

EXHIBIT 1

Declaration of Restrictive Covenants of the Downey's Lot Owner's Association, Caney Creek, Section 1

Basic Information

Date:

Declarant: Eric Wright
Kenneth Bezecny
William Winston

Declarant's Address:

Eric Wright
16706 Rose Bay Trail
Cypress, Texas 77429

Kenneth Bezecny
P.O. Box 4087
Sargent, Texas 77404

William Winston
7414 Orchard Hill Lane
Sugar Land, Texas 77479

Property Owners Association: Downey's Lot Owner's Association, Caney Creek, Section 1, a Texas nonprofit corporation

Property Owners Association's Address: P.O. Box 4150, Sargent, Texas 77404-4150.

Property: All those lots listed in Downey's Caney Creek Club, Section 1, William Baxter League, Abstract 4, Volume 3, Pages 11-13 of the Map Records of Matagorda County, Texas, consisting of Block 1 Lots 1-14, Block 2 Lots 1-17, Block 3 Lots 1-15, Block 4 Lots 1-15, Block 5 Lots 1-17, Block 6 Lots 1-17, Block 7 Lots 1-19.

Definitions

"Assessment" means any amount due to the Property Owners Association by an Owner or levied against an Owner by the Property Owners Association under this Declaration.

"Board" means the Board of Directors of the Property Owners Association.

"Bylaws" means the Bylaws of the Property Owners Association adopted by the Board.

"Common Area" means all property within the Subdivision not designated as a Lot on the plat and that has not been accepted for maintenance by the applicable governmental body. Declarant will convey the Common Area to the Property Owners Association.

"Covenants" means the covenants, conditions, and restrictions contained in this Declaration.

"Declarant" shall mean Eric Wright, Kenneth Bezecny, and William Winston, collectively.

"Easements" means Easements within the Property for utilities, drainage, and other purposes as shown on the Plat or of record.

"Governing Documents" means this Declaration and the certificate of formation, Bylaws, rules of the Property Owners Association, and standards of the Board of Directors, as amended.

"Lot" means each tract of land designated as a lot on the Plat, excluding lots that are part of the Common Area.

"Member" means Owner.

"Owner" means every record Owner of a fee interest in a Lot.

"Plat" means the Plat of the Property recorded in Volume 3, Pages 11-13 of the map records of Matagorda County, Texas, and any replat of or amendment to the Plat made in accordance with this Declaration.

"Residence" means a detached building designed for and used as a dwelling by a Single Family and constructed on one or more Lots.

"Single Family" means a group of individuals related by blood, adoption, or marriage or a number of unrelated roommates.

"Structure" means any improvement on a Lot (other than a Residence), including a sidewalk, driveway, fence, wall, tennis court, swimming pool, outbuilding, or recreational equipment.

"Subdivision" means the Property covered by the Plat and any additional property made subject to this Declaration.

"Vehicle" means any automobile, truck, motorcycle, boat, trailer, or other wheeled conveyance, whether self-propelled or towed.

Clauses and Covenants

A. Imposition of Covenants

1. Declarant imposes the Covenants on the Subdivision. All Owners and other occupants of the Lots by their acceptance of their deeds, leases, or occupancy of any Lot agree that the Subdivision is subject to the Covenants.

2. The Covenants are necessary and desirable to establish a uniform plan for the development and use of the Subdivision for the benefit of all Owners. The Covenants run with the land and bind all Owners, occupants, and any other person holding an interest in a Lot.

3. Each Owner and occupant of a Lot agrees to comply with the Governing Documents and agrees that failure to comply may subject him to a fine, an action for amounts due to the Property Owners Association, damages, or injunctive relief.

B. Plat and Easements

1. The Plat, Easements, and all matters shown of record affecting the Property are part of this Declaration and are incorporated by reference.

2. An Owner may use that portion of a Lot lying in an Easement for any purpose that does not interfere with the purpose of the Easement or damage any facilities. Owners do not own any utility facilities located in an Easement.

