

**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
CYPRESS VILLAGES SUBDIVISION,
FAIRFIELD, IOWA**

THIS DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR Cypress Villages Subdivision (hereinafter "Declaration") is made this _____ day of _____, 2007 by Land Grant Development Corporation (LGDC), an Iowa corporation (hereinafter "Declarant").

WITNESSETH:

WHEREAS, Declarant, is the owner of the real property described in Exhibit "A" attached hereto and incorporated herein by this reference (hereinafter the "Property"). Declarant intends by this Declaration to impose upon the Property mutually beneficial covenants, conditions, restrictions and easements under a general plan of improvement and development for the benefit of future owners of property within the community to be known as Cypress Villages subdivision. Declarant desires to provide a flexible and reasonable procedure for the overall development of the Property and to establish a method for the administration, maintenance, preservation, use and enjoyment of the Property submitted to this Declaration.

NOW, THEREFORE, Declarant hereby declares that all of the Property and any additional property which may be subjected to this Declaration in accordance with its terms (hereinafter "Additional Property"), shall be held, sold and conveyed subject to the covenants, conditions, restrictions and easements hereinafter set forth, which are for the purpose of protecting and preserving the value and desirability of the Property, and which shall run with the Property submitted to this Declaration and which shall be binding on all parties having any right, title or interest in and to such Property, their heirs, successors, successors in title and assigns and which shall inure to the benefit of each such party.

ARTICLE I

DEFINITIONS

The following words, when used in this Declaration or in any amendment to this Declaration shall have the following meanings:

1. "Additional Property" shall mean and refer to Property not described in Exhibit "A", which may later be added to Cypress Villages and made subject to this Declaration.
2. "Walking Trail" shall mean and refer to that portion of the Property that may, in the sole discretion of Declarant, be improved with a path or trail used for the purpose of cycling, walking and/or running.
3. "Builder" shall mean and refer to any individual, company or corporation who is designated and approved by Declarant as a builder.
4. "Buildout" shall mean and refer to the date upon which there has been a building constructed on each Lot contemplated to be in the Community and each Lot in the Community has been conveyed for occupancy.
5. "Common Area" shall mean and refer to all real and personal property now or hereafter owned by the Declarant, designated as Plat "M" on the Final Subdivision Plat .

6. "Community" shall mean and refer to the development by Declarant on the Property known as Cypress Villages Subdivision and on such additions thereto as may be made by Declarant.
7. "Conversion Date" shall mean and refer to the date when 75% of the buildings for the entire subdivision are complete.
8. "Declarant" shall mean Land Grant Development Corporation, an Iowa corporation, and its successors, successors in title and assigns.
9. "Declaration" shall mean and refer to this recorded Declaration of Covenants, Conditions, and Restrictions (CCR'S).
10. "Design Review Board" or "DRB" shall mean and refer to that certain Board as empowered by Declarant with jurisdiction over all construction on any portion of the Property, establishing Architectural Design Guidelines to guide the nature of all improvements to the Property.
11. "Easement" shall mean and refer to an authorization by Declarant for another to use a designated part of his property for a specified purpose.
12. "Green Space" shall mean and refer to real property owned by the Declarant and which is adjacent to and outside the Cypress Villages subdivision, which shall only be accessible under terms and conditions which the Declarant may set forth.
13. "HOA" shall mean and refer to Cypress Villages Homeowners Association, Inc., a membership corporation incorporated under the laws of the State of Iowa, and its successors and assigns.
14. "Improvements" shall mean and refer to, but not limited to, any building, driveway, parking areas, fences, sidewalks and steps, grading, excavation, streets and street surfacing, berms or any other device that alters the flow of water, water mains, sewers, lighting, landscaping, signage and all other structures and materials of every kind erected and maintained on the Property.
15. "Lot" shall mean and refer to a platted portion of the Property, other than the Common Area.
16. "Majority" shall mean and refer to those eligible votes totaling seventy-five percent (75%) of the total eligible number.
17. "Residential Unit" shall mean and refer to any improvement on any Lot intended for use and occupancy as a residence and all appurtenances including, but not limited to, garages, porches, decks, and foundations.
18. "Sewage System" shall be supplied and maintained by Declarant until Conversion Date.
19. "Water System" shall be supplied and maintained by Declarant or Declarant's assignee until conversion date.

ARTICLE II

PROPERTY

Section 1. Development of Property. All of the Property and any right, title or interest therein shall be owned, held, sold and conveyed by Declarant. All Lots within the Property shall be subject to the terms set forth in this Declaration. Buildings, garages, additions and remodeling shall be of Maharishi Sthapatya Veda® (MSV) design and approved by the DRB. Standards of Sustainable Design shall be adhered to as set by the DRB.

