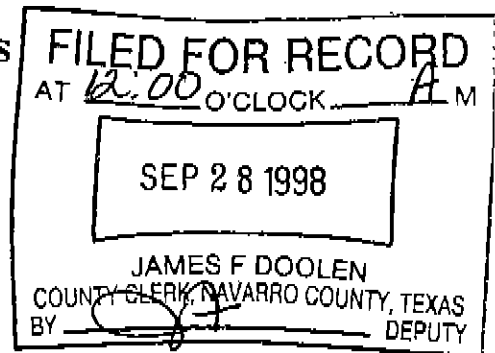


COVENANTS & DEED RESTRICTIONS
For
BLUFFVIEW, PHASE II

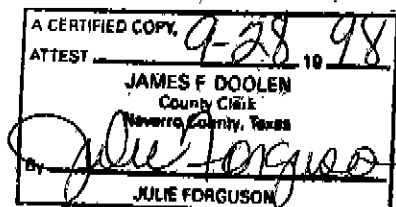


THE STATE OF TEXAS §
COUNTY OF NAVARRO §

KNOW ALL MEN BY THESE PRESENTS, that Jackson Leisure Properties, L.P., the owner of the real property and all lots of BLUFFVIEW PHASE II Subdivision, located in Navarro County, Texas, as more fully described on Exhibit "A" attached hereto and a part hereof, do hereby acknowledge, declare and adopt the Covenants & Deed Restrictions ("Covenants") governing the use and development of the property, which are hereby impressed upon the property covered hereby, subject to the provisions herein below and these Covenants and Deed Restrictions shall run with the land, and its owners, their heirs, successors, grantees and assigns, and supersedes and are in lieu of any prior restrictions whether included in any deed or otherwise, on the property covered hereby:

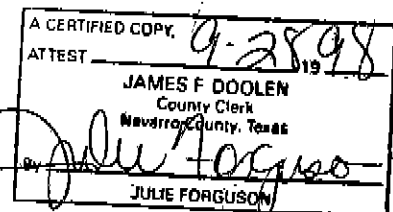
RESTRICTIONS:

1. There shall be established an Architectural Control Committee composed of three (3) members appointed by Bluffview Estates Homeowners Association, Inc. ("Association"), to protect the owners of lots hereunder against such improper use of lots as will depreciate the value of their property; to preserve, so far as practicable, the natural beauty of said property; to guard against the erection thereon or poorly designed or proportioned structures and structures built of improper or unsuitable materials; to obtain harmonious architectural scheme; to insure the highest and best development of said property; to encourage and secure the erection of attractive homes thereon, with appropriate locations thereof on lots; to secure and maintain property setbacks from streets and adequate free spaces between structures; and, in general, to provide for a high type of quality of improvements in said property; and thereby to enhance the value of investments made by purchasers of lots therein. If for any reason a member or members of said committee becomes unable or unwilling to function then a replacement member or members shall be selected by the Association. All house plans shall be approved by a majority of the Architectural Committee. Neither Association nor the Architectural Control Committee, nor the members of said Committee, shall have any liability nor responsibility at law nor in equity on account of the enforcement of, nor on account of the failure to enforce, these restrictions.
2. All lots in said Bluffview Phase II Subdivision, shall be described, known, and used exclusively as single family residential lots and shall not be used for commercial, industrial

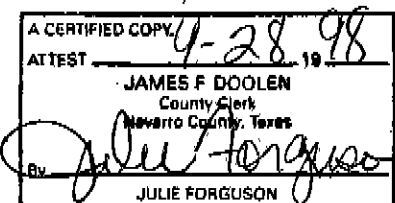


or professional use. No building shall be erected or maintained on any residential lots in said Subdivision other than a private residence, a private boat house, and a private garage for the sole use of the owner or occupant. A workshop or storage area for the sole use of the owner or occupant may be incorporated into a free-standing garage provided any such workshop or storage area contains not more than 400 square feet. Any free-standing garage or garage and storage/workshop area must be single story and constructed using the same quality of materials and style as the residential structure. In no event may a free-standing garage be constructed prior to the construction of the residential structure. All other types of free-standing structures, including but not limited to gazebos, portable storage buildings and boat or trailer sheds shall be prohibited. A free-standing garage may not be used for living quarters at any time. Improvements in the lake easement area must be approved by the Tarrant Regional Water District and otherwise be in compliance with these Covenants.

