

STATE OF ALABAMA
COUNTY OF BALDWIN

DECLARATION OF RESTRICTIONS AND COVENANTS

OF

CYPRESS BAY SUBDIVISION

KNOW ALL MEN BY THESE PRESENTS, that this Declaration of Restrictions and Covenants is made, adopted, published and declared this 3 day of DEC, 1998, by **CYPRESS BAY, INC.**, a Florida corporation, hereinafter sometimes referred to as "Developer";

WITNESSETH :

WHEREAS, the undersigned is the owner of the real property known as Cypress Bay Subdivision as shown on the Plat recorded at ~~Map Book 516, Page 124~~ ^{1864A} ~~124~~ in the records of the Office of Judge of Probate of Baldwin County, Alabama ("the Plat"), (sometimes hereinafter referred to as the "Subdivision") ; and

WHEREAS, Developer is desirous of placing certain restrictions, conditions and reservations (hereinafter collectively referred to as "Restrictions") upon the above described property in accordance with a general scheme or plan in order (a) to protect the owners of each lot against improper use of surrounding lots as will depreciate the value of the property, (b) to preserve, as far as practicable, the natural beauty of each lot, (c) to ensure the creation of attractive, well designed, properly proportioned and appropriate homes of suitable materials with appropriate locations on said lot lines, (d) to ensure proper building setbacks from street, water and lot lines, (e) to provide adequate free space between structures, and (f) in general, to assure the best and most appropriate development and improvement of the Subdivision and each lot therein;

NOW THEREFORE, Developer does hereby impose the following protective Restrictions:

1. **RESIDENTIAL USE ONLY:** All lots in the Subdivision shall be known and described as single family residential lots. No lot may be improved, used or occupied for other than private residence purposes, and no flat, duplex, apartment house, group apartment, or condominium, though intended for residential purposes, may be erected thereon.

2. **ARCHITECTURAL REVIEW:** No building or any other improvement, including without limitation, any pier, wharf, or other water-related type structure, any fence, pool, or any other device or article attached to the ground or to any building shall be erected, placed or altered on, or attached to, any lot until such building or other improvement shall be approved in writing by Developer or its designated representative. To request such approval, the requesting party must submit to Developer or its designated representative: Two complete sets of final building or construction plans, specifications, and plot plans showing the location of each building, fence, wall and any other improvement, private road, driveway (in this case also showing the course, width of

State of Alabama, Baldwin County
 certify this instrument was filed
 and taxes collected on:
 9912 December -18 11:52AM
 Instrument Number 470484 Pages 12
 Recording Fee 30.00 Mortgage
 Stamp Fee 1.00 Min. Tax
 JP 1.00
 Archive
 Marian T. Johns, Judge of Probate

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same and curb cut), pool, and all other proposed structures. Said plans shall be prepared by a qualified architect, engineer, or draftsman, duly licensed to do business in Mobile or Baldwin County, State of Alabama, and such person shall be qualified to draw home plans. Plans or exhibits shall show, without limitation, (i) a schedule of exterior materials and colors, (ii) orientation, front, rear and side elevations, and finished ground elevation of the structure, (iii) the landscape plan for the lot, and (iv) the habitable area square footage as referred to in paragraph 8 hereof. Approval, which shall be given or withheld or conditionally given in Developer's sole discretion, shall be based on compliance with all requirements stated in these covenants and on the compatibility of the proposed improvements with other existing or anticipated improvements in the Subdivision, and the quality and attractiveness of the proposed improvements. Developer review shall be limited to outward appearance only and shall not include any responsibility or authority to review for structural integrity, interior design, compliance with building or zoning codes or standards, or any other similar or dissimilar factors.

All proposed building or construction plans, specifications, plot plans or related data, drawings or requests for approval shall be submitted to Developer at the following addresses: c/o John S. Carr, or John S. Carr & Company, 601 South Palafox Street, Pensacola, Florida, 32501, unless and until Developer shall designate a different agent or depository. Developer reserves the right from time to time to retain the services of an architect or draftsman to review any proposed plans for Developer, and if Developer elects to retain such services for the proposed plans submitted as to any lot, then the owner of such lot shall be responsible for and shall pay upon demand such consultant's fees, not to exceed \$150.00 per lot.

