

**MASTER DECLARATION OF EASEMENTS, COVENANTS,
CONDITIONS, AND RESTRICTIONS; AMENDMENT, RESTATEMENT,
CONSOLIDATION, AND ANNEXATION OF AMENDMENT AND
RESTATEMENT OF RESTRICTIVE COVENANTS
FOR WESTWIND COMMERCIAL CENTER; AND CHANGE OF NAME
OF DEVELOPMENT TO FORMOSA GARDENS**

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THIS INSTRUMENT is made as of the 9th day of OCTOBER, 1991, by AMERICAN EASTERN INTERNATIONAL LIMITED PARTNERSHIP, a Florida limited partnership, hereinafter referred to as the "Declarant."

BACKGROUND

Declarant has the right to impose easements, covenants, conditions and restrictions on the real property located in Osceola County, Florida that is more particularly described in Exhibit "A" attached and incorporated by reference (the "Property"). A portion of the Property has been made subject to that certain Amendment and Restatement of Declaration of Restrictive Covenants recorded in Official Records Book 755, Pages 94 et seq., Public Records of Osceola County, Florida, together with all amendments thereto that are reflected in the Public Records (the "Original Declaration"). Declarant is entering into this instrument for the purpose of amending, restating, and consolidating the Original Declaration, for annexing additional property to the Original Declaration, for changing the name of the overall development to FORMOSA GARDENS and for establishing a master declaration to govern all constituent communities created in Formosa Gardens. In accordance with the Development Order recorded in Official Records Book 932, Pages 82 et seq., Public Records of Osceola County, Florida, as amended by that certain Amendment to Development Order recorded in Official Records Book 0985, Pages 2578-2581, Public Records of Osceola County, Florida (jointly referred to as the "Development Order"), Declarant intends to develop a mixed-use development upon the Property consisting of commercial and residential uses. Declarant has or will plat the Property with one or more plats recorded in the Public Records of Osceola County, Florida. From time to time Declarant may replat or further subdivide the Property or portions thereof, or may add additional property to be, or withdraw property from being, subject to this Declaration.

The Declarant desires to establish a master property owners' association to: (1) coordinate the various Community Associations; (2) own, operate, administer, maintain and repair portions of the Property; (3) engage in various activities for the benefit of all Owners within the Property; (4) enforce the easements, covenants, conditions, and restrictions contained in this Declaration; and (5) do whatever is reasonably necessary to carry out the intent of this Declaration or as may be required or desirable under the Governing Documents. Portions of the Property may also be subject to the jurisdiction of Community Associations. The respective duties and authority among the Master Association and the Community Associations are provided for below.

To provide for the efficient preservation of the values and amenities of the Property, the Declarant has or will incorporate under the laws of the State of Florida the Formosa Gardens Master Association, Inc. (the "Master Association") and will delegate to the Master Association certain powers and responsibilities, including without limitation: (1) the right and responsibility to own, operate, administer, maintain, and repair portions of the Property; (2) the right to enter, or assume responsibility under, contracts to maintain other real property dedicated to the public or conveyed to any governmental body or agency; (3) the right, responsibility, and obligation to enforce the easements, covenants, conditions, and restrictions contained herein; (4) the right to assess dues, assessments, and the like in accordance with this Declaration for the expenses of the Master Association; (5) the right, power and obligation to collect and disburse the Assessments and charges as set out in this Declaration; (6) the right and obligation to assist and coordinate the duties and responsibilities of the Community Associations; and (7) such other rights, authority, and obligations as Declarant may deem desirable.

NOW, THEREFORE, the Declarant hereby declares that the Property shall be held, sold, conveyed, leased, mortgaged, and otherwise dealt with subject to the easements, covenants, conditions, restrictions, reservations, liens, and charges (the "Restrictions") set forth in this Declaration. These Restrictions are imposed for the best interests of the Owners of the Property and shall run with the Property and be binding upon all persons having or acquiring any right, title, or interest, of any type or quality, in any portion of the

Property. This Declaration shall inure to the benefit of each and every person from time to time owning or holding an interest in any portion of the Property.

DEFINITIONS

1. Definitions. The following terms when used in this Declaration shall have the definitions ascribed to them below, except where the context clearly indicates a different meaning.

A. "Assessed Value" shall refer to the tax assessed valuation (total assessment for land and improvements without reduction for homestead exemption, if any) of a Property Unit as shown on the most recent assessment rolls prepared by the Osceola County Property Appraiser.

B. "Assessment" shall refer to those charges made by the Master Association from time to time against each Property Unit for the purposes set forth herein.

C. "Board" shall refer to the Board of Directors of the Master Association.

D. "Commercial" shall refer to all uses which are not Institutional or Residential and also shall refer to the parcel designated museum/park use in that certain Amendment to Development Order recorded in Official Records Book 0985, Pages 2578-2581, Public Records of Osceola County, Florida (the "Museum/Park Use").

E. "Commercial Property Unit" shall refer to any portion of the Property, including a Condominium Unit, and including any Improvements thereon, which is, or is intended to be, used for commercial purposes.

F. "Common Area(s)" shall mean and refer to those easements and areas of land, and Improvements thereon, if any, which the Master Association has the obligation to maintain for the common use, benefit and enjoyment of all Owners. "Common Area" is more fully defined and described in provision number 24 below.

G. "Common Expenses" shall mean and refer to all expenses incurred by the Master Association in connection with its ownership or maintenance of the Common Areas and with its other functions and obligations set forth herein, or as may be otherwise determined by the Board.

H. "Community" shall mean and refer to any single-family development, condominium project, cluster development, commercial development, or other portion of the Property that is developed and for which a separate Community Association is formed.

I. "Community Association" shall refer to any property owners' association, homeowners' association, condominium association or other such entity, their successors and assigns, formed for any particular Community. The term "Community Association" shall specifically include "Condominium Association" wherever in this Declaration the context so allows. The relationship of the Community Associations to the Master Association is more particularly described below.

J. "Community Declaration" shall refer to the Community Declaration of Easements, Covenants, Conditions, Restrictions applicable to a specific Community. The term "Community Declaration" shall specifically include the Declaration of Condominium for any portion of the Property upon which a condominium is created.

K. "Community Common Area" shall refer to all real property (and to easements and other interests in real property), including any improvements and fixtures thereon, that is maintained by, and dedicated, owned, leased, or the use of which has been granted to the Owners within a particular Community, or to a Community Association, for the common use and enjoyment of its members exclusively. The term "Community Common Area" shall specifically include "Condominium Common Area" wherever in this Declaration the context so allows.

L. "Condominium Association(s)" shall refer to Condominium Associations organized and existing under the laws of the State of Florida for administering Condominium Communities located within the Property.

M. "Condominium Common Area" shall refer to the areas exclusively used and owned in common by the Owners of the Condominium Property Units in any Condominium Community.

N. "Condominium Community" shall refer to any area of the Property made subject to a Declaration of Condominium and thereby submitted to a condominium form of ownership. A Condominium Community may be commercial or residential.

O. "Condominium Property Unit" shall refer to a Property Unit existing in a Condominium Community, together with its appurtenant share of the undivided interest in the common elements, as described in and which is encumbered by a Declaration of Condominium. A Condominium Property Unit may be Commercial or Residential.

P. "Conservation Areas" shall refer to all portions of the Property designated in this Declaration, on a recorded plat, in any Community Declaration, or in drainage, DRI, or other permits or orders affecting the Property, as wetlands, buffers, conservation easements, and other areas designated as "conservation areas", that must not be developed or improved and that must be maintained in their natural state.

Q. "Declaration" shall refer to this instrument and to all amendments and supplements hereto.

R. "Declaration of Condominium" shall refer to the written instrument which, when recorded in the Public Records of Osceola County, Florida, subjects all or part of a Property Unit to a condominium form of ownership of real property. Once recorded, the Declaration of Condominium will create two (2) or more Condominium Property Units in place of the one (1) Property Unit originally made subject to the Declaration of Condominium.

S. "Declarant" shall refer to the Declarant, American Eastern International Limited Partnership, a Florida limited partnership, and its successors and assigns. Should Declarant at any time assign individual rights, authority, discretion, or the like (but retain other rights, authority, discretion, etc.), then, to the extent of the rights, authority, discretion, or the like so assigned, the assignee shall be deemed Declarant.

T. "Design Standards" shall refer to documents promulgated (or to be promulgated) by the Declarant or the Master Association, as amended from time to time, setting forth Improvement and landscaping design criteria, specifications, requirements, and standards; specifications; and other criteria to be used by Declarant or the Master Association in approving or disapproving proposed Improvements within the Property, for ensuring proper maintenance of Sites, for determining compliance with this Declaration, and for other purposes. The Design Standards may include standards, specifications, and criteria for Improvement design elements such as site planning, construction, landscaping, signage, lighting, parking and utilities.

U. "Formosa Gardens" shall mean that real estate development located on the Property and made subject to this Declaration.

V. "Governing Documents" shall mean (i) in the case of the Master Association, this Declaration, any supplement or amendment to the Declaration, and the Articles of Incorporation and Bylaws of the Master Association, as they may be amended from time to time and filed of record; and (ii) in the case of a Community Association, the Community Declaration (or Declaration of Condominium), any supplement or amendment to the Community Declaration, and the Articles of Incorporation and Bylaws of the Community Association, as they may be amended from time to time and filed of record. In the event of conflict or inconsistency among Governing Documents applicable to the Master Association, to the extent permitted by law, the Declaration and any Supplement to the Declaration, the Articles of Incorporation, and

the Bylaws, in that order, shall control. In the event of conflict or inconsistency between the Master Association Governing Documents and any Community Association Governing Documents, to the extent permitted by law, the Master Association Governing Documents shall control. One Governing Document's lack of a provision with respect to a matter for which provision is made in another Governing Document shall not be deemed a conflict or inconsistency between such Governing Documents.

W. "Improvements" shall refer to all structures of any kind, including without limitation any building, fence, wall, sign, paving, grating, parking, and building addition, alteration, screen enclosure, sewer, drain, disposal system, decorative building, recreational facility, landscaping, exterior lighting or landscape device or object.

X. "Institutional" shall mean and refer to nonresidential and noncommercial uses including, but not limited to, churches, schools, libraries, museums (excluding museums operated for profit), governmental facilities, fire and police facilities, and nonprofit recreational facilities (excluding the Museum/Park Use defined above in subsection D of this Paragraph 1).

Y. "Master Association" shall mean the Formosa Gardens Master Property Owners' Association, Inc., a Florida corporation not-for-profit.

Z. "Member" shall mean and refer to (i) any Community Association, (ii) the Owner of any Property Unit that is not subject to a Community Declaration, and (iii) the Declarant, all of whom together shall comprise the membership of the Master Association. The Owners of Property Units which are subject to a Community Declaration shall not be Members of the Master Association, but shall nonetheless be subject to these Restrictions, including but not limited to the obligation to pay Assessments as set forth hereinafter.

AA. "Owner(s)" shall refer to a record owner of fee simple title to any Property Unit located within the Property, but excluding those having an interest in a Property Unit merely as security for the performance of an obligation.

BB. "Person" shall refer to and include an individual, corporation, governmental agency, business trust, estate, trust, partnership, association, sole proprietorship, joint venture, two or more persons having a joint or common interest, or any other legal entity or association.

CC. "Property" shall refer to all real property made subject to this Declaration together with such other real property as may from time to time be annexed thereto under other provisions of this Declaration.

DD. "Property Unit" shall refer to each portion of the Property under separate ownership, or which is capable of separate ownership, including all Commercial Property Units, Condominium Property Units, Institutional Property Units, Residential Property Units, and all Improvements located thereon. Each portion of the Property which is considered a separate parcel for real property tax purposes shall be considered a Property Unit. A Property Unit may not be divided into additional Property Units (whether as a result of the platting of a subdivision or the creation of a Residential or Commercial Condominium Community or otherwise) without the prior written approval of the Declarant. Upon such platting or creation of a Condominium Community, each Condominium Unit shall become a Property Unit for purposes of this Declaration.

EE. "Resident" shall refer to the legal occupant of any Property Unit, including occupants of Commercial Property Units. The term "Resident" may include the Owner of the Property Unit and any tenant, lessee or licensee of the Owner.

FF. "Residential Property Unit" shall refer to a Property Unit intended for use and occupancy for residential purposes, and shall, unless otherwise specified, include without limitation Condominium Property Units, single-family detached units, and single-family attached units, so long as such units are separately assessed for real property tax purposes. For purposes of this Declaration, a "Residential

Property Unit" shall also include a multi-family apartment complex even though not committed to condominium form of ownership. A Property Unit which is rented as a residence or used incidentally for an office will not be considered a Commercial Property Unit, even though used for commercial purposes, if the original design and intent of the Property Unit was for residential purposes.

GG. "Street" shall refer to any street, highway, or other thoroughfare within the Property that is (i) dedicated to the public or (ii) privately owned by the Master Association or a Community Association and not dedicated to the public, whether designated as street, avenue, boulevard, highway, drive, place, court, road, terrace, way, circle, land, walk or other similar designation.

HH. "Streetscape" shall refer to the entire area within the right-of-way of a Street, except that portion which is paved or otherwise improved and intended for motorized vehicular traffic. For illustration, but not limitation, "Streetscape" shall include all sidewalks, bike paths, landscaping, walls, beams, swales, irrigation, signage, light fixtures and street furniture within a right-of-way. The streetscape, landscaping, and utility easement created elsewhere in this Declaration on each side of Formosa Gardens Boulevard and the parcels identified as Tracts G1 and G2 on the plat of Formosa Gardens Unit 1, Plat Book 7, Page 19-24, Osceola County, Florida, will be deemed "Streetscape". Except where this Declaration specifically provides otherwise, Streetscapes will be deemed Common Areas to be maintained by the Master Association.

II. "Supplement" shall refer to a document and the exhibits thereto which, when recorded in the Public Records of Osceola County, Florida, shall subject additional real property to the provisions of this Declaration.

The foregoing definitions shall also apply to variations of the defined terms (for example, the definition for a term defined in the singular shall also apply to uses herein of that term in the plural).

PLAN FOR DEVELOPMENT OF FORMOSA GARDENS

2A. Amendment of Original Declaration. The Original Declaration is hereby amended, restated, and consolidated in its entirety into this instrument. All previous covenants, conditions, and restrictions affecting the Property shall be deemed merged into this instrument. Declarant is effecting these amendments pursuant to section 16.2 of the Original Declaration.

2B. Amendment Procedures. Paragraph 16.2 of the Original Declaration requires that three conditions be satisfied in order to amend the Original Declaration. The first condition requires that the Westwind Commercial Center Property Owners' Association, Inc. approve the proposed amendment. This condition is satisfied in this Declaration by the joinder at the end of this instrument by the Westwind Commercial Center Property Owners' Association, Inc. The second condition requires that Steed Groves, Inc., the declarant of the Original Declaration, approve the proposed amendment. The Declarant has succeeded to Steed Groves, Inc. and has been assigned all of Steed Groves, Inc.'s rights and authority under the Original Declaration. Accordingly, the Declarant's joinder in this instrument satisfies the second condition. The third condition requires that the fee title owners of 80% of the property subject to the Original Declaration consent to the proposed amendment. Declarant is the fee title owner of more than 80% of the property subject to the Original Declaration. Accordingly, Declarant's joinder in this instrument satisfies the third and final condition that must be satisfied for amending the Original Declaration. As a result, all procedures required for amending the Original Declaration have been satisfied; and this Declaration, therefore, effectively amends and modifies the Original Declaration.

3. Formosa Gardens. The development constructed on the Property shall be known as FORMOSA GARDENS. Except with respect to the Westwind Property (defined below), the name "Westwind Commercial Center" shall be deemed replaced by the name FORMOSA GARDENS.

4. Annexation to Original Property. All of the Property that was not included in the Original Declaration shall be deemed hereby annexed to be encumbered by this Declaration. Annexation of that additional property is one of the purposes of this Declaration.

5. Westwind Property. Approximately twelve (12) acres of the Property located at the northwest corner of the Property adjacent to U.S. Highway 192 (the "Westwind Property") is not included in the Development Order, but is encumbered by the Original Declaration. Because the Westwind Property is encumbered by the Original Declaration, Declarant has the right to amend the Original Declaration with respect to the Westwind Property as well as to the remainder of the Property. Notwithstanding any contrary provision of this instrument, any proposed use of the Westwind Property will be subject to Declarant's approval. Improvement of the Westwind Property and use of the Westwind Property will be subject in all other respects to the terms of this instrument, including without limitation the terms hereof relating to architecture review and approval, setbacks, parking, open areas, landscaping, and signs. The Westwind Property will also be subject to the jurisdiction and authority of the Master Association. Declarant in its discretion may require that the Westwind Property be developed under the name "Formosa Gardens", "Westwind", or other names. Declarant in its discretion may also require that the Westwind Property be made subject to the jurisdiction and authority of a Community Association.

6. Purposes of Declaration. This Declaration and the Development Order referred to above prescribe a development plan intended to ensure that the Property is developed, maintained, and operated in an attractive, reputable, and harmonious manner, in order to protect and enhance the value of the Property Units. Declarant shall be the sole interpreter of this Declaration, and any construction hereof by Declarant, absent manifest error or abuse, shall be binding on all persons.

7. Other Additions to the Property. At any time, the Declarant, in its sole discretion, may subject or cause to be subjected, other real property to the provisions of this Declaration. Additional property may be so subjected hereto by a recitation to that effect in a Supplement which need be executed only by the Declarant, and the owner of such real property (if not the Declarant); and the joinder, execution, or consent of the Master Association, any Community Association, or any Owners shall not be required. The Supplement shall describe the real property which is being made subject to the terms of this Declaration and shall contain such other terms and provisions as the Declarant deems proper. Upon the recording of a Supplement, the real property described therein shall be committed to the Restrictions contained in this Declaration and shall be considered "Property" as fully as though originally designated herein as Property.

8. Development Order. All contract purchasers and owners are hereby placed on notice of all requirements, conditions, and restrictions (including without limitation restrictions relating to density) imposed on the respective Property Units by the Development Order (as amended). It shall be the obligation of each contract purchaser and Owner to review the Development Order (as amended) and to comply with all requirements thereof.

COMMUNITY ASSOCIATIONS

9. Creation of the Master Association. The Declarant has formed or will form the Master Association for the purpose of holding title to the Common Area and enforcing the Restrictions in accordance with the rights of enforcement provided herein or which may be assigned to it from time to time by the Declarant. The Master Association shall also have such other powers and duties as are prescribed by its Governing Documents.

10. Creation of Community Associations. Community Associations subordinate to the Master Association will be organized in connection with individual Communities within Formosa Gardens. All Governing Documents of each Community Association must be submitted to and approved by the Master Association before being recorded or filed. If any Community Declaration, Declaration of Condominium, Articles of Incorporation, or any other Governing Document relating to a Community Association is not first approved by the Master Association before being recorded or filed, then it shall be considered null and void

and shall not be enforceable. The approval by the Master Association shall be evidenced by the signature of an officer or other authorized representative. The Master Association may charge an appropriate fee to review such Governing Documents.

