

LARRY WHALEY 17P
OSCEOLA COUNTY, FLORIDA
CLERK OF CIRCUIT COURT

**This instrument prepared by
and should be returned to:**

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**NEIGHBORHOOD DECLARATION OF COVENANTS, CONDITIONS,
EASEMENTS AND RESTRICTIONS**

FOR

THE MANORS AT TERRA VERDE

**THIS NEIGHBORHOOD DECLARATION OF COVENANTS, CONDITIONS,
EASEMENTS AND RESTRICTIONS FOR THE MANORS AT TERRA VERDE**
("Neighborhood Declaration"), is made on the date hereinafter set forth by Park Square
Enterprises, Inc., a Florida corporation ("Declarant"), whose business address is 5200 Vineland
Road, Suite 200, Orlando, Florida 32811.

WITNESSETH:

WHEREAS, Declarant is the owner of the Property (as hereinafter defined) which is to
be developed as a residential subdivision to be known as The Manors at Terra Verde (the
"Subdivision"); and

WHEREAS, the Property is already subject to the Master Declaration (as hereinafter
defined); and

WHEREAS, the Declarant desires that the Property be held, sold and conveyed subject
to the following restrictions, covenants and conditions which are for the purpose of protecting
the value and desirability of, and which shall run with, the Property.

NOW, THEREFORE, Declarant hereby declares that in addition to being subject to the
provisions of the Master Declaration, the Property shall be held, sold and conveyed subject to the
following restrictions, covenants and conditions which are for the purpose of protecting the value
and desirability of, and which shall run with, the Properties and shall be binding on all parties
having any right, title or interest in the Properties or any part thereof, their heirs, successors and
assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I

DEFINITIONS

Section 1. "Articles" shall mean and refer to the Articles of Incorporation of the Neighborhood Association.

Section 2. "Board" or "Board of Directors" shall mean and refer to the Board of Directors of the Neighborhood Association.

Section 3. "Bylaws" shall mean and refer to the Bylaws of the Neighborhood Association as they may exist from time to time.

Section 4. "Common Property" or "Common Areas" shall mean and refer to (i) those tracts of land, if any, together with any improvements thereon, if any, which are actually and specifically deeded to the Neighborhood Association and (ii) those tracts of land identified as "Common Property" to be owned by the Neighborhood Association on a final plat by the Declarant recorded in the Public Records of Osceola County, Florida. The term "Common Property" shall also include any personal property acquired by the Neighborhood Association, if any, if said property is designated as "Common Property" by the Board, and may also include easement rights which may be specifically granted to the Neighborhood Association over or upon other lands, but only to the actual extent of such easement rights.

Section 5. "Declarant" shall mean and refer to Park Square Enterprises, Inc., a Florida corporation, its successors and assigns, but only to the extent such successors and assigns are specifically identified by an instrument in writing executed and recorded by Declarant.

Section 6. "Lot" shall mean any parcel of land shown upon any recorded subdivision map or plat of the Property upon which a Residential Unit has been or may be constructed.

Section 7. "Master Association" shall mean and refer to Terra Verde Master Association, Inc., its successors and assigns.

Section 8. "Master Declaration" shall mean and refer to that certain Master Declaration of Covenants, Conditions, Easements and Restrictions for Terra Verde, recorded in Official Records Book ____, Page ____, Public Records of Osceola County, Florida, as the same may be supplemented and amended from time to time.

Section 9. "Master Property" shall mean and include the real property subject to the Master Declaration, as the same may exist from time to time.

Section 10. "Member" shall mean and refer to those Owners entitled to membership in the Neighborhood Association as set forth in Article IV hereunder.

Section 11. "Neighborhood Association" shall mean and refer to The Manors at Terra Verde Homeowners' Association, Inc., its successors and assigns.

Section 12. "Neighborhood Declaration" shall mean and refer to this Neighborhood Declaration of Covenants, Conditions, Easements and Restrictions for The Manors at Terra Verde, as it may be amended and supplemented from time to time.

Section 13. "Owner" shall mean and refer to the owner(s) as shown by the records of the Neighborhood Association (whether it be the Declarant, one or more persons, firms or legal entities) of fee simple title to any real property located within the Properties. Owner shall not mean or refer to the holder of a mortgage or security interest, its successors or assigns, unless and until such holder has acquired title pursuant to foreclosure or a proceeding or deed in lieu of foreclosure; nor shall the term "Owner" mean or refer to any lessee or tenant of an Owner.

Section 14. "Property" or "Properties" shall mean and refer to the real property subject to this Neighborhood Declaration, as the same may exist from time to time. The Property, as initially constituted, shall be Lots 1 through 40, inclusive, TERRA VERDE, according the Plat thereof as recorded in Plat Book 14, Pages 90 through 92, Public Records of Osceola County, Florida.

Section 15. "Residential Unit" shall mean and refer to any platted and developed single family dwelling home for which a certificate of occupancy has been issued by the appropriate governmental authorities.

Section 16. "Turnover" shall mean the transfer of operation of the Neighborhood Association by the Declarant as described in Article X hereof.

