1.18. Tract or Lot. "Tract" or "Lot" means the 13 individual tracts of land or lots sold by the Developer from the 235.93 acres described above.

1.19. Vote of Members. "Vote of the Members" means the affirmative vote of two thirds (2/3) of the Members entitled to vote who are present at a meeting of Members, either in person or by written proxy. In accordance with Section 4.04, only one Member is entitled to vote for each Tract and only one vote shall be counted for each Tract even though a Tract may have several Owners.

ARTICLE II
RESTRICTIONS

2.01. Single Family Residences. Each Tract shall be used for single family residential purposes only.

2.02. Minimum Square Footage. The main residence constructed on a Tract shall have least one thousand (1,000) square feet within its outside walls and must be constructed with a minimum of three feet (3') of masonry wainscoat on the front exterior.

2.03. Timeline for Construction. Upon start of construction, the exterior of any main residence must be completed within twelve (12) months from the slab being poured and must be built to applicable building and windstorm/flood codes.

2.04. Limit on Structures. No more than three (3) structures may be constructed on a Tract. This limitation is to limit the number of major structures, such as the main residence, outbuildings, storage buildings, barns, guest quarter and garages. Specifically not considered as a major structure, includes, but is not limited to a well house or a doghouse.

2.05. Storage of RV's. Before the main residence is constructed, travel trailers and RV's may be temporarily stored on a Tract but only for a maximum of 6 months of the calendar year. During the construction of the main residence an RV may be temporarily stored on a Tract and used as a residence for up to 12 months. Travel trailers and RV's shall not be used as a residence and cannot be lived in full time. After the main residence is constructed, all boats, travel trailers and RV's must be stored behind the residence.

2.06. No Mobile Homes, Manufactured Homes or Modular Cabins. Mobile homes, manufactured homes or modular cabins are prohibited on a Tract.

2.07. Junk and Debris. No junk cars, abandoned cars or scrap, trash, landscaping trimmings or other debris may be placed on a Tract. The designation of such an item as being a violation under this Section is at the sole and absolute discretion of the Association.

2.08. Prohibited Animals. No pigs or peacocks will be permitted on a Tract. If written Architectural Control Committee approval is received, a limited number of pigs

may be kept for a sanctioned FFA or 4H project. All FFA or 4H pigs must be kept in pens that require written Architectural Control Committee approval.

2.09. Signs. No signs for advertising, or billboards, may be placed on a Tract with the exception of one professionally made "for sale" sign. Signs erected on any Tract advertising a Tract for sale shall not be permitted during the Developer's control of the Subdivision. However, a Builder can place one professional sign on a Lot advertising his services or residence for sale.

2.10. Subdividing. The Architectural Control Committee or the Developer (prior to the Control Transfer Date) shall grant a request for a variance to subdivide any Tract that is larger than twenty (20) acres into two tracts, so long as each new tract contains a minimum of 10.1 acres. A Tract that is larger than twenty (20) acres may only be subdivided one time. To subdivide a Tract, the Owner is responsible for all fees and requirements of the Leon County Commissioners Court and Leon County, Texas; however, the Architectural Control Committee and/or Developer (prior to the Control Transfer Date) will consent to such division. Each Tract created from subdividing shall be responsible for Annual Assessments and Special Assessments, and shall have the same rights as if it was an original tract of the Subdivision.

2.11. Limit on Activity. Subject to the prohibition in paragraph 2.12 below, no activity whether for profit or not, shall be conducted on a Tract which is not related to the occupation of a Tract for single family residential purposes, unless said activity meets the following criteria: (a) no exterior sign of the activity is present, (b) no additional traffic is created as a result of the activity, and (c) no toxic substances (as determined at the sole discretion of the Association) are stored on the Property. Nothing herein shall prohibit the use of home offices in compliance with the preceding subsections (a), (b) and (c). This restriction is waived in regard to the customary sales activities required to sell homes in the Subdivision.

2.12. Prohibition on Short Term Rentals. No leasing or rental of a Tract shall be permitted, unless said lease or rental has a duration of at least thirty (30) days and the entirety of the Tract is leased or rented.

2.13. Nuisance. No activity which constitutes a nuisance or annoyance shall occur on a Tract. The Association shall have the sole and absolute discretion to determine what constitutes a nuisance or annoyance.

2.14. Wildlife Association. Developer has formed or will form a Wildlife Management Association that as determined by Texas Property Code Section 23.51 will allow for an Ag 1-D-1 Open Space Wildlife ad valorem tax valuation on each participating Tract Owner's property. The Wildlife Management Association is voluntary, but it is the intention of the Developer, who is the Developer of the Headquarter Ranches Subdivision, for itself, and subsequently, for the Association and all Tract Owners in the Headquarter Ranches Subdivision, to maintain this status.

2.15 Driveways. All driveways must be shown on the plans submitted to the Architectural Control Committee or Developer (prior to the Control Transfer Date), completed no later than thirty (30) days after the completion of the main residence and approved by the Architectural Control Committee or Developer (prior to the Control Transfer Date) prior to construction. Each Tract Owner is responsible for installing a properly sized culvert to ensure proper drainage is attained and no water is impounded that would affect other Tracts.

2.16. Swimming Pools. Above ground pools are prohibited. All swimming pools must be in-ground and shall be fenced with fencing approved by the ACC. The ACC may not deny a swimming pool enclosure that is black in color and consists of transparent mesh set in metal frames.

ARTICLE III
RESERVATIONS, EXCEPTIONS AND DEDICATIONS

3.01. Property Subject to Restrictions. The Subdivision, including all the individual Tracts, are subject to these Restrictions which shall run with the land and be binding on all parties having or acquiring any right, title or interest therein, or any part thereof, and shall inure to the benefit of each owner thereof. As of the date of this Declaration, there are some existing structures built in the Subdivision on the Tracts identified as Tracts 16, 17, and 18 as shown on page 1 of Exhibit "A". Any building restriction contained herein shall not apply to the existing improvements that are located on Tracts 16, 17, and 18, and any variance that exists from these Restrictions shall have been deemed accepted by the Architectural Control Committee or Developer (prior to the Control Transfer Date).

3.02. Utility Easements and Setbacks. The Subdivision and each Tract shall be subject to the easements reserved herein and in favor of the Association, the Owners, and the utility companies. A utility easement and a building setback line measuring fifty feet (50') in width is reserved along the front and rear lot lines and a utility easement measuring fifty feet (50') in width and centered on the common boundary line that any Tract in the Subdivision shares with another Tract is reserved. If a Tract less than four (4) acres, then this utility easement and building setback line shall be fifteen feet (15') in width along the front and rear lot lines and a utility easement measuring fifteen feet (15') in width and centered on the common boundary line that any Tract in the Subdivision shares with another Tract is reserved. The utility easements shall be used for the construction, maintenance and repair of utilities, including but not limited to, electrical systems, telephone, cable, water, gas and any other utilities which the Developer or utility providers may install for the benefit of the Owners. Notwithstanding the foregoing, the Developer has no obligation to provide utilities and all such utilities shall be provided by the local utility companies in accordance with the policies of such utility companies. All utility easements in the Subdivision may also be used for the construction of drainage facilities in order to provide for improved surface drainage of the Tracts. The Developer reserves the right to grant specific utility easements without the joinder of any Owner to public utility providers within the boundaries of any of the easements herein reserved. Any utility