11. Rights and Duties of the Community Association. Each Community Association shall: (a) abide by this Declaration and all of the Restrictions; (b) enforce its Community Declaration; (c) maintain in good repair and in an attractive condition its Community Common Area and other real property under its control or jurisdiction; (d) administer the affairs of its Community Association; and (e) perform such other duties as are prescribed by its Governing Documents or which may be assigned to it from time to time by the Master Association.

12A. Power of the Master Association over Community Associations. The Master Association shall have the absolute power to veto any action taken or contemplated, and shall have the absolute power to require specific action to be taken, by any Community Association. The Master Association shall receive the same notification of each meeting of the members of a Community Association or board or committee thereof required by the Governing Documents of that Community Association for notice to applicable persons; and a representative of the Master Association shall have the unrestricted right to attend any such meeting. If proper notice is not given to the Master Association any action taken at that meeting shall be considered null and void to the same effect as if proper notice had not been given to members of that Community Association.

By way of illustration and not limitation, the Master Association may: (a) veto any decision or action of a Community Association; (b) require maintenance, repair, replacement, removal, or aesthetic changes to be performed to property governed by a Community Association; or (c) require that a proposed budget of a Community Association include certain items and that expenditures be made therefor. If a Community Association should fail or refuse to properly exercise its responsibility with respect to any matter (as determined by the Master Association, in its sole discretion), the Master Association shall be entitled to exercise the Community Association's responsibility for the matter. If the Community Association fails to comply with any requirements or directions of the Master Association, the Master Association shall have the right to take action on behalf of the Community Association and shall levy an Assessment in an amount adequate to recover the Master Association's cost and expenses (including administrative, legal, and accounting costs and expenses) associated with the taking of the action. The Assessment shall be levied against all or any portion of the property governed by the Community Association, and each Owner within that Community shall be liable for his pro rata share of the Assessment. The Assessment will be levied as a Special Assessment as provided below.

12B. Power and Authority of Master Association. The Master Association shall have the power and authority to enter into contracts, franchises, or service agreements on a nonexclusive or exclusive basis to provide services to the Property or the Owners. By way of illustration and not as a limitation, the Master Association may enter into contracts for garbage and waste collection, security, and cable television. The Master Association shall provide for payment of the cost and expense of such services by Assessment as permitted below, or provide for direct billing to each Owner or Community Association.

13. Rules and Regulations. The Master Association shall have the power and authority to promulgate and enforce such Rules and Regulations consistent with this Declaration as the Master Association may deem to be in the best interest of the Owners ("Rules and Regulations"). A copy of all Rules and Regulations established hereunder and any amendments thereto shall be made available to all Owners and Residents by the Master Association upon request. Failure of an Owner or Resident to obtain or receive a copy of the Rules and Regulations shall not excuse that Owner or Resident from the requirement to abide by the Rules and Regulations. The Rules and Regulations, and all Restrictions contained in this Declaration and any Community Declaration, including without limitation all architectural and use restrictions, may be enforced by legal or equitable action by the Master Association. The Master Association may impose sanctions for violations of Rules and Regulations which may include without limitation reasonable monetary fines, suspension of the right to vote, and suspension of the right to use of the Common Area. In addition, the Master Association, through the Board, may, by contract or other agreement, enforce City, County or

other governmental ordinances or permit the City, County, or other governmental entity to enforce ordinances on the Property for the benefit of the Master Association and the Owners.

14. Acts of the Master Association. Unless the approval or action of the Members is specifically required in this Declaration or the Governing Documents, all approvals or actions required or permitted to be given or taken by the Master Association shall be given or taken by the Board, without the consent of the Members. All of the duties and powers of the Master Association existing under Chapter 617 of the Florida Statutes, this Declaration, and the Governing Documents shall be exercised exclusively by the Board. The Board may so approve and act through the proper Officers of the Master Association without a specific resolution. When an approval or action of the Master Association is permitted to be given or taken, such approval or action may be conditioned in any manner the Master Association deems appropriate in its absolute discretion, or the Master Association may refuse to take or give such action or approval, without the necessity of establishing the reasonableness of such conditions or refusal, except as herein specifically provided to the contrary.

15. Community Association Member. Each Community Association shall be a Member of the Master Association. No Owner of any Property Unit which is subject to the jurisdiction of a Community Association shall be a Member of the Master Association.

16. Owners not Subject to Community Association Jurisdiction. The Owners of all Property Units not subject to the jurisdiction of a Community Association, if any, shall be Members of the Master Association. Notwithstanding the foregoing, no Owner of an Institutional Property Unit shall be deemed a Member unless such Owner agrees to pay Assessments to the Master Association.

17. Declarant as Member. The Declarant shall be a Member of the Master Association so long as the Declarant owns any real property within or adjacent to the Property, or until Declarant resigns as permitted below.

18. Members' Voting Rights. The votes of the Members shall be established and exercised as provided in the Articles and Bylaws.

19. Current Lists of Owners. Each Community Association shall provide the Master Association with the names and addresses of all Owners who are members of that Community Association and shall notify the Master Association in writing each time there is a change in the name or mailing address of a member of that Community Association.

20. Representative of Community Associations. The votes of any Member that is a Community Association shall be cast at meetings of the Members by representative(s) of that Community Association. The representative(s) of that Community Association shall be designated in accordance with the Bylaws of the Master Association or as the Board may prescribe.

21. Board of Directors. The Master Association shall be governed by the Board which shall be appointed, designated, or elected, as the case may be, as follows:

A. Appointed by the Declarant. The Declarant shall have the right to appoint all members of the Board until the Declarant holds less than fifteen percent (15%) of the total voting rights of Members as determined by the Articles.

B. Majority Appointed by the Declarant. Thereafter, the Declarant shall have the right to appoint a majority of the members of the Board so long as the Declarant owns any real property within or adjacent to the Property or until Declarant resigns as permitted herein.

C. Election of the Board. After the Declarant no longer has the right to appoint all members of the Board as provided above, or earlier if the Declarant so elects, then, and only then, shall any member of the Board be elected by the Members of the Master Association.

22. Vacancies of the Board. A member of the Board may be removed and vacancies on the Board shall be filled in the manner provided by the Bylaws. However, any member of the Board appointed by the Declarant may only be removed by the Declarant, and any vacancy on the Board of a member appointed by the Declarant shall be filled by the Declarant.

23. Declarant's Exercise of Association Rights. Until formation of the Master Association, Declarant shall have the right to exercise all right, discretion, and authority granted the Master Association by this Declaration.

LAND USE CLASSIFICATION AND RESTRICTIONS

24. Common Area. The term "Common Area" will mean those portions of the Property, and improvements thereon, that are owned by the Master Association and are designated for the use and enjoyment of all of the Owners. "Common Areas" will also mean easements reserved or created for the benefit of all of the Owners or their Units. Finally, "Common Area" will include all portions of the Property, and improvements thereon, that Declarant may designate in a recorded instrument as common areas. The Common Area shall be distinguished from the Community Common Areas. Community Common Areas shall be for the exclusive use of the Residents of a particular Community, but not for use of other Residents or Owners. Except as this Declaration or other applicable instrument provides otherwise, the Master Association will be responsible for maintaining the Common Areas. By way of illustration and without limitation, the Common Area may include:

A. Streets. All Streets and Streetscapes owned or maintained by the Master Association which may include but is not limited to pathways, drainage systems, signage, and aesthetic improvements located in, under, and along such Streets. The Master Association shall have no obligation to maintain those Streets located within any portion of the Property under the control of a Community Association.

B. Recreation Areas. Recreation areas owned or maintained by the Master Association. Recreation areas shall be used only for recreational purposes in a manner consistent with any Improvement on such recreation area and subject to the Rules and Regulations of the Master Association. The Declarant or the Master Association shall determine the manner of making Improvements in recreation areas and the use thereof.

C. Open Spaces. Open spaces owned or maintained by the Master Association. The Declarant, for so long as the Declarant shall own any portion of the Property, shall have the absolute right, in its sole discretion, to modify its plan for beautification of Formosa Gardens, and specifically to modify the appearance of open spaces; and thereafter the Master Association shall have the same right as long as the general quality of such beautification plan is not diminished.

D. Drainage Areas. Portions of the Property constituting Drainage Areas. Drainage areas mean those portions of the Property designated as drainage areas or drainage easements (collectively "Drainage Areas") by the Declarant or the Master Association or by the plats of any portion of the Property and which are kept and maintained for conservation, irrigation, drainage, water retention, or beautification purposes, unless created for the benefit of only a particular Unit or Owner. The term "Drainage Areas" shall also include those areas used for retention/detention ponds for stormwater runoff from public right-of-ways and all properties identified on a Plat of any portion of the Property as "conservation and stormwater management areas", "conservation buffers" or "conservation easements", "drainage easements", and the like. The Master Association shall have the right to maintain Drainage Areas even though they may have been or may be dedicated to the public and not owned by the Declarant or the Master Association. The "Drainage Easements" shown on any plat or conveyance shall be used for the construction, repair and maintenance of drainage facilities including, but not limited to, canals, pumps, pipes, inlets, and outfall structures, and all necessary appurtenances thereto. The location of the drainage pattern may not be modified or relocated without the prior written consent of the Declarant. In the event of a dissolution or termination of the Master Association, the administration and maintenance of the Drainage Areas shall be transferred only to another

not-for-profit corporation or dedicated to an appropriate governmental agency agreeing to accept the conveyance or dedication.

25. Surface Water Management. The owner of a Property Unit shall provide and maintain adequate stormwater detention/retention systems on his Property Unit in compliance with all applicable laws and all rules and regulations of applicable governmental and regulatory authorities. These systems shall be placed, installed or constructed in accordance with the approved Submittals required elsewhere in this Declaration, and with the Design Standards. Such systems shall be designed and maintained so that the rate of stormwater discharge released and flowing from a Property Unit shall not exceed the maximum rate allowed by all governmental and regulatory authorities which may have jurisdiction thereof. Stormwater systems shall be designed so as not to detract from the appearance of the Property Unit on which they are located. No modification of or change in stormwater systems shall be made without the prior written approval of Declarant and of any applicable regulatory authority. No application for amendment of the stormwater management plan prepared for development of the Property shall be submitted without the prior written approval of Declarant. Each Owner shall maintain the stormwater facilities within his Property Unit in good repair, in a properly functioning condition, and in a wholesome and attractive condition. Each Owner shall take the necessary measures to ensure that stormwater facilities on his Property Unit do not become infested with insects, snakes, or wildlife, or overgrown with plants or weeds.

26. Design for Drainage Systems. All drainage, retention, detention, and other facilities must comply with applicable guidelines and requirements in the Design Standards and are subject to the architectural review and approval procedures required elsewhere in this Declaration.

27. Effluent Reuse. Each Owner hereby receives notice that an effluent reuse system is planned for the Development by which treated wastewater will be used within the Development for irrigation and other purposes. Each Owner is bound to allow such an effluent reuse system to be employed within the Development provided that such is employed consistent with applicable laws and regulations. If so required by the Developer or Master Association, or by the County, the Water Management district, or another governmental entity, each Owner agrees to employ an effluent reuse system on his property, and to install or place on his property the necessary equipment for such a system.

28. Maintenance of Drainage Facilities. The Master Association shall be responsible for maintaining all drainage facilities on or in the properties within the Association's jurisdiction in good repair, free from debris and obstructions and in compliance with the requirements of the drainage permit issued by the South Florida Water Management District for construction, operation, and maintenance, of the drainage facilities for the Development. The Master Association shall also operate the drainage facilities in the manner in which they were designed and in accordance with the requirements of the drainage permit referred to above. The Master Association may delegate this duty of operation and maintenance of drainage facilities to the Owners of Units on which any drainage facilities are placed or that are contiguous to drainage facilities, in which case the Owners will have primary responsibility and the Master Association will retain secondary responsibility for such maintenance and operation.

29. Dedication of Surface Water Management System. The surface water management system located within the Property is hereby dedicated and conveyed to the Master Association and declared a Common Area. The assessment and dues that other provisions of this Declaration allow the Master Association to levy shall be deemed to allow levy of those dues and assessments to cover costs and expenses of operating and maintaining the surface water management system. Notwithstanding any contrary provision of this Declaration, no amendment of this Declaration that affects the surface water management system within the Property will be valid unless first approved by the South Florida Water Management District.

30. Master Associations Responsibility for Drainage Facilities. The Community Associations and individual Owners within Formosa Gardens will be given responsibility for operating and maintaining some of the drainage facilities. The Master Association shall be responsible for ensuring that all Community Associations and individual Owners fulfill this responsibility and that the Community Associations and Owners comply with, and ensure that their drainage facilities comply with, all conditions and requirements of the drainage permit issued for Formosa Gardens by the South Florida Water Management District. The Master

Association shall have ultimate responsibility for operating and maintaining the drainage facilities within Formosa Gardens in accordance with the drainage permit referred to above and for ensuring full compliance with that drainage permit.

31. Drainage and Grading. No drainage or water conservation easement shall be disturbed or modified. No drainage ditches, cuts, swales, streams, impoundments, ponds or lakes; no mounds, knobs, dams, or hills; and no other physical improvements or elements of the landscape or terrain which control or determine the location or flow of surface water and drainage patterns may be created, destroyed, altered or modified. Special attention shall be given to proper site surface drainage, so that surface waters will not interfere with surrounding Property Units and natural drainage flows. No Owner shall change the elevation of his Property Unit in a manner causing surface water above natural amounts to drain upon adjacent property. Paved areas shall be designed to allow surface water to drain naturally and not to allow water to collect or stand.

32. Lake Areas. Lake areas mean the lakes located wholly or partially within Formosa Gardens, and those portions of the Property designated by the Declarant or the Master Association that contain water. The boundaries of all lake areas may be subject to accretion, reliction or other natural minor changes. Unless Declarant or the Master Declaration requires otherwise, the lake areas together with any adjacent shoreline shall be kept and maintained by the Owner of the contiguous Property Unit, as bodies of water, in an ecologically sound condition for water retention, irrigation, drainage, and water management purposes in compliance with all applicable governmental requirements. The Master Association shall maintain complete control of all lake areas (1) for purpose of enforcing maintenance thereof by the Owner of the contiguous Property Unit, and (2) otherwise to control the use and maintenance thereof. The Master Association shall also have the responsibility to maintain all lake areas (together with the adjacent shoreline) contiguous with any Common Area. Neither the Declarant, the Master Association, nor any Community Association shall be obligated to provide supervisory personnel or lifeguards for the lake areas.

33. Paths. Paths mean those portions of the Property designated as paths by the Declarant or the Master Association and all improvements thereon, including but not limited to streets, bridges, and accessways that are kept and maintained by the Master Association.

COMMON AREA

34. Limitation of Use of Common Area. Notwithstanding anything herein to the contrary, Owners shall not have the unrestricted right of use and enjoyment of all Common Areas. This Declaration may restrict use and enjoyment of Common Areas; and Declarant or the Master Association may restrict use and enjoyment of Common Areas. Further from time to time as permitted elsewhere in this Declaration, Declarant or the Board may promulgate Rules and Regulations concerning use of the Common Areas by the Owners.

35. Community Common Area. Any Community Common Area shall not be deemed to be a part of the Common Area except as provided otherwise by this Declaration.

36. Conveyance to the Master Association. The Declarant may designate any portion of the Property owned by Declarant as a Common Area in a plat, Supplement, or other recorded instrument; and any Property so designated by Declarant will be treated in all respects as a Common Area. The Declarant shall have the right to convey title to any property owned by it, or any interest therein, to the Master Association as Common Area, which conveyance the Master Association shall be bound to accept. The Declarant may also convey or assign to the Master Association any maintenance responsibilities the Declarant has undertaken involving portions of the Property not within Common Areas and real and personal property not within the defined "Property" but contiguous to portions of the Property, which responsibilities the Master Association shall be bound to assume.

Notwithstanding the foregoing, Declarant shall not have the obligation to develop or convey any property to the Master Association as Common Area. If the Declarant desires to convey any property to the

Master Association, the timing of the conveyance shall be in the sole discretion of the Declarant. Once any portion of the Common Area is conveyed to the Master Association or any maintenance responsibilities are assigned to the Master Association, the Master Association shall assume all obligations and maintenance responsibilities relating to that Common Area and further shall indemnify and hold the Declarant harmless from any liability which may result therefrom, including any legal fees and costs incurred by the Declarant in defending itself or enforcing its rights hereunder.

37. Method of Conveyance. The Declarant may transfer title (or any interest therein) for any portion of the Common Area to the Master Association by bill of sale, deed, or other appropriate instrument recorded in the Public Records of Osceola County, Florida. The Master Association shall be obligated to accept the conveyance as delivered by the Declarant and to maintain the Common Area for the use and benefit of the Owners.

38. Use of the Common Area. Every Owner shall have the nonexclusive right to use and enjoy the Common Area subject to the following:

A. Transfer of a Common Area. Except as is provided in this Declaration, once title to the Common Area is transferred to the Master Association, it shall not be abandoned, partitioned, subdivided, alienated, released, transferred, hypothecated, or otherwise encumbered without first obtaining the written approval of the Declarant for so long as the Declarant owns any property within or adjacent to the Property.

B. Use of Lakes. Subject to all regulations and ordinances imposed by governmental and quasi-governmental bodies or agencies, and further subject to any written agreements entered between the Declarant or the Master Association and any governmental or quasi-governmental bodies or agencies, the Declarant or the Master Association shall have the sole right to control the water level and maintenance of all lakes, ponds, water courses, drainage control devices and all other areas and apparatus comprising the master drainage system for Formosa Gardens. Subject to regulations, ordinances, and agreements imposed by or made with any governmental or quasi-governmental body or agency, the Declarant, and any assigns of the Declarant, shall have the right to use the water in all lakes, ponds and water courses for irrigation on any golf course in Formosa Gardens and for other irrigation purposes as determined by the Declarant or such other persons as the Declarant may designate.

C. Prohibited Uses. No Person shall, without the written approval of the Declarant or the Master Association, do any of the following on any part of the Common Area: (a) operate motor vehicles for any purpose; (c) permit the walking or running of animals except when on a leash; (d) light any fires except in designated picnic areas; (e) fell any trees or injure or damage any landscaping; (f) interfere with any drainage, utility, or access easements; (g) build any structures or recreational or other common facilities other than those approved by the Board; (h) discharge any liquid or material other than natural drainage into any lake, pond or water course; (i) alter or obstruct any lakes, ponds, drainage swales, or water courses; or (j) interfere with any drainage or water control structures or apparatus. The Master Association may promulgate Rules and Regulations regarding use of Common Areas, and no person may violate the Rules and Regulations that may be established by the Master Association governing the use of the Common Area.

39. Maintenance of the Common Area. The Master Association shall be responsible for the maintenance and repair of the Common Area unless that responsibility is delegated herein to particular Owners or Community Associations. The Master Association may, in the discretion of the Board, also assume the maintenance responsibility of Community Common Areas or other portions of the Property. In such event, all costs of maintenance shall be assessed only against all Owners within that Community Association.

