

CYPRESS LAKE SUBDIVISION

THIS DECLARATION, made on the date hereinafter set forth by Stonebridge North, Inc., a Florida corporation, hereinafter referred to as "DEVELOPER",

WITNESSETH THAT:

WHEREAS, Developer is the owner of certain real property located in Indian River County, Florida, as more particularly described in Article II of this Declaration, which Developer intends and desires to improve and develop as a quality single family residential community with open spaces and common facilities for the benefit of said residential community; and

WHEREAS, Developer desires to provide for the preservation of the values and amenities in said community and for the maintenance of said open spaces and other common facilities; and to this end, desires to subject the real property described in Article II, together with such additions as may hereafter be made thereto (as provided in Article II), to the covenants, restrictions, reservations, easements, charges and liens, hereafter set forth, each and all of which is and are for the benefit of said property and each Owner thereof; and

WHEREAS, Developer has deemed it desirable, for the efficient
preservations of the values and amenities in said community, to create an
agency to which should be delegated and assigned the powers of maintaining
and administering the community properties and facilities including enforcing

the covenants and restrictions and collecting and disbursing the charges and fees of property owners, and

WHEREAS, DEVELOPER has incorporated under the laws of the State of Florida, a not-for-profit corporation, known as CYPRESS LAKE HOMEOWNERS' ASSOCIATION OF INDIAN RIVER COUNTY, INC., for the purpose of exercising the functions aforesaid;

NOW, THEREFORE, the Developer declares that the real property described in Article II is and shall be held, transferred, sold, conveyed and occupied subject to the following covenants, conditions, restrictions, reservations, easements, charges and liens (sometimes referred to as "covenants and restrictions") hereinafter set forth, which shall run with the property and be binding on all parties having any right, title or interest in the described properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit thereof.

ARTICLE I

DEFINITIONS

Section 1. Glossary. The following words when used in this Declaration or any Supplemental Declaration (unless the context shall prohibit) shall have the following meanings:

A) "Association" shall mean and refer to the CYPRESS LAKE HOMEOWNERS' ASSOCIATION OF INDIAN RIVER COUNTY, INC.

B) Subject to the exceptions, exclusions, withdrawal rights and other applicable provisions of Article II, "the Properties" shall mean and refer to all properties as are subject to this Declaration or any Supplemental Declaration under the provisions of Article II hereof.

C) "Common Properties" shall mean and refer to those areas of land specifically designated on any recorded subdivision plat of the Properties as common properties and shall also include, whether or not specifically designated on the plat, any tract or parcel of land shown upon any

recorded subdivision plat of the Properties with the exception of "Lots" as hereafter defined and with the exception of publicly dedicated streets and with the exception of "Tract A Future Development" as shown on the "Plat of Cypress Lake, Phase I PD", until and unless same is replatted and when replatted same includes areas of land or tracts which would by application of this definition constitute Common Property. [For purposes of illustration and clarification (but not by way of limitation), the Common Properties include the following tracts or parcels as shown on the plat of Cypress Lake, Phase I PD: Tract "B"; Tract "C"; Tract "D" (Recreation Tract); and the Stormwater Management Tract.]

D) "Lot" or "Lots" shall mean and refer to any numbered lot shown upon any recorded subdivision plat or replat of the Properties with the exception of Common Properties as heretofore defined.

E) "Living Unit" shall mean and refer to any portion of a building situated upon any Lot or Lots designed and intended for use and occupancy as a residence by a single family.

F) "Owner" shall mean and refer to the record Owners, whether one or more persons or entities, of the fee simple title to a lot in the subdivision, but not withstanding any applicable provision of any mortgage, shall not mean or refer to the mortgagee unless and until such mortgagee has acquired title pursuant to foreclosure or in lieu of foreclosure.

G) "Member" shall mean and refer to all Owners who are members of the Association as provided in Article III, Section 1 hereof.

H) "Developer" shall mean and refer to Stonebridge North, Inc., or any person or entity who succeeds to the title of Developer to all or a portion of the properties by sale or assignment of all of the interest of the Developer in the properties, if the instrument of sale or assignment expressly so provides.

I) "Declaration" shall mean and refer to the Master Declaration of Covenants, Conditions, Reservations and Restrictions applicable to the properties recorded in the office of the Clerk of the Circuit Court of

Indian River County, Florida, as same may be amended.

ARTICLE II

PROPERTY SUBJECT TO THIS DECLARATION DEVELOPMENT PHASES/DEVELOPER'S RIGHTS OF WITHDRAWAL

Section 1. Property. The real property (the "Properties") which is and shall be held, transferred, sold, conveyed and occupied subject to this Declaration is located in the County of Indian River, Florida, and is more particularly described as follows:

All of Tract 6 and the West 10 acres of Tract 7, Section 16, Township 33 South, Range 39 East, according to the last general plat of lands of the Indian River Farms Company Subdivision filed in Plat Book 2, Page 25, of the public records of St. Lucie County, Florida, now Indian River County, Florida. LESS, however, the South 100 feet for right of way for 4th Street.

Section 2. Development into Phase 1 and Phase 2.

