

**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
SOUTHERN PINES ADDITION PHASE 1**

THE STATE OF TEXAS §
 §
COUNTY OF HARRISON §

This Declaration of Covenants, Conditions and Restrictions (this "Declaration") is made effective as of February 2, 2022, by **RMK DEVELOPMENTS, LLC, a Texas limited liability company** ("Developer"), as follows:

RECITALS:

A. Developer is the owner of that certain tract or parcel of land containing 40.923 acres of land, more or less, situated in the E. A. Merchant Survey, A-430, Harrison County, Texas, more particularly described in Exhibit "A" attached hereto and made a part hereof for all purposes (the "Property").

B. Developer intends to subdivide the Property as a residential subdivision known as Southern Pines Addition, Phase 1 (the "Subdivision"), as shown on the Plat of the Subdivision to be filed upon approval by Harrison County.

C. Developer desires to provide for the preservation of values and amenities of the Property situated within the Subdivision, and to this end, desires to establish and carry out a uniform plan of development for the Subdivision and subject each Lot or tract therein to the various covenants, conditions and restrictions set forth in this Declaration.

NOW, THEREFORE, Developer hereby declares, establishes and adopts the covenants, restrictions, easements and conditions set forth below (herein called "Restrictions"), which Restrictions shall be applicable to the ownership, use, development, improvement and sale of each Lot within the boundaries of the Subdivision, and any contract, deed or other instrument covering any Lot within the Subdivision shall be conclusively held to have been executed, delivered and accepted subject to these Restrictions, regardless of whether or not these Restrictions are set out in or incorporated by reference in any such contract, deed or other instrument, to the extent as if fully set forth therein, and each of these Restrictions shall be considered a covenant running with the land and shall inure to benefit of the Developer, its successors and assigns, and all subsequent owners of any Lot within the Subdivision, their respective heirs, legal representatives, successors and assigns.

ARTICLE I

DEFINITIONS

As used in these Restrictions, the terms set forth below shall have the meanings indicated:

1.1 "Association" shall mean and refer to Southern Pines Addition Homeowners' Association, an unincorporated non-profit association created pursuant to Chapter 252 of the Texas Business Organizations Code.

1.2 "Board of Directors" shall mean and refer to the Board of Directors of the Association.

1.3 "Common Area" shall mean all real property, including any easements, owned or acquired by the Association for the common use and enjoyment of all Lot Owners, including all private streets shown on the recorded Plat of the Subdivision, and the common areas shown or identified on the recorded Plat of the Subdivision as HOA Common Area #1, HOA Common Area #2 and HOA Common Area #3, and any other common areas designated by Developer for the use and enjoyment of all Lot Owners within the Subdivision.

1.4 "Developer" shall mean and refer to RMK Developments, LLC, a Texas limited liability company.

1.5 "Governing Documents" means this Declaration, the Bylaws of the Association, and other dedicatory instruments as defined in Section 209.002 of the Texas Property Code.

1.6 "Hazardous Materials" shall mean (a) any "hazardous waste" as defined by the Resource Conservation and Recovery Act of 1976 (42 U.S.C. Section 6901 et seq.), as amended from time to time, and regulations promulgated thereunder; (b) any "hazardous substance" as defined by the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. Section 9601 et seq.) as amended from time to time, and regulations promulgated thereunder; (c) asbestos; (d) petroleum products and polychlorinated biphenyls; (e) any substance and presence of which on the Property is prohibited by any government requirement; and (f) any other substance which by any government requirement requires special handling in its collection, storage, treatment, or disposal.

1.7 "Lot" shall mean each separate lot subdivided and conveyed out of the Property or shown as a separate lot on any recorded Plat of the Subdivision.

1.8 "Member" shall mean each Owner of a Lot, and in the event a Lot is owned by more than one person then all Owners of the Lot shall constitute one Member for purposes of voting as a Member of the Association.

1.9 "Owner" shall mean any person, firm, corporation or other entity which owns a Lot.

1.10 Plat shall mean any recorded subdivision plat of the Property, together with any amended plat or re-plat of the Property approved by Harrison County.

1.11 Residence shall mean a single family residence constructed on a Lot within the Subdivision.

1.12 Subdivision shall mean all of the Lots and land forming a part of Southern Pines Addition Phase 1, as shown on the recorded Plat of the Subdivision.

ARTICLE II

RESERVATIONS, EXCEPTIONS, EASEMENTS AND DEDICATIONS

2.1 Recorded Plat of the Subdivision. The Plat of the Subdivision dedicates to the public for use as such, subject to the limitations as set forth therein, the utility easements shown thereon. All dedications, restrictions, easements and reservations created herein or shown on the Plat, replats or amendments of the Plat of the Subdivision recorded or hereafter recorded shall be construed as being included in each contract, deed, or conveyance executed or to be executed by or on behalf of Developer, whether specifically referred to therein or not.

2.2 Easements. Developer reserves the utility easements shown on the Plat or that have been or hereafter may be created by separate instrument recorded in the Official Public Records of Harrison County, Texas, for the purpose of constructing, maintaining and repairing a system or systems of electric lighting, electric power, telegraph and telephone line or lines, storm surface drainage, cable television, or any other utility the Developer sees fit to install in, across and/or under the Property. All utility easements in the Subdivision may be used for the construction of drainage swales in order to provide for improved surface drainage of the Lots. Should any utility company furnishing a service covered by the general easement herein provided request a specific easement by separate recordable document, Developer, without the joinder of any other Owner, shall have the right to grant such easement on said Property without conflicting with the terms hereof. Any public authority or utility company serving the Subdivision shall have the right to enter upon any utility easement for the purpose of installation, repair and maintenance of their respective facilities. Neither Developer or Association, nor any utility company, political subdivision or other authorized entity using the easements herein referred to shall be liable for any damages done by them or their assigns, agents, employees, or servants, to fences, shrubbery, trees and lawns or any other Property of the Owner on the Property covered by said easements.

2.3 Title Subject to Easements. It is expressly agreed and understood that the title conveyed by Developer to any of the Lots by deed or other conveyance shall be subject to any easement affecting same for water, sewer, drainage, electric lighting, electric power, telegraph or telephone purposes, HOA Common Area easements, and other easements hereafter granted affecting the Lots. The Owners of the respective Lots shall not be deemed to own pipes, wires, conduits or other service lines running through their Lots which are utilized for or service other Lots, but each Owner shall have an easement in and to the aforesaid facilities as shall be necessary for the use,

maintenance and enjoyment of his Lot. The Developer may convey title to said easements to the public, a public utility company or the Association.