Developer approval shall be required for all exterior materials and colors, including doors and windows, elevations, placement of heating and air conditioning equipment, placement of power boxes, location of buildings, outbuildings, and driveways, and direction the house faces the street and surrounding homes.

The following conditions apply:

Exterior Color: Houses and other buildings must be painted or otherwise colored, except where finished with brick approved by the Developer. All proposed colors to be applied to the exterior of any structure must be submitted to Developer for approval. Any color that is not deemed by Developer, in its sole discretion, as compatible with the Subdivision shall not be approved.

Exterior Materials: Brick, stucco, and wood are allowed. Other materials and styles may be approved by Developer in one or more instances if, in its sole discretion, these materials and/or styles are deemed compatible with the Subdivision and any existing and/or contemplated improvements within the Subdivision. Vinyl may be used for soffits and eaves.

Windows: Solid wood units, aluminum clad wood window units, vinyl clad wood window units, and other vinyl units as Developer may deem acceptable are allowed. Other window types may from time to time be approved by Developer.

Elevation: First floor elevation at the front of any house must be a minimum of twenty-four inches (24") off finished grade on any lot, unless specific written approval is given by the Developer for a variation from the above required elevations.

Driveways: All driveways shall be constructed with material acceptable to Developer.

Roof Pitch: Without Developer's prior written consent, no roof pitch shall be less than six inches (6") in a twelve inch (12") run. Roof materials shall be subject to the approval of Developer.

Chimneys: There shall be no exposed pipes for, or at, the chimneys, except that a reasonable amount of exposed pipe may protrude from the top of the casing, and only masonry type material or wood frame may be used for each chimney unless specific written authorization is granted by Developer to use some other type of material.

Concealment of Equipment: No air-conditioning or heating unit, blower, tower, condenser, water well, garbage can, wood pile, storage pile or other equipment or apparatus shall be erected, placed, constructed, operated, or permitted to remain on any lot unless adequately concealed from view from any adjacent lot or street by a hedge planting or other enclosure in conformity with the general architecture of the main structure and approved by Developer.

Outdoor Lighting: No mercury vapor lights or other outside lights shall be permitted on any lot without the prior written approval of Developer. Developer approval of any outside lighting may be withdrawn if Developer determines that the lighting is or becomes a nuisance. No floodlights or permanent lighting may be directed toward any street or any other lot.

Swimming Pools: No swimming pool shall be constructed, altered or maintained upon any lot without the prior written approval of Developer of the type including design, and location thereof. Any such swimming pool must also be constructed, equipped, and maintained in accordance with the regulations, standards, and recommendations of the appropriate city, county, and state authorities. All swimming pools shall be fenced with fencing material to be approved by Developer prior to construction.

Landscaping: The owner of each lot shall submit a detailed landscape plan to the Developer and obtain specific prior written approval of such plan from Developer, and shall obtain approval in each and every instance, if any, to vary from said plan.

Satellite Dish: No satellite disc or dish or other type of television or electronic device shall be installed in any front yard. Eighteen inch (18") or smaller dishes are allowed if installed where the same, as determined in the sole discretion of Developer, do not create an eyesore from the perspective of another lot, Perdido Bay (the "Bay") (as it pertains to water front lots) or from any street. Larger discs or dishes are not allowed without the prior explicit, written approval of

Developer. If Developer approves the construction or installation of any such device, such approval may be conditioned as to its appearance, size and location.

Construction Period/Reconstruction: Each dwelling must be completed within nine (9) months from the date when construction begins; provided, however, that Developer may, when it in its absolute discretion deems it is reasonable to do so, extend the construction completion deadline for one (1) or two (2) periods of up to ninety (90) days each. Any building or other improvement constructed on any lot that is destroyed partially or totally by fire, storm or any other means shall be rebuilt or repaired in accordance with these Restrictions or demolished with a reasonable period of time and the lot on which such was located restored to an orderly and attractive condition.