GENERAL RESTRICTIONS

40. Residential Property. Except as specifically allowed by zoning regulations and the Master Association, a Residential Property Unit, except during the construction, development, and sale or rental of the Residential Property Unit, shall be for Residential use only and for no Commercial or Institutional use.

41. Commercial or Institutional Areas. Commercial and Institutional Property Units are that portion of the Property upon which nonresidential Improvements may be constructed. No portion of the Commercial or Institutional areas may be used for Residential purposes, except as allowed by zoning regulations and the Master Association. Neither the leasing of a Residential Property Unit nor the operation of a brokerage or sales office from a Residential Property Unit shall be a considered commercial activity.

42. Mining or Drilling. There shall be no mining, quarrying, or drilling for minerals, oil, gas, or otherwise undertaken within any portion of the Property. Excepted from the foregoing shall be activities of the Declarant, or any assignee of the Declarant, in mining operations for the purposes of obtaining "fill dirt" for placement on other portions of the Property, or for the removal and sale of excess "fill dirt", in dredging the water areas, creating land areas from water areas, or creating, excavating, or maintaining drainage or other facilities or easements, the installation of wells or pumps in compliance with applicable governmental requirements, or for sprinkler systems for any portions of the Property.

43. Clothes Drying Areas. No portion of the Property shall be used as a drying or hanging area for laundry of any kind unless approved in writing by the Master Association.

44. Tree Removal. After the sale of a Property Unit by Declarant, no trees shall be removed from the Property Unit without the Master Association's express consent except for (a) diseased or dead trees; (b) trees needing to be removed to promote the growth of other trees, (c) trees requiring removal because they pose a safety hazard, and (d) trees the removal of which is approved in connection with approval of Submittals required elsewhere in this Declaration. Notwithstanding the foregoing, no tree may be removed from a Property Unit except as permitted by applicable arbor laws and similar ordinances.

45. Antennas, Aerials, Discs and Flagpoles. No outside antennas, antenna poles, antenna masts, aerials, satellite dishes or other television reception devices, electronic devices, antenna towers, or citizen band (CB) or amateur band (ham) antennas, or other apparatus for transmission or reception of television, radio, satellite, or other signal shall be permitted except as approved in writing by the Master Association. A flagpole for display of the American flag or any other flag shall be permitted only if first approved in writing by the Master Association, both as to its design, height, location and type of flag. No flagpole shall be used as an antenna. Any transmission device approved by the Master Association shall be concealed from view from neighboring properties and from streets and right-of-ways with screens or other devices that are compatible with other Improvements on the Property Unit, that meet the Master Association's approval, and that conform to the Design Standards.

46. Litter. In order to preserve the beauty of Formosa Gardens, no garbage, trash, refuse or rubbish shall be deposited, dumped or kept upon any part of the Property except in closed containers, dumpsters or other garbage collection facilities deemed suitable by the Master Association. All containers, dumpsters and other garbage collection facilities shall be screened, to the extent reasonable under the circumstances, from view from outside the Property Unit where they are located and kept in a clean condition and free of noxious or offensive odors.

47. Casualty Destruction to Improvements. In the event an Improvement upon any Property Unit is damaged or destroyed by casualty, hazard or other loss, then, within a reasonable period of time after such incident, the Owner shall either commence to rebuild or repair the damaged Improvement and diligently continue rebuilding or repairing activities to completion, or within seventy-five (75) days after the casualty causing the loss shall clear the damaged Improvement and sod and landscape such Property Unit in a sightly manner consistent with the Declarant's plan for beautification of Formosa Gardens. A destroyed Improvement shall only be replaced with an Improvement of an identical size, type and elevation as that

destroyed unless Submittals of the new Improvement are submitted and approved by the Master Association in accordance with the approval procedures outlined elsewhere in this Declaration. If an Improvement which is part of a Community Common Area is damaged or destroyed, the Community Association administering that Improvement shall have the obligations of repair or replacement that are set forth in this provision.

48. Common Area. Nothing shall be stored, constructed within, or removed from the Common Area, other than by the Master Association, except with the prior written approval of the Board. As is prescribed elsewhere in this Declaration, the Water Management District must be consulted before conducting any activities within a Conservation Area.

49. Insurance Rates. Nothing shall be done or kept on the Common Area which shall increase the insurance rates of the Master Association or any Community Association without the prior consent of the Board.

50. Use of Water Areas. Boats or other vehicles (including jet skis) containing gas, diesel, or other form of combustion engines are prohibited upon the water areas except as the Master Association provides otherwise. The Master Association shall specifically designate the portion of the water areas and the corresponding shoreline beach areas, if any, upon which boats and other vehicles may be stored, docked, or launched, or within which swimming may be permitted. Where a Property Unit adjoins a water area the Owner shall maintain the Property Unit and the water area. Master Association shall have the right to impose other reasonable rules and restrictions upon use of water areas; and all Owners shall be obligated to comply therewith.

51. Drainage Areas.

A. No structure or Improvement of any kind shall be constructed or erected, nor shall an Owner in any way change, alter, impede, revise or otherwise interfere with the flow and the volume of water, in any portion of the Drainage Areas.

B. An Owner shall in no way deny or prevent ingress and egress by the Declarant, the Master Association, or employees of government agencies to the Drainage Areas for maintenance or landscape purposes. The right of ingress and egress, and easements therefor are hereby specifically reserved and created in favor of the Declarant, the Master Association, and any appropriate governmental or quasi-governmental agency that may reasonably require such ingress and egress.

C. No Parcel shall be increased in size by filling in any Drainage Areas on which it abuts. No Owner shall fill, dike, rip-rap, block, divert or change the established Drainage Areas that have been or may be created by easement.

D. Any wall, fence, paving, planting or other Improvement which is placed by an Owner within a Drainage Area or drainage easement, including but not limited to easements for maintenance or ingress and egress access, shall be removed, if required by the Declarant or the Master Association, and the cost thereof shall be paid by the affected Owner as a Special Assessment.

52. Pets, Livestock and Poultry. No animals, livestock, or poultry of any kind shall be raised, bred, or kept in Formosa Gardens, other than household pets provided they are not kept, bred or maintained for any commercial purpose on any portion of the Property intended for Residential use, and provided that they do not become a nuisance or annoyance to any other Owner. No pet shall be allowed outside a Property Unit except on a leash. No pets shall be permitted to place or have excretions on any portion of the Property other than the Property Unit of the owner of the pet unless the owner cleans up any excretions. For purposes hereof, "household pets" shall mean dogs, cats, domestic birds (kept indoors) and fish; and should the Declarant designate certain areas of Formosa Gardens for development into equestrian centers or ranch-type Residential areas, horses in limited numbers fixed by the Declarant or Master Association shall also be deemed to be "household pets." Pets shall also be subject to applicable Rules and Regulations of the Master Association and the Community Association and pets' owners shall be held accountable for pets' actions.

Commercial activities involving pets shall not be allowed except that reasonable commercial activities may be permitted on a Commercial Property Unit so long as such activity complies with applicable zoning regulations and is authorized in writing by the Master Association. The Master Association may establish limits on the number and kind of pets that may be kept or permitted to be kept on any Property Unit.

53. Signs. No signs, freestanding or otherwise installed, shall be erected or displayed on any Property Unit or Improvement, unless the placement, character, form, size, lighting and time of placement of such sign is first approved in writing by the Master Association. All signs must also conform with governmental codes and regulations and with any master design plans for signs established by the Declarant or the Master Association. This restriction shall not apply to "for sale" or "for rent" signs the size of which does not exceed 2' x 4'. All such "for sale," and "for rent" signs shall be subject to any restrictions applicable thereto in the respective Community Declarations and in the Design Standards. Notwithstanding the foregoing, the Declarant specifically reserves the right for itself, its successors, nominees, and assigns, and the Master Association, to place and maintain signs in connection with construction, marketing, sales and rental of Property Units and identifying or informational signs anywhere on the Property.

54. Garbage Containers, Oil and Gas Tanks, Pool Equipment, Outdoor Equipment. All garbage and trash containers, oil and other tanks, bottled gas tanks, and swimming pool equipment and housing must be underground or placed in walled-in areas or landscaped areas so that they are not visible from any adjoining Property Unit, right-of-ways, or neighboring properties. Adequate landscaping shall be installed and maintained by the Owner to screen all such containers, tanks, equipment, and the like from view. All mailboxes shall be either purchased from the Master Association by the Owner or be approved by the Master Association prior to installation. No newspaper tubes or driveway reflectors shall be installed on any Property Unit.

55. Air Conditioning and Other Mechanical Equipment. All air conditioning, heating, and other mechanical equipment, and all utility meters and installations shall be screened from the view of streets and right-of-ways and from neighboring Property Units in a manner approved by the Master Association and complying with the Design Standards. Wall air conditioning units may be permitted only upon the prior written approval of the Master Association. Window air conditioning units shall not be permitted.

56. Solar Collectors. Solar collectors and similar solar energy devices shall not be permitted without the prior written consent of the Master Association. Any approval of the Master Association shall require that the solar collectors be so located on the Property Unit that they are not visible from any Street and that their visibility from surrounding Property Units is restricted.

57. Maintenance of the Property. The Owner of a Property Unit shall at all times keep his Property Unit and all Improvements and landscaping thereon in good repair and in a safe, clean, wholesome, and attractive condition, free and clear of dirt, garbage, trash, rubbish, debris, and vermin, in compliance with all applicable laws, codes, ordinances, orders, and regulations, and in accordance with the Design Standards. No Owner shall at any time allow its Property Unit to deteriorate, fall into disrepair, or become unsafe or unsightly. In order to maintain the standards of Formosa Gardens, no weeds, underbrush, or other unsightly growth shall be permitted to grow or remain upon any portion of the Property, and no refuse or unsightly objects shall be allowed to be placed or permitted to remain anywhere thereon. All Improvements shall be maintained in their original condition as approved by the Master Association. All lawns, landscaping and sprinkler systems shall be kept in a good, clean, neat and attractive condition. If an Owner or a Community Association has failed to maintain a Property Unit or a portion of the Community Common Area as aforesaid to the satisfaction of the Declarant or the Master Association, the Declarant or the Master Association shall give such Owner or Community Association written notice of the defects (which written notice is not required in the case of emergency, in which event, the Declarant or the Master Association may without any prior notice directly remedy the problem). Upon the Owner's or the Community Association's failure to make such improvements or corrections as may be necessary within fifteen (15) days of the mailing of the written notice, the Declarant or the Master Association may enter upon the applicable property and make such improvements or corrections as may be necessary, the cost of which may be paid initially by the Declarant or the Master Association. If the Owner or the Community Association fails to reimburse the Declarant or the Master Association for any payment advanced, plus administrative and legal costs and fees, plus interest

on all such amounts at the highest interest rate allowed by the laws of Florida, within fifteen (15) days after requested to do so the Master Association shall levy a Special Assessment against the Property Unit or Community Common Area (and Property Units within the Community Association) as provided elsewhere in this Declaration. Such entry by the Declarant or the Master Association or its agents shall not be a trespass.

58. Vehicles and Recreational Equipment. No truck or commercial vehicle, or mobile home, motor home, house trailer or camper, boat, boat trailer or other recreational vehicle or equipment, horse trailers, or the like, including disabled vehicles, shall be permitted to be parked or to be stored at any place on any portion of the Property for a period longer than four (4) consecutive hours unless they are parked within a garage, or unless the Declarant or the Master Association has specifically designated certain spaces therefor. This prohibition on parking shall not apply to temporary parking of trucks and commercial vehicles used for pick-up, delivery, construction, repair, or maintenance of a Property Unit, nor to any vehicles of the Declarant. No on-street parking shall be permitted unless for special events approved in advance in writing by the Master Association.

A truck or commercial vehicle may be parked on a Commercial Property Unit for periods of more than four (4) hours, provided that such vehicle is necessary and incident to the activities permitted on the Property Unit. Overnight parking of a truck or commercial vehicle specifically used for the activities permitted on a Commercial Property Unit is permitted only to the rear of a principal Improvement on such Commercial Property Unit or if otherwise concealed from view from neighboring properties and from right-of-ways. The Master Association shall be allowed to maintain and store its maintenance vehicles on specific areas of the Property as necessary for the operation and maintenance of Formosa Gardens.

Any vehicle or recreational equipment parked in violation of these or other regulations contained herein or in the Rules and Regulations adopted by the Master Association may be towed by the Master Association at the sole expense and risk of the owner of such vehicle or recreational equipment if it remains in violation for a period of twenty-four (24) hours or more. The Master Association shall not be liable to the owner of such vehicle or recreational equipment for trespass, conversion, or otherwise, nor guilty of any criminal act, by reason of such towing, and neither removal of the vehicle or equipment nor failure of the owner of such vehicle or recreational equipment to receive any notice of the violation shall be grounds for relief of any kind.

59. Vacant Property Units. Once a Property Unit has been sold by the Declarant, whether improved or not, it shall be maintained in good appearance and free from overgrown weeds and from rubbish. If any Property Unit is not so maintained in the Master Association's judgment, then the Master Association shall have the right to enter upon the Property Unit for the purpose of cutting and removing such overgrown weeds and rubbish, and the expense thereof shall be charged to and paid for by the Owner of the Property Unit. If not paid by that Owner within fifteen (15) days after the Owner is given a written notice of the charge, the assessment shall become a Special Assessment lien upon the Property Unit, bearing interest at the highest lawful rate until paid; and may be collected by an action to foreclose the lien or by an action at law against the Owner based on his personal obligation to pay the amount owed, at the discretion of the Master Association in the same manner as any other lien or action provided for in this Declaration.

60. Repairs to Vehicles. No maintenance or repairs shall be performed on any vehicles upon any portion of the Property except in an emergency situation. Notwithstanding the foregoing, all repairs to disabled vehicles within the Property must be completed within two (2) hours from the vehicle's immobilization, or the vehicle must be removed. This provision shall not apply to such repair service provided by a service station or automobile repair facility which may be located on the Property within an area allowed by Declarant and by applicable zoning regulations. This provision shall not apply to ordinary maintenance of a vehicle provided that the vehicle does not appear in a state of disrepair or to be undergoing repair for any longer than six (6) consecutive hours.

61. Temporary Structures. No buildings, structures, Improvements or other facilities of a temporary nature, including without limitation trailers, tents, sheds, barns, treehouses, out-buildings, and

shacks, shall be permitted on a Property Unit except in connection with and during the construction of approved permanent Improvements. Temporary facilities may be permitted during the period of construction of permanent Improvements only so long as they are located as inconspicuously as possible and are removed immediately following completion of the construction.

62. Private Wells. No irrigation or other wells shall be placed, installed or constructed on a Property Unit without the prior written approval of the Master Association. Notwithstanding the foregoing, Declarant shall be permitted in its discretion to construct wells within the Property for the purpose of providing water for use upon the Property.

63. Underground Utility Lines. All utility service lines and facilities on a Property Unit shall be installed underground or concealed under or within a building or other Improvement as the Master Association may approve. However, temporary exterior or visible electric power and telephone service poles and water lines incident to the construction of approved permanent Improvements are permitted provided that they are removed immediately following the completion of the construction. Electric transformers, meters and similar apparatus shall also be permitted above ground provided that they are concealed from view with screens or landscaping complying with the Design Standards and approved in connection with the Submittals required to be submitted and approved elsewhere in this Declaration.

64. Fencing. All fencing, walls, hedges, and fencing-type barriers on a Property Unit shall be constructed of materials meeting Master Association's approval, and shall conform to specifications set forth in the Design Standards and with applicable zoning regulations. All such fencing and other barriers shall be designed and constructed to be compatible with the architecture and design of buildings and landscaping on the Property Unit. Designs of fencing, walls, and the like shall be included in the Submittals required elsewhere in this Declaration to be submitted to the Master Association, and shall be subject to approval in connection therewith. No wall or fence shall be constructed on any Property Unit until its height, location, design, type, composition and material shall have first been so approved in writing. The height of any wall or fence shall be measured from the then existing property elevations. Any dispute as to height, length, type, design, composition, or material shall be resolved by the Board, whose decision shall be final. Hurricane or storm shutters may be used on a temporary basis, but shall not be stored on the exterior of any Improvement unless approved by the Master Association.

65. Sight Distance at Intersections. All Property Units at Street intersections shall be so landscaped as to permit safe sight across the Street corners. No fence, walls, hedge, shrub, planting, or other structure or landscaping shall be placed or permitted, nor vehicles or other objects placed, parked, or allowed to remain at the corner of a Property Unit where this would create a traffic or sight problem. Conditions at intersections and corners shall at all times satisfy safe site distance requirements established by the American Association of State Highway Transportation Officials.

66. On-Site Fuel Storage. No on-site storage of gasoline, heating, or other fuels shall be permitted on any part of the Property except that up to five (5) gallons of fuel may be stored on each Property Unit for emergency purposes and for operation of lawn mowers and similar tools or equipment.

67. Lighting. All exterior lighting of a Property Unit shall be in accordance with a lighting plan complying with the Design Standards and approved in writing by the Master Association. No lighting shall be allowed to shine, or glare off-site or otherwise to cause annoyance or safety hazards to neighboring properties or to Streets. All lighting on a Property Unit shall comply with all applicable laws, codes, ordinances, and regulations.

68. Hazardous Materials. No portion of the Property may be used to transport, generate, store, dispose, release, or otherwise handle in any respect any Hazardous Material (defined below) without first obtaining Declarant's approval and approval from all applicable government departments and agencies. In obtaining approval to so handle any Hazardous Material the Owner, occupant, and operator of the Property Unit shall demonstrate that they have in place an adequate plan for managing Hazardous Waste on the Property Unit, for quickly and effectively abating any hazards posed thereby, and for quickly and completely remedying any improper discharge or release of the Hazardous Material on or around the Property. Each

Owner, occupant, and operator so handling a Hazardous Material shall provide to Declarant and to all federal, state, and local governmental departments and agencies having jurisdiction, regularly, but not less often than quarterly, and in any event promptly upon request, detailed accurate reports regarding the type, volumes, and rates of the Hazardous Materials handled on the Property Unit, identifying the means of storage, transport, and disposal of Hazardous Material handled on the Property Unit, and providing such other information as the recipient of the report may request. All Improvements, equipment, and facilities used on a Property Unit for handling of Hazardous Materials shall be state-of-the-art, constructed and maintained to be in compliance with all applicable laws, regulations, orders, codes, permits, and licenses, and designed, constructed and maintained to ensure the highest possible security against improper discharge, release, vandalism or theft. The Owner, occupant, and operator of such a Property Unit shall regularly monitor and inspect all such Improvements, equipment, and facilities to ensure that they always comply with the standards and requirements set forth in the Design Standards and in this provision, are in good repair and are properly functioning, and that they pose no threat of causing or permitting improper release or discharge of a Hazardous Material. Each Owner, occupant, and operator of a Property Unit shall prepare an emergency response plan for remedying the effects of spills or other contamination episodes on or around the Property, which emergency plan shall be subject to the approval of Declarant and all governmental departments and agencies having jurisdiction. Each Owner, occupant, and operator of a Property Unit handling Hazardous Materials shall also demonstrate and guarantee to the Declarant and all governmental departments and agencies having jurisdiction that the Owner, occupant, and operator has sufficient financial resources to promptly and effectively contain and abate Hazardous Material after a spill, with the amount of financial resources required being based on the types and volumes of the Hazardous Material being handled on the Property Unit. As a condition to allowing handling of a Hazardous Material on a Property Unit, Declarant and any governmental body or agency having jurisdiction may impose such additional regulations and requirements as they may find advisable in their sole discretion. For purposes of this Declaration, the term "Hazardous Materials" shall mean radioactive materials, asbestos or any material containing asbestos, petroleum and petroleum products, and all regulated substances or materials defined as such or as hazardous substances or wastes, or any similar term, for the purposes of any existing or future federal, Florida, or local statute, law, ordinance, code, rule, regulation, order, or decree regulating, imposing liability for, or otherwise relating to environmental contamination or pollution, or to toxic or hazardous substances.