A. The Developer intends initially to develop the Properties described in Section 1 above into two phases. Phase 1 shall consist of 52 lots, being identified as Lots 1 through 43, inclusive, and Lots 100 through 108, inclusive, together with the streets and the tracts constituting the Common Properties as reflected and dedicated thereon and as defined herein, according to the "Plat of Cypress Lake, Phase 1 PD" (sometimes hereinafter referred to as Phase 1).

B. The remaining portion of the Properties described in Section 1 above is vacant, unimproved and unsubdivided at the present time and is identified on said plat of Phase 1 as "Tract A Future Development".

C. The Developer may, in its sole discretion, elect to replat and subdivide said "Tract A Future Development" shown on said plat of Phase 1 at any time in the future. In the event said "Tract A Future Development"

is platted or replatted in the future, it is anticipated that it will be known as "Plat of Cypress Lake, Phase 2 PD" (sometimes hereinafter referred to as "Phase 2").

D. In the event that Phase 2 is developed by the Developer, or its assigns, then the Common Properties, as herein defined, shall automatically include the Common Properties for Phase 1 and the Common Properties for Phase 2 and same shall inure to the use and benefit of all Owners subject to the terms and conditions of this Declaration.

E. Said Phase 2 property shall not be subject to assessment and shall not enjoy Association membership or voting rights until the Phase 2 property is replatted and subdivided and a final re-plat for Phase 2 is recorded in the public records of Indian River County. Upon the recording of the plat for Phase 2, the property and owners of lots therein shall become fully subject to the terms and conditions of this Declaration including, but not limited to, lot owner's duties to pay assessments, Association membership, member and Developer voting rights and enforcement mechanisms (subject to the withdrawal rights as set forth in Section 3 below).

Section 3. Developer's Right to Withdraw Property.

A. Notwithstanding any language herein to the contrary, the Developer hereby reserves the absolute right at any time to withdraw and remove the "Tract A Future Development" (Phase 2) portion of the Properties described in Section 1 from the community to be developed and the application of this Declaration.

B. In the event the Developer elects, in the Developer's sole discretion, to withdraw said "Tract A Future Development" (Phase 2) portion of the Properties, the Developer may effect the withdrawal by executing and recording an instrument among the public records of Indian River County, Florida, indicating the real property's removal from the development. Upon the recording of such instrument, said property shall be deemed removed from the development and shall automatically be fully released from this Declaration and all rights or duties with regard to the Association or members

thereof.

C. It is recognized and acknowledged that the Storm Water Management Tract identified and dedicated on said Phase 1 Plat has been designed, configured, sized, permitted and approved to accommodate the anticipated development, subdivision and replatting of Phase 2 into approximately 56 single family lots. Accordingly, the withdrawal of Phase 2 properties by the Developer shall automatically include the right, title, use, benefit, easements and other rights as are appropriate and required in order for the Phase 2 property, when developed and platted, to have the non-exclusive and reciprocal use and benefit of the Stormwater Management Tract, for the same purposes and with the same rights and uses and to the same extent as though the Phase 2 property had not been withdrawn and had been replatted and subdivided as a part of the Cypress Lake development.

D. The Developer's right to withdraw shall be exercisable at any time prior to the recording of a re-plat for Phase 2. If the Developer records the re-plat for Phase 2 prior to withdrawal as heretofore permitted and provided in this Section 3, the Developer's rights of withdrawal shall terminate and be of no further force and effect.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

Section 1. Membership. Every person or entity who is a record owner of a fee or undivided fee interest in any lot shall be a member of the Association, provided that any such person or entity who holds such interest merely as a security for the performance of an obligation shall not be a member. The membership of each owner is appurtenant to the owner's ownership of a lot and automatically shall be transferred upon the transfer of the lot. Said membership otherwise shall be non-transferable whether by gift, bequest, devise, assignment or otherwise.

Section 2. Voting Rights. The Association shall have two (2) classes of voting membership:

Class A: Class A members shall be all those Owners who own any lot with the exception of the Developer. Class A members shall be entitled to one vote for each lot which they hold the interests required for membership by Section 1 above. When more than one person holds such interest or interests in any lot, all such persons shall be members, and the vote for such lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any such lot which is owned by more than one person.

Class B: The Class B member shall be the Developer. The Class B member shall be entitled to fifteen (15) votes for each lot in which it holds the interest required for membership until such lot is first sold. The Class B membership shall cease and become converted to Class A membership on the happening of any of the following events, whichever occurs earlier:

(a) when the total votes outstanding in the Class A membership exceed the total votes outstanding in the Class B membership (subject to expansion and re-calculation as provided in Section 3 below); or

(b) on December 31, 2010.

From and after the happening of these events, whichever occurs earlier, the Class B member shall be deemed to be a Class A member entitled to one vote for each lot in which it holds the interest required for membership under Section 1 above.

In all voting, voting by proxy shall be permitted, and any action which requires a vote may be taken by unanimous written consent of all members without a meeting.

Section 3. Platting of Cypress Lake, Phase 2, PD. In the event that prior to December 31, 2010 and prior to withdrawal as permitted in Article II above, the Developer subdivides and plats (replats) the "Tract A Future Development" (Phase 2) portion of the Properties, thereby creating additional lots, the Developer's Class B voting rights shall be reinstated (if applicable) and re-calculated as to all Lots owned by the Developer subject to this

Declaration. Thereafter, the Developer's Class B voting rights shall continue to and until termination as indicated above.

