate any of the covenants herein, it shall be lawful for any person or persons owning any real property situated in said subdivision to prosecute any proceedings at law or in equity against the person or persons violating or attempting to violate any such covenant and either to prevent him or them from so doing or to recover damages or other dues for such violation.

**COVENANTS**

1. All buildings shall be new and shall be substantially and safely constructed of frame, metal, or masonry if newly constructed on site and maintained in good repair. Dwellings are reserved for site built homes only. Mobile, manufactured, or modular homes are not permitted. The wood exterior of all buildings shall be stained or painted with two coats of stain or paint. No structure shall be built or moved onto the property without the written consent of the Architectural Control Committee. Each tract is limited to one habitation except a second dwelling may be placed on a tract. No dwelling shall exceed two stories in height and the living area of any dwelling on the property, exclusive of all porches, garages, terraces, breezeways and unfinished rooms, shall contain a minimum of 1,500 square feet in the primary dwelling; a variance for a dwelling may be reviewed and approved by the Architectural Control Committee. Each person intending to construct or move a structure on any portion of this subdivision shall submit a plot plan, elevations and material and color specifications to the Architectural Control Committee for approval or disapproval by the committee. Construction of any structure must be completed (dried in with all exterior finish, windows and roofing completed) within one year from the beginning of construction.

2. There is hereby created and activated an Architectural Control Committee for the purpose of supervising, controlling and approving all construction plans, residences, structures, and other improvements to be built or placed on any tract, and for the further purpose of performing such other duties and responsibilities as are allocated under other paragraphs of this Declaration. The Committee is also given authority to enforce or amend these restrictions in any manner it deems appropriate and to act for the best interest of the property. The initial members of the committee shall consist of three persons, being A. Leon Thompson, Jr., Renata Castro and Gary Glick. If one or more of these members refuses or fails to serve, or is no longer able to serve, the developer, Duffau Creek Ranch, LLC, may appoint a person or persons as replacement members. At such time as 100% of the tracts in the subdivision have been sold on owner-financed notes which have paid off and for cash to Developer and to the owners, all rights, duties and

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responsibilities of the Committee shall automatically cease. All rights given to the Committee are purely discretionary and the Committee is not required to enforce any of the provisions hereof. No action will lie with any owner or any other person for failure of the Architectural Control Committee to act to prevent the violation of any of the provisions hereof. In the event that any plans or specifications are submitted to the Committee as provided herein, and such Committee shall fail to either reject or approve such plans and specifications for a period of thirty (30) days following such submission, approval of the Committee shall not be required, and full compliance shall be deemed to have been held. Buyer will permit Seller and Seller's agents to enter the property at reasonable times to inspect it for compliance with Buyer's obligations.

3. The premises shall be used exclusively for agricultural, wildlife management, and residential purposes and no service or merchandise will be offered for sale or hire thereon. Agricultural and ranching operations typical to the area shall not be considered a commercial use for the purpose of these restrictions. Nominal equestrian operations shall not be considered a commercial operation for the purposes of these restrictive covenants. Junkyards, automobile wrecking yards, rifle and pistol ranges, feed lots, packing houses and slaughtering of animals or poultry are prohibited. Premises must be kept neat and orderly. If there is any construction done within the flood plain, a Flood Development Permit issued by Erath County Flood Plain Administrator must be obtained.

4. There shall not be placed on said acreage any building or structure nearer than 150 feet from the front or within 50 feet from the side property line and the rear property line, with exception of Tract 4, 16 acres, in which case the setback will be 150 feet from the Tract 4 – Tract 3 boundary.

5. No travel trailer, recreational vehicle, motor home, tent, shack, garage, barn, or other buildings or structure of a temporary character shall be used as a residence permanently; however a trailer trailer, motor home, or recreation vehicle of not less than 25 feet in length may be used for a residence for up to six months. This time may be extended an additional twelve months if construction is commenced on a primary dwelling. Camping is permitted but is limited to eight weeks per year. Any camping facilities shall be located at least 150 feet from any property line that joins another tract out of the above subject property and at least 600 feet from any property line fronting any public road.

6. All sanitary arrangements must comply with all state and local health laws and regulations, and septic tanks must be installed in accordance with standards approved by the Commissioner's Court of Erath County, Texas.

7. No swine, fighting chickens, rotweilers, pitbulls, or fowl shall be kept or maintained on said acreage, except domestic pets not to exceed a total of four in number (exclusive of unweaned offspring) provided that they do not create a nuisance and do not injure or harm any person or other animal, and only so long as the owner is occupying the tract as his primary residence. For the purposes of this rule, pot bellied pigs do not qualify as domestic pets. No hogs or pigs will be allowed on any tract, except that one hog or pig per child residing on said tract shall be allowed to be kept for FFA (or similar organization) project so long as said animal is kept in a reasonably sanitary manner at least 100 feet from any property line joining another tract out of the subject property and at least 150 feet from any property line fronting any public road. One horse or cow is allowed per every two acres. 1.25 sheep or goats per acre, 2 chickens per acre with no more than 2 roosters per tract of land. No animal may be kept in a manner or location that creates a nuisance to other property owners such as annoying noises or flies or odors or unsightly premises. All pets or animals shall be

contained within the tract lines by fence, leash, or other comparable device. No commercial breeding or raising of domestic pets or fighting chickens is allowed.