ARTICLE II

EFFECT OF MASTER DECLARATION

Section 1. Owners Subject to Master Declaration. Each Owner of a Residential Unit, Lot, or any other portion of the Property, by acceptance of a deed or other instrument evidencing its ownership interest, accepts and acknowledges the authority of the Master Declaration and of the Master Association created pursuant to said Master Declaration, and agrees to abide by and be bound by the provisions of the Master Declaration, and all exhibits thereto, in addition to being bound by this Neighborhood Declaration, the Articles and Bylaws. In addition, the family, guests, invitees and tenants of said Owners shall, while in or on the Property, also abide and be bound by such authorities. Each Owner understands and acknowledges that the Master Declaration establishes numerous covenants, conditions, and restrictions that affect the Property, which restrictions include but are not limited to provisions relating to maintenance obligations, assessment obligations, architectural control, lien rights, and the enforcement of general rules and regulations.

Section 2. Membership in Master Association. In accordance with the terms of the Master Declaration, the Neighborhood Association shall be a member of the Master Association on behalf of the Owners. Individual Owners will not be members of the Master Association.

Section 3. Representation on Master Association Board. The President of the Neighborhood Association shall serve as the Neighborhood Association's appointed member to the Board of Directors of the Master Association.

ARTICLE III

PROPERTY RIGHTS

Section 1. Owners' Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Areas, if any, as defined in Article I hereof which shall be appurtenant to and shall pass with the title of every Lot, subject to the following provisions:

(a) the right of the Neighborhood Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Areas, if any;

(b) the right of the Neighborhood Association to levy fines, suspend the voting rights and right to use of the recreational facilities and Common Areas, if any, by an Owner, his tenants or guests for any period during which any assessment against his Lot remains unpaid; and to suspend an Owner's use rights to the Common Areas, if any, and/or levy fines against such Owner for a reasonable period for any infraction of this Neighborhood Declaration, the Bylaws, or the Articles after notice and a hearing where required by applicable law;

(c) the right of the Neighborhood Association to dedicate or transfer all or part of the Common Areas, if any, to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Members. No such dedication or transfer shall be effective unless such dedication or transfer has been approved by the Class B Members (so long as Class B membership exists) and at least two thirds (2/3) of all Class A Members.

Section 2. Lawn and Landscaping Maintenance. The Neighborhood Association shall have the right, but not the obligation, to assume and perform any and all functions relating to mowing, irrigating, and maintaining the lawns and/or landscaping on the Lots and Common Areas, if any. To the extent the Neighborhood Association elects to undertake any of these functions, all related costs shall be pro rated and assessed against Owners as part of their annual assessment.

Section 3. Additional Lands. Prior to Turnover, Declarant shall have the right, but not the obligation, to annex additional land into the Property. Annexations shall become effective upon the recording by Declarant of a Supplemental Declaration in the Public Records of Osceola County, Florida, which shall extend the covenants, conditions and restrictions contained herein to such property. Supplemental Declarations may contain such amendments or additional provisions as Declarant may deem necessary and as are not inconsistent with the purposes of this Neighborhood Declaration. Declarant shall not be required to obtain the approval or consent of the Neighborhood Association or any Owner or any person claiming by, through, or under any Owner to add any property pursuant to this Section. Until such time as

such additions are made to the Properties in the manner set forth above, only the real property made a part of the Properties pursuant to the terms of this Declaration shall be affected by or subject to this Neighborhood Declaration. After Turnover, additional real property and Common Area may be annexed to the Property only with the consent of two-thirds (2/3) of the Members who are voting in person or by proxy at a meeting duly called for this purpose.

ARTICLE IV

MEMBERSHIP AND VOTING RIGHTS

Section 1. Every Owner of a Lot other than the Neighborhood Association shall be a Member of the Neighborhood Association. Membership shall be appurtenant to, run with, and may not be separated from ownership of a Lot.

Section 2. The Neighborhood Association shall have two classes of voting membership.

Class A: Class A Members shall be all Owners, with the exception of the Declarant, and shall be entitled to one vote for each Lot owned. When any Lot entitling the Owner to membership in the Neighborhood Association is owned of record in the name of two or more persons or entities, whether fiduciaries, joint tenants, tenants in common, tenants by the entirety or in any other manner of joint or common ownership, or if two or more persons or entities have the same fiduciary relationship respecting the same property, then unless the instrument or order appointing them or creating the tenancy otherwise directs and it or a copy thereof is filed with the Secretary of the Neighborhood Association, such Owner shall select one official representative to qualify for voting in the Neighborhood Association and shall notify in writing the Secretary of the Neighborhood Association of the name of such individual. The vote of the individual shall be considered to represent the will of all the Owners of that Lot. In the circumstance of such common ownership, if the Owners fail to designate their voting representative then the Neighborhood Association may accept the person asserting the right to vote as the voting Owner until notified to the contrary by the other Owners of such Lot. Upon such notification, the Owner may not vote until the Owner(s) appoint their representative pursuant to this paragraph.