ARTICLE IV

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments.

Each Owner of any lot by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree to pay the Association:

- a) annual assessments and maintenance charges;
- b) special assessments for capital improvements, such assessments to be fixed, established, and collected from time to time as hereinafter provided.

The annual and special assessments, together with such interest thereon and cost of collection thereof as hereinafter provided, shall be a charge on the Lot and shall be a continuing lien upon each Lot against which each such assessment is made. Each such assessment, together with such interest thereon and cost of collection thereof as hereinafter provided, shall also be the personal obligation of the person, persons or legal entity who was the Owner of such Lot at the time when the assessment became due and payable.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the purpose of the Association in the performance of its duties required or permitted under this Declaration and for promoting the health, safety, and welfare of the residents of the properties including, without limitation: the costs of maintaining and improving and constructing or reconstructing all Common Properties, easement areas, tracts, facilities and systems for which the Association has maintenance/repair/replacement responsibilities pursuant to plat dedications or other provisions of this Declaration; the cost of insurance premiums; the cost of

utility services (if billed to the Association); ad valorem taxes and special assessments as assessed to the Association or assessed against any Common Property; the costs of labor and equipment in performing Association responsibilities; any additional amounts necessary to cover the general operating expenses of the Association.

Section 3. Basis and Maximum of Annual Assessments. The annual assessment for each lot in the properties shall be fixed and shall be payable in advance in accordance with the following:

a) The initial annual assessment for each Lot in the Properties shall be fixed by the Board of Directors and shall be payable as fixed in the resolution of the Board of Directors authorizing the assessment or in such other periodic fashion as the Board of Directors shall establish and may be increased from year to year by the Board of Directors without approval by the membership by an amount not to exceed ten (10%) percent of the annual assessment of the previous year.

b) The annual assessment may be increased without limit by the affirmative vote of two-thirds (2/3) of the votes entitled to be cast by the membership at a duly called meeting of the members. Notice of the proposed increase shall be given to all members of the Association not less than (10) days prior to the meeting.

c) The Board of Directors shall fix the annual assessments at an amount consistent with the provisions of Section 3 (a) and (b) aforesaid. When the Board of Directors fixes the annual assessments for each calendar year, the Board shall, at the same time and in connection therewith, prepare, or cause to be prepared, an annual budget showing the services furnished by the Association and the costs thereof per unit. Each member of the Association shall be furnished a copy of the final budget.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized by Section 3 hereof, the Association may levy in any assessment year a special assessment, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement or a described capital improvement upon the common properties, including the necessary fixtures

and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes entitled to be cast by the membership at a duly called meeting of the members, voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be sent to all members at least thirty (30) days in advance and shall set forth the purpose of the meeting.

Section 5. Quorum of any Action Authorized Under Section 3 and Section 4. The quorum required for any Association action authorized by Sections 3 and 4 hereof shall be as follows:

At the first meeting called, as provided in Sections 3 and 4 hereof, the presence at the meeting of members, or of proxies, entitled to cast fifty (50%) percent of all the votes entitled to be cast by the membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting shall be called and one-half (1/2) of the required membership votes needed to constitute a quorum at the preceding meeting shall be deemed to be required to constitute a quorum at the subsequent meeting, provided, however, that no such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 6. Date of Commencement of Annual and Special Assessments. The annual assessments shall be on a calendar basis. The first annual assessment shall be made for the balance of the calendar year, and the due date of same shall be fixed in the resolution authorizing such assessment. The due date of any special assessments under Section 4 hereof shall be fixed in the resolution authorizing such assessment.

Section 7. Effect of Non-Payment of Assessment; the Personal Obligation of the Owner; the Lien; Remedies of Association. If the assessments are not paid within thirty (30) days after the date due, then such assessment shall become delinquent and be a continuing lien on the property which shall bind such property in the hands of the Owners, his heirs, assignees, personal representatives and assigns. (The personal obligation of the then Owner to pay such assessment shall pass to the Owner's successors in title.) The unpaid assessment shall bear interest from the date of delinquency at the rate of eighteen (18%) percent per annum. The Association may bring

an action at law against the Owner personally obligated to pay the same or to foreclose the lien against the property, and shall be added to the amount of such assessment the costs of preparing and filing the complaint in such action, and in the event a judgement is obtained, such judgement shall include interest on the assessments as above provided and reasonable attorney's fees to be fixed by the court together with the costs of the action including attorney's fees and costs on appeal.

Section 8. Subordination of the Lien of Mortgages. The lien of the assessment provided for herein shall be subordinate to the lien of any mortgage or mortgages now or hereafter placed on the properties subject to assessment; provided, however, that such subordination shall apply only to the assessments which have been due and payable prior to a sale or transfer of such property pursuant to a decree of foreclosure, or any other proceeding in lieu of foreclosure. Such sale or transfer shall not relieve such property from liability for any assessment thereafter becoming due, nor from the lien of any such subsequent assessment.