Section 2. Development of Additional Property. Declarant hereby reserves the right, option and privilege (but not the obligation) to be exercised in its sole discretion, to develop retail shops and stores for businesses, and, from time to time, to submit Additional Property to

the provisions of this Declaration. Commercial structures shall conform to the same design requirements as the residential.

Section 3. Designation of Lots. No Lot shall be subdivided. The Declarant shall file appropriate plats for each Lot that meet the Jefferson County, Iowa, Subdivision Ordinance for public record in the offices of the County Recorder, County Auditor, and County Assessor.

Section 4. Withdrawal of Property. So long as the Conversion Date has not yet occurred, Declarant reserves the right to amend this Declaration unilaterally, for the purpose of removing certain portions of the Property then owned by the Declarant. Any such Amendment will follow regulations set forth in the Jefferson County, Iowa, Subdivision Ordinance.

Section 5. Zoning. All uses and improvements shall conform with these CC&R's, all federal, state, county and local building codes, zoning ordinances, bylaws and regulations, and the regulation of all governmental bodies with jurisdiction over the Property, and all requirements contained in written agreements with Jefferson County, Iowa.

ARTICLE III

PROPERTY RIGHTS

Section 1. General. Each Lot shall constitute real property which shall be owned in fee simple and which, subject to the provisions of this Declaration, may be conveyed, transferred and encumbered the same as other real property.

Section 2. Utilities. All utilities shall be underground. A perpetual Right of Entry for installation, replacement, repairing and maintaining all utilities, including, but not limited to, water, sewer, electricity, gas, telephone, cable and internet, is reserved by Declarant on each lot. This Right of Entry does not apply to the Owner's Dwelling.

The Owner is responsible for repair of utilities within their lot. The Declarant shall not be responsible for repair or replacement costs of such improvements placed by public utility companies; however, the Declarant shall initiate contact with the public utility companies to ensure maintenance of such improvements. In addition, Jefferson County, Iowa is in no way held responsible for maintenance for such improvements.

Section 3. Easement for Enjoyment. Each Owner shall have a right and easement of ingress and egress and use and enjoyment in and to the Common Area, subject to the terms of this Declaration. Picking individual fruits or berries in passing is permitted, but the easement is not an invitation to harvest any permaculture landscaping or agriculture without express permission of the Declarant or Assignees or Farm Manager. Such right and easement may be exercised by each Owner and their respective family and guests. An Owner may assign to a tenant of his Lot all rights of access to and use of the Common Areas and Green Space. The foregoing right and easement shall be appurtenant to and shall pass with the title to every Lot. No permanent improvements shall be placed within the Common Land without express written permission from the declarant. The same may be

used for gardens, shrubs, landscaping, permaculture and other purposes only with express written permission of the Declarant.

Section 4. Maintenance of Common Area and Roads. Maintenance of Common Area and Roads shall be the responsibility of Declarant and/or their Assignees until the Conversion Date.

Section 5. Construction and Sale Period. The Declarant, in its sole discretion, shall maintain and carry on such facilities and activities of sales and marketing, including, without limitation, business offices, signs, model homes, and sales offices, until Buildout. It shall be expressly permissible, as the Declarant may deem necessary, to authorize sales and construction personnel to travel upon and enter the Common Areas and Green Space.

Section 6. Easement for Law Enforcement/Fire Protection. Declarant hereby grants Jefferson County, the City of Fairfield, Iowa, or such other government authority or agency as shall have from time to time jurisdiction over the Property only with respect to law enforcement and fire protection, the perpetual right and easement upon, over and across all of the Community, including all Lots and Common Areas, for purpose of performing such duties and activities under applicable law.

ARTICLE IV

ARCHITECTURAL STANDARDS

Section 1. Creation of Design Review Board. The Declarant shall establish and maintain a Design Review Board (DRB) consisting of at least three (3) and no more than five (5) members. Until the Conversion Date, Declarant shall have the exclusive right to appoint all members of the DRB, and all members of the DRB may be removed by Declarant at Declarant's discretion. After the Conversion Date, the HOA shall have the exclusive right and authority at any time, and from time to time, to appoint and remove members of the DRB. The DRB is empowered with jurisdiction over all construction on any portion of the Property, establishing Architectural Design Guidelines to direct the nature of all improvements to the Property. Their jurisdiction includes the authority to inspect said improvements and to require compliance with any and all applicable federal, state, county, municipal, and Community regulations, laws, guidelines, covenants, conditions, restrictions, and easements.