3. Neither Declarant nor any Easement holder is liable for damage to landscaping or a Structure in an Easement.

4. Declarant and each Easement holder may install, maintain, and connect facilities in the Easements.

C. Use and Activities

1. *Permitted Use.* A Lot may be used only for an approved Residence and approved Structures for use by a Single Family, no duplexes, apartments or similar type buildings or uses shall be permitted. No more than one residence shall be constructed upon each Lot.

2. *Prohibited Activities.* Prohibited activities are -

- a. any activity that is otherwise prohibited by the Governing Documents;
- b. any illegal activity;
- c. any nuisance, noxious, or offensive activity;
- d. any dumping of rubbish, trash or other waste;

- e. any storage of –
 - i. building materials except during the construction or renovation of a Residence or a Structure;
 - ii. vehicles, except vehicles in a garage or Structure or operable automobiles on a driveway; or
 - iii. unsightly objects unless completely shielded by a Structure;
- f. any exploration for or extraction of minerals;
- g. any keeping or raising of animals, livestock, or poultry, except for common domesticated household pets, such as dogs and cats, confined to a fenced yard or within the Residence, provided they are not bred, kept or maintained for any commercial purpose;
- h. any commercial retail business uses; professional uses such as home offices that do not detract from the home's appearance are allowed unless approved by the Board;
- i. the display of any sign except –
 - i. one not more than five square feet, advertising the Lot for sale or rent or advertising a garage or yard sale; and
 - ii. political signage not prohibited by law or the Governing Documents;
- j. parking a recreational vehicle, motor home, or house trailer on a Lot for more than fourteen (14) days, additionally, no more than one (1) of these vehicles shall be allowed parked on a Lot at any given time;
- k. interfering with a drainage pattern without Board approval;
- l. hunting and shooting, unless said shooting is in the protection of persons, pets or personal property, the deliberate or indiscriminate discharge of firearms, including target shooting and celebration is not permitted; and
- m. occupying a Structure that does not comply with the construction standards of a Residence;

D. Construction and Maintenance Standards

1. *Lots*

- a. *Consolidation of Lots.* An Owner of adjoining Lots, with Board approval, may consolidate those Lots into one site for the construction of a Residence.
- b. *Subdivision Prohibited.* No Lot may be further subdivided.
- c. *Easements.* No easement in a Lot may be granted without Board approval.
- d. *Maintenance.* Each Owner must keep the Lot, all landscaping, the Residence, and all Structures in a neat, well-maintained, and attractive condition.

2. *Residences and Structures*

- a. *Maximum Height.* The maximum height of a Residence is 2 stories.
- b. *Required Area.* The total area of a Residence, exclusive of porches, garages, or carports, must be at least 576 square feet.
- c. *Location on Lot.* No Residence or Structure may be located in violation of the setback lines shown on the Plat. No Residence or Structure may be located nearer than three (3) feet to any side lot, including overhangs, steps and porches.
- d. *Damaged or Destroyed Residences and Structures.* Any Residence or Structure that is damaged must be repaired within 180 days (or within a period approved by the Board) and the Lot restored to a clean, orderly, and attractive condition. Any Residence or Structure that is damaged to the extent that repairs are not practicable must be demolished and removed within 180 days and the Lot restored to a clean and attractive condition.
- e. *Traffic Sight Lines.* No landscaping that obstructs traffic sight lines may be placed on any Lot.
- f. *Sewage.* All Residences must be connected to the sewage system. The use of septic systems is no longer allowed.

3. *Building Materials for Residences and Structures*

No permanent tents or canvas covered shelters may be placed on any lots

at any time.

E. Property Owners Association

1. *Establishment and Governance.* The Property Owners Association is established by filing its certificate of formation and is governed by the certificate, the Declaration, and the Bylaws. The Property Owners Association has the powers of a nonprofit corporation and a property owners association under the Texas Business Organizations Code, the Texas Property Code, and the Governing Documents.

2. *Rules.* The Board may adopt rules that do not conflict with law or the other Governing Documents. On request, Owners will be provided a copy of any rules.

3. *Membership and Voting Rights.* Every Owner is a Member of the Property Owners Association. Membership is appurtenant to and may not be separated from ownership of a Lot.