The quality and attractiveness of every improvement must meet the standards of Developer. Developer is hereby granted broad discretion in judging the compatibility, quality, attractiveness, and compliance of the proposed improvements with this Declaration. Developer shall have the right to accept, modify, or refuse to approve any plans or specifications or landscape plans, which are not reasonably suitable or desirable, in Developer's sole discretion, for aesthetic or other reasons, and in so passing upon such plans, specifications and landscape plans, and without any limitation of the foregoing, it shall have the right to take into consideration the suitability of the proposed building, other structure or landscape plan, and of the materials of which it is to be built or planted, the site upon which it is proposed to be erected or planted, the harmony thereof with the surroundings and the effect of the building, other structure or landscape as planned, on the outlook from the lots within the Subdivision. Each person that acquires any lot or any interest therein, and such person's heirs, successors and assigns shall abide by the decision of Developer in all cases in which Developer's approval is required in this Declaration.

If Developer or its designated representative fails to give notice of approval or disapproval of any submitted plans and specifications containing all required information or other request pursuant to this Declaration within thirty (30) days after said plans and specifications or other request have been submitted to it, such approval shall not be required. If any plans and specifications are disapproved, written notice of such disapproval shall be given to the submitting lot owner by hand delivery to such owner or by depositing same in the U. S. Mail, certified, return receipt requested, addressed to last known address of Owner or Owner's Architect, and postage prepaid. Notice shall be effective upon mailing.

The approval of Developer of any plan, specifications or drawings or any materials accompanying same for matters requiring approval by Developer shall not be deemed a waiver of, or create any right of estoppel against, Developer's right to withhold approval of any similar plan, drawing, specification or materials subsequently submitted for approval.

Neither Developer nor any representative of Developer shall be liable to any lot owner or any other person, association or entity, for any damage, loss or prejudice suffered or claimed on account of: (i) the approval or disapproval of any submitted materials, whether or not defective; (ii) the construction or performance of any work, whether or not pursuant to approved materials; (iii) the

development of the lot; (iv) the structural capacity or safety features of any proposed improvements; (v) whether or not the location of the proposed improvement on the building site is free from possible hazards from flooding or from any other possible hazards, whether caused by conditions occurring either upon or off any property located within the Subdivision; (vi) soil erosion causing sliding conditions; or (vii) any decision made or action taken or omitted to be taken under the authority of this Declaration.

Upon such terms and conditions as Developer may elect, Developer may, but is not required to, adopt, review and approve or disapprove, in whole or in part, with or without conditions, applications for the modification or waiver of any requirement or restriction contained in this Declaration. Such applications shall contain such information as Developer may prescribe and shall affirmatively show, to Developer's satisfaction, that the application of such requirements, under the circumstances, creates unnecessary or undue hardships or that its modification or waiver will not be detrimental (aesthetically, economically, or otherwise) to the owner of any other lot.

With respect to all matters which are, by the terms of this instrument, to be decided by Developer, the decision of Developer shall be final and binding on all parties. No changes or deviations in or from any approved plans or specifications shall be made without the prior written consent of Developer.

Other paragraphs in this Declaration provide that certain actions may be taken only with prior written approval of Developer. The powers and rights under this paragraph 2 and such other powers and rights of approval set forth elsewhere in this Declaration, including, but not limited to, the power to make rules and regulations, may be, in whole or in part, (i) relinquished by Developer from time to time by recording a written relinquishment in the Baldwin County Probate Court real estate records; or (ii) assigned to a third person (which may be, without limitation, a committee of individuals established by Developer or a property owners association) by recording a written assignment in said records, in which case, the assignee shall have such rights and powers of approval.

Nothing in this Declaration shall relieve, or be interpreted as purporting to relieve, any owner from also securing such approvals, certificates, or permits of any governmental agency or entity with jurisdiction as may be required by law as a condition to the commencement, construction, maintenance, addition, change or alteration, or any other activity on any lot, and Developer may require that a copy of such approvals, certificates, or permits be provided to Developer as a final condition to any approval, or as additional assurance to Developer that the proposed activity or construction and uses meet governmental requirements, or for both such purposes.