69. Nuisances. No Owner shall cause or permit a nuisance upon his Property Unit. It shall be the responsibility of each Owner to prevent the development of any obnoxious, unclean, unhealthy, unsightly, offensive, or unkempt condition on his or her Property Unit. No Property Unit shall be used, in whole or in part, for the storage of any property or thing that will cause the Property Unit to appear to be in an unclean or untidy condition or that will be obnoxious to the eye; nor shall any substance, thing, or material be kept upon any Property Unit that will emit foul or obnoxious odors or that will cause any noise or other condition that will or might disturb the peace, quiet, safety, comfort, or serenity of the occupants of surrounding property. No noxious or offensive activity shall be carried on upon any Property Unit, nor shall anything be done thereon tending to cause embarrassment, discomfort, annoyance, or nuisance to any person using any property adjacent to the Property Unit. Any questions with regard to the interpretation of this section shall be decided by the Board, whose decision shall be final.

70. Compliance with Documents. Each Owner (including each Resident) and his family members, guests, invitees, and all other persons coming upon the Property shall be bound and abide by this Declaration and these Restrictions and by applicable Rules and Regulations. The conduct of the foregoing parties shall be considered to be the conduct of the Owner responsible for, or connected in any manner with, such individual's presence within Formosa Gardens. Each Owner shall be liable to the Master Association for the cost of any maintenance, repair, or replacement of any real or personal property rendered necessary by his act, neglect or carelessness, or by that of any other of the foregoing parties, which shall be paid for by the Owner as a Special Assessment as provided elsewhere in this Declaration. Failure of an Owner to notify any Person of the existence of the easements, covenants, conditions, restrictions, and other provisions of this Declaration shall not in any way act to limit or divest the right to enforcement of these provisions against the Owner or such other Person.

71. Exculpation of the Declarant, the Board and the Master Association. The Master Association, the Board, or the Declarant may grant, withhold, or deny its permission or approval in any

instance where its permission or approval is permitted or required without liability of any nature to the Owner or any other Person for any reason whatsoever, and any permission or approval granted shall be final and binding upon all Persons.

72. Subdivision and Regulation of Land.

A. No Property Unit shall be divided or subdivided without the express written consent of the Declarant, which consent may be conditioned on the imposition of requirements or conditions that Declarant may require in its sole discretion. The number of Residential Property Units, the area of Commercial Improvements, and the number of hotel rooms permitted within Formosa Gardens have been set by Osceola County, Florida. Therefore, each contract by which the Declarant agrees to convey a portion of the Property to a contract purchaser may also assign to the contract purchaser either a (1) specific number of Residential Property Units if the portion of the Property will have Residential Improvements constructed thereon, or (2) a specific number of square feet of Commercial or Institutional Improvements or specific number of hotel rooms if the portion of the Property will have Commercial or Institutional Improvements constructed thereon. The number of Property Units or the square footage of Commercial or Institutional Improvements or the number of hotel rooms shall not be increased by any Owner without the prior express written approval of the Declarant, which approval may be denied at the sole discretion of the Declarant. Without limiting the generality of the foregoing, a Property Unit shall be deemed to have been split or subdivided if the Owner of the Property Unit conveys or leases a portion thereof but not the entire Property Unit, or if, in fact or appearance, the Property Unit is made into two or more separate parcels; and Property Units shall be deemed combined if two or more contiguous Property Units are owned or occupied in common, or in fact or appearance, are made into a single parcel. This provision shall not apply to Declarant. Declarant shall have the right to split or subdivide, combine, or replat any Property Unit or Property Units or portions of the Property that belong to Declarant.

B. No covenant, condition, restriction or other provision of this Declaration shall be construed in any manner as limiting or preventing any Property Unit, and the Improvements thereon, from being submitted to a plan of condominium ownership. If a Property Unit, and the Improvements thereon, is to be converted from a single ownership Improvement (whether Residential or Commercial in nature) to a condominium, the conversion and all Governing Documents of the Condominium Association are subject to the prior written approval of the Declarant or the Master Association. A condominium shall not be construed as constituting a subdivision of any Property Unit, provided that the number of Residential Property Units created in the condominium is not greater than the number of Residential Property Units, or the square footage of Commercial or Institutional Improvements or number of hotel rooms created in the condominium is not greater than the amount or number, assigned to that Property Unit.

C. No Owner shall inaugurate or implement any variation from, modification, to or amendment of, any applicable governmental plans, land development regulations, development orders, or development permits applicable to Formosa Gardens, or restricting use of the Property or any portion thereof, without the prior written approval of the Declarant.

ARCHITECTURAL AND DESIGN REVIEW

73. Design Standards. The Declarant or Master Association has, or hereafter may, promulgate the Design Standards. From time to time the Master Association may modify or amend the Design Standards in order to ensure consistency of development with the terms of this Declaration, for prescribing specifications to implement this Declaration, and for establishing requirements to control development of the Property. The Master Association shall not be required to obtain the consent of any Owner in order to amend the Design Standards or to promulgate additional Design Standards. Upon adoption of new or amended Design Standards in writing by the Master Association, the new standards shall become effective. Notwithstanding the foregoing no change in Design Standards shall amend or otherwise affect the terms of any architectural approval which has been previously granted; however, the new Design Standards shall apply after their

promulgation to any modification of a previously completed Improvement or to any new or additional Improvements on a Property Unit. The Design Standards shall be enforceable by Declarant and the Master Association in the same manner as these Restrictions, and the Master Association shall be entitled to recover all costs incurred in enforcing the Design Standards at both trial and appeal levels, including without limitation, reasonable attorney's fees.

74. Intent. It is the intent of this Declaration to assure each Owner that Formosa Gardens will be developed as a community of quality buildings, both Residential and Commercial; of tasteful and aesthetically pleasing architectural design; constructed with long-lasting materials and high construction standards; harmonious with surrounding structures and topography; and landscaped and otherwise improved consistent with a high aesthetic quality. Furthermore, it is the intent of this Declaration that all Improvements developed or constructed in Formosa Gardens shall be in conformance with all building, use, and other restrictions imposed by the Declarant, the Master Association, or government authorities from time to time, and that all Improvements are maintained in a manner consistent with the aesthetic quality of the Improvements as originally approved and constructed.

75. Design Review Board. The Master Association will cause to be created a Design Review Board (referred to as the "DRB") whose purpose will be to carry out the intent of this Declaration. The DRB shall consist of not less than three (3) nor more than nine (9) members who shall initially be appointed by the Declarant. Thereafter, each new member of the DRB shall be appointed by the Board and shall hold office until such time as the member has resigned or has been removed. In addition to the duties and authority herein provided to the DRB, the Master Association may delegate to the DRB such discretion and authority relating to architectural review possessed by the Master Association as the Master Association may elect in its discretion. The DRB shall be subject to the supervision and authority of the Master Association, and shall comply with the requirements, guidelines, and directions of the Master Association. The Board may remove any member of the DRB at any time without cause.

76. Review of Proposed Development. No clearing, excavation, or other alteration of any Property Unit from its natural state; no construction or alteration of an Improvement; no landscaping or other site improvement; and no alteration or addition to any existing structure or site improvement, shall be made on any portion of the Property until the site plan and construction plans and specifications showing the proposed design, nature, kind, shape, size, color, materials and location thereof shall have been submitted to and approved in writing by the DRB. Prior to making any application to Osceola County or any other governmental body or agency for approval of any development plan for any portion of the Property, the Owner shall submit to the DRB such documents and materials as may be required by the DRB (the "Submittals"), including, but not limited to site analysis, schematic landscape plan, floor plans and exterior elevations, color and material samples, landscape plan, and foundation and framing plan. For purposes of this Declaration the term "Submittals" shall include all plans, drawings, plats, pictures, material samples, engineering studies, traffic studies and analysis, specifications and any other documents or information that may from time to time be required by the DRB.

77. Submittals. Once a Submittal approved by the DRB is also approved by the appropriate governmental bodies or agencies, the Owner may proceed to obtain necessary building permits from the appropriate governmental bodies or agencies. An Owner shall not apply for any building permit for, or commence construction of, any Improvement on any portion of the Property, or commence lot grading, or place any landscaping on any portion of the Property, until all Submittals have been approved by the DRB.

78. Plan Approval Considerations. The DRB shall, in approving or disapproving any Submittal submitted for approval, consider conformance of that Submittal with the purposes and general plan and intent of these Restrictions, and with the Design Standards, including, by way of example but not limitation, stormwater drainage, conformity and harmony of the external design of the proposed Improvements with nearby Improvements, proposed operations and uses of the affected Property Unit, and proposed Improvements thereon, relation of topography, grade and finished ground elevation of the Property Unit to that of nearby property, proper facing of elevations of Improvements with respect to nearby Streets, the effect of the location and use of the proposed Improvements on neighboring Property Units, the integrated and the harmonious design of all elevations of the proposed Improvements, and conformity of the Submittal to these

Restrictions and to the purposes, intent, and general plan of this Declaration. The Declarant and the Master Association shall be the sole interpreter of the intent of this Declaration; and shall not be precluded from disapproving, approving, or requiring modifications to any Submittal on the grounds that their actions or requirements are not specifically permitted in this Declaration or in the Design Standards. Declarant, the Master Association and the DRB shall have the right to disapprove any Submittals for any reason in their sole discretion including aesthetic objections.

79. Plan Review Fee. Any party seeking plan approval hereunder shall pay an architectural review fee to the DRB at the time the Submittal is submitted for approval. The architectural review fee initially shall be the sum of Five Hundred Dollars (\$500.00), which sum may be increased by the Master Association from time to time.

80. Term of Approval. If the DRB approves the Submittal submitted to it for approval, that approval shall be effective for a period of six (6) months from the date of approval and, if construction of Improvements in accordance with the approved Submittal is not commenced within that period, the approval shall expire, and no construction of Improvements shall thereafter commence until the Owner resubmits a Submittal for approval and receives approval thereof as required above. Notwithstanding the foregoing, should an Owner request when submitting the site plan and construction plans and specifications that it be allowed to delay construction past the permitted six months, the DRB shall be allowed (with approval from the Master Association) to approve commencement of construction for a later date.

81. Conditional Approval. The DRB may condition its approval of the Submittal as it deems appropriate, and may require submission of additional or revised Submittals or other information prior to giving its approval or disapproval. The DRB may postpone review of any Submittals until it has received all required plans and specifications, and any fee which it may have established. After receipt of all Submittals and fees, the DRB shall, within a reasonable time thereafter, approve or reject any such Submittal in writing.

82. Governmental Approval. All construction and alterations shall also be subject to applicable permit requirements and to all applicable governmental laws, statutes, ordinances, rules, regulations, orders and decrees.

83. Commencement and Completion of Construction. Each Owner shall submit to DRB the required Submittals for the Owner's Improvements on a Property Unit within six (6) months after acquiring the Property Unit from Declarant. After commencement of construction of any Improvements upon a Property Unit, the Owner shall diligently and continuously prosecute construction until full completion. Master Association shall have the right to grant extensions to these time limitations. Unless Master Association approves additional time or unless construction is delayed by matters outside the control of the Owner and Owner's contractor (including but not limited to inclement weather conditions, unavailability of materials, acts of God, and the like) construction must be finished and landscaping and all finishes installed within a reasonable time (considering the scope and nature of the Improvements) after commencement of construction. If this construction schedule is not met, or if construction ceases for a continuous thirty (30) day period after being commenced, Declarant or the Master Association shall have the right to take such steps as it may deem necessary to correct the situation, including but not limited to:

- (a) completion of construction.
- (b) installation of appropriate landscaping.
- (c) removal of materials and debris, and
- (d) such other actions as may be necessary to minimize the negative aesthetic impact of the incomplete structure.

The Owner of a Property Unit on which Improvements are being constructed shall at all times during the construction period keep all streets or roads contiguous or adjacent to the Property Unit free from any dirt, mud, garbage, trash or other debris that might be occasioned by the construction. In the event of a violation of this provision, Declarant or the Master Association shall have the right to bring an action at law or in equity to compel performance with these provisions. If Declarant or the Master Association deems it necessary to exercise the right of self-help granted above, Declarant or the Master Association shall have the

right to record a claim of lien for the costs of enforcing or remedying the violation, plus a supervisory and overhead fee equal to fifteen percent (15%) of the expenses incurred in performing the self-help, and interest on these amounts at the highest legal rate. That lien may be enforced and foreclosed in the same manner provided herein for enforcement of liens for unpaid Assessments.

84. Condition of Property Unit During Construction. While construction, repair, renovation, or similar work is being performed on a Property Unit, the Owner shall keep the Property Unit as uncluttered and attractive as possible. No Owner shall allow conditions to exist on a Property during construction, repair, renovation or the like that creates an unreasonable risk or hazard to persons. No Owner shall allow construction, repair, renovation or the like to be conducted in any manner that, in the judgment of Declarant or the Master Association, unreasonably disrupts or damages the activities on neighboring properties.

85. Release for Architectural Review Decisions. Neither the Declaration, the Master Association, nor the DRB (nor any of their employees, designees, members, officers, or agents) shall be liable in damages or otherwise to any Owner or occupant of property affected by this Declaration, or to anyone submitting plans or other materials for any consent or approval required by this Declaration or to any other person, by reason of any decision, approval, or disapproval rendered pursuant to the provisions of this Declaration, or for any mistake in judgment, negligence or nonfeasance in connection with any such decision, approval, or disapproval. Each person who submits plans or other materials for approval, by the submission thereof, and each Owner or occupant of any Property Unit by acquiring title thereto or an interest therein, agrees that it will not bring any action against the Declarant, the Master Association, or the DRB for the purpose of recovering any such damages or other relief. Approval of any plans or materials submitted pursuant to this Declaration for approval or consent, or any other approval or consent given pursuant to this Declaration, shall be given solely to protect the aesthetics and general quality of the Property and shall not be deemed to be a warranty, representation, or covenant that such approval or consent, or any action taken in reliance thereon, complies with any standard of quality or safety, or any applicable regulations, laws, codes, or orders; and the Declarant, the Master Association, the DRB, and their designees, successors, and assigns are expressly released and relieved from all liability or obligation in connection therewith.

86. Declarant's Variance from Design Standards. With respect to particular proposed Improvements, Declarant and the Master Association shall be allowed to grant variances from requirements of the Design Standards, provided that Declarant or Master Association concludes in its discretion that the variance shall not substantially detract from the appearance or aesthetic quality of Formosa Gardens. A variance so granted by Declarant shall be honored by the Master Association.

87. Waiver of Rights. The approval by the DRB of any Submittals, or any other matter requiring the approval, consent, or other action of the DRB, shall not be deemed to constitute a waiver of any right to withhold approval as to any similar proposal which may subsequently be submitted for approval or consent, whether from the same applicant or from a different applicant.

88. Inspection of Property. The DRB or its representatives shall have the right to enter upon and inspect any portion of the Property at any time prior to, during, or after the construction or alteration of an Improvement to assure compliance with this Declaration.

89. Noncompliance. If, during any inspection, whether interim, final or thereafter, the Declarant, Master Association, or DRB finds that the work was not performed, or the Improvements are not being or were not constructed, in substantial compliance with the approved Submittals; or if during subsequent inspections it is noted that previously inspected Improvements are not being maintained in compliance with this Declaration or with the aesthetic standards or other standards imposed by this Declaration; then the Declarant or the Master Association shall notify the Owner and the Board in writing of such noncompliance. The notice shall specify the particulars of noncompliance, and shall demand that the Owner immediately bring such Improvements into compliance. If correction of a noncompliance is not commenced within fifteen (15) days after demand therefor is given, or if such correction is not continued thereafter in an expeditious manner until completion, the Master Association or the Declarant shall be entitled to seek legal action to force the Owner, or any grantee of the Owner, to complete the construction of Improvements substantially in accordance with the approved Submittals.

Should the correction of the noncompliance not be commenced within fifteen (15) days after notice and continue thereafter in an expeditious manner until completion, or should the construction of the Improvements not be completed substantially in accordance with the Submittals approved by the DRB, the Master Association or the Declarant shall also have the right to enter upon the Property Unit, make such corrections or modifications as are necessary to cause the Improvements to be completed substantially in accordance with the approved Submittals, or make such corrections or modifications as are necessary to correct any condition on the Property Unit which is detracting from the value or aesthetics of the Property or adjacent Property Units; or if under the circumstances it is more practical to remove incomplete Improvements, remove any Improvements on the Property Unit. The cost of any such corrections, modifications or removal shall remain the obligation of the Owner. If such costs are not promptly reimbursed to the Master Association or the Declarant (as applicable), the Master Association shall levy a Special Assessment against the Property Unit as provided elsewhere in this Declaration.

In that event the Person who causes the construction of the Improvements or who owns the Improvements is a Community Association, the aforementioned Special Assessment shall be levied pro rata against all Owners under the jurisdiction of that Community Association.

90. Nonwaiver. If, for any reason, the Master Association or DRB fails to notify an Owner of any noncompliance, such failure of notice of noncompliance will not relieve the Owner from the requirement to comply with this Declaration.

91. Certificate of Approval. Upon completion of the Improvements, or upon correction of deficiencies cited by the Declarant, the Master Association or DRB, the Owner shall notify the DRB in writing to inspect the Improvements. The DRB shall, within ten (10) business days of receiving such notice, make an inspection (interim or final as the case may be) to verify correction or completion of the construction of the Improvements in accordance with the approved Submittals. If the DRB determines that the Improvements have been constructed in accordance with the approved Submittals, the Master Association shall issue to the Owner a "Certificate of Approval" in recordable form, executed by an Officer of the Master Association.

Until such time as a Certificate of Approval is issued and recorded in the Public Records of Osceola County, Florida, the current Owner and all future Owners of the Property Unit shall be obligated to complete the Improvements in accordance with the approved Submittals. The recording of a Certificate of Approval shall be conclusive evidence that the Improvements have been completed in accordance with the approved Submittals, but shall not excuse the Owner from the requirement that future alterations or changes to the Improvement be submitted to and approved by the DRB.