The following International Code Council (ICC) codes are hereby adopted until superseded or changed: 2006 International Building Code, 2006 International Residential Code, 2006 International Energy Conservation Code, 2006 International Mechanical Code, 2006 International Plumbing Code, and 2005 National Electrical Code. A Certificate of Occupancy (COO) shall be provided by the DRB or designee when an Improvement has been Substantially Completed and is also in compliance with these codes and other DRB regulations. No building shall be occupied until the COO is issued as set forth herein.

Section 2. Architectural Design Guidelines. The Architectural Design Guidelines shall be developed by the DRB as required.

Section 3. General Plans and Specifications.

- (a) Prior to any construction, plans and specifications for any improvement shall show the location on the lot, the materials to be used and the exterior color scheme proposed. Said plans and specifications will remain valid for a period of one (1) year from the date of the approval of the plans. Any exterior addition to or change or alteration in the dwelling home or any structure requires the approval of the plans and specifications including the shape, height, materials, colors and location of the addition, by DRB. Ordinary maintenance, repair, or replacement of portions of an Improvement, if occasioned by normal wear and tear, and which do not alter the exterior color and appearance of an Improvement, shall not require DRB approval.
- (b) No trailer, mobile home, tent, boat, barn, outbuilding, shack or shed shall be placed upon any lot, nor shall they at any time be used as a permanent residence without express approval of the Declarant. All applicable regulations of the Jefferson County, Iowa, Subdivision Ordinances shall be observed.
- (c) During the process of construction and improvements, sites shall be maintained in an attractively clean manner, free of unsightly accumulations of trash, rubbish, and debris. Construction materials shall be kept in a neat and orderly manner. Outside burning of any materials, waste, or brush shall be prohibited. Construction waste, specifically cardboard, plastic, metals, and rubble (concrete, brick, concrete masonry units) shall be recycled.
- (d) Silt fences are required for drainage and sediment control and to prevent soil erosion of adjoining property. All subdivision roads and adjoining lots shall be kept free of mud, dirt, construction materials and debris.
- (e) The DRB will determine exterior streetlights and 911 street numbers. Location of the 911 house numbers will be according to County code. The mailbox shall be placed according to postal specifications.
- (f) Commercial structures shall be consistent with the Residential structures in accordance with the terms and conditions established by the DRB. █

ARTICLE V

USE RESTRICTIONS

Section 1. General Use. Any activity which violates local, state or federal laws or regulations, any act constituting a nuisance or offensive activity as defined under the provisions of Chapter 657, Code of Iowa, or the common law of Iowa, or other condition that might disturb the peace, quiet, safety, comfort, or serenity of the Owners and occupants of the Community shall be prohibited on the Property; and the restrictions pertaining to acts in said Code chapter shall be applicable to this subdivision. Use or discharge of any radio, loudspeaker, horn, whistle, bell, or other sound device so as to be audible to residents and guests of Cypress Villages subdivision is prohibited, except alarm devices used exclusively for security purposes. Discharge of firearms for any purpose, including target practice, is prohibited. Hunting, trapping, fishing, capture or killing of wildlife, fish, or fowl on the Property is prohibited unless written permission granted by the Declarant or HOA. Fishing is intended to be permitted after fish stock is established.

Section 2. Residential Use. Each Lot shall be continually maintained by the Owner at all times in an attractively clean manner, free of trash, debris, rubbish, garbage, weeds or other waste; and such waste shall be placed in approved sanitary containers having tight-fitting lids. Organic yard waste may be stored in contained areas. Household food compost shall be contained as to restrict intrusion by pests or pets. Outside burning of trash, leaves, debris or other materials shall be prohibited. Property owners are responsible for maintaining their lawns and gardens, house siding and trim, porches, fences, pathways and driveways within the Vastu fence. Outside clotheslines are permitted. If property is not maintained to said specifications, Declarant or its assignees may, at their discretion, assess Owner a reasonable fee.

