

**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
RIDGECREST NORTH- PHASE 1
IN THE
COUNTY OF DENTON, TEXAS**

WHEREAS, RIDGECREST VENTURES LIMITED PARTNERSHIP, a New Mexico limited partnership, hereinafter called Declarant, is the owner of that certain tract of land containing 10.031 acres more or less located in Denton County, Texas, known as RIDGECREST NORTH SUBDIVISION- PHASE 1 FINAL PLAT dated the 4th day of September, 1997, recorded in the real property records of Denton County, Texas at Cabinet N, Page 332, Document Number 97-R0061576;

WHEREAS, Declarant will convey the above described property, subject to certain protective covenants, conditions, restrictions and reservations (the "restrictions") as hereinafter set forth;

NOW, THEREFORE, IT IS HEREBY DECLARED that all of the property described above shall be held, sold and conveyed subject to the following covenants, conditions, restrictions and reservations, which are for the purpose of protecting the value and desirability of, and which shall run with the real property and shall be binding on all the parties having any right, title or interest in or to the above described property or any part thereof, including their heirs, successors, and assigns, which shall inure to the benefit of each owner thereof, said covenants, conditions, restrictions and reservations being as follows:

1. Construction of new buildings only shall be permitted. The moving onto any lot of an existing building, trailer or mobile home (with or without axles), or modular (prefabricated) building, either temporary or permanent, for either residential or ancillary non-residential use is strictly prohibited, except that prefabricated buildings of no greater than 250 square feet gross floor area for storage and other ancillary purposes shall be permitted.

2. No structure shall be placed, erected, altered, or permitted to remain on any lot in the subdivision other than one (1) single family dwelling per lot with private garage, attached or detached, for a minimum of two (2) vehicles, together with necessary ancillary buildings for use in connection therewith.

3. No buildings or structures shall be located nearer to the specified lot lines than hereinafter specified:

A. Front Yard. No dwelling shall be located nearer to the front lot line than fifty (50) feet and no ancillary building, detached or other out-building shall be located between the single family dwelling and the front lot line. On a corner lot the entire street exposure shall be interpreted as requiring the minimum front yard standards set forth in these restrictions.

B. Side Yard. No dwelling or ancillary building shall be located nearer than twenty (20) feet to any side lot line.

C. Rear Yard. No dwelling or ancillary building shall be located nearer than thirty (30) feet to any rear lot line.

4. No residential dwelling, ancillary building, or other structure or improvement shall be erected, constructed, placed, added to or altered on any lot which does not conform with the Architectural Design Guidelines adopted by Declarant for the property, including any modifications thereto.

5. No lot shall be graded, regraded or landscaped; and no residential dwelling, ancillary building, or other structure or improvement shall be erected, constructed, placed, added to or altered on any lot which is in violation of the Topographic and Drainage Plan adopted by Declarant for the property, including any modifications thereto.

6. No trucks, trailers, or motor transports in excess of three-quarter (3/4) ton capacity shall be kept or parked on any lot or street of this subdivision at any time, however, pick-up trucks not exceeding one (1) ton capacity shall be permitted. No vehicle shall be parked on the street overnight. Recreational vehicles, boats and trailers shall be parked adjacent to or behind the residential dwelling, but in no case any nearer to the front lot line, including all street exposure on corner lots, than the residential dwelling.

7. No lot or street in this subdivision shall be used as a place to repair or dismantle any motor vehicle and no dismantled, inoperative or unlicensed vehicles shall be kept, stored parked or permitted to remain on any lot or any street at any time.

8. No lot or street shall be used or maintained as a dumping ground for the disposal of rubbish, trash or other solid or liquid wastes. All trash, garbage and other wastes shall be kept in covered sanitary containers until otherwise disposed of in an authorized area outside this subdivision. During construction, including any renovation, rehabilitation or reconstruction, all trash and debris shall be containerized or confined to avoid an unsightly appearance, and shall be removed and disposed of periodically.

9. No offensive activity shall be carried on upon any lot, and no activity which may become a nuisance to the neighborhood by reason of generating excessive noise, light, traffic, odor, dust, smoke or vibration which is not compatible with the residential character of the area will be permitted.

10. All lots shall be maintained free from debris, weeds and tall grass of all types and shall be properly drained and maintained to prevent mosquitos and other insects and rodents from breeding and otherwise creating health hazards.

11. No livestock, swine, poultry or animals of any kind, either wild or domestic, shall be raised, bred or kept on any lot for commercial purposes. Where the lot area(s) under common ownership is two (2) acres or greater and at least one (1) acre of pasture area is available for each horse and approval is obtained from the current contiguous lot owners, riding horses for the use of occupants of a lot and their guests may be kept as a permitted accessory use. Household pets, of any kind, up to a maximum of four (4) per household, which are generally kept within a dwelling, shall be considered as a permitted accessory use, provided no health hazard is generated.

12. No lot shall be resubdivided into, nor shall any dwelling be erected or placed on any portion of any lot having an area of, less than one (1) acre.

13. All utility, drainage and road easements as shown on the recorded plat are reserved for the uses indicated. No structure, shrubbery or other obstruction shall be placed in any easement in order that full right of ingress and egress shall be available at all times for the purpose of installation, operation, maintenance, repair or removal of any utility, drainage way or roadway as the owner of such may deem necessary.

