

2 COPIES TO R. JANSZ 8-09-01

LTSA GF#	Courtesy	\$ 1900
	KB	S.P.



2001-0087494

AGREEMENT ON LAND USE AND ZONING

This Agreement (the "Agreement") is made by and between Lumbermen's Investment Corporation, a Delaware corporation ("LIC") and The Springs at Stone Oak Owner's Association, a Texas non-profit corporation, ("HOA").

LIC is the owner of a tract of approximately 16.750 acres (the "Property") in the Stone Oak master planned project in Bexar County, Texas, and was the developer of the subdivision known as The Springs at Stone Oak (the "Subdivision") for which HOA is the homeowners' association. The Property is located near the Subdivision. LIC has requested zoning for the Property from the City of San Antonio in anticipation of development of the Property and the HOA has an interest in that zoning matter. Both LIC and the HOA desire that any development of the Property will be of a quality and character that will compliment the Subdivision and provide minimal impact to the Subdivision. LIC desires that HOA support its application for the zoning it has requested.

Now, therefore, in consideration of the premises, LIC and HOA agree as follows:

1. Zoning. LIC and HOA agree to zoning of the Property as "R-3 ERZD" (Multiple Family Residence Edwards Recharge Zone District) under the City of San Antonio process. The pending case is Case No. 297261-Q. LIC shall not seek more intensive zoning or zoning for a non-residential use for the Property during the term of this Agreement. LIC may, at its option, apply for less intensive zoning and this Agreement shall apply to such amended request or new application. HOA agrees, in consideration of the agreements of LIC herein, to support the zoning application for the Property. Such support shall be provided by an affirmative letter supporting the zoning addressed to the City Council of the City of San Antonio, as well as by having a representative present who will speak in favor of the zoning at such public hearings or City Council meetings as LIC may request. HOA further agrees that it will not initiate nor will it support any subsequent rezoning of the Property unless such proposed rezoning has been approved in writing by LIC with notification to the HOA.
2. Restrictive Covenants on Property. Upon granting of permanent zoning to the Property, LIC agrees to execute and record in the Real Property Records of Bexar County, Texas, a restrictive covenant (Exhibit "A") providing that the Property will be restricted as follows. These restrictive covenants shall be covenants running with the land and binding on LIC and its successors and assigns in ownership of the Property, and shall be enforceable by the HOA.
 - a. The maximum number of units which may be constructed on the Property is 10 residential units per surveyed gross acre of the Property.

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- b. The maximum height of any structure built on the Property shall be two and one half stories or thirty five feet (35'), whichever is greater. The thirty five feet shall be measured from the highest natural ground elevation adjacent to the structure for which a measurement is being made to the peak of the roof.
 - c. The exterior surfaces of all dwelling unit structures shall be composed of not less than seventy five percent (75%) masonry or masonry veneer. Door and window openings shall be included as masonry for the calculation of these minimum masonry requirements. Masonry or masonry veneer shall include stucco, tile, brick, stone, rock or other materials commonly referred to as masonry in San Antonio, Texas, area. Masonry and masonry veneer shall not, however, include any product regardless of composition, which is manufactured to have a wood or non-masonry appearance (e.g. "Hardiboard").
 - d. Any amenities such as pools, spas, sport courts, playgrounds, etc. will not be located on the portion of the Property which is to be dedicated as "Greenbelt" as provided for in this document.
 - e. No exterior lighting on the Property shall be directed toward the Subdivision, and all exterior lighting both building mounted and pylon mounted, shall be aimed down and hooded or shielded so as to focus the light from the fixture toward the Property and so as to avoid "spillover" of light from the Property onto the Subdivision.
 - f. All driveway entrances into the Property shall be from Evans Road, and no roadways, other than those necessary for utility maintenance vehicles, shall be constructed so as to connect the Property and the Subdivision.
 - g. The owner of the Property shall construct, in the development of the Property, either a wrought iron fence with masonry columns or a masonry wall around the residential area of the improvements built on the Property. Such wall or fence shall be built before initial residential occupancy of the Property and shall be six feet (6') in height. If the owner of the Property elects to construct the wrought iron fence with columns, the owner shall also plant hedges on the outside of such fence at locations where a natural vegetation buffer between the Property and the Subdivision does not exist. No fence shall be constructed through or across any drainage way. Any gates in such fences shall be placed at locations that do not encourage trespassing onto adjacent properties.
3. Term and Termination of this Agreement. This Agreement is effective when executed and remains in effect unless and until the conditions set out below in subparagraphs (a) or (b) of this paragraph occur, in which case portions of the Agreement may be terminated as follows:

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- a. If the zoning requested by LIC as described in paragraph 1 above, or alternative zoning acceptable to LIC is denied, then LIC may terminate this agreement as to paragraphs 1 and 2 hereof and neither party shall be obligated to perform under those paragraphs, but the obligations and actions of paragraphs 3, 4, 5 and 6 shall not be revoked or voided by such event.
 - b. If however, the zoning requested by LIC or alternative zoning acceptable to LIC is granted, but after five (5) years following said zoning is finalized, the Property has not been sold by LIC subject to the zoning or developed in accordance with the zoning requested by LIC or zoning acceptable to LIC, then LIC may elect to terminate the restrictive covenants provided for in paragraph 2 and the HOA shall not be bound by the obligations of paragraph 1 hereof, but the parties shall be returned to the positions they occupied prior to the negotiation and execution of this Agreement and shall in good faith attempt to agree on an alternative zoning and use which will be acceptable to the HOA and LIC and enter into a new arrangement concerning the Property to provide for such new use and the protection of the Subdivision with respect to such new use.
4. Conveyance of Greenbelt Tract. Upon execution of this document, LIC shall convey to HOA by special warranty deed a tract of approximately 3.6038 acres (the "Greenbelt Tract") adjacent to the Subdivision and described on Exhibit "B" hereto for greenbelt purposes. The Greenbelt Tract shall be impressed with restrictive covenants enforceable by LIC and HOA which will restrict its use to preservation of natural vegetation, walking trails and low impact recreation (but not athletic fields, picnic areas or the like). LIC shall reserve, for itself, its successors and assigns, the right to place, maintain and replace underground utility lines in and through the Greenbelt Tract.
5. Dedication of Greenbelt Strip. Upon execution of this Agreement, LIC agrees to grant to the HOA an easement for greenbelt purposes and impose a restrictive covenant against any uses other than greenbelt on the part of the Property described on Exhibit "C" hereto (and called the "Greenbelt Strip"). LIC shall reserve, for itself, its successors and assigns, the right to place, maintain and replace underground utility lines in and through the Greenbelt Strip. LIC reserves, for itself, its successors and assigns, the right to use the area of the Greenbelt strip to calculate impervious coverage ratios or floor-to-area ratio requirements of the Property.
6. Dedication of Greenbelt Area by Third Party. LIC agrees to use all reasonable efforts to obtain from the owner of the property described on Exhibit "D" hereto (the "Greenbelt Area") a greenbelt easement and restrictive covenant in favor of HOA similar in terms to the greenbelt easement and restrictive covenant on the Greenbelt Strip.

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7. Resolution of Matters. In consideration of the actions of LIC and HOA under the terms of this Agreement, HOA and LIC acknowledge that all disputes and issues which have arisen between them over zoning and "greenbelt" matters have been fully resolved. Each party hereto hereby releases and relinquishes any and all claims over zoning and "Greenbelt" matters which it may have against the other arising out of said matters, prior to the execution of this release. However, if zoning is denied and the option of LIC under paragraph 3(a) is exercised or if LIC otherwise elects to rezone the Property to a more intensive use, then the release of zoning matters is of no further force or effect.