Class B: The Class B Member(s) shall be the Declarant and shall be entitled to five (5) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership once Turnover has occurred in accordance with Article IX hereunder.

Section 3. Notice and Quorum for Any Action Authorized Under This Declaration. Written notice of any meeting called for the purpose of taking any action authorized under this Declaration shall be sent to all Members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of Members or of proxies entitled to cast thirty percent (30%) or such lesser amount as may be allowed by law, of all the votes of each class of Membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the

required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

ARTICLE V

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. Except as provided in Section 7 below, the Declarant, for each Lot owned within the Properties, hereby covenants and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree as follows: (i) to pay to the Neighborhood Association annual assessments or charges, or special assessments for capital improvements or annual assessment budget deficits, all such assessments or charges to be established and collected as hereinafter provided; and (ii) to pay to the Master Association annual assessments or charges and special assessments as more particularly described in the Master Declaration. The annual assessments of the Neighborhood Association, together with such interest thereon, costs, and reasonable attorneys' fees for collection thereof, shall be a charge and continuing lien on the Lot and improvements of the Owner against whom each assessment is made. Each such assessment, together with interest, costs, and reasonable attorneys' fees, shall also be the personal obligation of the person(s) who was the Owner of such Property at the time when the assessment became due. The personal obligation for delinquent assessments shall not pass to successors in title unless expressly assumed; however, notwithstanding any change in ownership, the lien for such delinquent assessments shall continue on the property until the same is paid in full. With respect to the charges and assessments payable to the Master Association, the Master Association shall have all of the lien and collection rights as set forth in the Master Declaration.

Section 2. Purpose of Assessments. The Assessments levied by the Neighborhood Association shall be used for the following purposes:

(a) to pay the cost of operating and maintaining all administrative functions of the Neighborhood Association, which costs shall include but shall not be limited to paying for the costs of holding and providing notice of meetings, preparing the budget, maintaining bank accounts and employing a community association manager and/or management company;

(b) to the extent that the Neighborhood Association chooses to assume such responsibility, to pay for the cost of mowing, irrigating, and maintaining the lawns and landscaping on the Common Areas, if any, and/or on the Lots;

(c) to otherwise promote the recreation, health, safety and welfare of Members of the Subdivision;

(d) to pay all utility charges and taxes on the Common Areas, if any;

(e) to establish reserves for the maintenance, repair and replacement of the Common Areas, if any.

Section 3. Annual Assessments. From time to time, the Board of Directors shall fix the annual assessment which shall be used for the purposes set forth in Article V Section 2 herein ("Annual Assessment"). The Annual Assessments will initially be NINE HUNDRED AND NO/100 DOLLARS (\$900.00) per year, payable at the rate of TWO HUNDRED TWENTY-FIVE AND NO/100 DOLLARS (\$225.00) per quarter.

Section 4. Special Assessments. In addition to the Annual Assessment authorized above, the Board of Directors may levy, in any assessment year, a special assessment applicable to that year for the purpose of (i) defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area as herein defined, if any, including fixtures and personal property related thereto, or (ii) paying any other expenses of the Neighborhood Association which could not be paid from the annual assessments collected ("Special Assessment").

Section 5. Notice for Any Action Authorized Under Sections 3 and 4. Written notice of any meeting of the Board called for the purpose of taking any action authorized under Section 3 or 4 above shall be sent to all Members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting.

Section 6. Uniform Rate of Assessment. Other than as set forth in Article V, Section 7 below, both Annual Assessments and Special Assessments must be fixed at a uniform rate for all Lots and may be collected on a quarterly or such other basis as the Board of Directors may, from time to time, determine.

Section 7. Date of Commencement of Annual Assessments; Due Dates. The Annual Assessments provided for herein shall commence as to all Lots on the date the first Lot is conveyed to any Owner by the Declarant. Notwithstanding anything contained herein to the contrary, as long as a Class B membership exists, as to unoccupied Lots owned by Declarant, Declarant shall be exempt from paying any assessments on each such unoccupied Lot; provided that Declarant shall be obligated to pay all costs incurred by the Neighborhood Association that exceed the assessments receivable from other Members and other income of the Neighborhood Association. The Board of Directors shall fix the amount of the Annual Assessment against each Lot at least thirty (30) days in advance of each Annual Assessment period and written notice of the assessments shall be sent to every Owner subject thereto. The due dates shall initially be on the first day of each calendar quarter, but may otherwise be established or modified by the Board of Directors. The Neighborhood Association shall, upon demand and for a reasonable charge, furnish a certificate signed by an officer of the Neighborhood Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Neighborhood Association as to the status of assessments on a Lot is binding upon the Neighborhood Association as of the date of its issuance.

Section 8. Initiation Fee. At the first closing of the sale of each Residential Unit, the purchaser thereof shall pay a FIFTY AND NO/100 DOLLARS (\$50.00) fee to the Neighborhood Association, which shall be a one time initiation fee that shall be used by the Neighborhood Association to pay operating or any other expenses of the Neighborhood Association.

