

**USE RESTRICTIONS
FOR EMERALD BAY ESTATES**

These **USE RESTRICTIONS** (these "Restrictions") are made on the date hereinafter set forth by Mound Emerald Bay, Ltd., a Texas limited partnership qualified to do business in Texas (the "Declarant").

Background

- A. Declarant is the owner of the Property (as hereinafter defined);
- B. Declarant has imposed restrictions on the Property pursuant to a Declaration of Covenants, Conditions and Restrictions for Emerald Bay Estates (the "Declaration") dated April 29, 1999, recorded at _____, in the Real Property Records of Denton County, Texas;
- C. Declarant desires to further impose additional restrictions on the use of the Property as more particularly described in these Restrictions; and
- D. Declarant imposes these Restrictions separate and apart from the Declaration, such that any joinder required for an amendment of the Declarations is not required for these Restrictions.

Restrictions

THEREFORE, Declarant declares that the Property shall be held, sold, and conveyed subject to the restrictions, covenants, and conditions described below, which shall be deemed to be covenants running with the land and imposed on and intended to benefit and burden each Lot (as hereinafter defined) and other portions of the Property in order to maintain within the Property a planned community of high standards. These Restrictions shall be binding on all parties having any right, title, or interest herein, including such parties' respective heirs, personal representatives, successors, and assigns, and shall inure to the benefit of each Owner (as hereinafter defined).

SECTION 1. DEFINITIONS

"Association" means Mound Emerald Bay Homeowners Association, a Texas not-for-profit corporation, established for the purposes set forth herein and in the Declaration.

"Lot" means any plot of land indicated upon any recorded subdivision map of the Property or any part thereof creating single-family home sites, with the exception of the Common Area (as defined in the Declaration) and areas deeded to a governmental authority or utility, together with all improvements thereon.

"Owner" means the record owner, whether one or more persons or entities, of fee simple title to any Lot, including contract sellers, but excluding