2.4 Utility Easements.

(a) Utility ground and aerial easements have been dedicated in accordance with the Plat and by separate recorded easement documents.

(b) No Residence or other building shall be located over, under, upon or across any portion of any utility easement. The Owner of each Lot shall have the right to construct, keep and maintain concrete drives, fences, and similar improvements across any utility easement, and shall be entitled to cross such easements at all times for purposes of gaining access to and from such Lots; provided, however, any concrete drive, fence or similar improvement placed upon such utility easement by the Owner shall be constructed, maintained and used at Owner's risk and, as such, the Owner of each Lot subject to said utility easements shall be responsible for (i) any and all repairs to the concrete drives, fences and similar improvements which cross or are located upon such utility easements and (ii) repairing any damage to said improvements caused by any public or private utility in the course of installing, operating, maintaining, repairing, or removing its facilities located within the utility easements.

2.5 HOA Common Areas.

(a) The private streets shown on the recorded Plat of the Subdivision shall be owned and maintained by the Association and will be used by Lot Owners for access, ingress and egress to and from all Lots and the public road known as FM 2208 at the entryway off FM 2208.

(b) The HOA Common Area #1 shown on the recorded Plat of the Subdivision shall be owned and maintained by the Association and will be used for any Subdivision signage, landscaping and fencing installed by Developer at the entrance to the Subdivision.

(c) The HOA Common Area #2 shown on the recorded Plat of the Subdivision shall be owned and maintained by the Association and will be used for and serve as a general drainage area.

(d) The HOA Common Area #3 shown on the recorded Plat of the Subdivision shall be owned by the Association and is an existing gas well site for the Keasler #6 well and related surface equipment owned by the operator of such well, and so long as such well is producing the HOA Common Area #3 shall be used exclusively by the operator of the well.

2.6 Additional Easements. If additional utility or drainage easements, whether or not contemplated or mentioned in this Declaration, between or across portions of the Subdivision are necessary and desirable to effectuate the purposes of this Declaration, then, upon the request of Developer, and provided said proposed additional easements will not unreasonably interfere with the development, use, access to and occupancy of any Lot, each Owner agrees to grant such additional easements across such Owner's Lot, without charge therefor, subject to such reasonable

terms and conditions as shall be agreed upon between Developer and such Owner. Any such new easement or easements shall be signed by Developer and/or all Owners of portions of the property which compose the land within such new easements and shall be recorded in the Official Public Records of Harrison County, Texas.

ARTICLE III

USE RESTRICTIONS

Each Lot within the Subdivision shall be impressed with the following restrictions, covenants and conditions for the purposes of carrying out a general plan of development for the Subdivision:

3.1 Permitted Uses. All Lots shall be used for single family residential purposes only, and no business, professional, or other commercial activity of any type shall be operated from or out of any Residence or accessory structure situated upon any Lot. Without in any manner limiting the foregoing, no church, duplex or multifamily structure, or commercial building shall be placed or permitted on any Lot or portion of any Lot, nor shall any Lot be utilized for access to any other land adjacent to or adjoining the Property without the written consent and approval of Developer.

3.2 Prohibited Structures. No mobile homes, modular or manufactured type housing shall be placed on any Lot. No structure of a temporary character, trailer, tent, shed or shack, garage, barn or other out buildings shall be used on any Lot at any time as a Residence, either temporarily or permanently. No Residence shall be moved onto or placed on any Lot, with all Residences to be constructed of new materials on site and built on a slab.

3.3 Exteriors. All exterior walls of a Residence with one or one and one-half stories shall be constructed of not less than eight percent (80%) masonry (excluding door and window openings), and all exterior walls of Residences having two or more stores shall be constructed of not less than sixty-five percent (65%) masonry (excluding door and window openings). The term "masonry" as used herein shall mean brick, stone, or stucco. In computing the percentages set forth above, wall masonry to sill line of windows or masonry to mid-point shall be considered thirty-five percent (35%) masonry. This restriction may be waived or varied by the Developer within Developer's sole and absolute discretion to include log, redwood or other exterior building materials. Any such waiver or variance executed by Developer shall be filed in the County Clerk's Office of Harrison County, Texas with respect to the affected Lot at the Lot Owner's expense.

3.4 Structural Restrictions.

(a) No Residence in excess of two and one-half (2 ½) stories in height shall be erected on any Lot.

(b) No antenna (shortwave, CB, TV, etc.) may be erected on any Lot that is higher space than fifty feet (50') above ground on which the Residence is located.

(c) Exterior colors shall be in earth tones (primary colors such as red, blue, green, purple, will not be allowed).

3.5 Living Area. The living area or floor area that is enclosed for heating and/or air conditioning (exclusive of porches, garages and storerooms) of any Residence shall not be less than 2,200 square feet.

3.6 Accessory Structures/Buildings. No accessory structure such as a utility or storage type of building shall be erected, placed or maintained nearer than twenty-five feet (25') from the sideline of any Lot or one hundred fifty feet (150') from the front line of any Lot, and in no event shall any accessory structure be situated closer to the street than the Residence. Any such accessory structure shall not exceed 1,500 square feet. No portable structures or buildings shall be permitted on any Lot. All accessory structures shall be constructed of new materials similar to the Residence construction on a Lot, with matching trim and at least one-third (1/3rd) masonry. This restriction may be waived or varied with the written consent of the Developer within Developer's sole and absolute discretion in the same manner as provided in Section 3.3 above.

3.7 Driveways. All driveway and entrances from the streets within the Subdivision to each Residence shall be a surface of concrete to a minimum width of ten feet (10'). All entrances or driveways shall be completed before occupying the Residence. This restriction may be waived or varied with the written consent of the Developer within Developer's sole and absolute discretion in the same manner as provided in Section 3.3 above.

3.8 Mailboxes. All mailboxes must be of brick or masonry construction to match the Residence constructed on any Lot.

3.9 Fences. All privacy fencing must be approved prior to construction or installation by the ACC. No chain link, barbed wire, chicken wire, hog wire or similar fence shall be allowed. Privacy fencing with a maximum height of six feet (6') shall be allowed only in the area to the side and rear of a Residence.

