Town of Fredericksburg and its environs, meted and bounded as follows: Beginning at a steel pin set at a point South 71 deg. 20' West 1751.75 feet from the intersection of the west line of Royal Oaks Drive East and the south line of the Armory Road, for the northeast corner of this tract; Thence South 15 deg. 31' East 250.68 feet to a steel pin set for the southeast corner of this tract; Thence South 60 deg. 53' West 260.00 feet to a steel pin set in the east line of Royal Oaks Drive West for the southwest corner of this tract; Thence with the east line of Royal Oaks Drive West the following three calls: North 14 deg. 29' West 55.06 feet to a steel pin, North 11 deg. 59' West 269.31 feet to a steel pin, and North 05 deg. 06' West 57.06 feet to a steel pin set for the northwest corner of this tract; Thence South 88 deg. 27' East 235.00 feet to the place of beginning. THIRD TRACT. 1.241 acres, part of said Block VIII as laid out by the German Emigration Company and as represented, designated and delineated on the map or plat of the Town of Fredericksburg and its environs, meted and bounded as follows: Beginning at a steel pin set at a point South 62 deg. 58' W. 2042.96 feet from the intersection of the west line of Royal Oaks Drive East and the south line of the Armory Road, for the northwest corner of this tract; Thence North 60 deg. 53' East 260.00 feet to a steel pin set for the northeast corner of this tract; Thence South 30 deg. 37' East 185.38 feet to a steel pin set for the southeast corner of this tract; Thence South 36 deg. 14' West 213.46 feet to a steel pin set on the east line of Royal Oaks Drive West for the southwest corner of this tract; Thence with the east line of Royal Oaks Drive West North 44 deg. 24' West 90.65 feet and North 43 deg. 07' West 192.60 feet to the place of beginning, as surveyed by Alfred L. Armstrong, Registered Public Surveyor, this conveyance being subject to the following restrictions and protective covenants: That said property will be used for residential purposes only; that no building or structure will be occupied until the exterior thereof has been completely finished; that no residence will be constructed which contains less than twelve hundred (1200) square feet of floor space;

dwelling will be occupied until it is connected to a septic tank or other disposal system which has been approved by the County Health Officer and/or State Health Department; that no outside toilet may be erected; that no mobile home will be moved upon the premises for occupancy as a home; that no swine shall be kept upon such premises nor shall any livestock feeding operation be conducted thereon; that no noxious or offensive activity shall be carried on on such premises, nor shall the same be used in any manner so as to constitute a nuisance or be an annoyance to other property owners in the area; that these restrictions shall continue in force until January 1, 1980 and thereafter until a majority of the owners of tracts comprising the property which was conveyed to Harold B. Schmidt et ux by Edward L. Schlaudt et ux by deed dated October 21, 1968, recorded in Volume 94 at pages 507 et seq. of the Deed Records of Gillespie County Texas, conveyed subject to these restrictions vote to remove the same, each tract owner to have one vote, regardless of the size of his holdings; that if grantees, their heirs or assigns violate or attempt to violate any of the restrictions or protective covenants herein set forth, any owner of property subject to such restrictions and/or protective covenants may prosecute such proceedings in law or in equity against the violator thereof to restrain him from doing so and/or for his damages.

TO HAVE AND TO HOLD the above described land and premises, together with all and singular the rights and appurtenances thereto in anywise belonging, unto the said H. C. Laughlin and Jo Ann Laughlin, their heirs or assigns, forever; and we do hereby bind ourselves, our heirs, executors, and administrators, to warrant and forever defend all and singular the said land and premises unto the said H. C. Laughlin and Jo Ann Laughlin, their heirs and assigns, against every person whomsoever, lawfully claiming or to claim the same, or any part thereof.

It is agreed and understood, however, that out of the property above conveyed, there is reserved to the grantors, their heirs and assigns, the full and free right and liberty at all times hereafter to use for water, sewer and/or gas mains, telephone and power lines and poles, and conduits for any other public utility,