3. Prior to construction of any building, fence, or other structure two copies of the complete construction plans, including specifications and working drawings, and a plat showing the proposed location of the structure shall be submitted to and approved in writing by the Architectural Control Committee. Approval shall not be unreasonably withheld and the Architectural Control Committee shall approve or reject within three weeks of submittal.
4. Subject to the other provisions herein, all construction must be of new material, except stone, brick, or other materials used for antique decorative effect if such use is approved in writing by the Architectural Control Committee. Wood exteriors shall be painted or stained with at least two coats of paint or stain. No tar paper type (roll) roofing or siding materials will be used on any structure. The roof must be wood shingle or high quality composition shingle of at least 240 pounds per square. The type of masonry and roofing or siding material shall be specified in the plans. A high quality "standing seam metal" type of sheet metal may be approved by the Architectural Control Committee provided specifications as to the material and the type of installation is furnished to the Architectural Control Committee. All buildings must have at least 60% combined brick, masonry and/or glass on exterior sides, unless otherwise approved in writing by the Architectural Control Committee. However, the Architectural Control Committee has the specific authority to approve non-brick or masonry siding in its sole discretion. All buildings shall be completely underpinned and underskirted, with no piers or piling exposed to view. No natural drainage shall be altered, nor shall any drainage ditch, culvert, nor drainage structure of any kind be installed nor altered, nor shall any curb nor other such impediment to the free flow of water be installed nor altered, without prior written consent of the Architectural Control Committee.
5. No building or structure exceeding two stories in height, except split level, shall be erected on any lot unless approved by the Architectural Control Committee, and each residence shall have a minimum floor area of 1,300 square feet, exclusive of open or closed carports or garages. Open carports are allowed provided any such carport is attached to the residential structure.



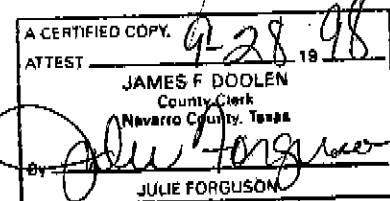
6. No chain link fences will be allowed. All other fences must be approved by the Architectural Control Committee. All fences must match the architectural style of the residential building, be in architectural harmony with other fences and not materially obstruct the view of other lot owners.
7. No building shall be located nearer to the side street line than twenty (20) feet, or nearer to the side of lot line than twelve (12) feet or below 320' level lake easement line. No building shall be located nearer to the front lot line than forty (40) feet. In respect to any two or more contiguous whole and/or fractional lots owned by the same person or persons and said person or persons desire to use the combined lots as a single building site, the two outermost side lot lines will be considered as the side lot lines considering said contiguous whole and/or fractional lots as one lot.
8. No animals or birds shall be raised, bred or kept on any lot, except household pets may be kept provided that they are to be in no way raised, bred, or kept for commercial purposes. Except that on lots or combinations of adjoining lots (owned by the same person or persons) with acreage of at least five (5) acres, horses and/or cows may be kept at the rate of two (2) for each five (5) acres. On lots or combination of adjoining lots (owned by the same person or persons) with acreage of at least five (5) acres, a small horse/cattle barn, containing 600 square feet or less, of high quality and using new materials, may be permitted subject to written approval from the Architectural Control Committee. The Architectural Control Committee shall have the right to approve the location on the lot, the architectural style and the building materials of the barn.
9. No garage shall be erected on any lot before a residence is placed or constructed thereon, and no boathouse, basement, or garage erected on any lot shall at anytime be used as a dwelling, temporarily or permanently, nor shall any shack be placed on any lot, nor shall any residence of a temporary character be permitted. Travel trailers, motor homes, campers, camper trailers, and other recreational vehicles, shall not be permitted on any lot. No mobile homes, modular or prefabricated type homes shall be placed on any lot at any time, except new multi-section HUD Code manufactured homes ("Homes") which otherwise comply with all terms and conditions of these Covenants. Any Homes must have composition shingle roofs and hard board or vinyl siding. In no event will metal roofs or metal siding be allowed on such Homes. Additionally, any Homes must be properly installed, secured and underpinned. The Architectural Control Committee has the sole discretion to determine compliance with the previously described criteria for Homes.
10. With written permission from the Architectural Control Committee, a boathouse may be erected prior to building a private residence. All docks and boathouses must be approved by the Tarrant Regional Water District.
11. Each lot hereunder shall be kept clean, mowed, and free of any weeds, tall grass, and debris such as will be in keeping with the other property and the community at any particular time. At no time shall junk cars or other inoperable equipment be stored on the