3.10 Garages. Each Residence erected will include a minimum of a two-car garage. The garage shall be constructed with a minimum width of twenty feet (20'), and if front facing may not extend more than ten feet (10') past the front of the Residence. All garages shall be a part of the Residence or shall be attached thereto by a breeze way or porta-cohere. It is provided, however, that the ACC shall have the authority to approve variances in the placement of any such garage and shall furnish evidence of such approval in writing. Set-back restrictions herein provided shall likewise apply to such garages. The ACC must approve all over head doors.

3.11 Set Backs. No Residence or structure of any type shall be erected on any Lot nearer to the front property line fifty feet (50'), and no structure of any type shall be erected closer to the interior side lot lines than twenty feet (20') or the rear Lot line forty feet (40').

3.12 No Window AC Units. No window or wall type air conditioner unit shall be used, placed, or maintained on or in any part of a Lot or Residence.

3.13 Roofs.

(a) Each Residence construction on a Lot must have a roof pitch of 9/12 minimum and must have nine foot (9') tall wall minimum (rafter bearing heights). Each Lot shall have at least a 30% portion of the front elevation at a minimum of ten feet (10'). Gables or other raised roof lines shall be considered to provide greater height. HIP roof lines will be preferred. All plans must be approved by the ACC. The roof may be constructed with concrete tile or composition shingles weighing a minimum of 240 pounds per square (10' x 10') and a minimum 30-year warranty. All roofing material specs (color included) must be submitted to the ACC with plans for approval.

(b) Prefabricated type chimneys must be enclosed within a chase and the top or termination cap shall be concealed with a decorative type cover.

(c) Each Residence must have installed and maintained gutters and down spouts.

3.14 Water Wells and Water Supply. Each Lot Owner will be required to drill and maintain a private water well on the Owner's Lot for the purpose of providing a potable water supply for domestic and other household use and for irrigation purposes.

3.15 Waste Disposal Systems. All septic systems shall conform and be in compliance with all rules and regulations of the Harrison County Health Department or other governmental authority or agency having jurisdiction over the construction, installation and maintenance of septic systems.

3.16 Lot Maintenance. All Lots must be maintained in a neat and orderly fashion. No Lots shall be used for the dumping or storage of rubbish, trash, debris, surplus soil, rocks, or junk cars. No accessories, parts or objects used with cars, boat, buses, trucks, trailers, house trailers or the like, shall be kept on any Lot other than in a garage or other structure approved by the ACC. In the event the Owner of any Lot violates this restriction, the Association may perform any required maintenance and cure the violation at the Owner's expense, with any expense incurred by the Association to be reimbursed upon demand, plus interest thereon at the rate of eighteen percent (18%) per annum from the date of advance of such costs until paid in full. Prior to the Association taking action to cure any violation of this restriction, the Owner shall be given thirty (30) days prior written notice of default and opportunity to cure the violation specified in such notice, which notice may be given at the Owner's residence address or the Owner's last known mailing address according to the Association's records.

3.17 Animals. No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot; provided, however, dogs, cats or other household pets may be kept, not to exceed three (3) of such animals, provided they are not kept, bred or maintained for any commercial purposes. The foregoing limitation on the number of pets shall not apply to hamsters, small birds, fish or other constantly caged animals, nor shall it apply to require the removal of any litter born to a permitted pet prior to the time that the animals in such litter are three (3) months old. If any animal may, in the

sole discretion of the Board of Directors, make an objectionable amount of noise, endanger the health of the occupants of other Lots, or otherwise constitute a nuisance or inconvenience to the Owners of other Lots, such animal shall be removed upon the request of the Board of Directors. If the Owner of such animal fails or refuses to honor such request, the animal may be removed at the direction of the Board or Directors. An Owner's failure to remove fecal matter or other solid waste left in any Common Area by an animal owned by an occupant of such Owner's Lot (or their guests or invitees) shall be conclusively deemed to be a nuisance, and shall subject such Owner to such reasonable penalties as may be determined by the Association, including without limitation, upon repeated violations, the removal of such animal as described above. The cost and expense of any removal of an animal under this Section 3.17 shall be the sole responsibility of the Owner of the Lot where the animal was kept (or was brought by a guest or invitee).

3.18 Control of Pets. Every person owning or having possession, charge, care, custody or control of any dog, cat or other pet shall keep such pet exclusively inside his own Residence or inside the confines of such Owner's privacy fence; provided, however, that such pet may be off the Owner's Lot if it is under the control of a competent person and restrained by a chain, leash or other means of adequate physical control. All Owners must control their pets at all times, whether or not such Owner is present, in a manner that will prevent any pet from (a) making noise at objectionable sound levels for extended periods of time, whether continuously or intermittently, (b) endangering the health or safety of other Owners, their families, guests or invitees, or creating fear in other Owners as to the safety of themselves, their families, guests or invitees, or (c) otherwise constituting a nuisance or inconvenience to the Owner(s) of any other Lot; all of the foregoing as determined by the Association. Any pet identified by the Association as a potentially dangerous animal constituting an unreasonable risk or threat to any other Owner or as to other Owners generally, whether or not such risk or threat is deemed immediate or imminent, or as to the families, guests or invitees of any Owner or other Owners generally, whether due to the type, kind or species of such animal, or its size, natural proclivities or inherent nature, or as a result, whether in whole or in part, of the known tendencies, habits, disposition or history of such animal, or as a result of the manner in which such animal generally is supervised and controlled by its owner, or for any combination of any of the foregoing reasons, shall be subject to such further restrictions and control as the Association may in its absolute discretion deem appropriate, which further restrictions or control may include, without limitation, any one or more of the following additional requirements: (i) constant restraint of the animal by means of a cage, chain, leash or other means deemed appropriate and approved by the Association at all times while such animal is outside an Owner's Residence, even while such animal is in the area of such Owner's Lot within the privacy fence; (ii) limitations on the time periods or duration that such animal is permitted to be outside of its owner's Residence; (iii) prohibiting the animal to be outside at any time without its owner present; or (iv) permanent removal of the animal from the Property. No animal shall be left outside of any Residence unattended or overnight.

3.19 Garbage and Refuse Disposal. No Lot shall be used or maintained as a dumping ground for rubbish, and all trash, garbage or other waste shall be stored in sanitary containers in accordance with the rules and regulations of any municipal health or public safety authority having jurisdiction over the Property. All equipment shall be kept in clean and sanitary condition. No trash, garbage or other waste may be placed within the Common Area except in containers approved by the Board of Directors. All trash cans or containers shall be placed in the garage or within a privacy

fenced area at all times except during the days of trash or recycle pick up.