ARTICLE V

EXTERIOR MAINTENANCE ASSESSMENT

Section 1. Exterior Maintenance. In addition to maintenance responsibilities otherwise provided in this Declaration, the Association may provide maintenance upon any Lot requiring same when, in the opinion of the Board of Directors of the Association, such maintenance is necessary in order to bring the Lot and/or the improvements thereon into conformity with this Declaration. Such maintenance may include, as applicable, paint, repair or maintenance to the exterior of any structure and/or mowing, trimming, and otherwise maintaining grounds, yard or shrubbery.

a) **Assessment of Costs.** The cost of such maintenance shall be assessed against the Lot or Lots upon which such maintenance is performed. The exterior maintenance assessments shall not be considered part of the annual or special assessments. Any exterior maintenance assessment shall be a lien on the Lot and the personal obligation of the Owner and shall become due and payable on the date fixed by the Board of Directors of the

Association. Any exterior maintenance assessment shall be a lien on the Lot, and the personal obligation of the Owner and shall become due and payable in all respects, together with interest and fees for the cost of collection, as provided for in the other assessments of the Association, and shall be subordinate to mortgage liens to the extent provided by Article IV, Section 9, hereinabove.

b) Access at Reasonable Hours. For the purpose of performing the maintenance authorized by this or any other Article, the Association, through its duly authorized agents or employees, shall have the right, after reasonable notice to the owners (if notice is practical and if the owner resides on and is then present on the lot), to enter upon any Lot or the exterior of any improvements thereon at reasonable times and such access shall not be deemed trespass.

Before the Association provides any exterior maintenance it shall in writing give notice to the Owner of the specific lot the reasons why the Association intends to provide maintenance and the Owner shall have fifteen (15) days to provide the required maintenance at Owner's cost. If the Owner does not provide the necessary exterior maintenance, then the terms of this Article shall apply.

ARTICLE VI

TITLE TO COMMON PROPERTIES

Section 1. Title to Common Properties. The Developer may retain the legal title to the Common Properties not included within the boundary of Lots until December 31, 2010 or until such earlier time that the Developer elects to convey same or part thereof to the Association. To the extent that the Developer has not previously conveyed legal title to all of the Common Properties to the Association, then on December 31, 2010 the Developer shall convey same to the Association.

Section 2. Rules and Regulations. The Association shall have the continuing right to make reasonable rules and regulations governing the

construction of improvements and the use, benefit and enjoyment of the Common Properties and all improvements therein so long as same are consistent with the intended use and purpose of the Common Properties and improvements and facilities thereon and are consistent with the dedication and maintenance responsibilities therefor.

ARTICLE VII

ARCHITECTURAL CONTROL

Section 1. Necessity of Architectural Review and Approval. No improvements or structure of any kind including without limitation any building, fence, well, swimming pool, screen enclosure, sewer, drain, disposal system, decorative building, landscape materials, plants, trees, devices or objects, or other improvement shall be commenced, erected, placed or maintained upon any lot, nor shall any addition, change or alternation therein or thereof be made, unless and until the plans, specifications and location of the same shall have been submitted to and approved in writing by the Architectural Review Committee. All plans and specifications shall be evaluated as to harmony of external design and location in relation to surrounding structures and topography and as to conformance with the Architectural Guidelines of Cypress Lake Subdivision, as the same may from time to time be amended by the Board of Directors of the Association. A copy of said Architectural Guidelines initially applicable is attached hereto and made a part hereof as Schedule A. Said Architectural Guidelines may be amended from time to time by the Board of Directors of the Association.

Section 2. Architectural Review Committee. The architectural control functions of the Association shall be administered and performed by the Architectural Review Committee ("ARC"), which shall be appointed by and shall serve at the pleasure of the Board of Directors of the Association.

Section 3. Additional Powers and Duties of the ARC. The ARC shall have the powers to recommend from time to time to the Board of Directors of the Association modifications and/or amendments to the Architectural Guidelines. Any modifications or amendments to the Architectural Planning Guidelines shall be consistent with the provisions of this Declaration and shall

not be effective until adopted by a majority of the members of the Board of Directors of the Association at a meeting duly called and noticed and at which a quorum is present and voting.

ARTICLE VIII

RESTRICTIONS

Section 1. Residential Use. The Lots subject to these covenants and restrictions may be used for residential living units and for no other purpose except that Developer may use or permit the use of one or more lots for sales offices or model homes, and further:

a) No business or commercial building may be erected on any lot and no business, including garage sales (except as hereafter provided), may be conducted on any part thereof. Community garage sales may be permitted on no more than two (2) Saturdays in a calendar year, on the two (2) Saturdays per calendar year set by the Board of Directors. On the dates so set, any and all Members may conduct a garage sale on his or her lot in accordance with reasonable rules and regulations relating to hours and activity as established by the Board of Directors.

b) No building or other improvements shall be erected, altered, or improved upon any lot without the prior ARC approval thereof as elsewhere herein provided.

c) When the construction of any building is once begun, work thereon must be completed within one (1) year.

d) No outbuilding shall be used for rental purposes separately from the principal structure on the lot.

Section 2. Pets. No animals, livestock, birds, or fowl shall be kept, bred, raised or maintained on any part of the Lots or the property except dogs, cats and pet birds which may be owned in reasonable numbers as pets of the occupants but not for any commercial use or purpose. All animals must be kept on a leash when they are outside the owner's premises and must not become a nuisance to other residents. No animal enclosure shall be erected

without the approval of the ARC. All pets must be kept under control at all times and must not become a nuisance by barking or other acts. Parrots and mynah birds will be permitted only if kept in air conditioned homes with the windows closed.