F. Assessments

1. *Authority.* The Board may levy Assessments to promote the recreation, health, safety, and welfare of the residents in the Subdivision, to fund operating expenses of the Property Owners Association, and to improve and maintain the Common Areas.

2. *Personal Obligation.* An Assessment is a personal obligation of each Owner when the Assessment accrues.

3. *Creation of Lien.* Assessments are secured by a continuing vendor's lien on each Lot, which lien is reserved by the Declarant and assigned to the Property Owners Association. By acceptance of a deed to a Lot, each Owner grants the lien, together with the power of sale, to the Property Owners Association to secure Assessments.

4. *Commencement.* A Lot becomes subject to Assessments on conveyance of the Lot by Declarant.

5. *Regular Assessments*

a. *Rate.* Regular Assessments are levied, annually, to fund the anticipated operating and maintenance expenses of the Property Owners Association. Until changed by the Civic Committee, the Regular Assessment is \$35.00.

b. *Changes to Regular Assessments.* Regular Assessments may be changed annually by the Civic Committee but any increases shall not exceed fifty percent (50%) of the previous year's assessment. Written notice of the Regular Assessment will be sent to every Owner at least thirty days before its effective date.

c. *Collections.* Regular Assessments will be collected yearly in advance, payable on the first day of June of each year.

6. *Special Assessments.* In addition to the Regular Assessments, the Board may levy Special Assessments for the purpose of funding the cost of any construction, reconstruction, repair, or replacement of any capital improvement on the Common Area or for any other purpose benefitting the Subdivision but requiring funds exceeding those available from the Regular Assessments. Special Assessments must be approved by the Members. Written notice of the terms of the Special Assessment will be sent to every Owner.

7. *Approval of Special Assessments.* Any Special Assessment must be approved by a 2/3 vote at a meeting of the Members in accordance with the Bylaws.

8. *Fines.* The Board may levy a fine against an Owner for a violation of the Governing Documents as permitted by law.

9. *Subordination of Lien to Mortgages.* The lien granted and reserved to the Property Owners Association is subordinate to any lien granted by an Owner against a Lot not prohibited by the Texas Constitution. The foreclosure of a superior lien extinguishes the Property Owners Association's lien as to Assessments due before the foreclosure.

10. *Delinquent Assessments.* Any Assessment not paid within sixty (60) days after it is due is delinquent.

G. Remedial Rights

1. *Late Charges and Interest.* A late charge of ten percent (10%) of the delinquent amount is assessed for delinquent payments. Delinquent Assessments accrue interest at the rate of ten percent (10%) per year.

2. *Costs, Attorney's Fees, and Expenses.* If the Property Owners Association complies with all applicable notice requirements, an Owner is liable to the Property Owners Association for all costs and reasonable attorney's fees incurred by the Property Owners Association in collecting delinquent Assessments, foreclosing the Property Owners Association's lien, and enforcing the Governing Documents.

3. *Judicial Enforcement.* The Property Owners Association may bring an action against an Owner to collect delinquent Assessments, foreclose the Property Owners Association's lien, or enforce or enjoin a violation of the Governing Documents. An Owner may bring an action against another Owner to enforce or enjoin a violation of the Governing Documents.

4. *Remedy of Violations.* The Property Owners Association may access an Owner's Lot to remedy a violation of the Governing Documents.

5. *Suspension of Rights.* If an Owner violates the Governing Documents, the Property Owners Association may suspend the Owner's rights under the Governing Documents in accordance with law until the violation is cured, provided, however, that the right of an Owner to run for a position on the Board shall not be limited except as provided by law.

6. *Damage to Property.* An Owner is liable to the Property Owners Association for damage to Common Areas caused by the Owner or the Owner's family, guests, agents, independent contractors, and invitees in accordance with law.

H. Common Areas: The Boat Ramp

1. *Permitted Users.* An Owner's right to use and enjoy the Boat Ramp extends to the Owner's family, guests, agents, and invitees, subject to the Governing Documents.

2. *Unauthorized Improvements on Boat Ramp.* An Owner may not erect or alter any Structure on, or clear, landscape, or disturb, the Boat Ramp except as approved by the Board.