92. Approval of All Improvements and Alterations. The obligation to obtain approval for Improvements or alterations on a Property Unit shall apply to all construction, installation, excavation, demolition, and erection, or any other activity that may change the configuration or appearance, permanently or temporarily, of a Property Unit or of Improvements thereon. Without limiting the generality of the foregoing, approval must be obtained for installation of buildings, accessory buildings, a fence or wall, signs, landscaping and ornamental structures.

93. Alteration of Existing Improvements. Any Owner who makes exterior additions to, or changes or alterations to, any Improvement, or constructs any new Improvements, on the Property Unit after the initial construction and recording of a Certificate of Approval, must complete all such work (the "Alterations") in a timely manner and substantially in accordance with all Submittals approved by the DRB. The Owner shall notify the DRB in writing when the Alterations have been completed and the DRB shall, within ten (10) business days of receiving such notice, cause an inspection to be made to verify the completion of construction in accordance with the approved Submittals.

Should the DRB determine that the Alterations have not been completed substantially in accordance with the approved Submittals, the DRB shall notify the Owner in writing citing deficiencies and the Owner shall, within fifteen (15) days after receipt of notice, commence correction of the deficiencies, and continue

in an expeditious manner until all deficiencies have been corrected. The Master Association shall be entitled to record in the Public Records a "Notice of Noncompliance" giving notice that the Owner has not completed the Alterations substantially in accordance with approved Submittals and that Master Association has the right to seek legal action to force the Owner, or any grantee of the Owner, to complete the correction of the Alterations substantially in accordance with the Submittals. The "Notice of Noncompliance" shall contain the legal description of the Property Unit. Once recorded the "Notice of Noncompliance" shall constitute constructive notice to all potential purchasers from the Owner that the Master Association has the right to force completion of the Alteration against the Owner, or any grantee of the Owner.

Once the DRB determines that the Alterations have been completed substantially in accordance with the approved Submittals, the Master Association shall issue to the Owner a "Certificate of Approval" in recordable form, which shall make reference to the recorded "Notice of Noncompliance", and shall be executed by an officer of the Master Association. The recording of the Certificate of Approval in this instance shall be conclusive evidence that the Alterations as approved by the DRB have been completed, but shall not excuse the Owner from the requirement that future changes, modifications or alterations be submitted to and approved by the DRB.

94. Subordination of Obligation and Lien to Mortgages. The obligations of the Owner relating to approval of Improvements, Alterations, and the like, and any "Notice of Noncompliance" recorded by the Master Association, shall be absolutely subordinate, junior and inferior, to the lien of any first mortgage held by an Institutional Lender (as hereinafter defined), recorded before recording of the Notice of Noncompliance. This subordination shall not relieve the Owner or any future Owners from the provisions of this Declaration.

95. Subsequent "Certificate of Approval" Not Necessary Unless "Notice of Noncompliance" Recorded. Notwithstanding anything herein to the contrary, the provisions above requiring a Certificate of Approval shall be applicable to initial construction of the Improvement on the Property Unit. After the initial construction and the recording of a "Certificate of Approval", it will not be necessary for an Owner to obtain and record a "Certificate of Approval" for any Alterations unless a "Notice of Noncompliance" is recorded in the Public Records as permitted above. Subsequent purchasers or mortgagees of Improvements must only determine that one (1) "Certificate of Approval" has been recorded unless a "Notice of Noncompliance" is also recorded.

96. Indemnification for Approvals. Each Owner shall indemnify, defend and hold Declarant and the Master Association harmless from all claims (which shall include all court costs and all reasonable attorneys' fees incurred, whether incurred out of court, in a trial court, on appeal or in bankruptcy proceedings) for injury (of whatever nature) to any person or property arising in connection with the approval or disapproval by DRB of Submittals submitted for approval or with the design, construction, or structural soundness of any Improvements on a Site.

97. Injunction for Violation of Plan Review Requirements. Should anyone violate any order of the DRB relating to Submittals, proceed with Improvements, Alterations, or the like without obtaining the DRB's approval, or fail to follow any approved plans and specifications in making Improvements, Alterations or the like, Declarant or the Master Association shall be entitled to an injunction against the prohibited activity or to sue for other relief; and Declarant or the Master Association shall not be obligated to demonstrate that the Improvements, Alterations or the like violate this Declaration, but only that such are being performed without or in violation of DRB's approval. The Owner shall pay all attorney's fees and costs incurred by Declarant or the Master Association in any such suit, and such shall constitute liens against the Owner's Property Unit of the same nature as Assessment liens.

98. Variance. The Master Association in its sole discretion may authorize variances from compliance with any construction or architectural requirements when circumstances such as topography, natural obstructions, hardship, aesthetic, or environmental considerations would prevent the utilization of the Property Unit. If a variance is granted, no violation of this Declaration shall be deemed to have occurred with respect to the matter for which the variance was granted. The granting of such a variance shall not, however, operate to waive any of the terms and provisions of this Declaration for any purpose except as to

the particular Property Unit and particular provisions covered by the variance, nor shall it affect in any way the Owner's obligation to comply with all governmental laws and regulations affecting the use of the Property Unit, including but not limited to, zoning ordinances and set-back lines or requirements imposed by any governmental or municipal authority, nor to obtain a similar variance from a Community Association's neighborhood architectural committee, the Declarant, or any others who may have similar jurisdiction.

99. Inconvenience to Owners. Each Owner acknowledges that until construction of Improvements is completed on each Property Unit, and thereafter during periods of Alteration to an Improvement on a Property Unit, construction activity will take place within the Property. The Declarant and each applicable Owner covenants and agrees to use reasonable efforts to limit the inconvenience to the other Owners resulting from such construction activity. Each Owner covenants and agrees to refrain from interfering with construction activity.

100. The Declarant's Exemption. The Declarant shall be exempt from the foregoing architectural review provisions. The Declarant shall not be obligated to obtain DRB approval for any construction or changes in construction or alterations to existing buildings, or other Improvements which the Declarant may elect to make at any time.

EASEMENTS

101A. Grant of Easements. The Declarant hereby reserves and grants the following easements:

A. Right of Way. A nonexclusive perpetual easement over and upon any private Streets existing or constructed within the Property for ingress, egress, and access to and from, other portions of the Property and publicly dedicated Streets, in favor of (1) Declarant, (2) all Owners, (3) all officers, members of the Board, agents, employees, lessees, invitees or other designees of the Declarant or the Master Association or a Community Association, and (4) all governmental and quasi-governmental agencies and service entities having jurisdiction over Formosa Gardens while engaged in their respective functions.

B. Right to Enter Upon the Property. An easement for ingress, egress and access in favor of the Declarant, the Master Association, members of the Board, and all officers, agents, employees, or other designees of the Declarant or the Master Association, and all employees or agents of any governmental or quasi-governmental body or agency, to enter upon each Property Unit, Common Area, or other portions of the Property, for the purpose of inspecting any construction, proposed construction, or Improvements, or fulfilling the rights, duties and responsibilities of ownership, administration, maintenance and repair of either the affected Owner, Community Association, or the Master Association, governmental body or agency, including, but not limited to, the Master Association's obligation to maintain and repair the Drainage Areas and Drainage Easements associated therewith. This easement shall include an easement in favor of the Master Association and the Declarant to enter upon the Common Area now or hereafter created to use, repair, maintain, and replace that Common Area for the purposes for which they are initially designed or dedicated or for which the Declarant or the Master Association hereafter redesignates or otherwise determines them to be reasonably suited. Notwithstanding the foregoing, nothing contained herein shall be interpreted to impose any obligation upon the Master Association or the Declarant to maintain, repair, or construct any Improvement which an Owner is required to maintain, construct or repair.

C. Drainage. A nonexclusive drainage easement in favor of the Declarant, the Master Association, and their employees, or other designees, all employees or agents of any governmental or quasi-governmental body or agency, the Community Association, and the Owners for the use of Drainage Areas established throughout Formosa Gardens for drainage purposes, and an easement for ingress, egress and access to enter any portion of the Property in order to construct, maintain and repair any Drainage Area and facilities thereon and appurtenances thereto.

D. In Favor of Declarant. A nonexclusive easement in favor of Declarant, its agents, employees, licensees and invitees, under, upon, and above all portions of the Property for all purposes related to development of the Property. Declarant retains the right to maintain an office on the Property located on any property owned by Declarant or the use of which is allowed Declarant. Declarant may also construct

and maintain a sales agency office, together with a sign or signs, on Property Units belonging to Declarant and on the Common Areas.

E. Ingress and Egress and Utility Easements. Nonexclusive easements for Declarant and the Master Association and their designees for ingress and egress and for the installation and maintenance of all utilities over, upon, and under each Property Unit and the Common Areas. The right is also reserved to the Declarant to create additional utility easements throughout the Property by separate instrument as may be required from time to time, provided that no such easement may impair use of or cause damage to existing Improvements on a Property Unit.

F. Easement of Enjoyment. A nonexclusive easement of enjoyment in favor of all Owners for use of Common Areas, subject, however to conditions and restrictions prescribed herein or permitted to be promulgated for use of the Common Areas.

101B. Easements Along Formosa Gardens Boulevard. Declarant hereby reserves for itself and for the Master Association a nonexclusive streetscape, landscape, and utility easement over, upon, and above the property lying within 15' all along each side of and contiguous to the right-of-way for Formosa Gardens Boulevard, as that right-of-way is delineated on all recorded plats affecting the Property. Declarant and the Master Association may place and maintain within this easement utility equipment, street lights, landscaping, irrigation systems, benches, sidewalks, paths and all other objects that Declarant or the Master Association may desire in order to place utilities along Formosa Gardens Boulevard or to create an attractive streetscape along Formosa Gardens Boulevard. Notwithstanding the foregoing, Declarant and the Master Association may not make use of this easement in any way to deprive any Unit of access to and from a public road. This easement will be deemed at "Streetscape" and "Common Area".

102A. Reservation of Easements. The Declarant, so long as the Declarant owns any portion of the Property within or adjacent to the Property, and the Master Association thereafter, retains the right to grant easements upon, over, through, and under the Property as deemed to be in the best interests of and proper for Formosa Gardens, for the following purposes and uses:

A. Utility and Governmental Services Easements. A nonexclusive easement to provide for installation, service, repair and maintenance of the power, electric transmission, television cable, light, telephone, communication, security, gas, water, sewer, garbage, drainage and other utilities and governmental service, including police and fire protection, and postal service, including rights of ingress, egress and access for persons and equipment necessary for such purposes, for the benefit of the Declarant and the Master Association and all appropriate utility companies, agencies, franchises or governmental agencies.

B. Easement for Encroachments. An easement for encroachment in favor of the Declarant, the Master Association, the Community Associations, and the Owners in the event any portion of the Improvements located on any portion of the Property now or hereafter encroaches upon any of the remaining portions of the Property as a result of minor inaccuracies in survey, construction, or reconstruction, or due to settlement or movement; and an easement for the maintenance and use of the encroaching improvements in favor of the Declarant, the Master Association, the Community Association, the applicable Owners and all their designees.

102B. Access to Easements. Declarant hereby reserves a nonexclusive easement in favor of Declarant and the Master Association to enter upon all portions of the Property that are subject to buffers, right-of-ways and easements for the purpose of operating, maintaining, repairing, or replacing that easement, buffer, or right-of-way and all Improvements and equipment thereon. For the purpose of gaining access to all such easements, buffers, or right-of-ways, Declarant shall have an easement to pass upon all other areas of the Property, provided such passage does not unreasonably damage the property being crossed.

103A. Assignments. The easements and rights to grant easements reserved by the Declarant may be assigned by the Declarant in whole or in part to the Master Association, any town, county, or state

government or agency thereof, or any duly licensed or franchised public or quasi-public utility, or any other designee of the Declarant.

103B. Objects Within Easements. No Owner may place any object or plant any landscaping within any easement, buffer, or the like affecting that Owner's Unit without first obtaining the Master Association's written consent.

103C. Sewer and Water Agreement. Declarant hereby reserves the right to create anywhere on the Property such easements as may be necessary to satisfy the developer's obligations under that certain agreement for Provision of Potable Water Supply and Sanitary Sewage Treatment and Disposal dated October 18, 1988 with the City of Kissimmee applicable to the Property.

ASSESSMENTS

104. Responsibility. Each Member shall be responsible for the payment of Assessments for Common Expenses to the Master Association as hereinafter provided. Assessments for Common Expenses attributable to Property Units under the jurisdiction of a Community Association shall be collected by that Community Association and remitted immediately to the Master Association, but those Assessments shall remain the obligation of the Owners of those Property Units.

105. Determination of Assessments for Common Expenses. Prior to the beginning of each fiscal year, the Board shall adopt a budget for that fiscal year which shall estimate all of the Common Expenses to be incurred by the Master Association during the fiscal year. In determining the budget for any fiscal year, the Board may take into account Common Areas, Property Units, and proposed Improvements that may be created by the annexation of additional property to the Property during the fiscal year. The Board shall then establish in the manner provided below, the Assessment for Common Expenses per Property Unit based on the Assessed Value of each Property Unit. The total Common Expenses shall be divided by the total Assessed Value of all portions of the Property, including all Residential Property Units, Commercial Property Units, and Institutional Property Units (so long as the Owner of a particular Institutional Property Unit has previously agreed to pay Assessments.) If the Institutional Property Unit is exempt from the payment of real property taxes (or is assessed at substantially less than other Commercial Property Units of generally similar size and construction), the Board shall establish an Assessed Value for such Institutional Property Unit each year based on what the Tax Assessor's Office, or other independent real property tax consultant, would estimate for an Assessed Value if the Institutional Property Unit were not exempt from real property taxes (or were not taxed at a lower rate than comparable Commercial Property Units). The resulting fraction shall be multiplied by the Assessed Value of each specific Property Unit to determine the Assessment for Common Expenses for that specific Property Unit. The Master Association shall then promptly notify all Members in writing of the amount, frequency, and due dates of the Assessment for Common Expenses for each Property Unit. From time to time during the fiscal year, the Board may revise the budget for the fiscal year. Pursuant to the revised budget the Board may, upon written notice to the Members, change the amount, frequency, or due dates of the Assessments for Common Expenses for each Property Unit. If the Master Association at any time during a fiscal year requires funds for items or Common Expenses that were not anticipated in the budget for that year, the Board may make Special Assessments for those items or Common Expenses, which shall be levied in the same manner as provided for regular Assessments for Common Expenses and shall be payable in the manner determined by the Board as stated in the notice of any Special Assessment.

106. Payment of Assessments for Common Expenses. The Board in its discretion may fix a date or dates and frequency for payment (in full or in installments) of Assessments for Common Expenses and Special Assessments coming due under this Declaration. Each Member shall be required to and shall pay to the Master Association the Assessment, or installments, for Common Expenses for each Property Unit(s) then owned by or under the jurisdiction of that Member on or before the date each Assessment, or installment, for Common Expenses is due. If any Assessments for Common Expenses are made payable in equal periodic payments, the periodic payments shall automatically continue to be due and payable in the same amount and frequency as indicated in the notice, unless or until: (1) the notice specifically provides

that the periodic payments will terminate upon the occurrence of a specified event or the payment of a specified amount; or (2) the Master Association notifies the Member in writing of a change in the amount or frequency of the periodic payments. Notwithstanding the foregoing, in no event shall any Assessment for Common Expenses payable by any Member be due less than ten (10) days from the date prescribed in the notification of that Assessment for Common Expenses.

107. Collection by Community Associations. Each Community Association shall include in its budget each year an amount sufficient to pay all Assessments for Common Expenses levied by the Master Association against each Property Unit within the jurisdiction of that Community Association. Each Community Association shall have the duty to collect these Assessments levied by the Master Association, in addition to levies imposed by that Community Association under its authority, if any. Each Community Association shall timely remit to the Master Association the total Assessments for Common Expenses for Property Units under the jurisdiction of that Community Association.

If a Community Association has not been able timely to collect its assessments from an Owner(s) under its jurisdiction, it shall notify the Master Association of the name and address of that Owner(s). The Master Association shall be entitled to rely upon the information given by a Community Association regarding delinquencies, and may impose a lien upon the delinquent Owner's Property Unit in accordance with this Declaration. Notwithstanding any contrary provision herein, the Master Association may, in its sole discretion, elect to collect Master Association Assessments and other charges directly from any Owner.

108. Assessment Obligation of Declarant. Assessment payments with respect to a Property Unit will commence after Declarant transfers ownership of that Property Unit to a third-party or after a Property Unit owned by Declarant is improved with a permanent improvement and that improvement is occupied. After the commencement of assessment payments, Declarant covenants and agrees to pay the full amount of the Assessments provided herein but only for each Property Unit that Declarant owns containing an occupied permanent improvement. Each Property Unit owned by Declarant which does not contain an occupied permanent improvement shall not be subject to assessment. Declarant shall have the right to set off against any Assessment for which Declarant is obligated the cost or value of services or goods provided by Declarant to or for the benefit of the Master Association.

109. Special Assessments. The Board may levy Assessments other than annual operating assessments (referred to as "Special Assessments") at any time in order to satisfy its responsibilities as provided in this Declaration. A Special Assessment may be levied: in the event that the Assessment for Common Expenses is insufficient to pay the Common Expenses for the fiscal year; or in the event that the Master Association reserves are insufficient to cover necessary expenditures for capital improvements, repairs, or replacement; or to retire indebtedness incurred to improve the Common Area; or any other purposes that relate to the Members, the duties, or the actions of the Master Association. When the Master Association levies a Special Assessment, each Community Association shall assist the Master Association in collecting such Special Assessment directly from each Owner by collecting in the same manner prescribed for collection of Assessments for Common Expenses, or by such other means as the Master Association may direct. Also a Special Assessment may be levied by the Master Association against an individual Property Unit of an Owner for any violation of this Declaration.

110. Interest on Assessments. If any Owner is in default in the payment of any Assessment for Common Expenses or Special Assessment for more than ten (10) days after the required due date, or in the payment of any other monies owed to the Master Association for a period of more than ten (10) days after the applicable due date, or if no other due date is designated, within ten (10) days after delivery of written demand for payment by the Master Association, the Master Association may charge such Owner interest at the highest rate permitted by the laws of Florida on the amount owed to the Master Association from the due date (or demand date) until paid in full.

111. Acceleration of Assessments. If any Owner is in default in the payment of any Assessment or any other monies owed to the Master Association for more than ten (10) days after the due date or (if no other due date is designated) after written demand by the Master Association, the Master Association shall have the right to accelerate and require such defaulting Owner to pay to the Master Association Assessments

for Common Expenses for the next twelve (12) month period, based upon the then existing amount and frequency of Assessments for Common Expenses. In the event of such acceleration, the defaulting Owner shall continue to be liable for any increases in the regular Assessments for Common Expenses, for all Special Assessments, and all other Assessments and monies payable to the Master Association.