Section 9. Effect of Nonpayment of Assessments; Remedies of the Neighborhood Association. If any Assessment (or installment thereof) is not paid on the date(s) when due, then such Assessment (or installment thereof) shall become delinquent and, at the option of the Association, all Assessments attributable to the Lot for the existing fiscal year shall be accelerated and shall become immediately due and payable and shall, together with late charges, interest and the cost of collection thereof as hereinafter provided, thereupon become a continuing lien on the Lot which shall bind such property. Each Assessment against a Lot shall also be the personal obligation of the Owner at the time the Assessment fell due.

If any installment of an Assessment is not paid within fifteen (15) days after the due date (or if no due date is established herein, then within fifteen (15) days after the date established by the Association for payment of any such Assessment or installment thereof), at the option of the Association, a late charge not greater than FIFTY AND NO/100 DOLLARS (\$50.00) per installment may be imposed and all such sums shall bear interest from the dates when due until paid at the highest lawful rate and the Association may bring an action at law against the Owner(s) personally obligated to pay the same or may record a claim of lien against the Lot on which the assessments and late charges are unpaid and may foreclose the lien against the Lot on which the assessments and late charges are unpaid, or may pursue one or more of such remedies at the same time or successively. The Association shall also have the right to recover its attorneys' fees (including paralegal fees) and costs, including without limitation costs and expenses for consultation with an attorney because any such sums have not been paid, and costs and expenses charged by such attorney for services related in any way to the failure by an Owner to pay such sums (such as without limitation fees for telephone calls, preparation of correspondence, attendance at meetings, etc.), whether or not suit is filed. Further, in addition to the foregoing, in the event suit is filed, the Association shall have the right to recover all attorneys' fees, paralegals' fees and costs incurred before trial, at trial and upon all appellate levels.

In addition to the rights of collection stated above, if any installment of an Assessment is not paid within fifteen (15) days after the due date, the Board of Directors of the Association may impose a fine on the Lot for which the Assessment was not paid (and the fine shall also be the personal obligation of the Owner). The fine shall be imposed by the Board of Directors at a duly called meeting in accordance with the Bylaws of the Association, and notice of the fine shall be sent to the Owner by certified mail, return receipt requested, postage prepaid. The Owner may appeal the fine to the Board of Directors in accordance with reasonable procedures prescribed by the Board of Directors from time to time. The determination of the Board of Directors with respect to any such appeal shall be final.

If any such fine is not timely paid, then the fine, together with reasonable costs of collection thereof as provided herein, shall become a continuing lien on the Lot which shall bind

such Lot. Additionally, the fine shall also be the personal obligation of the Owner at the time the fine is assessed.

The Association may, at its option, bring an action at law against the Owner personally obligated to pay the fine or may record a claim of lien against the Lot for which the fine is unpaid, and may foreclose the lien against the Lot on which the fine is unpaid, or may pursue one or more such remedies at the same time or successfully.

In addition to the rights of collection of Assessments stated in this Section, any and all persons acquiring title to or an interest in a Lot as to which the Assessment is delinquent, including without limitation persons acquiring title by operation of law and by judicial sales, shall not be entitled to the enjoyment of the Common Areas until such time as all unpaid and delinquent Assessments due and owing from the selling Owner have been fully paid and no sale or other disposition of Lots shall be permitted until an estoppel letter is received from the Association acknowledging payment in full of all Assessments and other sums due; provided, however, that the provisions of this sentence shall not be applicable to Institutional Lenders and purchasers contemplated by Section 10 of this Article.

It shall be the legal right of the Association to enforce payment of the Assessments hereunder. Failure of the Association to send or deliver bills shall not, however, relieve Owners from their obligations hereunder.

Section 10. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage provided that a claim of lien has not been recorded by the Neighborhood Association in the Public Records of Osceola County, Florida prior to the recordation of such first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to a mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer and after the recording of such mortgage. However, this shall not extinguish the personal liability of the previous delinquent Owner. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

ARTICLE VI

ARCHITECTURAL CONTROL

Except for those improvements constructed by Declarant, no building, fence, wall or any other structure shall be commenced, erected, or maintained upon the Properties, nor shall any exterior addition to, change, alteration or repair therein be made until the plans and specifications showing the nature, kind, shape, height, color, materials and location of the same shall have been submitted to and approved in writing by the Architectural Review Board ("ARB") as set forth in the Master Declaration.

ARTICLE VII

USE RESTRICTIONS

Section 1. Violation. If any person claiming by, through or under Declarant, or its successors or assigns, or any other person or Owner, shall violate or attempt to violate any of the covenants herein, it shall be lawful for the Declarant, the Neighborhood Association or any Owner to bring any proceeding at law or in equity against the person or persons violating or attempting to violate any such covenants, including actions to enjoin or prevent him or them from so doing, or to cause the violation to be remedied and to recover damages or other amounts due for such violation. If the party or parties bringing any such action prevail, they shall be entitled to recover from the person or persons violating these restrictions the costs, expenses and attorneys' fees including those for appeals, incurred by such prevailing party.