Section 3. Business Activities in Residences. A home business, trade, sale, or similar activity may be conducted by an Owner or occupant residing in a residence on the Property in a residence on the Property, whether a single family unit, condominium, multi-family unit, horizontal property unit, timeshare or other unit, only when all these conditions are met: (i) the existence or operation of the business activity is not apparent or detectable by sight, sound, or smell from outside the residence; (ii) the business activity conforms to all zoning requirements, if any, for the residence; (iii) the business activity does not involve regular visitation by clients, customers, suppliers, or other business invitees ("regular visitation" meaning no more than one employee, nor more than an average of three daily visitors per day in any given 6 day period. "Visitors" shall include clients and delivery vehicles.), or door-to-door solicitation of residents of Cypress Villages subdivision; and (iv) the business activity is consistent with the residential character of the Property and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of Owners, their Property, or their guests, invitees, and licensees. Declarant may deny permission to the Owner or occupant to operate said business, trade or sale if in Declarant's opinion, these conditions are not met. This provision shall in no way restrict hotels, health clinics, restaurants, shops, offices, and other commercial facilities, in keeping with the purposes of Cypress Villages subdivision, from operating on the Property in the manner and locations approved by the DRB.

Section 4. Animals and Pets. No animals, livestock, exotic pets or poultry of any kind shall be raised, bred or kept within the subdivision without written permission from the Declarant

or HOA except for usual household pets, provided that the same are not kept or maintained for commercial purposes. Pets shall be managed in such a way that they do not interfere with other residents. Pets shall be considered a nuisance when petitioned by four or more households to the Declarant or its assignees. The Declarant or HOA shall require reasonable restitution, regular restraint or removal from Cypress Villages of a pet determined to be a Nuisance by the Declarant or HOA. Pet owners shall be required to clean up after their pets in Common Areas. Pets are to be under the control by their owners at all times.

Section 5. Smoking and other noxious activities . Smoking in any building on the Property, other than private residences constituting single family dwellings, and anywhere within or on the Common Area; and any noxious or offensive activity, which, in the reasonable determination of the Declarant or its assigns, tends to cause embarrassment, discomfort, annoyance, or nuisance to persons using the Common Areas or to the occupants of other Lots, is prohibited.

Section 6. Landscaping. All landscaping, gardening, and agriculture will meet or exceed the standards as set by the USDA's National Organic Program for organic procedures and processing. No petrochemicals or biocides may be used on the Property for household or other purposes. Organic, non-contaminated waste shall be taken to designated Compost areas. Dumping of potentially hazardous or toxic substances in any drainage ditch, stream, pond, or lake, or elsewhere on the Property is prohibited.

Section 7. Green space. Nothing herein shall be construed so as to create any obligation for Declarant to convey any property or improvements to the Cypress Villages Homeowners Association.

Section 8. Parking. Upon completion of the dwelling, motor vehicles shall be parked in areas designated in the building plans as parking areas. No motor vehicle shall be parked on the street at any time in any manner that would interfere with the flow of traffic. Parking of commercial vehicles or equipment, mobile homes, recreational vehicles, boats and other watercraft, trailers, stored vehicles or inoperable vehicles in places other than enclosed garages is prohibited for more than 7 days in a three month period unless Declarant provides written permission; provided that construction, service and delivery vehicles shall be exempt from these provisions during daylight hours for such period of time as is reasonably necessary to provide service or make a delivery.

Section 9. Signs. Except for signs placed in the Community by the Declarant or its assigns, no signs, billboards, posters or advertising of any character shall be erected on any Lot or on the Common Areas without the express consent of the Declarant or its assigns.

Section 10. Unightly Conditions. The owner of any building damaged by fire or act of God shall within ninety (90) days, unless an extension of time is obtained from Declarant or its assignees, commence restoration or removal of said building and work should be completed within one (1) year. In the event of total destruction of any building, the owner shall, within 90 days after such event, commence to remove the debris and restore the site to satisfactory condition. If the owner fails to commence removal of the debris within the time specified above, or an extension thereof has not been granted by the Declarant or its assigns, said Declarant shall have the right to enter upon said land and remove the debris, and any expenses incurred shall become a lien on the Lot.

Section 11. Commercial Area. In no event shall any of the following uses be permitted: cemeteries (public or private); abattoirs; junkyards; bailing; storage or processing of wrecked or junked motor vehicles; quarries; racetracks, raceways or drag strips; gambling halls; sanitary landfills or garbage disposal areas; or any business which may produce or emit substantial gases, smoke, odors or noises that are determined by the Declarant to be objectionable in a high quality, environmentally controlled development. Light manufacturing and animal related operations may be approved by Declarant,

ARTICLE VI

HOMEOWNERS ASSOCIATION AND VOTING RIGHTS

Section 1. Membership. Each homeowner shall, upon the transfer of a title for their lot, become a member of a Homeowners Association known as the CYPRESS VILLAGES HOMEOWNERS' ASSOCIATION, INC. (HOA).