112. Collection. In the event any Owner fails to pay any Assessment for Common Expenses, Special Assessment, or other monies due to the Master Association (and to the Master Association through a Community Association in cases where the Owner is subject to the jurisdiction of a Community Association) within ten (10) days after the due date or (if no other due date is designated) within 10 days after delivery of written demand, the Master Association may take any action deemed necessary in order to collect the delinquent Assessments for Common Expenses, Special Assessments, or other monies, including but not limited to retaining the services of a collection agency or attorney to collect those Assessments for Common Expenses, Special Assessments, or other monies, initiating legal proceedings for the collection of those Assessments for Common Expenses, Special Assessments, or other monies, recording a claim of lien as provided herein, and foreclosing the claim of lien in the same fashion as mortgage liens are foreclosed, or any other appropriate action. The Owner shall be liable to the Master Association for all costs and expenses incurred by the Master Association incident to the collection of any Assessment for Common Expenses, Special Assessment, or other monies owed to it, and the enforcement and foreclosure of any lien therefor, including but not limited to reasonable attorneys' fees, and attorneys' fees and costs incurred on the appeal of any lower court decision, reasonable administrative fees of the Master Association, and all sums paid by the Master Association for taxes or on account of any mortgage lien and encumbrance in order to preserve and protect the Master Association's lien. The Master Association shall have the right to bid in the foreclosure sale of any lien foreclosed by it for the payment of any Assessments, Special Assessments, or other monies owed to it; and if the Master Association becomes the Owner of any Property Unit by reason of such foreclosure, it shall offer that Property Unit for sale within a reasonable time and shall deduct from the proceeds of the sale all Assessments, Special Assessments or monies due it. All payments received by the Master Association on account of any Assessments for Common Expenses, Special Assessments, or other monies owed to it by any Owner shall be first applied to payments and expenses incurred by the Master Association, then to interest, then to any unpaid Assessments for Common Expenses, Special Assessments, or other monies owed to the Master Association in the inverse order that such were due.

113. Lien for Assessment, Special Assessment and Monies Owed to Master Association. The Master Association shall have a lien on all portions of the Property owned by an Owner for any unpaid Assessments for Common Expenses (including any Assessments which are accelerated pursuant to this Declaration), Special Assessments, and all other monies owed to the Master Association by that Owner, and for interest, reasonable attorneys' fees incurred by the Master Association incident to the collection of the Assessments for Common Expenses, Special Assessments, and other monies, or enforcement of the lien, for reasonable administrative fees incurred by the Declarant or the Master Association, and for all sums advanced and paid by the Master Association for taxes or on account of superior mortgages, liens or encumbrances in order to protect and preserve the Master Association's lien. To give public notice of the unpaid Assessment for Common Expenses, Special Assessment, or other monies owed, the Master Association may record a claim of lien in the Public Records of Osceola County, Florida, stating the description of the Property Unit(s), and name of the Owner, the amount then due, and the due dates. Any claim of lien so recorded shall secure payment of the amount stated therein and of all other amounts becoming due from the Owner to the Master Association, including without limitation interest, attorneys' fees, and costs. The lien will remain in effect until all sums secured by it (including sums which become due after the recording of the claim of lien) have been fully paid. Upon payment in full of all sums secured by the lien, the person making the payment is entitled to a written satisfaction of the lien suitable for recording.

114. Transfer of a Property Unit after Assessment. The Master Association's lien shall not be affected by the sale or transfer of any Property Unit. In the event of any such sale or transfer, both the new Owner and the prior Owner shall be jointly and severally liable for all Assessments for Common Expenses, Special Assessments, interest, and other costs and expenses owed to the Master Association that are attributable to the Property Unit purchased by or transferred to the new Owner.

115. Subordination of the Lien to Mortgages. The lien of the Master Association for Assessments or other monies shall be subordinate and inferior to the lien of any mortgage in favor of an Institutional Lender recorded prior to the recording of a claim of lien by the Master Association. For purposes of this Declaration, "Institutional Lender" shall mean and refer to the Declarant, a bank, savings bank, savings and loan association, insurance company, real estate investment trust, or any other recognized lending institution as may be determined by the Declarant or the Master Association. If the Master Association's lien or its rights to any lien for Assessments, Special Assessments, interest, expenses, or other monies owed to the Master Association by any Owner is extinguished by foreclosure of a mortgage held by an Institutional Lender, such sums shall thereafter be Common Expenses, collectible from all Owners (including the Person acquiring title through the foreclosure, its successors and assigns).

116. Certificate as to Unpaid Assessments or Default. Upon request by any Member, or Owner, or an Institutional Lender holding a mortgage encumbering any Property Unit, the Master Association shall execute and deliver a written certificate stating whether or not a specified Owner is in default with respect to the payment of any Assessments for Common Expenses, Special Assessments, or any other monies owed in accordance with the terms of this Declaration.

117. Exempt and Partially Exempt Property. The following portions of the Property are exempt from the payment of any Assessments or Special Assessments:

- A. Any property owned by or leased to the Master Association.
- B. The Common Area.
- C. Community Common Area.
- D. Institutional Property Units used solely for a public purpose.

118. Restricted Assessments. If any expense of the Master Association is incurred solely for the benefit of one or more Community Associations or for the benefit of one or more Owners, but not for all of the Community Associations or all Owners, then the Master Association shall have the right in its discretion to assess only the Community Associations or Owners so benefitted to obtain the funds to cover that expense.

TAXES AND INSURANCE

119. Taxes. The Master Association shall pay all real and personal property taxes and assessments for any property owned or maintained by the Master Association.

120. Insurance. The Master Association shall purchase insurance as a Common Expense, as follows:

A. Hazard Insurance. Hazard Insurance protecting against loss or damage by fire and all other hazards that are normally covered by the standard extended coverage endorsement, and against other perils customarily covered by similar types of projects, including those covered by the standard all-risk endorsement, covering one hundred percent (100%) of the current replacement costs of all Common Areas and property owned by the Master Association, excluding land, foundations, excavations, and other items normally excluded from insurance coverage. The Master Association shall not use hazard insurance proceeds for any purpose other than repair, replacement, or reconstruction of any damage or destroyed property unless the Board shall approve otherwise.

B. Liability Insurance. Comprehensive General Liability Insurance protecting the Master Association from claims for bodily injury, death or property damage, and providing for coverage of \$1,000,000 for any single occurrence and \$5,000,000 in the aggregate, or in such amounts as the Board, in its sole

discretion, deems reasonable and necessary. If the Master Association is not able to obtain such insurance in the amounts stated, the Board shall obtain insurance in such lesser amount as can be obtained.

C. Fidelity Bonds. Blanket Fidelity Bonds for anyone who handles or is responsible for funds held or administered by the Master Association, covering the maximum funds that could reasonably be in the custody or control of the Master Association or any managing agent.

D. Officers and Directors Insurance. Officer and director liability insurance and liability insurance for members of committees and boards appointed by the Board, if available, and for Members of the Master Association, if available, as shall be determined by the Board to be required or beneficial for the protection of the members of the Board, the officers of the Master Association, the members of committees and boards appointed by the Board, and the Members of the Master Association.

E. Other Insurance. Such other forms of insurance and coverages and in such amounts as the Board shall determine to be required or beneficial for the protection or preservation of the Common Areas and any improvements now or hereafter located thereon or in the best interests of Formosa Gardens.

121. Cancellation Notice. To the extent possible, all insurance purchased by the Master Association must include a provision requiring as much advance written notice as is possible to the Master Association and Declarant before the insurance can be cancelled or the coverage reduced for any reason.

122. Deductible. Any deductible or exclusion under the policies shall be a Common Expense.

DECLARANT'S RIGHTS AND VETO POWER

123. Declarant's Rights. The Declarant hereby reserves to itself, and the grantee of any Property Unit agrees by acceptance of a deed of conveyance thereto, that the Declarant shall have the following rights, without condition, limitation, or qualification, or the necessity of consent or approval by the Master Association, the Members, or Owners, so long as the Declarant owns any interest in the Property or in adjacent property, including property owned by the Declarant as the result of any reconveyance of the Property, or until the Declarant causes to be recorded in the Public Records of Osceola County, Florida, a Certificate of Termination of Interest in Formosa Gardens, which Certificate specifically terminates any and all right, title, interest and obligation of the Declarant in the operation and control of the Master Association.

A. The right to dispense pesticides throughout the Property (provided such is done in accordance with reasonable safety precautions and in compliance with applicable laws).

B. The right to establish easements for itself over any portion of the Property which is owned by the Declarant.

C. The right to convey, in whole or in part, any easements granted in favor of the Declarant, as created in this Declaration or as recorded in the Public Records of Osceola County, Florida, which pertain to Formosa Gardens.

D. The right to approve any Community Declaration, any amendment(s) thereto, and any Governing Documents (and any amendments thereto) related to any Community Association.

E. The right to maintain Property Units if the Community Associations or Owners fail to do so, including, wherever there shall have been built on any Property Unit any structure or Improvement which is in violation of this Declaration, the right to enter in and upon the Property Unit where such violation exists and summarily to abate or remove the violation at the sole expense of the Owner.

F. The right to purchase any Property Unit which is in violation of provision number 83 herein. The price at which the Declarant may repurchase shall be the then fair market value of the Property Unit as may be agreed upon by the parties or the value arrived at by a bona fide appraisal in the event of a dispute, exclusive of the value of any Improvements erected on the Property Unit which were not

approved by the DRB in accordance with the terms of this Declaration. In the event the parties are unable to agree on the fair market value of the Property Unit then each shall be entitled to name an appraiser. The two appraisers shall then select a third appraiser. The fair market value of the Property Unit, as determined by the three appraisers, shall be the amount for which the Declarant purchases the Property Unit.

G. The right to maintain an easement, for construction staging or phasing purposes, across any Property Unit.

H. The right to enter into, or alter and amend, any agreements between the Declarant and the City of Kissimmee or Osceola County reasonably necessary to develop Formosa Gardens.

I. The right to conduct the development, marketing, and sale of the Property Units in Formosa Gardens, including the right to maintain model residences, the right to lease Residential Property Units owned by the Declarant, the right to provide overnight accommodations to prospective purchasers, the right to hold promotional social functions and parties, and such other rights as may be deemed appropriate by the Declarant.

J. The right to construct and maintain a sales center in Formosa Gardens and to erect signs to conduct marketing and sales throughout Formosa Gardens.

K. During the time the Declarant is engaged in the sale of any portion of the Property, the right to install and maintain radio communications and cable television systems.

Anything contained herein to the contrary notwithstanding, the Declarant shall have the right to retain control of the Master Association in accordance with the Governing Documents, or until such earlier time as is determined by the Declarant, in the Declarant's sole discretion. In the event the Declarant shall enter into any contracts or other agreements for the benefit of the Members or the Master Association, the Declarant may, at its option, assign its obligations under the agreements to the Master Association, and in such event, the Master Association shall be required to accept such obligations.

124. Veto Power. The Declarant hereby expressly reserves to itself, and all Owners hereby agree by acceptance of a deed of conveyance to any Property Unit, that the Declarant shall have the right to veto any of the following events so long as the Declarant owns any portion of the Property or of adjacent property, including any portion of the Property owned by the Declarant as the result of any reconveyance to such portion of the Property, or any adjacent property, or until the Declarant causes to be recorded a Certificate of Termination of Interest in Formosa Gardens, which Certificate terminates any and all rights the Declarant has reserved in this Declaration:

A. Any or all Master Association budgets, annual or otherwise, which constitute an increase or reduction of at least ten percent (10%) over the prior year's budget.

B. Approval or disapproval by the DRB of any documents or materials pertaining to any Improvement within Formosa Gardens.

C. Any attempted resubdivision of Formosa Gardens or any part thereof.

D. Any attempted amendment of this Declaration or any Community Declaration or any other Governing Documents.

E. Any reduction made to any security system at Formosa Gardens.

F. Any attempted relocation or removal of any recreational facilities or amenities, or of the sales center(s), at Formosa Gardens.

G. Any Special Assessment which is imposed by the Master Association on Property Units owned by the Declarant.

H. Any settlement of any claim made by the Master Association to collect upon any policy or casualty insurance which insures the Common Area, and any settlement of any claim made by a Community Association to collect upon any policy of casualty insurance which insures a Community Common Area.

I. Any attempted cancellation or reduction of insurance coverage insuring all or any part of the Property.

J. Any attempted dissolution of the Master Association by a vote of the Members of the Master Association and any attempted dissolution of any Community Association.

K. Any attempted dedication of any portion of the Common Area to the City, the County or other governmental entity.

L. Any attempted supplements or changes to the Design Standards.

M. Any attempted changes to the Development Order or to Plats within or to master plans for Formosa Gardens.

125. Assignments of Declarant's Rights and Duties. Declarant may assign any or all of its rights, powers, reservations, and obligations hereunder ("Declarant's Rights and Obligations), permanently or temporarily, to any person, corporation, or entity. Declarant shall not be required to assign all of Declarant's Rights and Obligations to a single person or entity. Declarant shall be allowed to retain such Rights and Obligations as Declarant may elect in its sole discretion, and, in Declarant's discretion, to assign one or more Rights or Obligations to one or more individuals or entities. Once the assignment is effective, the assignee shall, to the extent of such assignment, have the same rights, obligations and authority as Declarant had prior to the assignment. If at any time Declarant either resigns or ceases to exist without making an assignment of its Rights and Obligations, a successor Declarant may be appointed in the same manner as is required for termination, extension, modification, or amendment of this Declaration by the Members.

126. Annexation by Declarant. Declarant shall have the unilateral right, privilege, and option from time to time at any time to subject additional properties by annexation to the provisions of this Declaration by filing for record in the public records a Supplemental Declaration relating to the property being annexed. Any annexation shall be effective upon the recording of the Supplemental Declaration unless otherwise provided therein. Declarant may unilaterally amend this Declaration to reflect the different character of any annexed real property. Any additional property annexed hereto shall, unless the Supplemental Declaration provides otherwise, for all purposes be treated as a portion of the Property subject hereto; and the owner of additional property shall be an "Owner" under this Declaration. All additional properties annexed pursuant to this provision shall be under the authority and jurisdiction of the Master Association and shall be entitled to the rights and benefits of membership in the Master Association.

127. Application of Restrictions to Declarant. It is understood that this Declaration is intended to proscribe use of a Property Unit by the Owner and occupant thereof after Declarant has sold the Property Unit. This Declaration is not intended to proscribe or restrict Declarant's efforts to improve or market Property Units. Accordingly, no provision of this Declaration shall be construed to preclude activities necessary in Declarant's sole discretion effectively or efficiently to construct any Improvements within the Property or to market any Property Unit or other portion of the Property, nor to impose any requirements that Declarant determines in its sole discretion to be unreasonable or inapplicable to Declarant as developer of the Property. Declarant shall have the right notwithstanding these Restrictions to enter upon the Property and engage in all activities that Declarant deems necessary to improve and market the Property. Without limiting the generality of the foregoing, no provision of this Declaration shall be construed to:

- A. preclude operation of a sales office or of sales activities within the Property by Declarant or its agents or assigns;

- B. preclude Declarant or its agents or assigns from erecting signs, flags, banners, or the like within the Property;
- C. preclude Declarant or its agents or assigns from constructing, installing, and maintaining trailers, sheds, or similar temporary structures, or office, storage, or sales facilities, on a Property Unit;
- D. prohibit parking or placing of construction or commercial vehicles within the Properties by or on behalf of Declarant;
- E. prohibit Declarant from using Common Areas for sales and promotional purposes;
- F. require landscaping of any Property Unit owned by Declarant before Declarant has sold it;
- G. require construction of Improvements within any particular time period on Property Units owned by Declarant; or
- H. prohibit splitting or subdividing any portion of the Property by Declarant.

To the extent any other provision of this Declaration may be subject to construction contrary to this provision, that provision shall be deemed not to apply to Declarant or to Property Units owned by Declarant until the Property Unit is improved and occupied.

128. Declarant's Right to Withdraw Property. Declarant shall have the right at any time from time to time, in Declarant's sole discretion, to withdraw any portion of the Property owned by Declarant from this Declaration. Such a withdrawal shall become effective upon the recording of a withdrawal instrument executed by Declarant in the public records of Osceola County. Once Declarant records such a withdrawal instrument, the portions of the Property described therein shall no longer be subject to these Restrictions.

ENFORCEMENT OF NONMONETARY DEFAULTS

129. Nonmonetary Defaults. In the event of a violation by any Member or Owner (other than the nonpayment of any Assessment for Common Expenses, Special Assessment or other monies) of any of the provisions of this Declaration or of the Governing Documents, the Master Association shall notify the responsible Member or Owner of the violation by written notice. If such violation is not cured within seven (7) days after the receipt of such written notice, or, if the violation is not capable of being cured within such seven (7) day period, if the Member or Owner fails to commence and diligently proceed to completely cure the violation as soon as practical, the Master Association may at its option:

- A. Specific Performance. Commence an action to specifically enforce the performance on the part of the Member or Owner, or the Master Association may seek such other equitable relief as may be necessary under the circumstances, including injunctive relief; and
- B. Damages. Commence an action to recover damages; and
- C. Corrective Action. Take any and all action reasonably necessary to correct the violation, which action may include but is not limited to removing any building or Improvement for which architectural approval has not been obtained, or performing any maintenance required to be performed by this Declaration.
- D. Expenses. All expenses incurred by the Master Association in connection with the correction of any violation, or the commencement of any action against any Owner, including administrative fees and costs and reasonable attorneys' fees and costs, and attorneys' fees and costs incurred on the appeal

of any lower court decision, shall be a Special Assessment assessed against the applicable Owner, and shall be due upon written demand by the Master Association and collectible as any other Special Assessment under this Declaration. If the action is against a Member which is a Community Association, the amounts owed shall be due pro rata from each Owner subject to the jurisdiction of the Community Association.

130. Reimbursement to Declarant. If Declarant is ever owed money by an Owner because of the Owner's violation hereof, at Declarant's request, the Master Association shall reimburse Declarant on account of the applicable Owner; and the Master Association may thereafter treat that reimbursement as costs incurred by the Master Association for the Owner's default.

131. Imposition of Fines for Violations. It is acknowledged and agreed among all Owners that a violation of any of the provisions of these Restrictions by an Owner or Resident may impose irreparable harm to the other Owners or Residents, to the Declarant, or to the Master Association. All Owners agree that a fine not to exceed One Hundred and No/100 Dollars (\$100.00) per day may be imposed by the Master Association for each day a violation continues after notification by either the Master Association. All fines collected shall be used for the benefit of the Master Association. Any fine levied shall be paid within fifteen (15) days after mailing of notice of the fine. If not paid within said fifteen (15) days, the amount of such fine shall accrue interest at the highest interest rate allowed by the laws of Florida, and shall be treated as a Special Assessment and give rise to a lien against the Property Units of the assessed Owner as provided in elsewhere in this Declaration.