3.20 Exterior Lights. No exterior lights shall be installed or maintained on any Lot which is objectionable to Developer or the ACC. Upon being given written notice by Developer or the ACC that any exterior light is objectionable, the Owner of the Lot on which same is located will immediately remove said light or have it shielded in such a way that it is no longer objectionable to Developer or the Association.

3.21 No Above-Ground Pools. No above ground swimming pool shall be permitted on any Lot.

3.22 Antennas and Satellite Dishes. No television, radio, or other electronic towers, aerials, antennae, satellite dishes or device of any type for the reception or transmission of radio or television broadcasts or other means of communication shall hereafter be erected, constructed, placed or permitted to remain on any Lot or upon any improvements thereon, except that this prohibition shall not apply to those antennae specifically covered by 47 C.F.R. Part 1, Subpart S, Section 1.4000 (or any successor provision) promulgated under the Telecommunications Act of 1996, as amended from time to time, or satellite dishes or devices not greater than twenty inches (20") in diameter as long as they comply with the installation and other requirements set forth below. The Association shall be empowered to adopt rules governing the types of antennae that are permissible hereunder and establishing reasonable, non-discriminatory restrictions relating to safety, location, installation, removal and maintenance of antennae. To the extent that reception of an acceptable signal would not be impaired, an antenna permissible pursuant to rules of the Association may only be installed within the area on each Lot enclosed by a privacy fence, not visible from the street, and integrated with the Residence and surrounding landscape. Antennae shall be installed in compliance with all state and local laws and regulations. Any satellite dish antenna shall be installed on the roof of a Residence in a manner such that any satellite dish is not located on the front of any Residence.

3.23 Construction Period. All construction of a Residence, garage, porches, and any other appurtenances or appendages of every kind and character on any Lot shall be completed not later than one (1) year following the commencement of construction unless otherwise extended by ACC. For the purpose hereof, the term "commencement of construction" shall be deemed to mean the date on which the foundation forms are set.

3.24 Timber. No healthy timber shall be sold and/or removed from any Lot without the prior approval of the Association. Removal of timber shall be permitted only when trees interfere with construction of a Residence, driveway or permitted outbuilding.

3.25 Nuisances. No activity deemed noxious or offensive by the Board of Directors, within its reasonable discretion, shall be carried on any Lot or within the Common Area, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the Subdivision as determined by the Board. Examples of such offensive activities shall include, but not be limited to, the origination or emission of any loud or disturbing noise or vibrations, the maintenance of an auto repair site, the maintenance of unsightly outdoor storage of personal property (including toys, motorcycles or other motor vehicles, tricycles, bicycles, wood piles or other miscellaneous items)

on porches, patios, terraces or yards, or similar unsightly activity not in keeping with the aesthetic character and high level of appearance of the Subdivision.

3.26 Parking of Vehicles and Use of Property.

(a) No house trailer, boat trailer, camper, tent, shed, or any other such vehicle, trailer, vessel or temporary structure shall be permitted to be parked or placed within the Property except within areas, if any, which may be specifically designated for such purposes by the Association; provided, however, temporary buildings, trailers and other structures used in connection with construction of a residence during the construction period, but not as living quarters.

(b) Except for fire, police, and other emergency vehicles, postal pickup and delivery, garbage pickup, temporary parking by guests or visitors (excluding overnight parking), and as otherwise expressly allowed in writing by the Association, absolutely no on-street parking shall be allowed. As allowed by law, towing of any vehicles or other property located within the street right of way in violation of this Declaration will be at the Lot Owner's sole cost and expense. The Association may establish additional reasonable rules and regulations relating to the parking of vehicles within the Subdivision.

(c) All vehicles on the Property, whether owned or operated by an Owner, their family, their guests, and invitees, are subject to all rules and regulations concerning the type, size, number, condition, use, appearance and location of vehicles on the Property. The Association may prohibit any vehicle which the Association deems to be a nuisance, unsightly, or inappropriate. The Association may prohibit the sale or storage of vehicles on the Property. Vehicles that transport inflammatory, explosive, dangerous, or other Hazardous Materials are expressly prohibited on the Property. The Association may cause any vehicle in violation of this Declaration to be removed without liability and at the sole cost and expense of the Lot Owner.

3.27 Non- Interference with Utilities or Drainage. No improvement, structure, planting or materials shall be placed or permitted to remain which might damage or interfere with the installation, operation and maintenance of utilities, or which might alter the direction of flow within drainage channels or which might obstruct or retard the flow of water through drainage channels.

3.28 Signs. No sign of any kind or character shall be displayed to the public view on any Lot except for (a) one (1) professionally fabricated sign of not more than five (5) square feet advertising the property for rent or sale, (b) signs used by Developer to advertise the Property during the construction and sales period, and (c) political signs advocating the election of one or more political candidates or the sponsorship of a political party, issue or proposal, provided that such signs shall not be erected more than a reasonable period of time (in no event to exceed thirty (30) days in advance of the election to which they pertain) and are removed within five (5) days after the election. The Association shall have the right to remove any sign or other advertising structure that does not comply with the above, and in so doing shall not be subject to any liability for trespass or any other liability in connection with such removal.

3.29 Garage Sales. Estate Sales. Liquidations. etc. Without the prior written permission of the Association, which may be withheld in its sole and complete discretion, there shall be no sales of personal property of any kind or type within the Subdivision. This prohibition shall include, but not be limited to, garage sales, estate sales, new product sales, automobile sales, liquidation sales, home business sales, and yard sales. Nothing herein shall prohibit or require the consent of the Association for the sale of any personal Property by an Owner in conjunction with the sale of a Lot and any associated improvements within the Subdivision, so long as the party purchasing the personal property is the same party that is purchasing the Lot and improvements.

3.30 Prohibited Vehicles. No unlicensed motor vehicles, commercial trucks (except trucks serving specific purposes such as moving vans or trucks bringing building materials to a Lot) with a capacity rating in excess of 3/4 ton, or commercial delivery trucks or trailers shall be stored or parked upon or in front of any Lot.

3.31 Trailers and Recreational Vehicles. No boat, trailer, camper, boat trailer or similar wheeled vehicle shall be stored (except temporarily, not to exceed 72 hours) nearer to the street than the front of the Residence. No house trailer, camper, boat trailer or similar wheeled vehicles shall be stored or parked on any Lot except in a closed garage or within the fenced, walled or enclosed portions of such Lot, and any such fence, wall or other enclosure shall be subject to the approval of the ACC. No motor bikes, motorcycles, motor scooters, "Go-carts," 4-wheelers or other vehicles shall be permitted to be operated on the Property if such operations, by reason of noise or fumes emitted, or by reason of manner in use, shall constitute a nuisance as determined by the Board of Directors within their sole and absolute discretion.