14. The usable floor area of any residential dwelling (area under air conditioning or heat), exclusive of open porches and garages, shall be not less than 1,800 square feet for a one (1) story dwelling and not less than 2,000 square feet for a two (2) story dwelling.

15. All residential dwellings, including attached or detached garages, shall be constructed of new materials and built on the site only. Exposed exterior wall area must be a minimum of fifty percent (50%) brick or stone and either veneer or masonry construction, except as otherwise approved by Declarant and conforming with the Architectural Design Guidelines. Masonry materials shall be of a quality and appearance equal or superior to standard clay or shall be common brick or quarried stone. Exterior wood work shall be standard construction material selected and designed to enhance the architectural integrity of the building. Hollow tile or concrete block construction is prohibited. All roofing shall be either composition or tile.

16. Ancillary buildings, such as barns, toolsheds and other out-buildings must be made of all new materials and built on the site only, except for prefabricated buildings of no greater than 250 square feet which must be constructed of new materials. Exterior walls of all ancillary buildings shall be of standard construction material and may be made of wood or metal (non-reflective) construction, but must be adequately painted and conform architecturally to the main residential building. All ancillary buildings shall be designed and constructed to conform with the existing residential dwellings in close proximity therewith. Reflective galvanized iron or aluminum corrugated metal siding or roofing is not permitted.

17. No aircraft of any kind (including ultra-lights) shall be parked, landed or stored on any lot or street at any time.

18. All exterior lighting shall be designed, installed and maintained to cast light downward so as to avoid "spillover" on to nearby lots. Exterior light fixtures with sharp "cutoff" angles shall be used at all times.

19. All fences shall be constructed of all new materials in conformity with generally accepted standards for the construction of fences.

20. The landscaped subdivision entry, including monument sign, shall be deemed common property to be held in-common by all the lot owners of the subdivision, including future phases of development. All lot owners shall share equally in the cost of maintaining and repairing the subdivision entry, and no lot owner shall be relieved of this obligation. Failure of any lot owner to share equally in said costs shall be a violation of these restrictions and constitute grounds for any other person or persons owning real property situated in said subdivision to prosecute any proceedings at law, or in equity against the person or persons violating or attempting to violate this provision.

21. Restrictions imposed on the herein before described property in said subdivision shall run with the land and shall be binding on all parties claiming under them until December 31, 2018, at which time said covenants shall be automatically extended for successive periods of ten (10) years unless, by written vote of a simple majority of the then lot owners of said subdivision, it is agreed to change said covenants in whole or part. Enforcement shall be by proceedings at law or in equity against any person or persons violating or attempting to violate any such covenants, and either restrain him or them from so doing, or to receive damages for such violation.

22. Invalidity of one of the restrictions by judgement or court order shall in no wise effect any of the other provisions which shall remain in full force and effect.

23. Declarant reserves the right to amend these restrictions to include additional phases of the Ridgcrest North Subdivision.

24. Miscellaneous provisions:

A. As used in these restrictions, the term "lot" shall mean any lot or tract of any subdivision or resubdivision of the subject property, including future phases, approved by any governmental entity having jurisdiction, including any portion of such lot or tract; and any building site approved by any such governmental entity for the property.

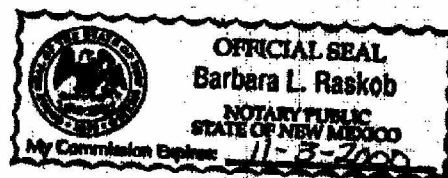
B. These restrictions are for the benefit of the owners of individual lots within Ridgcrest North Subdivision- Phase 1, including future phases, only, and shall not extend to nor

be enforceable by any third party beneficiaries except those having a right, title or interest in the above described property.

IN WITNESS WHEREOF, the undersigned has executed this instrument this 10 day of September 1997.

DECLARANT:

Altura Real Estate Company, Inc., general partner



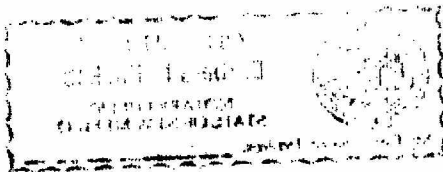
THE STATE OF New Mexico
COUNTY OF Bernalillo

Before me, the undersigned authority, a notary public in and for Bernalillo County, New Mexico on this day personally appeared Kevin D. Murphy, as President of Altura Real Estate Company, the General Partner of Ridgecrest Ventures Limited Partnership, known to me to be the person whose name is subscribed in the foregoing instrument, and acknowledged to me that he executed the same for the purposes and considerations therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS 10 DAY OF September 1997.

Barbara Raskob
Notary Public, State of New Mexico

After recording return to
Safeco Land Title
625 Dallas Drive, Suite 100
Denton, Texas 76205



Filed for Record in:
DENTON COUNTY, TX
HONORABLE TIM HODGES/COUNTY
CLERK

On Sep 23 1997
At 3:23pm

Doc/Num : 97-R0066617
Doc/Type : RST
Recording: 13.00
Doc/Mgmt : 6.00
Receipt #: 30847
Deputy - BRANDIE