Developer has obtained an Alabama Department of Environmental Management ("ADEM") National Pollutant Discharge Elimination System Permit ("the Permit"), which relates to certain activities that affect storm water discharges from construction, excavation, land clearing, and other land-disturbance activity. The owner of each lot shall, with respect to construction or other land-disturbance activity on such lot, be responsible for taking such measures as are required by the

Permit and applicable laws and regulations related to preventing sediment or other pollutants and storm water run-off from leaving the construction site or associated areas. Immediate measures to control sedimentation include use of silt fences, staked hay bale rows, netting or mesh, rock filter check dams, etc. If necessary, small catch basins should be constructed to control sediment run-off. Immediate measures to control erosion include applying hay mulch, seeding with temporary grass mix, hydro-seeding, reducing slopes, netting or mesh, cover with gravel or rock, etc. Long-term measures such as proper grading and permanent revegetation should be done as soon as possible. Each owner shall indemnify and hold Developer harmless from such owner's failure to take such measures. If required by applicable regulations, any owner shall obtain a separate NPDES Permit. Each owner of a lot will be responsible for drainage areas on their lot which are not specifically placed upon another party.

3. **BUILDING LOCATION:** As used in this Declaration, the front of a lot shall be the side fronting on the street. No primary residential building on any lot shall be located nearer the front or rear lot line than the minimum building setback line shown on the Plat. No building shall be located nearer than ten feet (10') to an interior lot line. Rear setback lines for lots located on the Bay shall be as described on the Plat. For the purpose of this covenant, eaves, steps and open porches shall not be considered as a part of a building; provided, however, that this shall not be construed to permit any portion of a building on a lot to encroach upon another lot. The building location must also comply with any applicable zoning ordinances unless a special exception is obtained from the appropriate governmental agency and approved by the Developer. Each primary residence shall be so located that its front and rear ends are reasonably parallel with the lot lines on which it is located (unless otherwise approved by the Developer).

4. **RESUBDIVISION:** Except as hereinafter provided, no building or any part thereof, of any character, may be erected or maintained on any part of a lot which is subdivided subsequent to the date hereof. Where a lot is subdivided and all of its parts are combined with adjacent entire lots, a building may, with the approval of the Developer, be erected and maintained on each of the lots as so combined even though a portion of such building may be located on a part of such subdivided lot, but each resulting combined lot shall be subject to this Declaration as fully and completely as if shown on the subdivision plat as a single lot. Where a portion of a lot, which portion is less than ten percent (10%) of the total area of the lot, is conveyed to the owner of the lot adjacent to such portion, a building may, with the approval of the Developer, be erected and maintained on the remaining portion of such lot, which remaining portion of the lot shall be subject to this Declaration as fully and completely as if shown on the subdivision plat as a separate lot.

5. **OFFENSIVE ACTIVITIES, ETC.:** No commercial, noxious, hazardous, annoying or nuisance-creating activity may be carried on within any lot. No structure, including fences, shall be erected so as to channel water on an adjacent lot. No outside clothes lines shall be permitted unless screened in such manner as not to be visible from adjacent lots or streets or the Bay. No trawl, cast net, gill net, or other fishing, shrimping equipment or paraphernalia shall be dried, kept, or maintained on any lot in such a location or manner as to be visible from any street, any lot or the

Bay. No guns may be discharged upon any part of the Subdivision for any purpose, nor shall there be hunting of any nature in the Subdivision.

6. **NEATNESS, ETC.:** All lots and adjacent right-of-ways, whether occupied or unoccupied, and any improvements placed thereon, shall at all times be maintained by the owner of all such lots in a neat, attractive and presentable condition, even when such improvements are under construction. They shall be maintained in such manner as to prevent their becoming unsightly by reason of weeds, underbrush, or unattractive growth on such lot or the accumulation of rubbish, debris or unsightly objects thereon; nor shall any such rubbish, debris, or unsightly objects be dumped on any other lot or on any adjoining property, or otherwise disposed of in any manner not consistent with applicable laws. Building materials shall not be stored on a lot unless a structure is under construction. Trash, garbage or other waste material shall not be kept on any lot except in sanitary containers. Also, lot owners shall be responsible for periodic clean ups on their respective lots during the period the house is under construction to prevent their trash from blowing onto other lots and causing an unsightly situation for the neighborhood. In order to implement effective control, Developer reserves for itself and its agents the right, after ten (10) days' notice to any lot owner, to enter upon any residential lot with such equipment and devices as may be necessary for the purpose of mowing, removing, clearing, or cutting underbrush, weeds or other unsightly growth and trash which, in the opinion of Developer, detracts from the overall beauty or safety of the Subdivision. Such entrance upon such property for such purposes shall be only between the hours of 7:00 A.M. and 6:00 P.M. on any day except Sunday and shall not be a trespass. Developer may charge the lot owner a reasonable cost for such services, which charge shall constitute a lien upon such lot enforceable by appropriate proceedings at law or equity. The provisions of this paragraph shall not be construed as an obligation on the part of Developer to mow, clear, cut or prune any lot nor to provide garbage or trash removal services.