I. General Provisions

1. *Term.* This Declaration runs with the land and is binding for a term of ten (10) years. The term shall be automatically extended for successive terms of ten (10) years each by seventy-five (75%) percent of the Members at a meeting in accordance with the Bylaws within 12 months before the end of a term. Thereafter this Declaration automatically continues for successive terms of ten (10) years each, unless within 12 months before the end of a term a majority of the Members at a meeting in accordance with the Bylaws elect not to extend the term. An instrument reflecting the extension will be signed by the Property Owners Association and recorded.

2. *No Waiver.* Failure by the Property Owners Association or an Owner to enforce the Governing Documents is not a waiver.

3. *Corrections.* The Board may correct typographical or grammatical errors, ambiguities, or inconsistencies contained in this Declaration, provided that any correction must not impair or affect a vested property right of any Owner.

4. *Amendment.* This Declaration may be amended at any time by vote of sixty-seven (67) percent of the votes in the Property Owners Association at a meeting in accordance with the Bylaws. An instrument containing the approved amendment will be signed by the Property Owners Association and recorded.

5. *Conflict.* This Declaration controls over the other Governing Documents.

6. *Severability.* If a provision of this Declaration is unenforceable for any reason, to the extent the unenforceability does not destroy the basis of the bargain among the parties, the unenforceability does not affect any other provision of this Declaration, and this Declaration is to be construed as if the unenforceable provision is not a part of the Declaration.

7. *Notices.* Any notice required or permitted by the Governing Documents must be in writing. To the extent required by law, notices regarding remedial rights must be given by certified mail, return receipt requested. All other notices may be given by regular mail. Notice is deemed delivered (whether actually received or not) when properly deposited with the United States Postal Service, addressed to a Member, at the Member's last known address according to the Property Owners Association's records, and the Property Owners Association, the Board, the Civic Committee, or a managing agent at the Property Owners Association's principal office or another address designated in a notice to the Members. Unless otherwise required by law or the Governing Documents, actual notice, however delivered, is sufficient.

8. *Annexation of Additional Property.* On written approval of the Board and not less than seventy-five (75) percent of the Members at a meeting in accordance with the Bylaws, the owner of any property who desires to subject the property to this Declaration may record an annexation agreement that will impose this Declaration and the Covenants on that property.

Executed on 01/08/15.

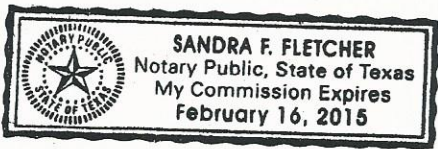
Eric Wright

Eric Wright

STATE OF TEXAS)

COUNTY OF Harris)

This instrument was acknowledged before me on January 8, 2015, by Eric Wright.



Sandra F. Fletcher

Notary Public, State of Texas

My commission expires:

February 16, 2015

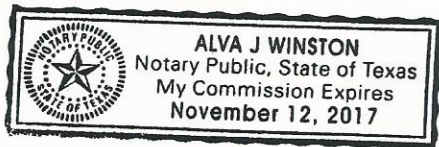
Executed on January 9, 2015

Kenneth Bezcny
Kenneth Bezcny

STATE OF TEXAS)

COUNTY OF Fort Bend)

This instrument was acknowledged before me on January 9, 2015, by
Kenneth Bezcny.



Alva J. Winston
Notary Public, State of Texas
My commission expires: 11/12/17

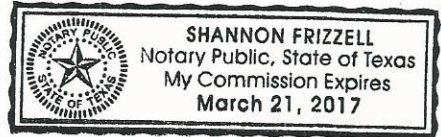
Executed on 1/16/15

William Winston
William Winston

STATE OF TEXAS)
COUNTY OF Harris)

This instrument was acknowledged before me on January 16, 2015, by William Winston.

Shannon Frizzell
Notary Public, State of Texas
My commission expires:
03/21/17



After recording, please return to:
The Law Office of Deborah L. Crain
10707 Corporate Drive, Suite 100
Stafford, Texas 77477