3.32 No Subdivision of Lots. No Lot may be re-subdivided, subject to the reserved rights of the Developer as provided herein.

3.33 Damage to Improvements. In the event that all or any part of an Owner's improvements on any Lot are damaged by fire or other casualty, the Owner shall promptly either (a) remove from such Lot the debris and damaged building material or other damaged property caused by such damage or loss and secure same so that it will not constitute a hazard or menace to public safety or health; or (b) repair or replace said damage or loss. In either event, such action is to be completed within one hundred eighty (180) days of the date of such damage or loss, unless an extension of time is granted in writing by the Association at its sole and absolute discretion.

3.34 Prohibited Access. No driveways or roadways may be constructed on any Lot to provide access to any adjoining Lot or land unless the express written consent of the Developer within the Developer's sole and absolute discretion shall have been first obtained.

3.35 Repair Work. No repair work on or dismantling or assembling of motor vehicles or other machinery or equipment shall be done or permitted on any street, driveway, or on any portion of the Common Areas.

3.36 No Hazardous Materials. The placement, holding, locating, disposal, manufacture, storage, or dumping of any Hazardous Materials on any Lot is prohibited.

3.37 No Yard Art or Ornaments. No yard art or ornaments shall be permitted in the front yard portion of any Lot.

3.38 Delegation to Association. Developer may delegate to the Association the Developer's authority to approve or disapprove requests for waivers or variances permitted by these Restrictions. In the event Developer delegates its authority to the Association pursuant to this paragraph, the Board of Directors of the Association shall have the authority to act on the behalf of the Association to approve or disapprove requests for variances or waivers.

ARTICLE IV

ARCHITECTURAL CONTROL COMMITTEE

4.1 Basic Control.

(a) No building or other improvements of any character shall be erected or placed, or the erection or placing thereof commenced or changes made in the design or exterior appearance thereof, or any addition or exterior alteration made thereto after original construction, or demolition or destruction by voluntary action made thereto after original construction, on any Lot in the Subdivision until the obtaining of the necessary approval (as hereinafter provided) from the Architectural Control Committee ("ACC") of the construction plans and specification for the construction or alteration of such improvements or demolition or destruction of existing improvements by voluntary action. Approval shall be granted or withheld based on matters of compliance with the provisions of these Restrictions and other rules and regulations instituted by the Developer or Association.

(b) Each application made to the ACC, or to the Developer, shall be accompanied by two sets of plans and specifications for all proposed construction (initial or alteration) to be done on such Lot, including plot plans showing location on the Lot and any landscaping.

4.2 Architectural Control Committee.

(a) The authority to grant or withhold architectural control approval as referred to above is initially vested in the Developer; provided, however, the authority of the Developer shall cease and terminate upon the election of the ACC of the Association, in which event such authority shall be vested in and exercised by the ACC except as to plans and specifications and plot plans theretofore submitted to the Developer which shall continue to exercise such authority over all such plans, specifications and plot plans. The term "ACC", as used in this Declaration, shall mean or refer to the Developer or to the ACC composed of members of the Association, as applicable.

(b) On or after such time (as shall be solely determined by Developer) as all of the Lots in the Subdivision are conveyed by Developer (from time to time hereafter referred to as the "Control Transfer Date"), the Developer shall cause an instrument transferring control to the Association to be placed of record in the Official Public Records of Harrison County, Texas (the effective Control Transfer Date shall be the date of its recording). The first Board of Directors of the

Association, which Board shall be appointed by Developer, shall be the ACC who shall serve until the next succeeding annual meeting following the Control Transfer Date. From and after the Control Transfer Date, each member of the Committee must be an Owner of a Lot in the Subdivision. Additionally, the Developer shall have the right to discontinue the exercise of Architectural Control privileges and arrange for the transfer to the Association at any time prior to the Control Transfer Date by filing a statement and instrument to that effect in the Official Public Records of Harrison County, Texas.

4.3 Effect of Inaction. Approval or disapproval as to architectural control matters, as set forth in the preceding provisions of this Declaration shall be in writing. In the event that the authority exercising the prerogative of approval or disapproval (whether the Developer or the ACC) fails to approve or disapprove in writing any plans and specifications and plot plans received by it in compliance with the preceding provisions within thirty (30) days following such submissions, such plans and specifications and plot plan shall be deemed approved and the construction of any such building and other improvements may be commenced and proceeded with in compliance with all such plans and specifications and plot plan and all of the other terms and provisions hereof.

4.4 Effect of Approval. The granting of the aforesaid approval (whether in writing or by lapse of time) shall constitute only an expression of opinion by the Developer or ACC that the terms and provisions hereof shall be complied with if the building and/or other improvements are erected in accordance with said plans and specifications and plot plan; and such approval shall not constitute any nature of waiver or estoppel either as to the persons expressing such approval or any other person in the event that such building and/or improvements are constructed in accordance with such plans and specifications and plot plan, but, nevertheless, fail to comply with the provisions hereof. Further, no person exercising any prerogative of approval or disapproval shall incur any liability by reasons of the good faith exercise thereof.

4.5 Variance. The Developer or, if applicable, the ACC, may, on a case by case basis, authorize variances from compliance with any of the provisions of either (i) this Declaration, or (ii) the minimum acceptable construction standards or regulations and requirements as promulgated from time to time by the Developer or the ACC. Notwithstanding, after the Control Transfer Date, both the Developer and the ACC shall have the right to grant a variance from the building setback line restrictions. Either party may grant this variance, as it determines in its sole discretion is needed, without the consent of the other. Such variances must be evidenced in writing and shall become effective when signed by the Developer or by at least a majority of the members of the ACC. If any such variances are granted, no violation of the provisions of this Declaration shall be deemed to have occurred with respect to the matter for which the variance is granted; provided, however, that the granting of a variance shall not operate to waive any of the provisions of this Declaration for any purpose except as to the particular property and particular provisions hereof covered by the variance, nor shall the granting of any variance effect in any way the Owner's obligation to comply with all governmental laws and regulations affecting the property concerned and the Plat. Developer may delegate to the ACC the Developer's authority to approve or disapprove requests for variances permitted by these Restrictions.