8. General and Miscellaneous.

a. No Oral Modification. This Agreement may not be modified, amended or altered except by an agreement in writing signed by LIC and HOA.

b. Governing Law. This Agreement has been prepared, is being executed and delivered, and is intended to be performed in the State of Texas, and the substantive laws of such state shall govern the validity, construction, enforcement and interpretation of this Agreement. Venue of any case or controversy arising under or pursuant to this Agreement shall lie in Bexar County, Texas.

c. Severability. If any covenant, provision, or agreement of this Agreement shall be held illegal, invalid, or unenforceable under present or future laws effective during the term of this Agreement, then and in that event, it is the intention of the parties hereto that the remainder of this Agreement shall not be affected thereby, and that this Agreement shall otherwise continue in full force and effect. It is the further intention of the parties that in lieu of each covenant, provision, or agreement of this instrument that is held illegal, invalid, or unenforceable, there be added as a part hereof a clause or provision as similar in terms to such illegal, invalid, or unenforceable clause or provision as may be possible and be legal, valid, and enforceable.

d. Entirety. This Agreement embodies the entire agreement between the parties, and supersedes all prior agreements and understandings, if any, relating to the subject matter hereof.

e. Binding Effect and Assignment. The terms of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns and legal representatives; provided, however, that neither party hereto may, without the prior written consent of the other, assign any rights, powers, duties, or obligations hereunder; and further provided, however, that this Agreement shall not inure to the benefit of any party other than the parties to this Agreement.

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f. Headings. Section headings are for convenience of reference only and shall in no way affect the interpretation of this Agreement.

g. Counterparts. This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same agreement, and any of the parties hereto may execute this Agreement by signing any such counterpart.

h. Time of the Essence. Time is of the essence of this Agreement.

Executed the 12 day of December, 2000.

The Springs at Stone Oak Association

By: [Signature]
President

Attest: [Signature]
Secretary Treasurer

Lumbermen's Investment Corporation

By: [Signature]
Executive Vice President
JK

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State of Texas

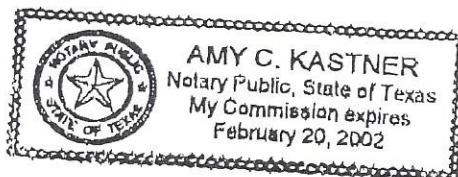
County of Bexar

The foregoing instrument was acknowledged before me on this 11 day of May, 2001, by Beverly Cox, President of The Springs at Stone Oak Owners Association, a Texas non-profit corporation, on behalf of such corporation.

Beverly Cox
President
Springs Owners
Association

Amy C. Kastner

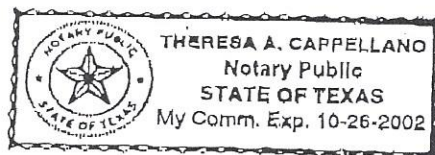
Notary Public, State of Texas

Name Printed: Amy C. KastnerCommission Expires: 5-1-01 ^{to} 2/20/02

State of Texas

County of Travis

The foregoing instrument was acknowledged before me on this 21 day of May, 2001, by Robert M. Mann, Senior Vice President of Lumbermen's Investment Corporation, a Delaware corporation, on behalf of such corporation.



Theresa A. Cappellano

Notary Public, State of Texas

Name Printed: THERESA A. CAPPELLANOCommission Expires: 10-26-2002

Refuran TB

Lawyers Title of San Antonio
13750 San Pedro, Suite 500
San Antonio, TX 78232
Office (210) 496-0100

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Any provision herein which restricts the sale, or use of the described real property because of race is invalid and unenforceable under Federal law STATE OF TEXAS, COUNTY OF BEXAR
I hereby certify that this instrument was FILED in File Number Sequence on the date and at the time stamped hereon by me and was duly RECORDED in the Official Public Record of Real Property of Bexar County, Texas on:

MAY 25 2001

Gerry Rickhoff
COUNTY CLERK BEXAR COUNTY, TEXAS

Filed for Record in:
BEXAR COUNTY, TX
GERRY RICKHOFF, COUNTY CLERK

On May 25 2001
At 3:41pm

Receipt #: 440538
Recording: 13.00
Doc/Hgmt: 6.00
Doc/Num: 2001- 0087494
Deputy -Ana Rosas

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