7. **TRAILER, MOBILE HOME, ETC.:** No trailer, mobile home, basement, tent, shack, garage, barn, or other outbuilding erected on any lot shall at any time be used as residence, temporarily or permanently, nor shall any structures of a temporary character be used as a residence. House trailers, mobile homes, motor homes, campers, and/or trailers may be kept on the premises only if kept either within a fully enclosed garage or under a carport and substantially screened from view from any street, any lot or the Bay. All boats must be kept on trailers in the rear yard not visible from any street, any lot or the Bay or within a garage or carport not visible from any street, any lot or the Bay.

8. **TYPE AND SIZE OF BUILDINGS AND JOINT UTILITY USE:** No building shall be erected, altered, placed or permitted to remain on any lot other than one single family dwelling, which shall be not more than two and one-half stories in height and shall have habitable area, exclusive of basements, open porches and garages, of at least 2500 square feet for interior lots and 2500 square feet for lots located on the Bay, with at least 1500 square feet on the ground floor if the dwelling is more than one story in height; provided, that a detached garage, servants' quarters or other attractive outbuilding may be erected or permitted to remain upon any lot if the written approval of the Developer is first obtained.

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Unless waived by the Developer, each dwelling shall contain at least a two-car garage and a carport if approved by the Committee. Absent a written waiver from Developer, no garage or carport shall open onto any street, except in the case of a corner lot in connection with which Developer specifically determines that relief from this prohibition is appropriate.

All wired utilities must be provided underground. Each owner assumes responsibility for activating electric, telephone, sewer, water, garbage and trash collection, and paying the appropriate utility companies the fees or charges required by such companies and to sign and be bound by such agreements as such companies may require.

9. **ANIMALS:** Dogs, cats and other domesticated animals not exceeding three (3), may be kept by each lot owner, provided they are not kept, bred or maintained for any commercial purpose or use and are not a nuisance, annoyance or danger to the neighborhood. No other animal or fowl shall be kept or maintained on any part of said property. Specifically, no horses, cows, sheep, goats, or other hooved animals may be maintained on any lot.

10. **GARBAGE DISPOSAL CONTAINERS AND EQUIPMENT:** No lot shall be used as a dumping ground for rubbish, and all debris and trash from clearing or construction must be immediately removed. Trash, garbage or other waste shall not be kept except in sanitary containers, out of view in accordance with restrictions herein.

11. **MINING OPERATIONS:** No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon the surface of any lot, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or within five hundred feet (500') beneath the surface of any lot. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained, or permitted upon any lot.

12. **FENCES, WALLS, HEDGES AND ORNAMENTAL STRUCTURES:** No fence, wall or ornamental structure, other than which is an integral part of the dwelling itself, shall be constructed upon any portion of any lot without the prior written approval of the Developer. No fences, walls, or ornamental structures shall be constructed nearer the front or rear lot line than the minimum building set back line shown on the Plat. All fences facing any street or the Bay must be made of materials specifically approved in writing by the Developer. No fence shall be closer to a street than the set back side of the dwelling as shown on Plat.

13. **SIGNS:** No sign of any kind shall be displayed to public view on any lot except one professionally lettered sign not more than four (4) square feet in size, which may advertise the property for sale or rent; except during the construction period, an additional sign may be erected by the builder and a security service sign shall also be allowed when applicable.