ARTICLE V

SOUTHER PINES ADDITION HOMEOWNERS' ASSOCIATION

5.1 The filing of this Declaration establishes the Association as an unincorporated nonprofit association that is governed by this Declaration and the Bylaws. The Association has the powers of an unincorporated nonprofit association and the property owners association for the Subdivision under the Texas Business Organizations Code, the Texas Property Code, and the Governing Documents.

5.2 The Board may adopt rules that do not conflict with law or the other Governing Documents. On request, Owners will be provided a copy of any rules.

5.3 Every Owner is a Member of the Association. Membership is appurtenant to and may not be separated from ownership of a Lot. The Association has one class of voting Member and each Lot Owner shall have one vote for each Lot owned. Notwithstanding anything herein to the contrary, Developer shall have and exercise sole control over the Association until such time as Developer shall have transferred control to the Association in accordance with section 4.02 of this Declaration.

5.4 The Association may levy Assessments to promote the recreation, health, safety, and welfare of the residents in the Subdivision, to fund operating expenses of the Association, and to improve and maintain the Common Areas.

5.5 An Assessment is a personal obligation of each Owner when the Assessment accrues.

5.6 Assessments are secured by a continuing vendor's lien on each Lot, which lien is reserved by the Developer and assigned to the Association. By acceptance of a deed to a Lot, each Owner grants the lien, together with the power of sale, to the Association to secure Assessments.

5.7 A Lot becomes subject to Assessments on conveyance of the Lot by Developer. Developer owned Lots are exempt from any Assessments.

5.8 a. Regular Assessments are levied by the Board to fund the anticipated operating and maintenance expenses of the Association.

b. Regular Assessments may be changed annually by the Board. Written notice of the Regular Assessment will be sent to every Owner at least thirty (30) days before its effective date.

c. Regular Assessments will be collected annually in advance, payable on February 1st of each year. The Board may change the due date of Regular Assessments.

5.9 In addition to the Regular Assessments, the Board may levy Special Assessments for the purpose of funding the cost of any construction, reconstruction, repair, or replacement of any capital improvement on the Common Area or for any other purpose benefitting the Subdivision but requiring funds exceeding those available from the Regular Assessments. Special Assessments must be approved by the Members. Written notice of the terms of the Special Assessment will be sent to every Owner.

5.10 Any Special Assessment must be approved by a majority vote at a meeting of the Members in accordance with the Bylaws.

5.11 The Board may levy a fine against an Owner for a violation of the Governing Documents as permitted by law.

5.12 The lien granted and reserved to the Association is subordinate to any lien granted by an Owner against a Lot not prohibited by the Texas Constitution. The foreclosure of a superior lien extinguishes the Association's lien as to Assessments due before the foreclosure.

5.13 Any Assessment not paid within ten (10) days after it is due is delinquent. A late charge of ten percent (10%) of the delinquent amount is assessed for delinquent payments. Delinquent Assessments accrue interest at the rate of eighteen percent (18%) per year. The Board may change the late charge and the interest rate.

5.14 The Owner is liable to the Association for all costs and reasonable attorney's fees incurred by the Association in collecting delinquent Assessments, foreclosing the Association's lien, and enforcing the Governing Documents.

5.15 The Association may foreclose the Association's lien against a Lot by power of sale as permitted by law, subject to compliance with all prerequisites to foreclosure under Chapter 209 of the Texas Property Code. The Association may designate a person to act as trustee or otherwise to exercise the power of sale on behalf of the Association.

5.16 The Association may bring an action against an Owner to collect delinquent Assessments, foreclose the Association's lien, or enforce or enjoin a violation of the Governing Documents. An Owner may bring an action against another Owner to enforce or enjoin a violation of the Governing Documents.

5.17 The Association may access an Owner's Lot to remedy a violation of the Governing Documents.

5.18 The Association shall adopt reasonable guidelines to establish an alternative payment scheduled by which an Owner may make partial payments to the Association for delinquent regular or special assessments or any other amount owed to the Association without accruing additional monetary penalties as provided by Section 209.0062 of the Texas Property Code. The Association shall file the Association's guidelines under this section in the Real Property Records of the County in which the Property is located.

5.19 If an Owner violates the Governing Documents, the Association may suspend the Owner's rights under the Governing Documents in accordance with law until the violation is cured, provided that no provision in this Declaration shall disqualify an Owner from voting in an Association election of Board Members or on any matter concerning the rights or responsibilities of the Owner.

5.20 An Owner is liable to the Association for damage to Common Areas caused by the Owner or the Owner's family, guests, agents, independent contractors, and invitees in accordance with law.

5.21 The Assessments shall include an amount determined by the Board to be necessary for maintenance of the Common Area.

ARTICLE VI

RIGHTS RESERVED BY DEVELOPER

6.1 Reserved Rights of Developer. Notwithstanding any other provisions contained in the Declaration to the contrary, the Developer reserves the right, upon application and request of the Owner of any Lot, to waive, vary or amend (by an appropriate letter to that effect addressed and delivered to such applicant/Owner by Developer) the application of any of these Restrictions to such Lot if, in the sole and absolute discretion of the Developer, such action is necessary to relieve a hardship or to permit good architectural planning and development to be effected. Developer further reserves the right:

1. To re subdivide any Lot; and,
2. To change the location of easements prior to the time the same are actually opened for use by Lot Owner; however, in no case shall any such change deprive an Owner to reasonable access to such Owner's Lot.

6.2 Exemption of Developer. Exempted from these Restrictions are activities carried on by the Developer in connection with Developer's development of the Subdivision and regular pursuit of construction, maintenance and sales within the Subdivision until all construction and development activity has been completed and all Lots have been sold by the Developer to a first purchaser.

ARTICLE VII

DURATION OF RESTRICTIONS; AMENDMENTS

7.1 Term. The provisions hereof shall run with the Property and Lots in the Subdivision and shall be binding upon all Lot Owners and all persons claiming under them for a period of twenty (20) years from the date this Declaration is recorded, after which time this Declaration shall be

automatically extended for successive periods of ten (10) years each, unless an instrument, signed by not less than two-thirds (2/3rds) of the Owners (including the Developer) of the Lots has been recorded agreeing to amend or change, in whole or in part, this Declaration.