Section 2. Compliance with Master Declaration Use Restrictions. Every Owner and other occupant of a Lot shall comply with the rules and regulations pertaining to use of the Property (including Lots) as set forth in the Master Declaration or as otherwise passed or approved by the board of directors of the Master Association.

Section 3. Transient Resort Occupancy. It is the express intent of the Declarant that Lots may be used for residential transient resort occupancy purposes, including short-term rental and/or timeshare (to the extent such timeshare use is approved by the Declarant as provided in the Master Declaration). No amendment to this Neighborhood Declaration limiting the use of Lots for such purposes shall be made without the prior written consent of the Declarant so long as the Declarant owns any portion of the Property, which consent may be granted or withheld in the Declarant's sole and absolute discretion.

Section 4. Signs. No sign of any kind shall be displayed to the public view on the Property, except any sign used by the Declarant to advertise the company or builder, project, sales or other matters during the construction and sales period. No sign of any kind shall be permitted to be placed inside a home or on the outside walls of the home so as to be visible from the exterior, nor on any Common Area, nor on any dedicated streets, drainage easement areas or any other dedicated areas, if any, nor on entryways or any vehicles within the Property, except such as are placed by the Declarant. Provided, however, one (1) discreet, professionally prepared "For Sale" or "For Lease" sign of not more than 18 inches by 24 inches may be placed on the interior of a window of any dwelling located on a Lot.

Section 5. Grass. Subject to applicable laws, no type or variety of grass other than St. Augustine grass or a hybrid thereof shall be planted on any Lot, and such grass shall be fully planted on such areas where specified on a landscape plan approved by the Architectural Review Board. Subject to applicable laws, the planting of grass on each Lot shall be accomplished by the installation of full sod covering the entire area required to be grassed. Partial sodding, sprigging, plugging, or seeding shall not be permitted, except to replace any dead sod.

Section 6. Irrigation Systems. All landscaped and grassed open areas on each Lot shall be irrigated by means of an automatic underground irrigation or sprinkling system capably of regularly and sufficiently watering all lawns and plantings within such open areas. The Association is hereby granted a non-exclusive easement over, under and upon that portion of each of the Lots not covered by the structure of a Residence to install, operate, maintain, repair and replace irrigation lines and irrigation facilities.

Section 7. Precedence Over Less Stringent Governmental Regulations. In those instances where the covenants, conditions and restrictions set forth in this Article set or establish minimum standards in excess of the ordinances, regulations and requirements of Osceola County, Florida, and other applicable governmental authorities, including without limitation, building and zoning regulations, the covenants, conditions and restrictions set forth in this Article shall take precedence and prevail over any such less stringent ordinances, regulations and requirements.

ARTICLE VIII

ENFORCEMENT

Section 1. Compliance by Owners. Every Owner shall comply with the terms, provisions, restrictions and covenants set forth herein and any and all Rules and Regulations which from time to time may be adopted by the Association.

Section 2. Enforcement. The Declarant, the Neighborhood Association, the Neighborhood Association Board of Directors, each Owner, or any other party as specifically provided herein shall each have the right (but not the obligation) to enforce this Declaration and the covenants, restrictions and provisions hereof including without limitation bringing the actions and filing and foreclosing the liens described herein. In addition, the applicable Water Management District having jurisdiction over the Property shall have the right to enforce this Declaration with respect to the operation and maintenance of the stormwater management system for the Property. Enforcement of this Declaration and the covenants, restrictions and provisions hereof may be accomplished by any proceeding at law or in equity, including without limitation, an action for damages and injunctive relief. In addition to any other rights permitted by law or in equity, the Neighborhood Association shall have the right to suspend the use of the Common Area of any defaulting Owner, to fine such defaulting Owner, to lien such Owner's Lot, to foreclose such lien, all as more specifically set forth herein, and shall be entitled to take all other actions as may be more specifically set forth herein, in the Neighborhood Association's By-laws and as otherwise provided by law or in equity. Failure to enforce any covenant, restriction or provision hereof shall not be deemed a waiver to do so thereafter.

ARTICLE IX

GENERAL PROVISIONS

Section 1. Enforcement. Declarant, the Neighborhood Association, or any Owner, shall have the right to enforce, by any proceeding at law and/or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Neighborhood Declaration. Failure by the Neighborhood Association or by any Owner to enforce any covenant or restrictions herein contained shall under no circumstances be deemed a waiver of the right to do so thereafter.

Section 2. Amendments by Members. Other than as set forth in this Section 2 below, and other than as otherwise specifically set forth in this Declaration, this Neighborhood Declaration may be amended at any duly noticed meeting of the Neighborhood Association provided that two-thirds (2/3) of the total Members vote in favor of the proposed amendment. Notice to the Members shall be given at least fourteen (14) days prior to the date of the meeting at which such proposed amendment is to be considered. If any proposed amendment to this Neighborhood Declaration is approved as set forth above, the President and Secretary of the Neighborhood Association shall execute an Amendment to this Neighborhood Declaration which shall set forth the amendment; the effective date of the amendment; the date of the meeting at which such amendment was adopted; the number of Members in attendance at the meeting; the number of members voting in favor of the amendment; and the date that notice of such meeting was given to the Members. Such amendment shall be recorded in the Public Records of Osceola County, Florida. Notwithstanding anything above to the contrary, as long as Declarant owns any interest in any real property within the Property, any amendment which affects rights granted to Declarant hereunder shall require Declarant's consent, which consent may be granted or withheld in the Declarant's sole and absolute discretion.