Section 2. Transfer of Responsibilities (Conversion Date). When 75% of the homes for the entire subdivision are complete, the HOA shall be vested with the roads, water and sewer, electrical generation system, and Common Areas. The HOA shall have the right to enforce the Cypress Villages CC&R's and shall also maintain the Common Areas. The HOA shall also have the right to assess the proportional cost of any such maintenance and improvements against each lot owner and any unpaid cost shall become a lien against the lot.

Section 3. Other Responsibilities. The HOA shall maintain and provide Comprehensive General Liability (CGL) insurance on the Common Area designated as shown on the final subdivision plat and provide sufficient property and casualty insurance on all Common Area structures.

Section 4. Voting Rights. Ownership of each titled dwelling unit shall entitle each owner to one (1) vote in said HOA. In the event a trust or an estate owns the property, the trustee or executor shall cast the vote. In the event the property is an asset in a bankruptcy, the vote shall be by the trustee in said bankruptcy proceedings.

Section 5. Declarant Control. This Declaration shall run with the land and shall be binding on all the parties and all persons claiming under them for twenty (20) years after the date this Declaration was recorded. At the end of which time said Declaration shall be automatically extended for a period of ten (10) years, unless by a vote of the majority of a quorum (75% of eligible voters) it is agreed to change the said Declaration in whole or in part. Any member of the HOA may preserve said CCR's from termination under the provisions of Section 614.24, Code of Iowa, by filing the necessary claim in the manner set forth in Section 614.25, Code of Iowa.

ARTICLE VII

ASSESSMENTS

Section 1. Purpose of Assessment. The assessments provided for herein shall be used for the general purpose of promoting the common benefit, health, safety, welfare, recreation, and enjoyment of the Owners and occupants of Lots in the Property, including the maintenance of real and personal property, including, but not limited to, snow removal,

maintenance of roads, Common Area, Meditation Hall, plaza and fountain, and as may be specifically authorized from time to time hereunder. Usage fees for utilities, trash and recycling collection, and specific amenities may be charged in addition to assessments for maintenance.

Section 2. Commencement of Assessments. Assessments shall be due and payable for any Lot as provided herein from the date of substantial Completion of each dwelling. Assessments are levied on an annual basis to be billed by January 1st each year and shall be due and payable by January 30th.

Section 3. Nonpayment of Assessments. Any assessment that is not paid within thirty (30) days after it is due shall be delinquent and shall also include a late charge. Delinquent assessments are subject to a lien on such Lot, which, at time of payment will include late charges and costs of recording fees and attorney fees.

Section 4. Assessment Fee Schedule. Assessment fees shall be; \$30 per month for size A lots, \$40 per month for B size lots, \$50 per month for C and D size lots, \$120 per month for E size lots, \$160 per month for F size lots and \$280 per month for G size lots.

ARTICLE VIII

GENERAL PROVISIONS

Section 1. Enforcement. Every Owner and every occupant of any dwelling unit, and their respective families, guests, invitees, successors and assigns shall comply with this Declaration as they now exist and as may be amended from time to time. Lack of compliance may result in personal assessments against the Owner of the Lot, in relation to the particular incidents.

Section 2. Amendment. This Declaration may be amended unilaterally at any time and from time to time by Declarant if such amendment is necessary to bring any provision into compliance with any applicable governmental rule or regulation. Further, until Buildout, Declarant may unilaterally amend this Declaration for any other purpose; provided, however, any such amendment shall not adversely affect title to the Lot of any Owner without the consent of the affected Owner.

Section 3. Captions. The captions of each Article and Section hereof are inserted only for convenience and are in no way to be construed as defining, limiting, extending, or otherwise modifying or adding to the particular Article or Section to which they refer.

Section 4. Use of Phrase "Cypress Villages". No person shall use the phrase "Cypress Villages" in the name of any commercial or residential building or business or enterprise, or in any printed or promotional material without the prior written consent of the Declarant.

Section 5. Conflict. In the event of a conflict between the provisions of this Declaration and the provisions of Iowa law, then to the extent that the provisions of Iowa law cannot be waived by agreement, Iowa law shall control.

Section 6. Interpretation. In all cases, the provisions set forth in this Declaration shall be construed together and given that interpretation or construction which, in the opinion of the Declarant, will best evidence the intent of the general plan of the Community. The provisions hereof are to be liberally interpreted and, if necessary, they shall be so extended or enlarged by implication as to make them fully effective.

IN WITNESS WHEREOF, the undersigned has executed this instrument under seal this _____ day of _____, 2007.

Signed, sealed and delivered in the presence of:

Land Grant Development Corporation Witness

Daniel W. Walker, President

By: _____ Notary Public