132. Rights Cumulative. All rights, remedies and privileges granted to the Master Association or the Declarant pursuant to of this Declaration or the Governing Documents shall be deemed to be cumulative; and the exercise of any one or more shall not be deemed to constitute an election of remedies, nor shall it preclude the Declarant or the Master Association from exercising such additional or alternative remedies, rights, or privileges as may be granted or as may be allowed under applicable law.

133. Enforcement By or Against Other Persons. In addition to the foregoing, this Declaration may be enforced by the Declarant or the Master Association by any procedure at law or in equity against any Person violating or attempting to violate any provision herein, to restrain such violation, to require compliance with the provisions contained herein, to recover damages, or to enforce any lien created herein. The attorney's fees and expenses of any litigation to enforce this Declaration shall be borne by the Person against whom enforcement is sought, provided such proceeding results in a finding that such Person was in violation of this Declaration. In addition to the foregoing, any Community Association or Owner shall have the right to bring an action to enforce this Declaration against any Person violating or attempting to violate any provision herein, to restrain such violation or to require compliance with the provisions contained herein, but no Community Association or Owner shall be entitled to recover damages or to enforce any lien created herein as a result of a violation or failure to comply with the provisions contained herein by any Person unless the Master Association so consents in writing. The prevailing party in any such action shall be entitled to recover its reasonable attorneys' fees.

134. Certificate as to Default. Upon request by any Member, Owner, or Institutional Lender holding a mortgage encumbering any Property Unit, the Master Association shall execute and deliver a written certificate stating whether any specified Member or Owner, and any applicable Community Association having jurisdiction over the Owner's Property Unit, is in default with respect to compliance with the terms and provisions of this Declaration.

INDEMNIFICATION

135. Indemnification of Declarant and Association. The Owner of a Property Unit shall indemnify, defend and hold Declarant and the Master Association harmless from all losses, claims, expenses, fines, penalties, damages, obligations, and all other charges and liabilities (including all court costs and all reasonable attorneys' fees incurred) for acts or omissions of the Owner, Residents of the Owner's Property Unit, and the agents, employees, and invitees of the Owner, and of tenants and occupants, and of other persons for whom the Owner, the tenants or occupants should be responsible, and for injury to any person

or property caused or alleged to be caused by any use or occupancy of that Owner's Property Unit or any portion or portions thereof.

136. Indemnification of Officers, Members of the Board, or Agents. The Master Association shall indemnify any Person who was or is a party or is threatened to be made a party, to any threatened, pending, or contemplated action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he is or was a member of the Board, employee, officer, or agent of the Master Association, against expenses (including attorneys' fees and appellate attorneys' fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interest of the Master Association. Provided, however, that this indemnity shall apply with respect to any criminal action or proceeding if the indemnitee had no reasonable cause to believe his conduct was unlawful, and with respect to any matter for which the indemnitee shall have been adjudged to be liable for gross negligence or willful misfeasance or malfeasance in the performance of his duty to the Master Association only to the extent that the court in which such action or suit was brought shall determine, upon application, that despite the adjudication of liability, in view of all the circumstances of the case, such Person is fairly and reasonably entitled to indemnity for such expenses which such court shall deem proper. The termination of any action, suit, or proceeding by judgment, order, settlement conviction, or upon pleas of nolo contendere or its equivalent, shall not, in and of itself, create a presumption that the Person did not act in good faith and in a manner which he reasonably believed to be in, or not opposed to, the best interest of the Master Association; and with respect to any criminal action or proceeding, that he had no reasonable cause to believe that his conduct was unlawful.

A. To the extent that a member of the Board, or an officer, employee, or agent of the Master Association is entitled to indemnification by the Master Association in accordance with this provision, he shall be indemnified against expenses (including attorneys' fees and appellate attorneys' fees) actually and reasonably incurred by him in connection therewith.

B. Expenses incurred in defending a civil or criminal action, suit, or proceeding shall be paid by the Master Association in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of the member of the Board, Officer, employee or agent to repay such amount, unless it shall ultimately be determined that he is not entitled to be indemnified by the Master Association as authorized in this provision.

C. The indemnification provided by this provision shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under the laws of the State of Florida, any Bylaw, agreement, vote of Members, or otherwise. As to action taken in an official capacity while holding office, the indemnification provided by this provision shall continue for a Person who has ceased to be a member of the Board, Officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a Person.

137. Purchase of Insurance. The Master Association shall have the power to purchase and maintain insurance on behalf of any Person who is or was a member of the Board, Officer, employee or agent of the Master Association, or is or was serving at the request of the Master Association as a member of the Board, Officer, employee or agent of another corporation, partnership, joint venture, trust, or other enterprise, against any liability asserted against him and incurred by him in any such capacity, as arising out of his status as such, whether or not the Master Association would have the power to indemnify him against such liability under other provisions of this Declaration.

MISCELLANEOUS PROVISIONS

138. Assignment of Rights and Duties to Master Association. The Declarant may at any time assign and delegate to the Master Association all or any portion of the Declarant's rights, title, interest, duties, or obligations created by this Declaration or the Community Declarations. It is understood that the Master Association has been formed as a master property owners association in order to effectuate the intent of the Declarant for the proper development, operation and management of Formosa Gardens. Wherever

herein the Declarant or the Master Association, or both, are given a right, power, authority, discretion, or the like, or a duty or function, such action, may be taken by either the Declarant or the Master Association until such time as the Declarant has recorded a Certificate of Termination of Interest in Formosa Gardens. Thereafter, all rights, duties and obligations of the Declarant shall be administered solely by the Master Association in accordance with procedures set forth herein and in the Governing Documents, unless the Declarant shall specify otherwise.

139. Waiver. The failure of the Declarant or the Master Association to insist upon the strict performance of any provision of this Declaration or to enforce any right, provision, covenant or condition contained herein or in the Governing Documents shall not be deemed to be a waiver of such provision unless the Declarant or the Master Association has executed a written waiver of the provision. Any such written waiver of a provision of this Declaration by the Declarant or the Master Association may be canceled or withdrawn at any time by the party giving the waiver, and shall not be deemed a continuing waiver.

140. Contributions for Working Capital. Declarant shall have the right to require that each person or entity purchasing a Property Unit contribute the equivalent of four (4) monthly Assessments to be used for working capital of the Master Association. All such contributions shall be held and expended by the Master Association in the same manner as Assessments for Common Expenses collected by the Master Association. If any purchaser of a Property Unit fails to pay a contribution required by this provision when that purchaser acquires title to his Property Unit, interest shall accrue on the contribution until paid at the highest lawful rate, and the contribution, interest, and all expenses, costs and attorney's fees incurred by Declarant and the Master Association in collecting the contribution shall be liens against the purchaser's Property Unit of the same nature as that securing payment of Assessments provided elsewhere in this Declaration.

141. Recreational Facilities. Portions of the lands in Formosa Gardens may be utilized for a country club, golf course and related facilities, or for other athletic or recreational facilities. Unless otherwise specified by the Declarant or the owner thereof, the country club, golf course and related facilities and other athletic and recreational facilities will be operated independently of all other portions of the Property and facilities in Formosa Gardens. No Owner shall have any right, title, interest or membership in or to the country club, golf course and other athletic and recreational facilities other than such membership as he may choose to purchase from the owner or operator thereof. Anyone playing golf upon the golf course shall have an easement and license to go upon an Owner's Property Unit adjacent thereto to retrieve errant golf balls so long as such person does not damage such Property Unit while accomplishing such retrieval. Any golfer causing damage by his errant golf ball during play or while retrieving it shall be solely responsible for such damage, and the owner of the golf course shall not be responsible therefor. The present or future use of any portion of the Property within Formosa Gardens as a golf course may be discontinued or suspended at any time by the owner of the golf course.

142. Utility Facilities. It is intended that the disposal of treated effluent (treated to public access level, when required) shall be accommodated in all permissible ways, consistent with all applicable laws, rules and regulations, on the Common Area. Disposal methods may include, but are not limited to, spray irrigation and percolation systems. Appropriate areas within Formosa Gardens, such as golf course, landscape areas, Streetscape, buffers, greenbelts, and other suitable and permissible areas may be used for effluent disposal by the utilities serving Formosa Gardens.

143. Term of this Declaration. All of the foregoing easements, covenants, conditions, reservations and restrictions shall run with the land and continue and remain in full force and effect at all times as against all Owners, their successors, heirs, or assigns, regardless of how the Owners acquire title, for a period of fifty (50) years from the date of this Declaration, unless within such time, one hundred percent (100%) of the Members of the Master Association execute a written instrument declaring termination of this Declaration. After such fifty (50) year period, unless sooner terminated as provided above, these easements, covenants, conditions, reservations, and restrictions shall be automatically extended for successive periods of ten (10) years each, until a majority of the votes of the entire membership of the Master Association execute a written instrument declaring a termination of this Declaration. Any termination of this Declaration shall be effective on the date the instrument of termination is recorded in the Public Records of Osceola County, Florida;

provided, however, that any such instrument, in order to be effective, must be approved in writing and signed by the Declarant so long as the Declarant owns any portion of the Property or of any adjacent property.

144. Amendments of this Declaration. Until the Declarant no longer owns any portion of the Property, including any portion of the Property owned by the Declarant as a result of any reconveyance of such portion of the Property, or of any adjacent property, or until the date when the Declarant records a Notice of Termination of Interest in Formosa Gardens, whichever shall first occur, the Declarant may amend this Declaration in any manner that Declarant may deem desirable by recording an amendatory instrument in the Public Records of Osceola County, Florida, executed by the Declarant only. This Declaration or any Restriction contained herein may from time to time be terminated, extended, modified, or amended by Declarant, for any reason and in any manner in Declarant's sole discretion, as to the whole of the Property or any portion thereof. Declarant may effect such a termination, extension, modification, or amendment by recording an appropriate written instrument in the public records. After Declarant records such an instrument, all of the Property and the Owners shall be bound by and subject to the terms thereof. This Declaration may also be amended at any time upon the approval of at least two-thirds (2/3) of the members of the Board as evidenced by the recording of an amendatory instrument executed by the President and Secretary of the Master Association; provided, however, that so long as the Declarant owns any portion of the Property and has not recorded the Notice of Termination, no amendment shall be effective without the Declarant's express written joinder and consent. Notwithstanding the foregoing, no amendment or modification of this Declaration that affects the surface water management system within the Property will be effective unless first approved by the South Florida Water Management District. Further, neither Declarant nor the Board may amend this Declaration in a manner that substantially impairs a material property interest of any Owner.

145. Dedication to Public. Until such time as title to the Common Area is conveyed to the Master Association, the Declarant shall have the sole and absolute right at any time, without necessity of approval by the Master Association, to dedicate to the public all or any part of the Common Area as well as any other portion of the Property deemed appropriate by the Declarant. Such a dedication will not relieve the Master Association from the obligation to maintain the Improvements located therein if those Improvements will not be maintained at the expense of the general public.

146. Disputes. In the event there is any dispute as to the interpretation of this Declaration or whether the use of the Property or any portion thereof complies with this Declaration, such dispute shall be referred to the Board. A determination by the Board with respect to any dispute shall be final and binding on all parties concerned. However, any use by the Declarant and its successors, nominees and assigns of the Property shall be deemed a use which complies with this Declaration and shall not be subject to a determination to the contrary by the Board.

147. Constructive Notice and Acceptance. Every person, firm, entity, and association who now or hereafter owns or acquires any right, title or interest in any portion of the Property or occupies any portion thereof is conclusively deemed to have consented and agreed to every Restriction contained in this Declaration, whether or not any reference to this Declaration is contained in the instrument by which that person, firm, entity, or association acquires an interest or occupancy.

148. Mutuality and Reciprocity; Runs with Land. All Restrictions contained in this Declaration are made for the direct, mutual, and reciprocal benefit of every part of the Property; shall create and be mutual, equitable servitudes upon each Property Unit in favor of every other Property Unit; shall create and be reciprocal rights and obligations among the respective Owners of all Property Units; shall create privity of contract and estate between all assignees and grantees of the Property Units and their grantees, heirs, successors and assigns; and shall, against the Owner of each Property Unit, his heirs, successors and assigns, operate as covenants running with the land, for the benefit of all other Property Units.

149. Interest. All amounts owed to the Declarant or the Master Association under this Declaration shall accrue interest at the highest legal rate from the due date thereof until paid in full.

150. Governing Law. The construction, validity and enforcement of this Declaration shall be determined according to the laws of the State of Florida. The venue of any action or suit brought in connection with this Declaration shall be in Osceola County, Florida.

JB BK 1037 PG 1903

151. Severability. Each covenant, condition, and restriction contained in this Declaration is separate and independent from all others. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions, but all such other provisions shall remain in full force and effect.

152. Usage. Whenever the context requires, the use of the singular in this Declaration shall include the plural, and the plural shall include the singular. Any reference herein to one gender shall include the other gender and the neuter; and reference to the neuter shall include both genders. References herein to a person shall include trusts, partnerships, corporations, and other entities; and references to entities shall include persons. The word "including" in any provision of this Declaration shall not be deemed to restrict or limit the preceding general statement to the subsequent language, but shall be deemed to be an example only of the meaning of the preceding general statement and shall include all other items or matters that could reasonably fall within the broadest possible scope thereof

153. Conflict. This Declaration shall take precedence over conflicting provisions in the Articles of Incorporation and Bylaws of the Master Association, and the Articles of Incorporation shall take precedence over the Bylaws. This Declaration shall also control over any conflicting or contradictory provisions in the Governing Documents of a Community Association.

154. Notice. 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, postpaid, to the last known address of the person who appears as Member or Owner on the records of the Master Association at the time of such mailing.

155. Compliance with Laws. All rights granted in this Declaration and all activities permitted herein shall be exercised and performed in compliance with all applicable laws, regulations, codes, and ordinances. No provision hereof shall be construed as permission to violate any applicable law, regulation, code, or ordinance and violation of such with respect to a Property Unit may be considered by the Master Association as a violation of this Declaration. Notwithstanding the foregoing, the Master Association shall have no obligation to enforce such laws, regulations, codes, or ordinances.

IN WITNESS WHEREOF, the Declarant has executed this Declaration as of the day and year first above written.

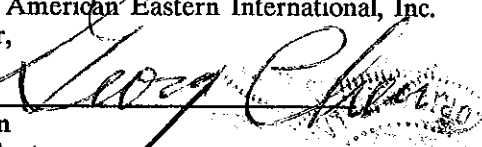
Signed, sealed and delivered
in the presence of:



STATE OF Florida
COUNTY OF OSCEOLA

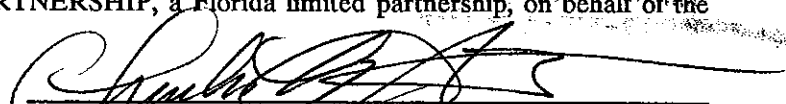
"Declarant"

AMERICAN EASTERN INTERNATIONAL LIMITED PARTNERSHIP, by American Eastern International, Inc. as its general partner,

By: X 
George Chen
As its President

(CORPORATE SEAL)

The foregoing instrument was acknowledged before me this 25 day of September, 1991 by George Chen, as President of American Eastern International, Inc., as general partner of AMERICAN EASTERN INTERNATIONAL LIMITED PARTNERSHIP, a Florida limited partnership, on behalf of the limited partnership.


NOTARY PUBLIC Charles W. STEELE
My Commission Expires: Oct 9, 1994

JOINDER

Frank H.Y. Chen, solely as Trustee under the provisions of a certain Land Trust Agreement dated September 18, 1988, as Owner of record of the Property made subject to this Declaration, hereby joins in and consents to this Declaration and declares that the Property shall be subject to all of the terms and conditions hereof.

[Signature]
Frank H.Y. Chen, solely as Trustee under the provisions of a certain Land Trust Agreement

Taiwan
City of Taipei
American Institute in
Taiwan, Taipei Office

STATE OF _____
COUNTY OF _____

The foregoing Joinder was acknowledged before me this 9th day of October, 1991 by Frank H.Y. Chen, solely as Trustee under the provisions of a certain Land Trust Agreement dated September 18, 1988, as Owner of record of the Property made subject to this Declaration. Trustee signed document with no witnesses present.

X [Signature] Bruce J. Devine
NOTARY PUBLIC Special Notary (PL96-8)
My Commission Expires: 20 SEP. 1992

JOINDER

The Westwind Commercial Center Property Owners Association Inc. hereby acknowledges its consent to the foregoing Restrictions and to the amendments to the Original Declaration effected hereby, and further acknowledges that those amendments have been duly approved by the Association in accordance with the governing documents of the Association.

WESTWIND COMMERCIAL CENTER PROPERTY OWNERS ASSOCIATION, INC.

By: [Signature]
George Chen
As its President

STATE OF Florida
COUNTY OF Osceola

The foregoing instrument was acknowledged before me this 25 day of September, 1991 by George Chen as President of The Westwind Commercial Center Property Owners Association, Inc., a Florida not-for-profit corporation, on behalf of the corporation.

[Signature]
NOTARY PUBLIC Charles L. STEELE
My Commission Expires: Oct. 9, 1994

JRP/dp
chen/formosa.dec
9/24/91

EXHIBIT "A"

LEGAL DESCRIPTION:

1. THAT PROPERTY IN SECTION 9, TOWNSHIP 25 SOUTH, RANGE 27 EAST IDENTIFIED BY OSCEOLA COUNTY PROPERTY APPRAISER'S NUMBERS 09 25 27 0000 0020 0000 AND 09 25 27 0000 0050 0000.