Section 3. Amendments by Declarant. In addition to any other amendment rights granted to Declarant elsewhere herein, prior to Turnover as described in Article X herein, Declarant may amend this Neighborhood Declaration, at any time and from time to time, as to all or any portion of the Property unilaterally and without the consent of the Board, any Member, Owner or other person claiming an interest in the Property by, through or under any Member or Owner in the following situations:

(a) if such amendment is necessary to bring any provision of this Neighborhood Declaration into compliance with any applicable law;

(b) if such amendment is necessary to enable any reputable title insurance company to issue title insurance coverage with respect to any Property subject to this Neighborhood Declaration;

(c) if such amendment is required by an institutional or governmental lender or purchaser of mortgage loans, to enable such lender or purchaser to make or purchase mortgage loans encumbering any Property subject to this Neighborhood Declaration;

(d) if such amendment is necessary for the purpose of curing any error, ambiguity in or inconsistency between or among the provisions contained herein;

(e) if Declarant determines such amendment is necessary; provided, however, that such amendment does not prejudice or impair to any material extent the rights of any Member.

Section 4. Declarant's Rights. For so long as Declarant owns any Lots in the Property prior to Turnover, Declarant reserves and shall have the sole and exclusive right:

(a) To amend, modify or grant exceptions or variances from any of the use restrictions set forth in Article 9 of the Master Declaration without notice to or approval by other Owners or mortgagees.

(b) Notwithstanding anything contained herein to the contrary in this Neighborhood Declaration, the Articles or Bylaws, the Declarant shall be entitled to use any unsold Lot as an aid in selling Lots or as a sales office, construction office, or parking lot, and shall further be allowed to place on the Property signs advertising the sale of Lots, construction trailers and sales trailers. The Declarant shall further have the right to transact on the Property, any business to consummate the sale of Lots. All sales office and model furniture shall not be considered Neighborhood Association property but shall remain the property of the Declarant.

(c) The Declarant, for itself, its successors, assigns, and the Neighborhood Association, hereby reserves a perpetual easement, on, over, and under the Property, including all Lots and the Common Areas, if any, for the necessary, ordinary, and reasonable maintenance and upkeep of lawns, landscaping and structures on the Property.

Section 5. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

Section 6. Duration of Covenants. The covenants and restrictions of this Neighborhood Declaration shall run with the land and bind the Property and shall inure to the benefit of and be enforceable by the Neighborhood Association, the Declarant, and any Member and any Owner, their respective legal representatives, heirs, successors, and assigns for a term of twenty five (25) years from the date this Neighborhood Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years unless an instrument signed by not less than 90% of the Owners is recorded in the public records terminating this Neighborhood Declaration; provided, however, that so long as the Declarant owns any portion of the Property, this Declaration may not be terminated without the Declarant's prior written consent, which consent may be granted or withheld in the Declarant's sole and absolute discretion.

Section 7. FHA/VA Approval. Notwithstanding anything herein to the contrary, as long as Residential Units are being developed on the Property, Declarant may (but shall not be required to) require the following actions to be approved in advance by (i) Department of Housing and Urban Development, and (ii) the Federal Housing Administration (and/or the

Veterans Administration): annexation of additional real property to the Property; dedication of Common Area; and an amendment of this Neighborhood Declaration. Furthermore, to the extent it is required as a condition of obtaining approval by the Department of Housing and Urban Development, FHA and/or the VA that Declarant make modifications to this Neighborhood Declaration, then Declarant shall have the right to so modify this Neighborhood Declaration without the necessity of joinder of the Board or any Owner or other party who may be affected.

Section 8. Communication. All communication from individual Lot Owners to the Declarant, its successors or assigns, the Board of Directors of the Neighborhood Association, or any officer of the Neighborhood Association shall be in writing in order to be deemed effective.

Section 9. Conflicts. In the event of a conflict between this Neighborhood Declaration and provisions of the Bylaws or the Articles, the terms of this Neighborhood Declaration shall control. In the event of a conflict between the Neighborhood Declaration and the Master Declaration, the terms of the Master Declaration shall control.

ARTICLE X

TURNOVER

Section 1. Time of Turnover. The transfer of operation of the Neighborhood Association by the Declarant shall be conducted in accordance with requirements of Florida Statutes, §617.307. Pursuant to statutory requirements, Members other than the Declarant are entitled to elect at least a majority of the members of the Board of Directors of the Neighborhood Association no later than three (3) months after ninety percent (90%) of all the Residential Units that will ultimately be constructed on the Property have been conveyed to Owners. Notwithstanding the foregoing, Declarant shall have the right to cause the Turnover of control from the Declarant to the Neighborhood Association at an earlier time, at Declarant's sole discretion. Declarant shall be entitled to appoint at least one member of the Board of Directors of the Neighborhood Association for so long as Declarant holds for sale in the ordinary course of business at least five percent (5%) of all the Residential Units that will ultimately be constructed on the Property.