Section 3. Clothes Drying Area. There shall be no clothes lines or drying yards on any part of the property.

Section 4. Trucks and Other Vehicles. No motor home, recreational vehicle, travel trailer ("pop-up" or otherwise), boat, boat trailer, or other trailer, shall be parked, stored, or allowed to remain on any part of any lot or on the streets in the subdivision except in a covered, totally enclosed garage. No tractor trailer trucks shall be permitted to be parked overnight on any lot or street in the subdivision. Pick-up trucks of one-half or three-quarter ton or smaller may be parked in driveways on lots. Trucks larger than three-quarter ton must be kept in a totally enclosed garage. No trucks or cars shall be parked overnight or for an extended period on any street. If any vehicle permitted to be parked on a Lot as provided above contains or has affixed racks, equipment or advertising signs relating to a business or business activity, then same must be kept in a totally enclosed garage. All maintenance or repair to any permitted vehicle (except normal, non-commercial washing/waxing) shall be performed only in a totally enclosed garage. No heavy equipment, except during and incidental to construction, shall be kept, stored or parked on any part of any Lot. The provisions of this section shall not apply to third party service or construction vehicles which may be temporarily parked on any Lot in connection with service, maintenance, repair or construction in the normal course of providing and performing such work and services.

Section 5. Boats. No boats shall be allowed on the property except within enclosed garages. No boat houses shall be permitted.

Section 6. Signs. No sign of any kind shall be displayed to the public view on any lot except, however, the following signs shall be permitted: (1) a sign showing the name of the owner and containing not more than one square foot of space; (2) a sign advertising a "model home" which shall contain not more than sixteen square feet of space; (3) a sign advertising a "lot for sale" or a "for sale" sign which shall contain not more than four square

feet of space; and (4) other similar signs provided same are approved by the Architectural Review Committee and the size of same does not exceed the maximum of four square feet of space. Any such signs which are of a "home-made" variety and not constructed and lettered by a professional sign company or are not the standard "for sale" signs used by real estate brokers shall be subject to review and approval as to quality and aesthetics by the Architectural Review Committee.

Section 7. Condition of Lots. Upon construction of a dwelling, all owners shall maintain lawns and grounds in a manner in keeping with good husbandry and the general character of the other lots in the subdivision. This obligation shall include the obligation of the Owner to plant grass; provide landscaping as approved by the ARC; and generally maintain easement areas included within a lot (such as, but not by way of limitation, street rights-of-way up to the pavement, utility easements, drainage easements, landscape buffer easements, limited access easements, lake maintenance easements) but always subject to and consistent with the use and operation of the easement area and the facilities therein for their intended purposes. The nature, extent and restriction upon such maintenance, plantings, and work within the easement areas of each lot shall be subject to the direction and approval of the ARC.

All lots, including vacant lots, must be mowed and properly maintained to avoid unsightly appearance. No refuse pile or unsightly objects shall be allowed to be placed or suffered to remain anywhere thereon at any time.

No weeds, underbrush or other unsightly growth shall be permitted to grow or remain upon any part of the property. Each vacant lot must be mowed or underbrushed, regularly, and at no time may growth thereon exclusive of trees, exceed twenty-four (24) inches in height.

Should there be a failure to comply with these requirements of this Section 7, then the Developer or the Association may clean/mow and otherwise cure such failure for any lot and the cost of the work shall be paid by the lot owner and payment secured by a lien on the owner's lot enforceable in the manner provided by law for the enforcement of mechanics' liens. Entry upon any lot for such purposes shall not be deemed a trespass.

Section 8. Nuisances. No noxious or offensive or unlawful activity shall be carried on upon any lot, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood.

Section 9. Oil. No oil drilling, oil development, operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any lot, nor shall oil wells, gas or oil tanks, mineral excavations or shafts be permitted upon or any lot. No derrick or other structure designed for use in boring for oil or natural gas shall be permitted above or below the surface of a lot except as such underground tanks required for heating, cooking or air conditioning.

Section 10. Alternations, Additions, Etc. All alternations and additions must be presented to ARC for approval prior to work's beginning on said improvements.

Section 11. Screening of Facilities. All water pumps, sprinkling systems, gas tanks, garbage cans and air conditioning units shall be screened with a structure to harmonize with existing structures or screened with adequate landscaping material so as not to be visible from the street.

Section 12. Towers/Antennas/Dishes. No radio towers or television towers of any kind shall be permitted. No satellite dish antennas over twenty-four (24) inches in diameter will be permitted, the location of same to be approved by the ARC.

ARTICLE IX

ENFORCEMENT

If the Owner or Owners of any Lot or Lots covered hereby or any other person or persons or any of them shall violate or attempt to violate any of the covenants or restrictions contained herein, it shall be lawful for any other Lot owner, the Association or the Developer to prosecute any proceedings at law or in equity against the person or persons violating or attempting to violate any such covenants or restrictions and either to prevent him or them by injunction from doing or continuing to do such acts and/or to recover damages and other dues for such violations or attempted violations, and to recover all

expenses, court costs, reasonable attorneys fees, including costs, expenses and reasonable attorneys fees on appeal.