FROM THE SOUTHWEST CORNER (SWC) OF THE SOUTHEAST 1/4 (SE 1/4) OF THE SOUTHEAST 1/4 (SE 1/4) OF SECTION 9, TOWNSHIP 25 SOUTH, RANGE 27 EAST, OSCEOLA COUNTY, FLORIDA, RUN NORTH ALONG THE WEST LINE OF SAID SOUTHEAST 1/4 (SE 1/4) OF THE SOUTHEAST 1/4 (SE 1/4), 967.45 FEET TO THE POINT OF BEGINNING; CONTINUE NORTH TO THE NORTHWEST CORNER OF SAID SOUTHEAST 1/4 (SE 1/4) OF THE SOUTHEAST 1/4 (SE 1/4); RUN THENCE NORTH $40^{\circ}35'34''$ WEST, 748.8 FEET; RUN THENCE SOUTH $88^{\circ}56'26''$ WEST, 841.21 FEET TO THE WEST LINE OF THE NORTHWEST 1/4 (NW 1/4) OF THE SOUTHEAST 1/4 (SE 1/4); RUN THENCE NORTH TO THE SOUTHEAST CORNER (SEC) OF THE NORTH 1/2 OF THE NORTHEAST 1/4 (NE 1/4) OF THE SOUTHWEST 1/4 (SW 1/4); RUN THENCE WEST; 1320 FEET, MORE OR LESS, TO THE SOUTHWEST CORNER (SWC) OF THE NORTH 1/2 (N 1/2) OF THE NORTHEAST 1/4 (NE 1/4) OF THE SOUTHWEST 1/4 (SW 1/4), RUN THENCE NORTH 660.0 FEET, MORE OR LESS, TO THE NORTHWEST CORNER (NWC) OF THE NORTHEAST 1/4 (NE 1/4) OF THE SOUTHWEST 1/4 (SW 1/4); RUN THENCE EAST, 1320.0 FEET, MORE OR LESS, TO THE NORTHEAST CORNER (NEC) OF THE NORTHEAST 1/4 (NE 1/4) OF THE SOUTHWEST 1/4 (SW 1/4); RUN THENCE NORTH $00^{\circ}50'$ EAST, ALONG THE WEST LINE OF THE NORTHEAST 1/4 (NE 1/4) OF SAID SECTION 9, TO A POINT 1438.84 FEET, SOUTH OF THE NORTHWEST CORNER (NWC) OF SAID NORTHEAST 1/4 (NE 1/4); RUN THENCE SOUTH $88^{\circ}16'15''$ EAST 667.6 FEET; RUN THENCE NORTH $42^{\circ}48'$ EAST 452.33 FEET; RUN THENCE NORTH $00^{\circ}20'40''$ EAST, 424.3 FEET; RUN THENCE NORTH $47^{\circ}30'30''$ WEST, 402.68 FEET; RUN THENCE NORTH $00^{\circ}38'30''$ EAST, 430.1 FEET, TO A POINT ON THEN NORTH LINE OF THE NE 1/4 OF SAID SECTION 9, SAID POINT BEING 664.4 FEET EAST OF THE NORTHWEST CORNER (NWC) OF SAID NORTHEAST 1/4 (NE 1/4) RUN THENCE EAST ALONG THE NORTHLINE OF SAID NORTHEAST 1/4 TO NORTHEAST CORNER (NEC) OF SAID SECTION 9, THENCE SOUTH ALONG EAST LINE 751.23 FEET; RUN THENCE SOUTH $87^{\circ}52'$ WEST 365.48 FEET; RUN THENCE SOUTH $27^{\circ}41'30''$ WEST, 398.65 FEET; RUN THENCE SOUTH $89^{\circ}34'$ WEST, 247.3 FEET; RUN THENCE SOUTH $48^{\circ}00'30''$ WEST, 1569.7 FEET; RUN THENCE SOUTH $38^{\circ}27'$ WEST, 444.3 FEET; RUN THENCE SOUTH $17^{\circ}34'30''$ WEST 150.0 FEET; RUN THENCE SOUTH $00^{\circ}11'$ WEST 443.6 FEET; RUN THENCE SOUTH $27^{\circ}25'30''$ EAST, 210.45 FEET; RUN THENCE NORTH $89^{\circ}36'$ EAST, 697.6 FEET; RUN THENCE SOUTH $01^{\circ}35'30''$ EAST, 199.5 FEET; RUN THENCE SOUTH $34^{\circ}33'$ EAST, 486.25 FEET; RUN THENCE SOUTH $00^{\circ}18'$ EAST, 444.85 FEET; RUN THENCE SOUTH $67^{\circ}30'$ WEST, 119.6 FEET, TO THE POINT OF BEGINNING.

LESS THE FOLLOWING:

PORTIONS OF LOTS 3, 4, AND 5, BLOCK A OF THE FLORIDA FRUIT AND TRUCK LAND COMPANY SUBDIVISION OF SECTION 9, TOWNSHIP 25 SOUTH, RANGE 27 EAST, AS RECORDED IN PLAT BOOK B, PAGE 68 OF THE PUBLIC RECORDS OF OSCEOLA COUNTY, FLORIDA; BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE NORTHEAST CORNER OF SAID SECTION 9; THENCE RUN SOUTH ALONG THE EAST LINE OF THE NORTHEAST 1/4 OF SAID SECTION 9 FOR A DISTANCE OF 751.23 FEET TO THE POINT OF BEGINNING OF THE FOLLOWING DESCRIBED PARCEL OF LAND:

THENCE RUN SOUTH 87°52'00" WEST FOR A DISTANCE OF 365.48 FEET; THENCE RUN SOUTH 27°41'30" WEST FOR A DISTANCE OF 398.65 FEET; THENCE RUN SOUTH 89°34'00" WEST FOR A DISTANCE OF 176.46 FEET; THENCE RUN NORTH FOR A DISTANCE OF 615.32 FEET; THENCE RUN NORTH 78°40'59" EAST FOR A DISTANCE OF 311.45 FEET; THENCE RUN SOUTH 32°30'58" EAST FOR A DISTANCE OF 244.97 FEET; THENCE RUN NORTH 87°52'00" EAST FOR A DISTANCE OF 290.06 FEET TO THE EAST LINE OF THE NORTHEAST 1/4 OF SAID SECTION 9; THENCE RUN SOUTH ALONG THE EAST LINE OF THE NORTHEAST 1/4 OF SAID SECTION 9; FOR A DISTANCE OF 112.74 FEET TO THE POINT OF BEGINNING.

LESS THE EAST 35.00 FEET THEREOF FOR ROAD RIGHT OF WAY. LESS THE NORTH 30.00 FEET OF THE NORTHEAST 1/4 OF SECTION 9, TOWNSHIP 25, RANGE 27 FOR ROAD RIGHT OF WAY.

2. THAT PROPERTY DESCRIBED AS THE SOUTHEAST 1/4 (SE 1/4) OF THE SOUTHEAST 1/4 (SE 1/4) OF SECTION 4, TOWNSHIP 25 SOUTH, RANGE 27 EAST IDENTIFIED BY OSCEOLA COUNTY PROPERTY APPRAISER'S NUMBERS 04 25 27 0000 0040 0000 AND 04 25 27 0000 0010 0000.

LESS THE SOUTH 30.00 FEET FOR ROAD RIGHT OF WAY AND LESS THE EAST 15.00 FEET FOR ROAD RIGHT OF WAY.

3. THAT PROPERTY IN SECTION 3, TOWNSHIP 25 SOUTH, RANGE 27 EAST IDENTIFIED BY OSCEOLA COUNTY PROPERTY APPRAISER'S NUMBER 03 25 27 0000 0010 0000 AND DESCRIBED AS:

SOUTHWEST 1/4 (SW 1/4) AND WEST 1/2 (W 1/2) OF NORTHWEST 1/4 (NW 1/4) OF SOUTHEAST 1/4 (SE 1/4), AND SOUTH 1/2 (S 1/2) OF SOUTH 1/2 (S 1/2) OF NORTHWEST 1/4 (NW 1/4) WEST OF U.S. 192, THAT PART OF SOUTHWEST 1/4 (SW 1/4) OF SOUTHWEST 1/4 (SW 1/4) OF NORTHEAST 1/4 (NE 1/4) LYING SOUTHWESTERLY OF U.S. 192; AND BEGINNING SOUTHEAST CORNER (SEC) OF NORTH 1/2 (N 1/2) OF SOUTHWEST 1/4 (SW 1/4) OF NORTHWEST 1/4 (NW 1/4) RUN NORTH 200 FEET NORTH 30 EAST 762.48 FEET TO SOUTHERLY RIGHT OF WAY OF U.S. 192, RUN SOUTHEASTERLY TO INTERSECTION OF NORTH LINE OF SOUTH 1/2 (S 1/2) OF SOUTH 1/2 (S 1/2) OF NORTHWEST 1/4 (NW 1/4) RUN WEST ALONG SAID LINE TO THE POINT OF BEGINNING, SECTION 3, TOWNSHIP 25 SOUTH, RANGE 27 EAST;

LESS THE FOLLOWING:

A PORTION OF SECTION 3, TOWNSHIP 25 SOUTH, RANGE 27 EAST, OSCEOLA COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN AT THE SOUTHEAST CORNER OF THE NORTH 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SAID SECTION 3, THENCE RUN NORTH 00°09'26" WEST ALONG THE EAST LINE OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SAID SECTION 3 FOR A DISTANCE OF 200.00 FEET; THENCE RUN NORTH 29°50'34" EAST FOR A DISTANCE OF 762.84 FEET TO THE SOUTHERLY RIGHT OF WAY LINE OF U.S. 192, THENCE RUN SOUTH 46°11'02" EAST ALONG SAID RIGHT OF WAY LINE FOR A DISTANCE OF 789.73 FEET; THENCE RUN SOUTH 43°48'58" WEST FOR A DISTANCE OF 250.00 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE TO THE SOUTHEAST HAVING A RADIUS OF 600.00 FEET; THENCE RUN SOUTHWESTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 30°44'03" FOR A DISTANCE OF 321.85 FEET; THENCE RUN NORTH 76°55'05" WEST FOR A DISTANCE OF 640.96 FEET TO THE POINT OF BEGINNING.

AND LESS

THE SOUTHEAST 1/4 (NE 1/4) OF THE SOUTHEAST 1/4 (SE 1/4) OF THE SOUTHWEST 1/4 (SW 1/4) AND THE EAST 1/2 (E 1/2) OF THE SOUTHWEST 1/4 (SW 1/4) OF THE SOUTHEAST 1/4 OF THE SOUTHWEST 1/4 (SW 1/4).

LESS THE WEST 15 FEET FOR ROAD RIGHT OF WAY FOR PLATTED RIGHT OF WAY; AND LESS THE SOUTH 15 FEET FOR ROAD RIGHT OF WAY FOR OAK ISLAND ROAD.

4. THAT PROPERTY IN SECTION 10, TOWNSHIP 25 SOUTH, RANGE 27 EAST DESCRIBED AS:

THE SOUTHWEST 1/4 (SW 1/4) OF THE NORTHWEST 1/4 (NW 1/4) OF SECTION 10, TOWNSHIP 25 SOUTH, RANGE 27 EAST;

AND ALSO

THE WEST 1/2 (W 1/2) OF THE WEST 1/2 (W 1/2) OF THE SOUTHEAST 1/4 (SE 1/4) OF NORTHWEST 1/4 (NW 1/4); AND

THE NORTHWEST 1/4 OF THE NORTHWEST 1/4;

AND

WEST 1/2 OF THE WEST 1/2 OF THE NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF SECTION 10, TOWNSHIP 25 SOUTH, RANGE 27 EAST, OSCEOLA COUNTY, FLORIDA; LESS NORTH 30 FEET, WEST 35 FEET, SOUTH 15 FEET FOR ROAD RIGHT OF WAY;

WEST 1/2 OF THE SOUTHWEST 1/4 LESS THE NORTH 25 FEET AND LESS THE WEST 35 FEET FOR ROAD RIGHT OF WAY AND LESS THE FOLLOWING:

THAT PORTION OF LOTS 12, 13 AND 14, BLOCK C OF THE FLORIDA FRUIT AND TRUCK LAND COMPANY SUBDIVISION OF SECTION 10, TOWNSHIP 25

SOUTH, RANGE 27 EAST, AS RECORDED IN PLAT BOOK B, PAGE 68 OF THE PUBLIC RECORDS OF OSCEOLA COUNTY, FLORIDA; BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THE SOUTH 233.55 FEET OF THE WEST 1/2 OF THE SOUTHWEST 1/4 OF SECTION 10, TOWNSHIP 25 SOUTH, RANGE 27 EAST, OSCEOLA COUNTY, FLORIDA; LESS THE SOUTH 15.00 FEET THEREOF FOR ROAD RIGHT OF WAY.

ALL OF THE ABOVE DESCRIBED LANDS LYING AND BEING IN OSCEOLA COUNTY, FLORIDA.

5. ALL OF THE ABOVE LESS THE FOLLOWING;

ALL RIGHT OF WAY AND EASEMENTS SHOWN ON THE PRELIMINARY SUBDIVISION PLAN OF WESTWIND COMMERCIAL CENTER.

GRANT OF EASEMENT RECORDED IN OFFICIAL RECORDS BOOK 757, PAGES 2910-2913, PUBLIC RECORDS OF OSCEOLA COUNTY, FLORIDA.

GRANT OF EASEMENT RECORDED IN OFFICIAL RECORDS BOOK 757, PAGES 2878-2887, PUBLIC RECORDS OF OSCEOLA COUNTY, FLORIDA.

GRANT OF EASEMENT RECORDED IN OFFICIAL RECORDS BOOK 757, PAGES 2893-2909, PUBLIC RECORDS OF OSCEOLA COUNTY, FLORIDA.

SUBJECT TO EASEMENTS, RIGHTS OF WAY AND RESTRICTIONS OF RECORD, IF ANY.

FILED, RECORDED AND
RECORD VERIFIED
WPA WILCO, JR. CLERK OF CT.
OSCEOLA COUNTY
KL
OCT 30 1991

910066063

1991 OCT 30 PM 2:02

Prepared by and return to:
Dwight I. Cool, Esquire
Zimmerman, Kiser & Sutcliffe, P.A.
Post Office Box 3000
Orlando, Florida 32802-3000
Our File No. 9027-2

**AMENDMENT TO MASTER DECLARATION OF EASEMENTS,
COVENANTS, CONDITIONS AND RESTRICTIONS FOR FORMOSA GARDENS**

THIS AMENDMENT to Master Declaration of Easements, Covenants, Conditions and Restrictions for Formosa Gardens is made and entered into this 19th day of November, 2008, by Formosa Gardens Homes, Inc., a Florida corporation and Formosa Developer's, Inc., a Florida corporation, hereinafter referred to as "Declarants," whose address is 7836 W. Irlo Bronson Highway, Kissimmee, Florida 34747.

W I T N E S S E T H :

WHEREAS, American Eastern International Limited Partnership, a Florida limited partnership, caused to be recorded the Master Declaration of Easements, Covenants, Conditions and Restrictions for Formosa Gardens in Official Records Book 1037, Page 1864, Public Records of Osceola County, Florida (the "Declaration"); and

WHEREAS, the Declarants were designated and appointed successor Declarants under the Declaration, in that certain Appointment of Successor Declarants for Formosa Gardens, recorded in Official Records Book 1441, Page 1939, Public Records of Osceola County, Florida; and

WHEREAS, Declarants continue to own portions of the property subjected to the terms and provisions of the Declaration; and

WHEREAS, Declarants desire to amend the Declaration, pursuant to the terms and provisions of Paragraph 144 of the Declaration;

NOW, THEREFORE, Declarants hereby declare as follows:

1. Paragraph 107 of the Declaration is hereby deleted in its entirety, and the following is hereby substituted in its place:

107. Collection by Community Associations. Each Community Association shall include in its budget each year an amount sufficient to pay all Assessments for Common Expenses levied by the Master Association against each Property Unit within the jurisdiction of that Community Association. Each Community Association shall have the duty to collect these Assessments levied by the Master Association, in addition to levies imposed by that Community Association under its authority, if any. Each Community Association shall timely remit to the Master Association the total Assessments for Common Expenses for Property Units under the jurisdiction of that Community Association, regardless of whether or not any Owners have failed to pay any Assessments to that Community Association.

The Master Association may, solely at its option, grant a Community Association a grace period to collect unpaid Assessments from the delinquent Owner(s), in which event the Community Association shall immediately remit to the Master Association the portion of the Assessments that have been collected from the Owners. After expiration of the grace period for collections (if any), the Community Association shall immediately pay all unpaid Assessments to the Master Association, regardless of whether or not any Owners have failed to pay any Assessments to that Community Association, and the Community Association shall record a claim of lien for each delinquent Owner, on behalf of the Master Association, in accordance with Paragraph 113 of this Declaration, providing the Master Association with prompt written notification of its actions.

In the event any Community Association fails to pay any Assessment for Common Expenses, Special Assessments, interest, late fees, or other monies due to the Master Association within ten (10) days after the due date or (if no other due date is designated) within 10 days after delivery of written demand, the Master Association may take any action deemed necessary in order to collect the delinquent Assessments for Common Expenses, Special Assessments, interest, late fees, or other monies, including but not limited to retaining the services of a collection agency or attorney to collect those Assessments for Common Expenses, Special Assessments, interest, late fees, or other monies, or any other appropriate action. The Community Association shall be liable to the Master Association for all costs and expenses incurred by the Master Association incident to the collection of any Assessment for Common Expenses, Special Assessments, interest, late fees or other monies owed to it, and

the enforcement thereof, including but not limited to reasonable attorneys' fees, and attorneys' fees and costs incurred on the appeal of any lower court decision, reasonable administrative fees of the Master Association, and all sums paid by the Master Association for taxes. All payments received by the Master Association on account of any Assessments for Common Expenses, Special Assessments, interest, late fees, or other monies owed to it by any Community Association shall be first applied to payments and expenses incurred by the Master Association, then to interest, then to late fees, then to any unpaid Assessments for Common Expenses, Special Assessments, or other monies owed to the Master Association in the inverse order that such were due.

Notwithstanding any contrary provision herein, the Master Association may, at its sole discretion, (i) elect to collect Master Association Assessments and other charges either through the Community Association or directly from any Owner, and (ii) elect to enforce unpaid delinquent Assessments and other charges either against the Community Association (in accordance with this Paragraph 107) or directly against any Owner (in accordance with Paragraphs 112 and 113), or both.

2. Except as specifically modified herein, the Declaration shall remain in full force and effect.


IN WITNESS WHEREOF, the undersigned being the Declarants herein have executed this instrument as of the date first appearing above.

WITNESSES:

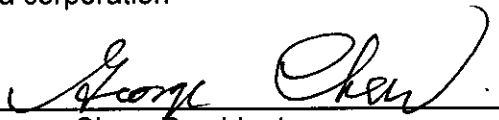
FORMOSA GARDENS HOMES, INC.
a Florida corporation



Printed Name: CHRISTINE DYKSTRA



Printed Name: James P. Spessony

By: 

George Chen, President

Address:
7836 W. Irlo Bronson Highway
Kissimmee, Florida 34747

WITNESSES:

FORMOSA DEVELOPER'S, INC.
a Florida corporation

Christine Dykstra
Printed Name: CHRISTINE DYKSTRA

By: *George Chen*
George Chen, President

James P. Sausbury
Printed Name: JAMES P. SAUSBURY

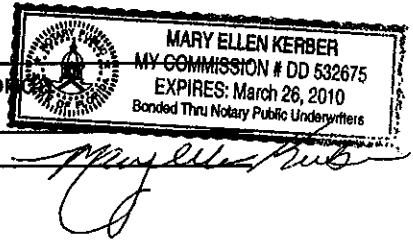
Address:
7836 W. Irlo Bronson Highway
Kissimmee, Florida 34747

STATE OF FLORIDA
COUNTY OF OSCEOLA

The foregoing instrument was acknowledged before me this 19th day of November, 2008 by George Chen, as President of Formosa Gardens Homes, Inc., a Florida corporation, on behalf of the corporation, who is [] personally known to me, or [] has produced _____ as identification.

(SEAL)

Notary Public, State of Florida
Printed Name: _____
My Commission expires: _____



STATE OF FLORIDA
COUNTY OF OSCEOLA

The foregoing instrument was acknowledged before me this 19th day of November, 2008 by George Chen, as President of Formosa Developer's, Inc., a Florida corporation, on behalf of the corporation, who is [] personally known to me, or [] has produced _____ as identification.

(SEAL)

Notary Public, State of Florida
Printed Name: _____
My Commission expires: _____