lot. Upon failure to do this, Association or its successors or assigns may have the lot cleaned and mowed and the cost or expense thereof shall be payable by the lot purchaser to Association or its successors or assigns. These costs and expenses shall be secured by a lien on the lot so involved hereunder.

12. No pits, holes or other excavations shall be dug on any lot except in connection with the actual construction of the foundation of the improvements to be erected thereon. No lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall not be kept except in sanitary containers. No construction or other materials may be stored on a lot unless construction has already begun on qualified improvements to said lot.
13. No billboards, sign boards, unsightly objects or advertising displays of any kind shall be installed, maintained or permitted to remain on any residential lot. Except for Jackson Leisure Properties, Ltd. signs, no such signs for the sale of unimproved lots shall be permitted.
14. No hunting or discharging of firearms shall be permitted on any lot or any part of this Subdivision.
15. No noxious or offensive trade or activity shall be carried out on any lot, nor shall anything be done thereon which may be, or which may become, an annoyance or nuisance to the neighborhood, or to any of the property owners herein.
16. Easements are reserved along and within fifteen (15) feet of the rear lines of all lots hereunder, fifteen (15) feet on the front lot lines of all lots hereunder, and fifteen (15) feet of the side lot lines of all lots hereunder, for the construction, operation and perpetual maintenance of conduits, poles, wires and fixtures for electric lights, gas lines, telephone lines, water lines, sanitary and storm sewers, road drains, and other public and quasi-public utilities and to trim any trees which at any time may interfere or threaten to interfere with the maintenance of such lines, with right of ingress to and egress from across said premises to employees of said utility companies. In respect to any two or more contiguous whole and/or fractional lots owned by the same person or persons and said person or persons desire to use the combined lots as a single building site, provided there are no existing utilities in the contiguous lots easement line, the two outermost side lot lines will be considered as the side lot lines, considering said contiguous whole and/or fractional lots as one lot.

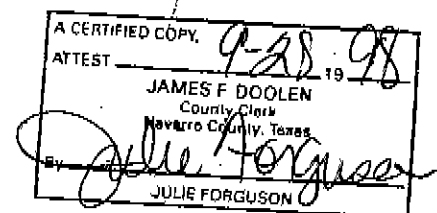
It is understood and agreed that it shall not be considered a violation of the provisions of the easement if wires or cables carried by such pole lines pass over some portion of said lots not within the easement area as long as such lines do not hinder the construction of buildings on any lots hereunder.



17. Jackson Leisure Properties, L.P. and/or their designees may, on any lot and/or lots then owned by them, construct, maintain, use and allow to be used by others, parks, swimming pools, playgrounds, community center buildings, boat launch ramp and dock, tennis courts, clubhouse, sales offices, water wells, and related pumping storage, operation and maintenance facilities, and the like and numbered Sections 2, 3, 4, 5, 6, 7 and 9 hereof shall not apply thereto.
18. The materials installed in, and the means and methods of assembly of all sanitary plumbing shall conform to the requirements of the Health Department of Navarro County and the State of Texas, the Texas Water Quality Board and the Tarrant County Water Board. No outside toilet or privy shall be erected or maintained on any lot hereunder.
19. Any building, structure, or other improvements commenced upon any lot shall be completed as to exterior finish and appearance within twelve (12) months from the commencement date. No lot or portion of any lot shall be used as a dumping ground for rubbish or trash, nor for storage of materials, (except during construction of a building), and all lots shall be kept clean and free of tall grass and weeds, boxes, rubbish, trash, inoperative cars, inoperative boats, or other debris. No boats, cars, trucks, or tractors, operative or inoperative, shall be placed or stored on any lot in this Subdivision unless and until construction of an approved house has begun.