The St. Johns River Water Management District shall have the right to enforce, by a proceeding at law or in equity, the provisions contained in the Declaration which relate to the maintenance, operation and repair of the surface water or stormwater management system.

ARTICLE X

HEADINGS

It is expressly understood that articles, titles or headings used herein are for convenience purposes only and may not be fully indicative of the meaning or intent of the full article. The entire article should be read as that is what is intended to be binding on the property subject hereto, the Developer, the Association and members thereof.

ARTICLE XI

EFFECTIVE DATE

This Declaration shall become effective upon its being recorded, with appropriate certificates, on the public records of Indian River County, Florida.

ARTICLE XII

GENERAL PROVISIONS

Section 1. Duration and Remedies for Violations. The covenants and restrictions of this Declaration shall run with and bind the property and shall inure to the benefit of and be enforceable by the Developer, the Association or the Owner of any property subject to this Declaration, their respective legal representatives, heirs, successors and assigns, for a term of fifty(50) years from the date this Declaration is recorded, after which time said covenants and restrictions shall automatically be extended for successive periods of ten (10) years unless an instrument signed by the then Owners of two-thirds(2/3) of the lots has been recorded, agreeing to change or terminate said covenants and

restrictions in whole or in part.

Violation or breach of any condition, covenant or restriction herein contained shall give the Developer and/or Association and/or other Owner(s) in addition to all other remedies, the right to proceed at law or in equity to compel a compliance with the terms of said conditions, covenants and restrictions and to prevent the violation or breach of any of them and to obtain injunctive relief and/or recover damages, and to recover all expenses and costs of any such action, including reasonable attorneys fees, both at the trial and appellate levels.

Section 2. Notices. Any notice required to be sent to any member or Owner under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postage paid, to the last known address of the person who appears as a member or Owner on the records of the Association at the time of such mailing.

Section 3. Amendment. This Declaration may be amended at any time from time to time by a vote of not less than seventy-five percent (75%) of the votes entitled to be cast by the entire membership, either in person or by proxy, after no less than thirty(30) days advance notice and written submission of the proposed amendments. Amendments which may materially and significantly impede the Developer's ability to develop the CYPRESS LAKE SUBDIVISION (Phases 1 and 2), or its ability to sell improved or unimproved lots must first be given written approval by the Developer. Any amendments which would modify or terminate any right or reservations granted or reserved to the Developer in this Declaration must first be given written approval by the Developer.

Any amendment to the Covenants and Restrictions which alter the surface water or stormwater management system, beyond maintenance in its original condition, including the water management portions of the common areas, must have the prior approval of the St. Johns River Water Management District.

Section 4. Usage. Whenever used, the singular shall include the plural and the plural the singular and the use of any gender shall include all genders.

ARTICLE XIII

UTILITY AND DRAINAGE EASEMENTS

In additions to those matters set forth herein, easements for installation and maintenance of utilities and drainage facilities have been or may be reserved or dedicated as shown in the plats, or as heretofore granted by the said Developer. Within these easements, no structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities or which may change the direction of flow of drainage channels in the easements or which may obstruct or retard the flow of the water through drainage channels in the easements or which are or may be prohibited by the public authority to whom said easements has been given. The easements area of each lot and all improvements in it shall be maintained continuously by the Owner of the lot, except for those improvements within the easement for which a public authority or utility or the Association is responsible.

ARTICLE XIV

DEFAULT

The Developer or other holder of any institutional first mortgage acquiring title to a lot by foreclosure of its mortgage or by acceptance of a voluntary conveyance in lien thereof or a purchaser at a judicial sale, resulting from the foreclosure of said first mortgage and their successors and assigns shall not be liable for prior assessments or liens pertaining to such lots or chargeable for the former lot Owner which become due prior to such acquisition of title. Such unpaid liens and assessments shall be collectible from all of the lot Owners on a pro-rata basis if the Association deems same necessary.

Any person who acquires an interest in a lot except through foreclosure of an "institutional first mortgage" or "mortgage held by the Developer" shall be personally liable and jointly and severally liable with the grantor for all of the unpaid liens or assessments up to the time of the transfer of ownership.

For the purpose of this instrument, an institutional first mortgage shall be defined as a first mortgage originally executed and delivered to a bank,

savings and loan association or insurance company authorized to transact business in the State of Florida or the Developer.

ARTICLE XV

SURFACE WATER OR STORMWATER MANAGEMENT SYSTEM

DEFINITION: "Surface Water or Stormwater Management System" means a system which is designed and constructed or implemented to control discharges which are necessitated by rainfall events, incorporating methods to collect, convey, store, absorb, inhibit, treat, use or reuse water to prevent or reduce flooding, overdrainage, environmental degradation, and water pollution or otherwise affect the quantity and quality of discharges from the system.

1. The Association shall be responsible for the maintenance, operation, and repair of the surface water or stormwater management system. Maintenance of the surface water or stormwater management system shall mean the exercise of practices which allow the systems to provide drainage, water storage, conveyance or other surface water or stormwater management capabilities as permitted by the St. Johns River Water Management District (sometimes hereinafter referred to as the "District"). Any repair or reconstruction of the surface or stormwater management system shall be as permitted or, if modified, as approved by the District.