7.2 Amendments. This Declaration may be amended or changed, in whole or in part, at any time by the written agreement or by signed, ballots voting for such amendment, of not less than two-thirds (2/3rds) of all of the Owners (including Developer) of the Subdivision. There shall be one vote per Lot. Anyone owning more than one Lot shall have one vote for each Lot owned. If the Declaration is amended by a written instrument signed by those Owners entitled to cast not less than two-thirds (2/3rds) of all of the votes of the Owners of the Association, such amendment must be approved by said Owners within three hundred sixty-five (365) days of the date the first Owner executes such amendment. The date an Owner's signature is acknowledged shall constitute prima facia evidence of the date of execution of said amendment by such Owner. Any such amendment shall become effective when an instrument is filed for record in the Official Public Records of Gregg County, Texas, accompanied by a certificate, signed by a majority of the Board, stating that the required number of Members (Owners, including the Developer) executed the instrument amending this Declaration or cast a written vote, in person or by proxy, in favor of said amendment at the meeting called for such purpose. Copies of the written ballots pertaining to such amendment shall be retained by the Association for a period of not less than three (3) years after the date of filing of the amendment or termination. The Owners shall not amend this Declaration in such a manner as to increase the priority of the Association's lien for the Assessment Charge or any other charge or assessment as against any lienholder, without the affirmative unanimous vote to do so of all Owners and lienholders directly affected thereby. Furthermore, no amendment to this Declaration which adversely affects the rights or security interests of any holder of a lien to which the lien described in section 5.6 hereof has been subordinated pursuant to section 5.12 hereof shall become effective unless and until approved, in writing, by such lienholder. No amendment to this Declaration which adversely affects the rights and privileges of Developer shall become effective unless and until approved, in writing, by Developer and any mortgagee of record which is a lender to Developer.

7.3 Amendments by the Developer. The Developer shall have and reserves the right at any time and from time to time prior to the Control Transfer Date, without the joinder or consent of any Owner or other party, to amend this Declaration by an instrument in writing duly signed, acknowledged, and filed for record. Additionally, Developer shall have and reserves the right at any time and from time to time prior to the Control Transfer Date, without the joinder or consent of any Owner or other party, to amend this Declaration by an instrument in writing duly signed, acknowledged and filed for record for the purpose of permitting the Owners to enjoy the benefits from technological advances, such as security, communications or energy-related devices or equipment which did not exist or were not in common use in residential communities at the time this Declaration was adopted. Likewise, the Developer shall have and reserves the right at any time and from time to time prior to the Control Transfer Date, without the joinder or consent of any Owner or other party, to amend this Declaration by an instrument in writing duly signed, acknowledged and filed for record for the purpose of prohibiting the use of any device or apparatus developed and/or available for residential or commercial use following the date of this Declaration if the use of such device or apparatus will adversely affect the Association or will adversely affect the property values within the Subdivision.

ARTICLE VIII

GENERAL PROVISIONS

8.1 Assignment. Developer shall have the right to assign to any person or persons, corporation or other legal entity any or all rights, powers, reservations and privileges herein reserved by and to Developer, and any such assignee shall have the right to assign.

8.2 Enforcement. In the event any one or more persons, firms, corporations or other entities shall violate or attempt to violate any of these Restrictions, Developer, the Association and/or each purchaser, grantee or Owner of any Lot may institute and prosecute any proceeding at law or in equity or both to abate, prevent or enjoin any such violation or attempted violation or to recover damages. In the event any such proceedings are initiated, the party initiating any such proceedings shall be entitled to recover against any violator all expenses incurred in connection therewith, including court costs and attorney fees. No delay in enforcing the provisions of this Declaration as to any breach or violation thereof shall impair, damage or waive the right of any party entitled to enforce the same to obtain relief against or recover for the continuation or repetition of such breach or violation or similar breach or violation thereof at any later time or times. Further, the failure by any party entitled to enforce these Restrictions shall in no way be deemed a waiver of the right to do so thereafter for the same or similar violation. Developer has no duty and shall not be responsible for enforcement of these Restrictions, and Developer shall not be liable or subject to any recourse for any failure to enforce these Restrictions.

8.3 Fine for Violation. In addition to and without limiting the enforcement rights and remedies set forth in Section 8.2 of these Restrictions, in the event of any violation of these Restriction the Association shall have the right to impose a fine against the violating Lot Owner in an amount not exceeding \$50.00 per day for each violation during the continuance of any violation of these Restrictions, and the Association's decision regarding the imposition of any such fine shall be final and binding on all concerned parties; provided, that upon written request to the Association by the violating Lot Owner, the Association shall call a special meeting of the Board of the Association to consider an appeal by the affected Lot Owner of the fine imposed against the Lot Owner, and in the event of an appeal a majority vote of the Board shall be final and binding upon all concerned parties. Any fine imposed by the Association pursuant to these Restrictions shall be paid within thirty (30) days of the date of written notice from the Association to the affected Lot Owner. In the event the affected Lot Owner fails to make payment of any fine within such thirty (30) day period, the Association shall have the power and authority to make and declare a special assessment against the affected Lot Owner to collect such fine in the same manner as provided for other special assessments under Article V of these Restrictions.

8.4 Interpretation. Developer's interpretation of the meaning and application of the provisions of this Declaration and these Restrictions shall be final and binding on all interested parties at any time in question.

8.5 Invalidation and Severability. The invalidation by any court of any reservation, covenant or restriction herein or in any contract or deed shall not impair the full force and effect of any other reservation, covenant, or restriction.

8.6 Acceptance of Declaration. The provisions hereof are hereby made a part of each contract and deed in respect to any Lot to the same effect as if fully set forth therein, and each such contract and deed shall be conclusively held to be executed, delivered and accepted upon and subject to the provisions and conditions herein set forth, and each Lot Owner contracting for or accepting a conveyance of any Lot agrees to fully comply with and be bound by all of the provisions in this Declaration.

8.7 Gender. Words of any gender used herein shall be held and construed to include any other gender, and words in the singular number shall be held to include the plural, and vice versa, unless the context requires otherwise.

8.8 Captions. The captions used in connection with all articles and paragraphs contained in this Declaration are for convenience only and shall not be controlling in the construction of any provisions hereof or limit the meaning of the language used in any article or paragraph.

8.9 Limitation of Developer's Liability. Developer, as well as its members, principals, officers, agents and employees, shall not be liable to any Owner of any Lot or any other party for any loss, claim or demand in connection with any breach of any provisions of this Declaration by any other party.

8.10 Restrictions Not Applicable to Other Lands. These Restrictions apply only to the land described in Exhibit "A" to be subdivided and known as Southern Pines Addition Phase 1. Developer is not obligated to impose any restrictions on other lands owned by Developer, whether contiguous or noncontiguous, provided that Developer reserves the right within Developer's sole and absolute discretion to supplement these Restrictions by adding additional lands which Developer desires to be governed by these Restrictions.