No travel trailer, motorhome or similar vehicle may be parked on any street or lots at any time. However, travel trailers and motorhomes may be parked inside garages. The Association shall have the right to enter the property where a violation exists under this paragraph and remove the incomplete structure, vehicles or other items at the expense of the offending party.

20. No more than one residence may be constructed on any lot. Further, no lot shall be further subdivided, except that fractions of lots may be separated to add to space of whole lots if the combination of whole and fractional lots is used as a single building site and if all other provisions of these subdivision restrictions are complied with. No lot or any part of a lot shall be used for a street, access road or public thoroughfare without the prior written consent of the Association, its successors and assigns. Notwithstanding the above or any other provision in these restrictive covenants, nothing herein shall prevent the Texas Veterans Land Board from deeding a portion of a lot to a veteran purchaser for a home site.
21. Rural mail boxes, when service becomes available, shall comply with U.S. Postal specifications.
22. A private swimming pool may be constructed, erected or installed on any lot in this Subdivision as an adjunct facility to the residence which is located on such lot. The swimming pool shall be enclosed by a fence adequate to prevent unauthorized access and gates in such fence shall provide security against such access.



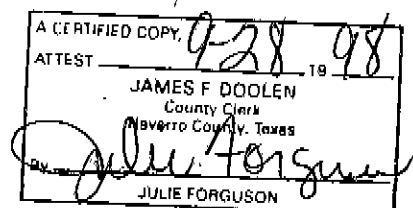
Liabilities of all kinds pertaining to a private swimming pool will rest upon the owner of the property it is situated on.

23. Subject to the provisions of the last sentence of this paragraph, if any person or entity, as defined hereinafter, whether or not lawfully in possession of any real property hereunder, shall either (i) violate or attempt to violate any restriction or provision herein, or (ii) suffer to be violated (with respect to the real property in which such person or entity has rights other than the rights granted by this sentence) any restriction or provision herein, it shall be lawful for any person or entity, as defined hereinafter, possessing rights with respect to any real property hereunder, to prosecute any proceedings at law or in equity against any such person or entity violating, attempting to violate and/or suffering to be violated any restriction or provision herein to (i) prevent any such violation; (ii) recover damages or other dues for such violation, and (iii) recover court costs and reasonable attorneys fees incurred in such proceeding. "Person or entity" as used in the next proceeding sentence hereof, shall include, but shall not be limited to, all owners and purchasers of any real property hereunder, as well as all heirs, devisees, assignees, legal representatives and other persons or entities who acquire any of the rights (with respect to the real property hereunder) of the owner or purchaser of any real property hereunder. Notwithstanding any other provision hereof, the Association shall neither be liable nor be subject to any proceeding at law or in equity on account of any violation or attempted violation of any restriction or provision herein.
24. At the time of closing on the purchase of any lot in the Bluffview Phase II Subdivision, each purchaser will automatically become a member of the Association. An assessment is hereby made of NINE DOLLARS (\$9.00) per month per lot to each owner for only one lot and an assessment of SIX DOLLARS (\$6.00) per month per lot of any number of lots in excess of one, payable annually on the first (1st) day of January of each year. The assessment charge for a lot purchased during the calendar year shall be prorated from the date of purchase to the end of that calendar year.

The assessment is payable to the Association at its office in Dallas County, Texas, or at any location that its office may be changed to at a future date.

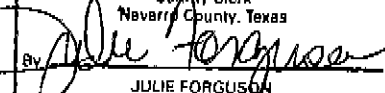
The fund created by the assessment in charges shall be used to cover expenses incurred in the maintenance and operation of the common area properties, and facilities of the Subdivision or for community improvement thereon, including but not limited to the construction and reconstruction, improvement and maintenance of roads, mowing of roadways, parks, public boat ramp, dock and picnic area, and other improvements or services at said Subdivision and for such other uses as may be approved by the Association.

The assessment charges may be raised or decreased by the then current Directors of the Association if necessary to provide adequate funds to carry out the purposes of that Association.