Section 2. Procedure of Calling Turnover Meeting. No more than sixty (60) days and no less than thirty (30) days prior to the Turnover meeting, the Neighborhood Association shall notify in writing all Class A and Class B Members of the date of the Turnover meeting and its purpose, which is the election of a new Board of Directors of the Neighborhood Association.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein has hereunto set its hand and seal this 26 day of Sept, 2002.

“DECLARANT”

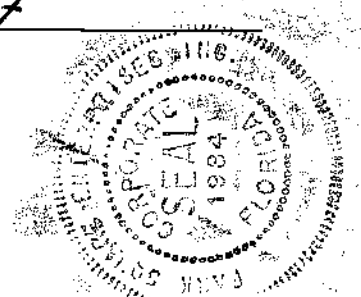
Signed, sealed and delivered in the presence of:

PARK SQUARE ENTERPRISES, INC., a Florida corporation

[Signature]
Name: Sean Froelich

By: [Signature]
Name: Anil Deshpande
Title: President

[Signature]
Name: Shawn Jackson



STATE OF FLORIDA
COUNTY OF ORANGE

The foregoing instrument was acknowledged before me this 26 day of Sept, 2002, by Anil Deshpande, as President of PARK SQUARE ENTERPRISES, INC., a Florida corporation, on behalf of the corporation. He is personally known to me or has produced _____ as identification.

[Signature]
Notary Public, State of Florida
Name: _____
Commission No.: _____
My Commission Expires: _____

(SEAL)



Shawn Jackson
My Commission DD032219
Expires June 07 2005

JOINDER AND CONSENT

The undersigned, **BANK OF AMERICA, N. A.**, a national banking association (the "Mortgagee"), whose address is 750 South Orlando Avenue, Suite 101, Winter Park, Florida 32789-4895, the owner and holder of that certain Mortgage and related security instruments executed by **PARK SQUARE ENTERPRISES, INC.**, a Florida corporation, more particularly described on Schedule "A" attached hereto and made a part hereof (hereinafter collectively the "Security Instruments"), hereby consents to and joins in that certain Neighborhood Declaration of Covenants, Conditions, Restrictions and Easements for The Manors at Terra Verde (the "Declaration") by **PARK SQUARE ENTERPRISES, INC.**, a Florida corporation, to which this Joinder and Consent is attached, and hereby agrees that the Security Instruments shall be subordinate to the terms and conditions of such Declaration.

IN WITNESS WHEREOF, the party hereto has set its hand and seal as of the day and year first above written.

Signed, sealed and delivered
in the presence of:

BANK OF AMERICA, N. A., a
national banking association

P. Gail Williamson
Print Name: P. GAIL WILLIAMSON
Karen A Palmer
Print Name: Karen A Palmer

By: [Signature]
Print Name: Edward D. Aguiar
As Its: Assistant Vice President

STATE OF FLORIDA
COUNTY OF ORANGE

The foregoing instrument was acknowledged before me this 19TH day of SEPTEMBER, 2002, by EDUARD AGUIAR, the ASSISTANT VICE PRESIDENT of Bank of America, N. A., a national banking association, on behalf of said national banking association. He/she is personally known to me or _____ has produced _____ as identification.

P. Gail Williamson
Notary Public, State of Florida
Print Name: P. GAIL WILLIAMSON
My Commission Expires: _____



P. Gail Williamson
Commission # CC 918212
Expires March 13, 2004
Bonded Thru
Atlantic Bonding Co., Inc.

(Notary Seal)

SCHEDULE "A"

Security Instruments

1. That certain Mortgage described and restated in that certain Receipt for Future Advance and Mortgage Modification, Spreader, Consolidation and Restatement Agreement dated August 6, 1998 and recorded August 18, 1998 in Official Records Book 1526, Page 34, Public Records of Osceola County, Florida, as modified by that certain Receipt for Future Advance and Mortgage Modification Agreement dated May 1, 2000 and recorded May 12, 2000 in Official Records Book 1736, Page 1005, Public Records of Osceola County, Florida, that certain Receipt for Future Advance and Mortgage Modification Agreement dated October 1, 2001 and recorded January 3, 2002 in Official Records Book 1980, Page 2523, Public Records of Osceola County, Florida, that certain Mortgage Modification Agreement dated October 1, 2001, recorded January 3, 2002, in Official Records Book 1980, Page 2526, Public Records of Osceola County, Florida, that certain Receipt for Future Advance and Mortgage Modification Agreement dated January 22, 2002 and recorded April 2, 2002 in Official Records Book 2027, Page 1663, Public Records of Osceola County, Florida; and that certain Mortgage Spreader Agreement dated May 30, 2002 and recorded June 3, 2002 in Official Records Book 2058, Page 2815, Public Records of Osceola County, Florida.
2. That certain UCC-1 Financial Statement by Park Square Enterprises, Inc., as Debtor, in favor of Bank of America, N. A., as Secured Party, recorded on June 3, 2002 in Official Records Book 2058, Page 2817 Public Records of Osceola County, Florida.