14. **EASEMENTS:** All easements shown on the Plat, are hereby adopted as a part of these Restrictions and all lots in the subdivision shall be subject to such easements. The Developer reserves unto itself, its successors and assigns, the right and easement, but not the obligation, to construct, install, maintain, repair and replace power, gas, sewer, telephone, and other utility lines, street lights, equipment and facilities and drainage ditches and natural drains, in, on, over and under the streets and roads and easements shown on the Plat, and to construct, install, operate, maintain, repair and replace lights, walls, fences, shrubbery, bushes and trees and other decorative or screening improvements in, on, over and under the property included within the areas designated as fences, drainage and/or utility easements, if any, with full right of ingress and egress to and from said streets and roads and easements across adjoining property; and the undersigned reserves unto itself and its successors and assigns the right to contract generally with others for the doing of any and all such things and the right to grant unto others such easements, rights and privileges as the undersigned may deem appropriate or convenient in connection therewith. Any such easement not granted in favor of a governmental entity, including drainage and/or access easements, shall be maintained by the Association (hereinafter defined).

15. **AMENDMENT OR MODIFICATION OF RESTRICTIONS:** After five (5) years from date hereof, any or all of the Restrictions or requirements hereinbefore set forth may be annulled, amended, or modified at any time by an instrument executed by the owner or owners of not less than seventy percent (70%) of the lots in the Subdivision, which said instrument shall be acknowledged by each such owner signing same and shall be filed for record in the office of the Judge of Probate of Baldwin County, Alabama, PROVIDED, that no amendment shall place an additional burden or restriction or requirement on any lot in the Subdivision the owner of which does not join in said amending instrument. The Developer reserves the right to amend or modify these Restrictions until such fifth anniversary of the execution of this Agreement.

16. **TERM:** The herein stated Restrictions shall run with the land and shall be binding on all lot owners, or upon all parties and persons claiming under or through them, each of whom shall, by virtue of his acceptance or acquisition of title or other interest, accept and agree to be bound by and to abide by all terms and provisions of this instrument, all of which shall be and remain in full force and effect until January 1, 2036. After which time said Restrictions shall automatically be extended for successive periods of ten (10) years, unless an instrument signed by at least seventy percent (70%) of the then owners of the lots has been recorded, agreeing to change or terminate said covenants in whole or in part.

17. **VIOLATIONS:** Any violation of these covenants shall not act as a cloud upon the title of the property concerned and title shall not be forfeited as a result of such violation.

18. **ENFORCEMENT:** If any person or persons shall violate or attempt to violate any of the Restrictions contained herein, it shall be lawful for Developer or any party owning any lot situated in said Subdivision to prosecute any proceedings at law or in equity against the person or persons violating or attempting to violate any such Restriction, either to prevent him or them from so doing or to recover damages for such violation, and in the event that it is the Developer who has

filed legal action, it shall be entitled to receive an award of a reasonable attorney's fee and cost at trial or an appeal for the successful prosecution of such an action. The Developer shall be under no obligation to enforce any of the Restrictions herein contained, but in the event that the Developer has not or shall choose not to enforce the same, the owner of any lot in the Subdivision may, as an individual, seek to enforce the same through lawful means.

19. OWNERS ASSOCIATION: Developer has caused or will cause the formation of Cypress Bay Owners Association (the "Association") (which may be incorporated or unincorporated). All owners of the lots in the Subdivision shall be members of the Association.

The Association shall hold title to and maintain all property that Developer may designate or set aside as common area. The Association shall also be responsible for landscaping and sprinkler systems in the common areas and, except to the extent that a governmental agency assumes responsibility, for maintaining the street lights and paying the bills for the service provided thereto. With respect to construction or other land-disturbance activity on any common area, the Association shall be responsible for taking such measures as are required by the Permit and applicable laws and regulations related to preventing sediment or other pollutants and storm water run-off from leaving the construction site or associated areas. The Association shall hold title to and maintain all easements not granted to any governmental entity.

All members of the Association, and by acceptance of a deed to a lot, whether or not so expressed in such deed, are deemed to covenant and agree to pay to the Association special or annual general assessments or charges as herein described. All such assessments, together with interest thereon as provided below and the cost of collection thereof, including reasonable attorney fees, shall, as hereinafter provided, be the personal obligation of the owner of such property at the time such assessment becomes due. Such assessments, together with interest, costs, and reasonable attorney fees, shall also be a charge and a continuing lien upon the lot against which such assessment is made. Such lien may be perfected by filing a statement of lien in the appropriate records of the Office of the Judge of Probate of Baldwin, Alabama, setting forth the lot upon which the lien is claimed, the amount for which the lien is claimed, and the name of the property owner. The lien shall be enforceable in accordance with Alabama law.