2. The Association shall have a perpetual non-exclusive easement over all areas of the surface water or stormwater management system for access to operate, maintain or repair the system. By this easement, the Association shall have the right to enter upon any portion of any lot which is a part of the surface water or stormwater management system, at a reasonable time and in a reasonable manner, to operate, maintain or repair the surface water or stormwater management system as required by the St. Johns River Water Management District permit. Additionally, the Association shall have a perpetual non-exclusive easement for drainage over the entire surface water or stormwater management system. No person shall alter the drainage flow of the surface water or stormwater management system, including buffer areas or swales, without the prior written approval of the St. Johns River Water Management District.

3. Any amendment to this Declaration which alters the surface water or stormwater management system, beyond maintenance in its original condition, including the water management portions of the Lands, must have the prior approval of the District.

4. The District shall have the right to enforce by a proceeding at law or in equity the provisions contained in this Declaration which relate to the maintenance, operation and repair of the surface water or stormwater management system.

ARTICLE XVI

LAWS GOVERNING

It is expressly understood that the laws of the State of Florida shall govern the interpretation and enforcement of this Declaration and the provisions herein contained.

IN WITNESS WHEREOF, the said Developer has caused these presents to be executed in its name, and its corporate seal to be hereunto affixed, by its proper officers thereunto duly authorized, this 27 day of January, 1998.

STONEBRIDGE NORTH, INC.,
a Florida Corporation

By: 

Norman W. Hensick, Jr.
President

STATE OF FLORIDA

COUNTY OF INDIAN RIVER

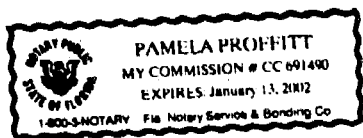
I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the state and county aforesaid to take acknowledgments,

personally appeared NORMAN W. HENSICK, JR., personally known to me and known to me to be the President of STONEBRIDGE NORTH, INC., a Florida corporation, and that he acknowledged executing the same freely and voluntarily under authority duly vested in him by said corporation and that the seal affixed thereto is the true corporate seal of said corporation.

WITNESS my hand and official seal in the county and state last aforesaid this 27 day of January, 1998.

Pamela Proffitt

Notary Public
State of Florida



SCHEDULE 'A'

Architectural Guidelines Cypress Lake Subdivision

I. Building Policies and Guidelines:

A) Building Setbacks

Front: 25 & 25 feet

Rear: 25 & 25 feet

Side: 10 feet

B) Easements: No permanent structures to be built within any easement.

C) Minimum square foot air conditioned space: 1,600 S/F.

II. Architectural Standards:

A) Materials, Colors, and Finishes

1) Exterior wall finishes

Recommended:

Stone

Stucco

Brick

Not Allowed:

Vinyl Siding

Exterior Plywood Siding

Asphalt Siding

Metal Siding

2) Exterior Colors shall be approved by the ARC

B) Roofs and Roofing Material

1) Minimum roof slope is 5:12

Recommended Material:

Cement Tile

**Architectural (Dimensional) Shingle
Metal Seam**

C) Doors, Windows

- 1) Front: Single with side panels, single with glass or double doors required.**
- 2) Garage, minimum two car**
- 3) Louver windows are not permitted.**
- 4) Reflective window film or windows with a "mirror look or effect" shall not be permitted except as the ARC, in its discretion, may permit.**

D) Driveways

- 1) Minimum width 12 feet (excluding motor court area) with 3 foot minimum setback from side property lines.**

Recommended Materials:

**Concrete
Concrete with Brick Bands
Stamped Concrete
Tabby Concrete
Locking Brick Pavers**

Not Allowed:

**Asphalt
Gravel, loose stone**

E) Garages - All garages must accommodate at least two cars.

F) All exterior elevations to be approved by the ARC.

III. Additional Items:

A) Location of Solar Heaters must be approved by the ARC.

B) Screen Enclosures are permitted, subject to approval as to materials, colors, and location by the ARC.

C) Fences are not permitted on lots which abut the lake (the Stormwater Management Tract). Fences on Lots which do not abut the lake are permitted between the rear of the residential structure (as extended to the side lot line) and the rear lot line, provided such fence is no more than six (6) feet high and otherwise conforms to applicable governmental ordinances and the approval of the ARC. For purposes of definition and clarification of the words "rear of the residential structure" as used in this paragraph, when there is a screened patio/pool or screened porch on the rear of the residential structure, the language "rear of the residential structure" shall exclude the screened patio/pool and/or screened porch.

D) Mailboxes must be mounted on a white 4" x 4" wood post.

E) All homes must have a front post light on a photo electric cell.

F) Above ground pools are not permitted.

G) Aluminum patio roofs are not permitted.

H) 24" or smaller dish antennas are permitted as long as they are located and screened as approved by the ARC.

I) Parking of recreation vehicles, boats campers etc. is permitted only in the enclosed garage.

J) Only non-motorized boats are permitted on the lake. Any permitted boat must be stored in an enclosed garage when not in use.

K) One dock not to exceed 80 square feet is permitted on each lake front lot. The exact size and location must be approved by the ARC.

L) A four (4) foot wide concrete sidewalk located within the road right-of-way, one foot off the front property line shall be constructed from side lot line to side lot line in conjunction with the home construction. The design and specification shall be as determined by the ARC and shall be as consistent as is reasonably practical throughout the subdivision.