8. Hunting or discharge of firearms shall be allowed with the use of reasonable discretion, responsibility, and welfare of neighbors considered; however, only shotguns, hand guns, or guns with rimfire cartridges (22 calibre) may be utilized, no high power rifles are allowed..

9. Nothing contained within these regulations shall prevent a tract owner from constructing a barn of any material so long as it is safely constructed and is stained or painted with two (2) coats of stain or paint if it is constructed of wood.

10. Neither shall any noxious or offensive activity be carried out on said acreage, nor shall anything be done thereon which may be or become an annoyance or nuisance or danger to the neighborhood. All garbage and trash shall be kept in properly covered receptacles and shall be kept in a safe and sanitary manner and disposed of at a licensed land fill or removed by a licensed waste disposal service.

11. After thirty (30) days notice to the owner thereof, the Architectural Control Committee shall have the right to clean and clear tracts of unsightly weeds, grass, brush, trash, and refuse, such cleaning and clearing to be at the expense of the particular tract owner and for which a lien in favor of the Committee may be placed upon the property including interest, costs and attorney fees.

12. No more than three vehicles may be parked outside on a regular or continuous basis on any tract. All residences must be served by a driveway of caliche, crushed base, gravel or other suitable material prior to or concurrent with move in.

13. No automobiles, trucks, or busses or other vehicles which are not registered and not in good running order will be allowed on any tract. Hobby vehicles in garage or barn are permissible. No unsightly, unsanitary or junky-looking structure or condition of any nature will be permitted on any tract. Front yards are to be kept neat and orderly. The Architectural Control Committee shall have the right to decide in its sole opinion whether any structure is unsightly or junky-looking.

14. Seller or its assigns reserves, and Buyer hereby grants to Seller or its assigns, the right to install and maintain drainage easements, electric service lines, water lines, other utility lines over and upon all roads, rights-of-way, and along a ten foot (10') easement on each side of the property lines and the right for access across the subject property to said easement. The ten-foot (10') utility easement widens to twenty feet (20') for the period during which utility construction or maintenance is under way. Overhead utility service pole guy wire anchorages may be located outside of the 10-foot utility easement. Additionally if a utility company requires a separate easement document to commence service to another lot using said easements only, then Buyer shall not withhold such permission and timely execution of said easement.

15. No tract may be further subdivided without the written approval of the Architectural Control Committee, and in no event may any tract be further subdivided or re-platted to a size less than five (5) acres.

16. Seller reserves all oil, gas, and other minerals that are in and under the property and that may be produced from it. Grantor does hereby expressly release and waive, on behalf of themselves and their

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respective heirs, assigns and legal representatives, all rights of ingress and egress and all other rights of every kind and character whatsoever owned by them to enter upon or to use the surface of the Subject Property or any part thereof, including, without limitation, the right to enter upon the surface of the Subject Property for purposes of exploring for, developing, drilling, producing, transporting, mining, treating, storing or any other purposes incident to the development or production of the oil, gas, and other minerals, in, on and under the Subject Property. Nothing hereon contained shall ever be construed to prevent the Grantor, or their heirs or assigns, from developing or producing the oil, gas and other minerals in and under the Subject Property from well sites located on tracts other than the Subject Property.

17. Any damming of Little Duffau Creek is prohibited. Buyer agrees to accept on the subject property any flow or flow rates from rainfall or storm water runoff from or to other property that may be developed in the future. No dwelling may be constructed in a flood plain unless it qualifies under the National Flood Insurance Act of 1968.

18. These restrictions shall be considered covenants running with the land and shall bind the purchasers, their heirs, successors, executors, administrators, and if the parties hereto or any of them, or their heirs, successors, or assigns, shall violate, or attempt to violate, any of these covenants or restrictions herein contained, it shall then be lawful for any person or persons owning any property in this subdivision to prosecute any proceedings at law or in equity against the person or persons violating, or attempting to violate, any such covenant or restriction, and either to prevent them or him from doing so or to recover damages for such violation. The Architectural Control Committee shall have the right, after thirty (30) days notice is given, to place a lien on any tract violating any of the above provisions, or to collect any costs incurred in the course of rectifying or cleaning up any proscribed or forbidden condition or activity under these covenants. The cost of placing the lien, including any attorney fees, shall be included in the lien. Any invalidation of any of the covenants or restrictions by judgment or court order in nowise shall effect any of the other provisions, which shall remain in full force and effect.

These covenants shall be binding on all parties and all persons claiming under them until August 1, 2050, at which time said covenants shall be automatically extended for successive periods of ten (10) years, unless by vote of a majority of the then owners of the tracts it is agreed to change said covenants in whole or in part.

Agreed and accepted this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

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Purchaser –

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Purchaser –

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