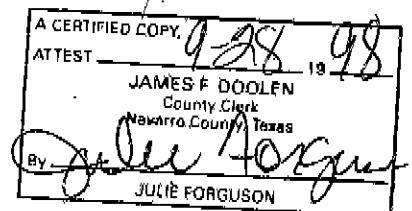


Such assessment charges shall extend for the life of these Covenants and shall be extended automatically at the same time the Covenants may be extended.

25. Invalidation of any one or more of these covenants and restrictions by judgment of any Court shall in nowise affect any of the other covenants, restrictions and provisions herein contained, which shall remain in full force and effect.
26. In addition to the Assessments authorized above, at any time the Association may levy in any calendar year a Special Assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, repair or replacement of roads, parks, public boat ramps, docks and picnic areas or other improvement located or to be located upon the Common Areas, provided that any such Assessment shall be approved by a two-thirds (2/3) vote of the quorum of Owners voting in person or by proxy at a meeting (annual or special) of the Association duly called for such purpose.
27. No Owner may exempt himself from liability for his contribution toward the Common Areas by waiver of the use or enjoyment of any of the Common Areas or improvements located thereon. Notwithstanding anything to the contrary, these restrictions shall not be construed so as to assess the Veterans Land Board of the State of Texas with any assessments or fees, and no lien shall attach to the Board's interest. Any assessments or fees shall continue to be the personal obligation of the Veteran contract holder, or his assigns.
28. All sums due but unpaid by a lot Owner for his share of Assessments, including interest thereon at ten percent (10%) per annum, shall constitute a lien on such lot superior to all other liens and encumbrances, except only for: (i) all taxes and special assessments levied by governmental and taxing authorities; and (ii) all liens securing sums due or to become due under any mortgage vendor's lien or deed of trust filed for record prior to the time such costs, charges, expenses and/or assessments become due.
29. To evidence such lien, the Association may, but shall not be required to, prepare written notice setting forth the amount of such paid indebtedness, the name of the Owner of the lot and a description of the lot. Such notice shall be signed by one of the Board of Directors and may be recorded in the office of the Clerk and Recorder of Navarro County, Texas. Such lien for the Assessment shall attach from the date of the failure of payment of the Assessment. Such lien may be enforced by foreclosure of the defaulting Owner's lot by the Association. Any such foreclosure sale is to be conducted in accordance with the provisions applicable to the exercise of powers of sale in mortgages and deeds of trust, as set forth in Section 51.002 of the Texas Property Code as may be amended from time to time, or in any manner permitted by law. Each Owner, by accepting a deed to his lot, expressly grants to the Association a power of sale, as set forth in said Section 51.002, in connection with the Assessment lien. The Board of Directors is hereby authorized to appoint a trustee to hold any such foreclosure sale. In any such foreclosure, the Owner shall be required to pay the costs and expenses of such proceedings, the costs and expenses for filing notice or claim of lien and all reasonable attorneys' fees. The Association shall have the power to bid on the lot at the foreclosure sale and to acquire and hold, lease, mortgage and convey same.

A CERTIFIED COPY	
ATTEST	9-28 1998
JAMES F DOOLEN County Clerk Navarro County, Texas	
By	
JULIE FERGUSON	