IV. Engineering Requirements:

A) Minimum finish floor elevation shall be 18 inches above the crown of the adjacent roadway, or the minimum floor elevation as established by F.E.M.A. or Indian River County which ever is greater.

B) The maximum finish floor elevation shall be 1 foot above the minimum.

C) Lot grading shall be in accordance with the St. John's River Water Management District Permit.

V. Landscape Requirements:

A) Each home shall plant a minimum of two Live Oak Trees, 10 feet high with a 2 inch caliper not closer that 15 feet or further than 20 feet from the front property line at least 25 feet apart.

B) The total lot area (excluding structures) and the adjoining road right of way up to the pavement/curb, and, for lakefront lots, to the edge of the lake, must be sodded or landscaped as approved by the ARC.

C) Automatic irrigation systems are required.

D) All sod must be St. Augustine or Floratam

E) Front yards must have a minimum of 250 square feet of planter beds.

F) Two (2) Palm trees or two (2) Bald Cypress trees, six (6) foot minimum overall height must be planted on each lake front lot within

twenty-five (25) feet of the water's edge.

VI. Architectural Review Committee (ARC)

A) General Statement:

The fundamental responsibility of the ARC is to review the application, plans, specifications, materials and samples to determine if the proposed structure, landscaping and improvements conform with the design criteria and guidelines and restrictions as set forth in the Declaration and the Architectural Guidelines; and to otherwise perform all duties and responsibilities of the ARC as authorized under the Declaration, the Articles of Incorporation and Bylaws of the Association and the Architectural Guidelines. The ARC does not assume responsibility for such things as structural adequacy, conformance with local or state building codes, safety requirements, or governmental laws and ordinances. Approval by the ARC does not relieve the owner of his or her obligation to receive any additional governmental approvals if and as required.

B) Variances

All variance requests pertaining to an ARC decision must be made in writing to the ARC. Any variance granted shall be considered unique and will not set any precedent for future decisions.

C) Construction Inspections

Periodic inspections may be made by the ARC while construction is in progress to determine compliance with the approved plans and specifications.

VII. Architectural Review Process:

The following information and documents must be submitted to the ARC:

A. Complete landscaping, grading, drainage and building plans and specifications, including elevations and cross-sections, showing the shape, height, type material and color scheme thereof.

B. A plot plan indicating the location of the structure and of compliance with applicable building codes.

C. Such other plans, drawings, items or information as the ARC may reasonably require in order for it to carry out its duties and functions hereunder.

The ARC shall have 30 days after receipt of all of the above documents to approve or disapprove same and, if approved, to the commencement of construction or the installation of the improvement. Any disapproval shall be accompanied by a list of deficiencies which an owner may correct and resubmit for approval.

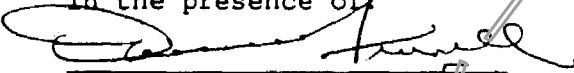
Anything herein to the contrary notwithstanding, the Developer, in connection with the building, rebuilding or remodeling of any structure or improvement on any lot then owned by the Developer in the subdivision, shall not be subject to review by the ARC.


JOINDER OF MORTGAGEE

The undersigned, as the owner and holder of that certain Mortgage dated February 12, 1997 and recorded in Official Record Book 1139, Page 1793, and duly assigned to the undersigned by Assignment dated December 4, 1997 and recorded in Official Record Book 1183, Page 0535, and as modified and extended pursuant to Mortgage Modification and Extension Agreement recorded in Official Record Book 1187, Page 1779, all in the public records of Indian River County, Florida, hereby executes this Joinder of Mortgagee for the purpose of and to evidence its subordination of the lien, mortgage, operation and encumbrance of said mortgage to the aforescribed Master Declaration of Covenants, Conditions, Reservations and Restrictions of Cypress Lake Subdivision, to which this Joinder of Mortgagee is attached.

4th IN WITNESS WHEREOF, this instrument was executed on this day of February, 1998.

Signed, sealed and delivered
in the presence of


Printed name: DARRELL FENNEL
Witness


Printed name: Pamela Proffitt
Witness

NORTHERN TRUST BANK OF
FLORIDA, N.A.

By 
J. Earl Morgan, III
Vice President

STATE OF FLORIDA

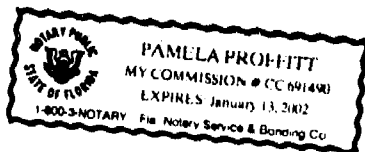
COUNTY OF INDIAN RIVER

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the state and county aforesaid to take acknowledgments, personally appeared J. Earl Morgan III, well known to me to be the vice president of Northern Trust Bank of Florida, N.A., that he is known personally to me and acknowledged executing same in the presence of two subscribing witnesses freely and voluntarily under authority duly vested in him by said corporation, and that the seal affixed thereto is the true corporate seal of said corporation.

JR1192Pg2100

WITNESS my hand and official seal in the county and state last
aforesaid, this 4th day of February, 1998.

(SEAL)



Pamela Proffitt
Printed name: _____
Notary Public
State of Florida
Commission No. _____
My commission expires: _____

This instrument prepared by:
Darrell Fennell
979 Beachland Blvd.
Vero Beach, FL 32963

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