IN WITNESS WHEREOF, the undersigned, being the Developer herein, has hereunto set its hand of this 2nd day of February, 2022.

DEVELOPER:

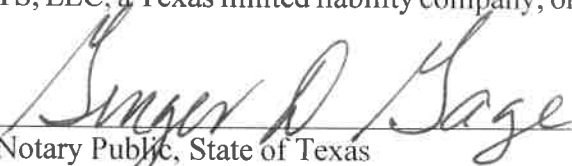
RMK DEVELOPMENTS, LLC, a Texas limited liability company

By: Gail Moore
Gail Moore, Manager

STATE OF TEXAS §

COUNTY OF GREGG §

This instrument was acknowledged before me on February 2, 2022 by GAIL MOORE, Manager of RMK DEVELOPMENTS, LLC, a Texas limited liability company, on behalf of said limited liability company.


Notary Public, State of Texas

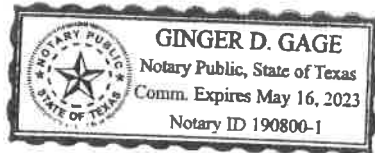


EXHIBIT "A"

PROPERTY DESCRIPTION

40.923 acres of land situated in the E. Merchant Survey, A-430, Harrison County, the same being 40.923 acres from the southeast portion of "Tract 4" conveyed to Ila Jean Keasler, Trustee by an instrument recorded in Harrison County Clerk File No. 2020-000005355, (HCCF#) Official Public Records, Harrison County, Texas, lying west of Farm to Market 2208 and being more particularly described by metes and bounds as follows:

BEGINNING at a ½" iron rod with cap found for the original southeast corner of said "Tract 4", the same being the northeast corner of a tract called "Conley Parcel (West)" conveyed to Paula Clements Conley Family Limited Partnership by an instrument recorded in HCCF#2011-000006873, the same being in the west boundary line of a called 96 acres "Tract 1" conveyed to R&K Adams Investments, LLC by an instrument recorded in HCCF#2016-000005016;

THENCE S 85°17'09" W, 866.56' to a ½" iron rod with a yellow "Southern Survey" cap set, the same being in the north boundary line of said "Conley Parcel (West)";

THENCE N 56°31'55" W, 479.55' over and across said "Tract 4", to a ½" iron rod with a yellow "Southern Survey" cap set;

THENCE N 45°11'17" W, 68.94' to a ½" iron rod with a yellow "Southern Survey" cap set;

THENCE N 74°18'53" E, 231.38' to a ½" iron rod with a yellow "Southern Survey" cap set;

THENCE along a curve to the left with a chord bearing of N 30°35'28" E, a chord distance of 82.94', and a radius of 60.00' to a ½" iron rod with a yellow "Southern Survey" cap set;

THENCE along a curve to the left with a chord bearing of N 13°13'42" W, a chord distance of 114.42', and a radius of 250.00' to a ½" iron rod with a yellow "Southern Survey" cap set;

THENCE N 0°00'00" E, 89.75' to a ½" iron rod with a yellow "Southern Survey" cap set;

THENCE N 1°07'38" W, 350.16' to a ½" iron rod with a yellow "Southern Survey" cap set;

THENCE S 88°52'22" W, 387.08' to a ½" iron rod with a yellow "Southern Survey" cap set;

THENCE N 19°29'10" W, 156.04' to a ½" iron rod with a yellow "Southern Survey" cap set;

THENCE N 9°27'44" E, 154.99' to a ½" iron rod with a yellow "Southern Survey" cap set;

THENCE N 89°58'54" W, 320.83' to a ½" iron rod with a yellow "Southern Survey" cap set;

THENCE N 00°01'06" W, 60.00' to a ½" iron rod with a yellow "Southern Survey" cap set;

THENCE N 00°01'06" W, 250.00' to a ½" iron rod with a yellow "Southern Survey" cap set;

THENCE N 89°58'54" E, 720.00' to a ½" iron rod with a yellow "Southern Survey" cap set;

THENCE N 89°58'54" E, 251.54' to a ½" iron rod with a yellow "Southern Survey" cap set;

THENCE along a curve to the left with a chord bearing of N 40°58'45" E, a chord distance of 60.38', and a radius of 40.00' to a ½" iron rod with a yellow "Southern Survey" cap set in the west right of way of FM 2208;

THENCE with the west right of way of FM 2208 along a curve to the left with a chord bearing of S 9°06'50" E, a chord distance of 131.86', and a radius of 2924.79' to a ½" iron rod with a yellow "Southern Survey" cap set in the west right of way of FM 2208;

THENCE continuing with the west right of way of FM 2208 along a curve to the left with a chord bearing of S 10°21'01" E, a chord distance of 5.46', and a radius of 2924.79' to a ½" iron rod with a yellow "Southern Survey" cap set in the west right of way of FM 2208;

THENCE continuing with the west right of way of FM 2208 along a curve to the left with a chord bearing of S 12°50'34" E, a chord distance of 225.63', and a radius of 2924.79' to a ½" iron rod with a yellow "Southern Survey" cap set in the west right of way of FM 2208;

THENCE S 20°03'45" E, 87.58' to a ½" iron rod with a yellow "Southern Survey" cap set at a x-tie post in the west right of way of FM 2208, the same being in the west boundary line of the residue of the J.B. Mitchell Estate as described in Vol 777, Pg 119, HCDR;

THENCE S 3°17'31" E, 417.32' to a 60d nail with a shiner found, the same being the southwest corner of said Mitchell Estate tract, the same being the northwest corner of a called 1.709 acres conveyed to Arnold & Fanci Quinn Dillon by an instrument recorded in HCCF#2021-000004582;

THENCE S 2°59'19" E, 458.57' to a 60d nail found, the same being the southwest corner of said Dillon tract, the same being the northwest corner of a called 0.952 acres conveyed to John Morrison by an instrument recorded in Vol 2562, Pg 154, HCDR;

THENCE S 2°42'40" E, 131.34' to a ½" iron rod with a yellow "Southern Survey" cap set at a x-tie post, the same being the southwest corner of said Morrison tract, the same being the northwest corner of said R&K Adams Investments tract;

THENCE S 2°42'40" E, 131.92' to the PLACE OF BEGINNING and containing 40.923 acres of land, more or less.