JOINDER OF MORTGAGEE CL 2002190646 OR 2141/2615
DLB Date 11/06/2002 Time 14:37:16

The undersigned **BANK OF AMERICA, N.A.**, a national banking association, hereby consents to and subordinates to the foregoing Master Declaration of Covenants, Conditions, Easements and Restrictions for Terra Verde and all of its covenants, conditions, easements, restrictions, terms and provisions, the lien of its Mortgage described and restated in that certain Receipt for Future Advance and Mortgage Modification, Spreader, Consolidation and Restatement Agreement dated August 6, 1998, and recorded August 18, 1998, in Official Records Book 1526, Page 34, Public Records of Osceola County, Florida, as modified by that certain Receipt for Future Advance and Mortgage Modification Agreement dated May 1, 2000, and recorded May 12, 2000, in Official Records Book 1736, Page 1005, Public Records of Osceola County, Florida, that certain Receipt for Future Advance and Mortgage Modification Agreement dated October 1, 2001 and recorded January 3, 2002 in Official Records Book 1980, Page 2523, Public Records of Osceola County, Florida, that certain Mortgage Modification Agreement dated October 1, 2001, recorded January 3, 2002, in Official Records Book 1980, Page 2526, Public Records of Osceola County, Florida, that certain Receipt for Future Advance and Mortgage Modification Agreement dated January 22, 2002, and recorded April 2, 2002, in Official Records Book 2027, Page 1663, Public Records of Osceola County, Florida; and that certain Mortgage Spreader Agreement dated May 30, 2002, and recorded June 3, 2002, in Official Records Book 2058, Page 2815, Public Records of Osceola County, Florida.

WITNESSES:

BANK OF AMERICA, N.A., a national banking association

P. Gail Williamson
Name: P. GAIL WILLIAMSON

By: [Signature]
Name: Edward J. Aguilar
Title: Assistant Vice President

Karen A Palmer
Name: Karen A Palmer

Date: 9-19-02

STATE OF FLORIDA
COUNTY OF ORANGE

The foregoing instrument was acknowledged before me this 19TH day of SEPTEMBER 2002, by EDWARD AGUIAR, as ASSISTANT VICE PRESIDENT of **BANK OF AMERICA, N.A.**, a national banking association, on behalf of the association. He/She [] is personally known to me or [] has produced a driver's license as identification.

(NOTARY SEAL)

P. Gail Williamson

NOTARY SIGNATURE

P. GAIL WILLIAMSON

PRINTED NOTARY SIGNATURE

NOTARY PUBLIC, STATE OF FLORIDA

Commission Number: _____

My Commission Expires: _____



P. Gail Williamson
Commission # CC 918212
Expires March 13, 2004
Bonded Thru
Atlantic Bonding Co., Inc.

EXHIBIT "A"Legal Description

A portion of land situate in the Southwest $\frac{1}{4}$ of Section 24, Township 25 South, Range 28 East, and a portion of the Southeast $\frac{1}{4}$ of Section 23, Osceola County, Florida. Being more particularly described as follows:

Commencing at the Southwest $\frac{1}{4}$ of said Section 24, thence run North $88^{\circ}28'06''$ East along the South Line of the Southwest $\frac{1}{4}$ of said Section 24 a distance of 628.47 feet to the Point of Beginning said point also being on the Easterly right-of-way line of Poinciana Boulevard; thence leaving said South Line run North $15^{\circ}16'55''$ West along said Easterly right-of-way line 2,743.12 feet; thence leaving said Easterly right-of-way line, run North $89^{\circ}37'14''$ East 79.37 feet to the West $\frac{1}{4}$ corner of said Section 24; thence run North $89^{\circ}37'14''$ East along the North line of the Southwest $\frac{1}{4}$ of said Section 24 a distance of 1,319.66 feet to the Northeast corner of the Northwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of said Section 24; thence run South $00^{\circ}04'11''$ East along the East line of the Northwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of said Section 24 a distance of 1,323.96 feet to the Southeast corner of the Northwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of said Section 24; thence leaving said East line run North $89^{\circ}16'49''$ East along the North line of the Southeast $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of said Section 24 a distance of 643.03 feet; thence leaving said North line run South $00^{\circ}03'49''$ East 990.00 feet; thence North $89^{\circ}16'49''$ East 662.70 feet to the West right-of-way line of South Roma Way, thence run South $00^{\circ}20'26''$ East along said West right-of-way line 304.73 feet to a point on the South line of the Southwest $\frac{1}{4}$ of said Section 24; thence run South $88^{\circ}28'06''$ West along said South line 1,986.85 feet to the Point of Beginning.

Containing 87.16 acres, more or less.