The general assessment levied by the Association annually shall be used exclusively for the maintenance of the common areas and the discharge of the Association's responsibilities as set forth above, and for such other expenses related thereto as the Association deems necessary. Special assessments shall be levied for special purposes and upon terms approval by 60% of the lot owners.

Assessments as to each lot shall not begin prior to January 1, 2000.

By a two-thirds vote of the Board of Directors of the Association, the annual assessment shall be fixed on the basis provided above; provided, however, that the annual assessment shall be sufficient to meet the Association's obligations as budgeted. The Board shall set the date such annual assessments shall become due, and any assessment not paid within thirty (30) days from said

date shall bear interest from the due date at a per annum percentage rate of twelve percent (12%). The Board may elect to require that annual assessments be paid in monthly installments. Upon any voluntary conveyance of a lot, the grantor and grantee of such lot shall be jointly and severally liable for all unpaid assessments pertaining to such lot to the extent that such assessments accrue to the date of such conveyance, without prejudice, however, on the part of the grantee to recover from the grantor any amounts paid by the grantee, but the grantee shall be exclusively liable for assessments accruing after grantee becomes lot owner.

20. CHANGES; ADDITIONS TO SUBDIVISION; AND RESERVATION:

Developer reserves the right to make such changes to this Declaration (a) as Developer may deem necessary in order to comply with or address a governmental regulation or similar directive or to meet any other requirement or limitation that binds Developer or the Subdivision, or (b) as do not materially and unreasonably adversely affect any lot that Developer has already conveyed. Developer also reserves the right to cause property to be withdrawable from this Plat and/or from the scope of this Declaration and to make such other changes to the Plat as do not alter the boundaries of any lot not still owned by Developer.

21. SEVERABILITY: Invalidation of any one of these covenants by judgment or court order shall in no wise affect any of the other provisions which shall be and remain in full force and effect.

IN WITNESS WHEREOF, the Developer, by and through its duly authorized Managers, has caused this instrument to be executed as of the day and year first above written.

Witnesses:

Eric L. Madary
Kevin Higgins

**CYPRESS BAY, INC.,
a Florida Corporation**

BY: *Michael A. Blanton*
Printed Name: Michael Blanton
ITS: PRESIDENT



ATTEST:

John S. Carr
John S. Carr, Secretary

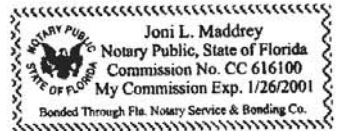
STATE OF FLORIDA
COUNTY OF ESCAMBIA

I, the undersigned authority, a Notary Public in and for said County in said State, hereby certify that MICHAEL A. BLANTON, whose name as President of CYPRESS BAY, INC., a Florida corporation, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, he, as such PRESIDENT and with full authority, executed the same voluntarily for and as the act of said corporation.

GIVEN under my hand this the 3 day of DEC, 1998.

Joni L. Maddrey
NOTARY PUBLIC, STATE OF ~~ALABAMA~~
FLORIDA

(NOTARIAL SEAL)



STATE OF Florida
COUNTY OF Escambia

I, the undersigned authority, a Notary Public in and for said County in said State, hereby certify that John S. Carr, whose name as Secretary of CYPRESS BAY, INC., a Florida corporation, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, he, as such Secretary and with full authority, executed the same voluntarily for and as the act of said corporation.

GIVEN under my hand this the 3rd day of December, 1998.



Linda Aligood
NOTARY PUBLIC, STATE OF ~~ALABAMA~~
Linda Aligood FLORIDA

(NOTARIAL SEAL)

My Commission No. CC461459
My Commission expires L 06-21-99

THIS INSTRUMENT PREPARED BY:
GERALD L. BROWN, ESQUIRE
Emmanuel, Sheppard & Condon
Post Office 1271
Pensacola, Florida 32596
(850) 433-6581

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