30. The amount of the Assessment levied against each lot shall also be a debt of the Owner thereof at the time the Assessment is made. Suit to recover a money judgment for unpaid Assessments shall be maintainable without foreclosing or waiving the lien securing same.
31. Each Owner shall comply strictly with the provisions of these Covenants, the Bylaws and the decisions and resolutions of the Association adopted pursuant thereto, as the same may be lawfully amended from time to time.
32. The administration of the Association shall be governed by the Bylaws. The Association shall be managed by a Board of Directors, duly appointed or elected, pursuant to the terms and conditions of the Bylaws.
33. Immediately after the recordation of these Covenants, Jackson Leisure Properties, L.P. shall execute and deliver a deed to the Association conveying title to the property described on Exhibit "B" to the Association. Jackson Leisure Properties L.P. shall have the right to deed additional property to the Association for streets and Common Areas and the Association shall accept and maintain any such additional property.
34. Jackson Leisure Properties, L.P. shall have the right to submit additional phases of other Bluffview Subdivisions as part, of the real property and improvements to be subject to and managed by the Association.
35. These Covenants shall not be revoked, nor shall any of the provisions herein be amended from the date these Covenants are recorded unless the Owners representing at least ninety percent (90%) of the ownership of the lots agree to such revocation or amendment by instruments duly executed and recorded.
36. All notices, demands or other correspondence intended to be served upon Owner shall be sent by ordinary or certified mail, postage prepaid, addressed in the name of such Owner in care of the address of such Owner. All notices, demands or other correspondence intended to be served upon the Board of Directors of the Association or the Association, shall be sent by ordinary or certified mail, postage prepaid to the Association's address.
37. Whenever the applications and provisions of these Covenants conflict with the applications of any provisions of the Bylaws adopted by the Association, the provisions or applications of these Covenants shall prevail.
38. As used in these Covenants and the Bylaws of the Association, the following terms shall have the following meanings:
 - a. "Assessment" shall mean the charge against each lot Owner and his lot, representing a portion of the total cost to the Association of maintaining, improving, repairing, replacing and managing the Common Areas, which are to be



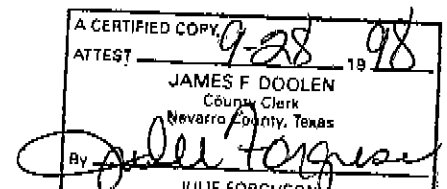
paid uniformly and equally by each lot Owner of the Association, as provided herein.

- b. "Association" shall mean Bluffview Homeowners Association, Inc., a Texas non-profit corporation, the Bylaws of which shall govern the administration of the Bluffview Phase II property and the membership of which shall be composed of all of the Owners of the lots of the Subdivision and any additions and phases thereto.
- c. "Board" or "Board of Directors" shall refer to the Board of Directors of Bluffview Homeowners Association, Inc.
- d. "Common Area" shall mean and include all of the property described in Exhibit "B" attached hereto, parks, public boat ramps and docks, picnic areas and all of any other improvements or streets located or to be located in or on the Subdivision.
- e. "First Mortgagee" shall mean the holder of a first mortgage lien on any lot in the Subdivision.
- f. "Owner" shall mean a person, firm, corporation, partnership, association, trust or other legal entity or any combination thereof, who owns title to one or more Lots.
- g. "Special Assessment" shall mean in addition to the Assessment described above, the amount the Association may levy, in any assessment year, applicable to that year only for (i) the cost of any construction, reconstruction, repair or replacement of a capital improvement upon on in the Common Area, including roads, fixtures and personal property related thereto; or (ii) the expense of any other contingency or cost deemed necessary by the Association.
- h. "Subdivision" shall mean Bluffview Phase II Subdivision, as filed in Volume 7, Pages 13 of the Official Plat Records of Navarro County, Texas.

This Agreement may be executed in several counterparts and all such counterparts so executed shall constitute one agreement binding on all the parties hereto, notwithstanding that all the parties are not signatory to the original of the same counterpart.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed and delivered as of the _____ day of _____, 1998.

Address: (BUYER(S))



Address:
5630 Dyer Street
Dallas, TX 75206

JACKSON LEISURE PROPERTIES, L.P.

By: *J.G. Jackson*
J.G. Jackson, Vice-President

(ACKNOWLEDGMENT)

STATE OF TEXAS §
 §
COUNTY OF NAVARRO §

This document was acknowledged before me by _____ and
_____ on this _____ day of _____, 1998,
on behalf of said venture.

(Seal)

Notary Public in and for
The State of Texas

(ACKNOWLEDGMENT)

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

This document was acknowledged before me by J. G. Jackson, Vice President of Jackson Leisure Properties, Inc., the General Partner of Jackson Leisure Properties, L.P. on this *24th* day of *September*, 1998, on behalf of said venture.



Mary Sickler
Notary Public in and for
The State of Texas

A CERTIFIED COPY *9-28* 19*98*
ATTEST
JAMES F DOOLEN
County Clerk
Navarro County, Texas
Julie Ferguson
JULIE FERGUSON